

Merton Council

Cabinet Agenda

Membership

Councillors:

Stephen Alambritis (Chair)
Mark Allison
Tobin Byers
Caroline Cooper Marbiah
Nick Draper
Ross Garrod
Edith Macauley MBE
Katy Neep
Martin Whelton

Date: Monday 16 January 2017

Time: 7.15 pm

**Venue: Committee rooms C, D & E - Merton Civic Centre, London Road,
Morden SM4 5DX**

This is a public meeting and attendance by the public is encouraged and welcomed.
For more information about the agenda please contact 020 8545 3616 or email
democratic.services@merton.gov.uk .

All Press contacts: press@merton.gov.uk, 020 8545 3181

Cabinet Agenda

16 January 2017

1	Apologies for absence	
2	Declarations of pecuniary interest	
3	Minutes of the previous meeting	1 - 4
4	Annual Public Health Report on Childhood Obesity and Merton's Child Healthy Weight Action Plan	5 - 50
5	Voluntary Sector and Volunteering Strategy	51 - 62
6	London Councils Grants Scheme Subscription for 2017/18	63 - 68
7	Circle Housing Merton Priory Governance	To follow
8	Financial Monitoring November 2016	69 - 128
9	Business Plan 2017-21	To follow

Note on declarations of interest

Members are advised to declare any Disclosable Pecuniary Interest in any matter to be considered at the meeting. If a pecuniary interest is declared they should withdraw from the meeting room during the whole of the consideration of that matter and must not participate in any vote on that matter. If members consider they should not participate because of a non-pecuniary interest which may give rise to a perception of bias, they should declare this, withdraw and not participate in consideration of the item. For further advice please speak with the Assistant Director of Corporate Governance.

Agenda Item 3

All minutes are draft until agreed at the next meeting of the committee/panel. To find out the date of the next meeting please check the calendar of events at your local library or online at www.merton.gov.uk/committee.

CABINET

12 DECEMBER 2016

(7.15 pm - 7.50 pm)

PRESENT Councillor Stephen Alambritis (in the Chair),
Councillors Mark Allison, Nick Draper, Caroline Cooper-Marbiah,
Edith Macauley, Tobin Byers, Martin Whelton, Katy Neep and
Ross Garrod.

ALSO PRESENT Ged Curran, Chief Executive
Caroline Holland, Director Corporate Services
Chris Lee, Director Environment and Regeneration
Yvette Stanley, Director Children, Schools and Families
Simon Williams, Director Community and Housing
Paul Evans, Assistant Director Corporate Governance

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

No apologies were received.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of interest.

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

RESOLVED: That the minutes of the meeting held on 14 November 2016 are agreed as an accurate record.

4 COMMERCIALISATION OF COUNCIL SERVICES SCRUTINY REVIEW (Agenda Item 4)

The Cabinet Member for Finance introduced the commercialisation of council services scrutiny review report, which set out the findings and recommendations of the task group. He expressed thanks to all members of the task group.

RESOLVED: That Cabinet

- A. Considers the report and recommendations (attached in Appendix 1) arising from the scrutiny review of Commercialisation of Council Services
- B. Agrees to the implementation of the recommendations through an action plan being drawn up by officers working with relevant local partner organisations and Cabinet Member(s) to be designated by Cabinet.
- C. Does not wish to formally approve this action plan prior to it being submitted to the Sustainable Communities Overview and Scrutiny Panel.

5 REFERENCE FROM THE OVERVIEW AND SCRUTINY COMMISSION –
PRE DECISION SCRUTINY OF THE BUSINESS PLAN 2017-21 (Agenda
Item 5)

The Cabinet Member for Finance introduced this report, detailing recommendations and comments that emerged from pre-decision scrutiny of the Business Plan 2017-21 by the Overview and Scrutiny Commission and the Panels at their meetings held in November 2016.

At the invitation of the Chair, Councillor Peter Southgate briefly addressed the Cabinet and highlighted the key recommendations made by the Financial Monitoring Task Group as detailed in the report.

The Leader thanked all members of the Overview and Scrutiny Commission and Panels for their input.

RESOLVED: That Cabinet, in taking decisions relating to the Business Plan 2017-21, takes into account the recommendations made by the Overview and Scrutiny Commission (set out in paragraph 2.3 below) and the discussion at the financial monitoring task group's meeting on 10 November 2016 (set out in Appendix 1).

6 COUNCIL TAX AND COUNCIL SPENDING CONSULTATION RESULTS
(Agenda Item 6)

The report was tabled at the meeting. The Leader advised that this item was for information only, to be considered in conjunction with item 7, Business Plan 2017-21.

7 BUSINESS PLAN 2017-21 (Agenda Item 7)

The Cabinet Member for Finance introduced this report, and expressed thanks to all officers and elected members involved in the process. He set the context for the financial situation of this authority and many others across the UK, and described the challenge in meeting the demand for adult and children's social care services.

The Director of Corporate Services gave a short introduction to the report.

At the invitation of the Leader, Lyla Adwan-Kamara from Merton's Centre for Independent Living spoke briefly to the Cabinet.

RESOLVED: That Cabinet

1. Agrees the draft savings/income proposals (Appendix 2) and associated draft equalities analyses (Appendix 7) put forward by officers and refers them to the Overview and Scrutiny panels and Commission in January 2017 for consideration and comment.
2. Agrees the latest amendments to the draft Capital Programme 2017-2021 which was considered by Cabinet on 12 October 2016 and by scrutiny in November 2016.(Appendix 5).

3. Considers the proposed amendments to savings previously agreed. (Appendix 3).
4. Agrees the growth as outlined in paragraph 2.3.8 and Appendix 9 and consider the options for closing the revised gap in the MTFS as set out in Section 7 and refers them to the Overview and Scrutiny panels and Commission with more details in January 2017 for consideration and comment.
5. Agrees the Council Tax Base for 2017/18 set out in paragraph 2.5 and Appendix 1.
6. Considers the draft service plans. (Appendix 6)

8 FINANCIAL MONITORING OCTOBER 2016 (Agenda Item 8)

The Cabinet Member for Finance introduced this report, highlighting the in-year overspend.

The Director of Corporate Services drew the Cabinet's attention to paragraph 2.4 of the report, which details actions to address the overspend.

The Cabinet Member for Adult Social Care and Health outlined the actions being taken to monitor and address the overspend in the Adult Social Care budget.

RESOLVED: That Cabinet

- A. Notes the financial reporting data relating to revenue budgetary control showing a forecast net overspend at year end of £5.74 million, 1.09% of the gross budget.
- B. Considers the proposals set out in 2.4 to fund this shortfall without any impact on services in the current year.
- C. Approves the funding for the Social Care Information System for £417,750 from the revenue reserve for capital.
- D. Notes the adjustments to the Capital Programme detailed in appendix 5b and approves:

Scheme	2016/17 Budget	Virements	Revised 2016/17
	£	£	£
B672a-f Connecting Colliers Wd (S106)	5,050	236,390	241,44
Improving Information Systems (RCCO)	328,300	177,860	506,160

Scheme	2017/18 Budget	Virements	Adjusted & New
	£	£	£
Environmental Asset Management (RCCO)	81,690	168,770	250,460

Committee: Cabinet

Date: 16th January 2017

Wards: All

Subject: Annual Public Health Report on Childhood Obesity and Merton's Child Healthy Weight Action Plan

Lead officer: Dr Dagmar Zeuner, Director of Public Health

Lead member: Councillor Tobin Byers (Cabinet Member for Adult Social Care and Health), Councillor Katy Neep (Cabinet Member for Children)

Contact officer: Julia Groom, Consultant in Public Health

Recommendations:

- A. Cabinet are asked to receive the independent Annual Public Health Report (APHR) 2016-17, note the key messages and endorse publication.
 - B. Cabinet are asked to endorse and champion the Child Healthy Weight Action Plan 2016 – 2018.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The Health and Social Care Act 2012 (section 31) requires the Director of Public Health to prepare a report on the health of the people in the area of the local authority each year. This is an independent report which the local authority is required to publish. The report is an opportunity to focus attention on issues of concern and this year the Director has chosen to focus on the issue of childhood obesity, which is a priority for our local Health and Wellbeing Board, as it is for London and nationally.
- 1.2. The Annual Public Health Report (Appendix 1) complements the Child Healthy Weight Action Plan (Appendix 2) which sets out details of our commitments on tackling childhood obesity.
- 1.3. Childhood obesity is a complex problem and there is no single solution. The evidence is clear that a preventative, whole systems approach to tackling obesity is needed. This approach recognises the major influence of 'place' (where we live, work and play) on health and wellbeing, as well as individual behaviours and choices.
- 1.4. The publication of the APHR as well as the Child Healthy Weight Action Plan provides an opportunity to better understand childhood obesity locally, but also for stakeholders and partners to think about how they can actively support children and families in making the healthy choice the easiest and preferred choice in Merton.
- 1.5. Cabinet are asked to receive the APHR, note the key messages and endorse publication. Cabinet are also asked to endorse and champion the Child Healthy Weight Action Plan.

2 DETAILS

2.1. Background

Annual Public Health Report:

- 2.2. Childhood obesity is an epidemic: there has been a significant increase since the 1980's and the WHO now regards it as one of the most serious global public health challenges of the 21st century. London has higher rates of childhood obesity than other global cities including Paris, Sydney and New York.
- 2.3. In Merton an estimated 4,500 children aged 4-11 years are overweight or obese– equivalent to 150 primary school classes. One in five children entering Reception year are overweight or obese and this increases to one in three children leaving primary school in Year 6. Childhood obesity contributes to health inequalities: the gap in obesity between the east and west of the borough is widening in both Reception and Year 6 and is nearly 10% in Year 6.
- 2.4. The Annual Report of the Director of Public Health sets out the challenge of childhood obesity in Merton and is a call to action to partners to work together on the solutions.
- 2.5. It brings together data and information from a range of sources and provides evidence about what works as well as examples of action to tackle obesity at the population, community and individual level, to provide a local reference and resource to support our joint effort. It recognises the good work already taking place across the borough and highlights some examples underway.

Child Healthy Weight Action Plan

- 2.6. Over the past year following a pan-London review on childhood obesity, a Child Healthy Weight Action Plan has been developed with partners. The Plan will also be presented to Merton Clinical Commissioning Group Governing Body to endorse, reflecting our joint commitment to this priority. The APHR report complements the Child Healthy Weight Action Plan, which sets out details of commitments on childhood obesity from the council and its partners. These are designed to be delivered within existing resources; by making better use of external resources and we will also work with partners

to lever in additional funding from other sources which will enable us to enhance the Action Plan.

2.7. The action plan focuses on 4 key themes:

- Leadership, communication and engagement
- Food environment – increasing availability of healthy food
- Physical environment – increasing levels of physical activity and health promoting physical environment
- Early Years and school aged settings and pathways

2.8. It is recommended that Cabinet champion the Child Healthy Weight Action Plan and areas where leadership from the council will have most impact; including:

- a) Support consideration to signing up to the Local Government declaration on Healthier Food and Sugar Reduction.
- b) Use 'Health in all Policies' programme approach to embed action on childhood obesity within Council business.
- c) Further promote Healthier Catering Commitment with local businesses and fast food retailers in the east of the borough.
- d) Explore healthier catering pledges for all council venues and events and build into contracts.
- e) Support development of a Food Poverty Action Plan.
- f) Undertake health impact assessments as part of major developments, including estates and Morden leisure centre, to identify opportunities to promote physical activity and access to healthy affordable food.
- g) Promote and encourage school travel plans, London Healthy Schools programme and roll out of 'Daily mile'.
- h) Explore opportunities to increase family physical activity in parks, especially in the east of the borough.
- i) Promote on-going engagement with key borough partners such as AFC Wimbledon and All England Lawn Tennis Club.
- j) Support communication, promote staff champions and engage with residents.

2.9. The development of the APHR and the Child Healthy Weight Action Plan provides an opportunity to take a whole systems approach to tackling the complex issue of childhood obesity locally. This approach will have mutual benefits as promoting healthier environments is also more economically and environmentally sustainable.

2.10. The council is well placed to embed action to tackle childhood obesity across its business, for example, by identifying opportunities to add value to existing

services and contracts, promoting active travel and helping front line staff to engage with service users and residents about food and physical activity.

2.11 Halting and then reducing the gap in childhood obesity between the east and west of the borough, by improving in the east (levelling up), has been set as one of our targets to be London's Best Council by 2020. The Public Health Team has responsibility for leading the delivery of the action plan and will do so by working alongside colleagues, partners and residents.

2.12 There is interest and enthusiasm across the borough - Merton had the highest number of responses of any borough to the London 'Great Weight Debate' survey. As we continue to engage with stakeholders and residents through the APHR, Action Plan and subsequent conversations, we will further refine our approaches, creating collective and sustainable actions to address childhood obesity locally.

3 ALTERNATIVE OPTIONS

3.1. N/A

4 CONSULTATION UNDERTAKEN OR PROPOSED

4.1. The Annual Public Health Report and Child Healthy Weight Action Plan has been developed with engagement and input from stakeholders and partners. Further communication and engagement with residents and stakeholders is planned as part developing and co-producing our approach to childhood obesity locally.

5 TIMETABLE

The APHR will be published and disseminated in February 2017. Progress on the child healthy weight action plan will be monitored annually and reported to the Children's Trust Board and Health and Wellbeing Board annually.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1. The Child Healthy Weight Action Plan is based on delivery within existing resources by embedding it within council business; by making better use of external resources. We will also work with partners to lever in additional funding from other sources which will enable us to enhance the Action Plan.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The Health and Social Care Act 2012 (section 31) requires the Director of Public Health to prepare a report on the health of the people in the area of the local authority each year. This is an independent report which the local authority is required to publish.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. A main focus of the Child Healthy Weight Action Plan is tackling health inequalities by first halting and then reducing the gap in childhood obesity between the east and west of the borough by improving in the east (levelling up).

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. N/A

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. N/A

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

- Appendix 1: The Director of Public Health’s Annual Public Health Report 2016-17 – Tackling Childhood Obesity Together
- Appendix 2: Merton’s Child Healthy Weight Action Plan 2016 – 2018

12 BACKGROUND PAPERS

- 12.1. N/A

This page is intentionally left blank

Tackling Childhood Obesity Together

Annual Report of the Director of Public Health
2016-17



Acknowledgements

Authors

Dr Dagmar Zeuner
 Julia Groom
 Hilina Asrress
 Samina Sheikh

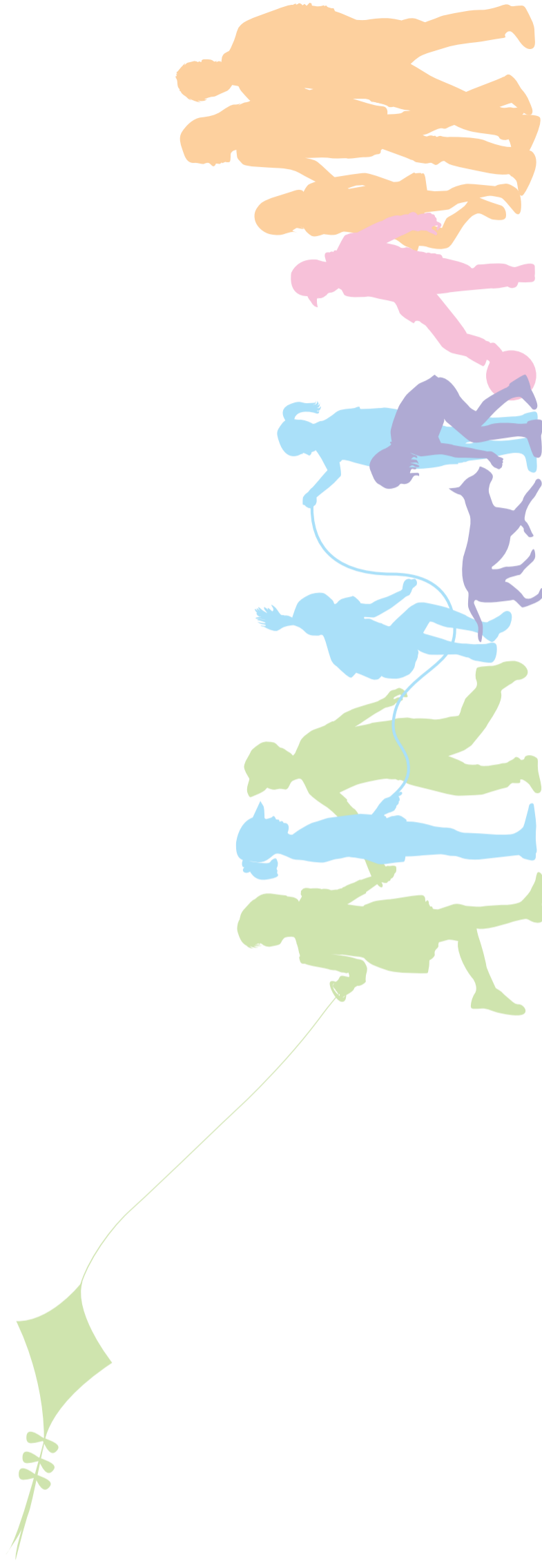
Acknowledgements

Aalaa Jawad
 Amanda Killoran
 Anne-Marie Liew
 Annette Bunka
 Barry Causer
 Bronwen Pickering
 Chris Townsend
 Clarissa Larsen
 Christine Parsloe
 Corinne Garrod
 David Tchilingirian
 Eleanor Curtis
 Elizabeth Fitzpatrick
 Francis McParland
 Gary Forbes
 Helen Tebbit
 Leanne Wallder
 Lizzie Hudson
 Rachel Tilford
 Rebecca Spencer
 Shelley Heffernan
 Zara Bishop

Merton's Children's Trust Board
 Merton's Health and Well-being Board
 Merton's Child Healthy Weight Steering Group

Contents

Foreword	4
Key Messages	6
1. Introduction	8
2. Influences on childhood obesity	10
3. Consequences and costs	16
4. The pattern of childhood overweight and obesity in Merton	19
5. What do children, young people, families and communities think?	24
6. The need for a fresh approach	28
7. Merton's call to action on childhood obesity	32
8. Resources	38



Foreword



**Dr Dagmar Zeuner,
Director of Public Health**

I am delighted to present my first independent annual report on the health of the population of Merton, in fulfilment of my statutory duty as Director of Public Health. I joined Merton in February 2016 and have spent my first months making sure I fully understand the big public health challenges facing the borough and working with partners to tackle them together.

This report considers one of the major public health issues in Merton – childhood obesity – which is a priority for our local Health and Wellbeing Board, as it is for London and nationally.

We all have a part to play in tackling the influences and addressing the consequences of childhood obesity. Good work is already taking place across Merton but we need to do more.

This report gathers the facts and figures about childhood obesity in Merton and the evidence about what works as an easy local reference and resource to support our joint effort. The purpose of this report is to complement the Health and Wellbeing Board child healthy weight action plan.

The report begins with looking at the broad range of factors that influence the likelihood of childhood obesity, moving into the consequences and costs of childhood obesity to society. Chapter 4 provides an insight into the size and pattern of childhood obesity locally and chapter 5 reviews what we know so far about the views of children and young people and residents on the topic. Chapter 6 highlights the need for a new approach to tackling childhood obesity in Merton and chapter 7 provides details of our approach to tackling childhood obesity through the Merton child healthy weight action plan.

I am grateful to my team and many colleagues from the council, Merton Clinical Commissioning Group and other organisations for their support and contributions. These efforts are much appreciated – on top of everybody's busy daily work – and result in a more informed and collaborative output. We are keen to make our annual report as useful for partners as possible. Please email public.health@merton.gov.uk with any feedback you might have.



**Councillor Tobin Byers,
Cabinet Member for Adult
Social Care and Health
and Councillor Katy Neep,
Cabinet Member for
Children's Services**

As the Cabinet Members responsible for Public Health and Children we commend this annual report of our Director of Public Health.

The needs of children are at the heart of what we do and childhood obesity is a major public health challenge for Merton. As resources tighten it is especially important to understand the influences and causes of childhood obesity and recognise that it is only through a preventative approach that we will be able to tackle them in a sustainable way. If action is not taken by us all now we risk the next generation experiencing the burden of increasing and multiple long-term conditions.

The report provides a welcome underpinning of the Health and Wellbeing Board child healthy weight action plan and sets out the importance of place, community and family. The solutions are multiple and wide-ranging and the only way to face the challenge is to work in partnership for and with the residents of Merton.



**Dr Andrew Murray,
Chair of Merton Clinical
Commissioning Group**

As the Chair of Merton CCG and a local GP, I see firsthand the consequences of childhood obesity and know that we need to work together to tackle the complex range of influences on obesity in a joined up way.

The NHS Five Year Forward View states that the future health of millions of children will depend on a radical upgrade in prevention and public health, and highlights the need to back action on obesity. The NHS has an important role to play and we must work collaboratively with communities and partners across Merton to co-create sustainable preventative solutions. Our work to develop a new model of health and wellbeing in the east of the borough will be a key focus in the coming years.

I commend the publication of this annual public health report. It is a useful resource and provides a strong focus on the role we can all play in tackling this major public health challenge.

1. Introduction

This Annual Report of the Director of Public Health sets out the challenge of childhood obesity in Merton and is a call to action to partners to work together on the solutions.

It brings together data, resources and information from a range of sources and provides evidence about what works as well as examples of action to tackle obesity, to provide a local reference and resource to support our joint effort. The report complements the Health and Wellbeing Board child health weight action plan, which sets out details of our commitments on childhood obesity.

As we continue to engage with stakeholders and residents through this report and subsequent conversations, we hope to further refine our approaches, creating collective and sustainable actions to address childhood obesity locally.

The child healthy weight action plan and a references document are available on the following link:

www.xxxxxxxxxxxx.gov.uk

Why childhood obesity?

Childhood obesity is an epidemic – there has been a steep increase since the 1980s and the World Health Organization (WHO) regards childhood obesity as one of the most serious global public health challenges for the 21st century.

When compared to similar global cities London has the highest rates of childhood obesity at 23% – compared with Paris (5%), Sydney (10%) and even New York (21%). In Merton one in five of our children are overweight or obese on entering primary school at Reception. However by the time children leave primary school in Year 6 this rises to one in three. If we don't take action to reverse the epidemic, then for the first time in hundreds of years our children might experience shorter life expectancy than their parents.

What do we mean when we say... ?

Body Mass Index (BMI) for Adults

The body mass index (BMI) is a measure that provides an indication of whether someone is a healthy weight or not relative to their height. BMI is calculated as a person's weight in kilograms (kg) divided by his or her height in meters squared. The BMI score is then reviewed against a BMI range as shown in table 1 for adults.

Table 1: Adult BMI categories

Adult Classification	BMI range (kg/m ²)
Underweight	Under 18.5
Healthy Weight	18.5 – 24.9
Overweight	25-29.9
Obese	30 or higher

BMI centile for children

For Children, weight and height changes quickly, making defining their weight categories more complex. Gender and age appropriate references allow more accurate determining of weight status to use in evaluating children's BMI. In England, the British 1990 (UK90) growth reference charts are used to determine the weight status using centile clinical cut off points which are as follows.

Table 2: Child BMI categories

Clinical category	Centile range
Clinically very under weight	≤ 0.4th centile
Clinically low weight	≤ 2nd centile
Clinically healthy weight	> 2 - < 91st centile
Clinically overweight	≥ 91st centile
Clinically obese*	≥ 98th centile
Clinically extremely obese	≥ 99.6th centile

*Also called 'very overweight' in the National Child Measurement Programme

Excess weight

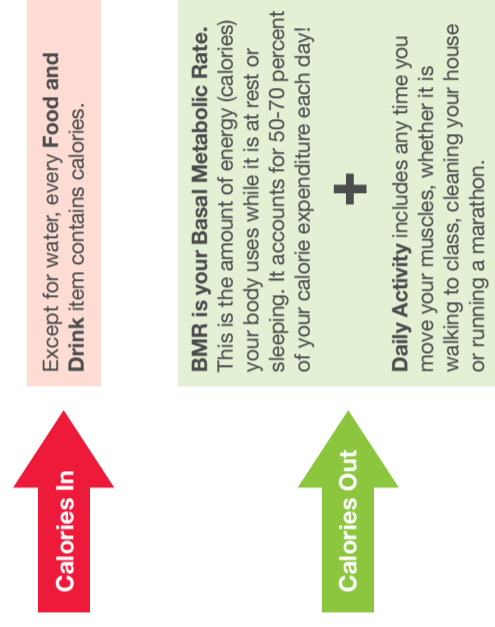
Excess weight is a term used to describe a combined population above the healthy weight range. For example excess weight in children includes those who are identified as 'clinically overweight', 'clinically obese' and 'clinically extremely obese'. In the adult BMI categories, this would be a combination of those identified as 'overweight and obese'.

National Child Measurement Programme (NCMP)

The NCMP was established in 2005 and involves measuring the height and weight of Reception and Year 6 children at state-maintained schools, including academies, in England. This is done in schools by school nursing or other health care professionals. Every year, more than one million children are measured and annual participation rates are consistently high. The NCMP has two purposes:

- to provide robust public health surveillance data on child weight status:** to understand and monitor obesity prevalence and trends at national and local levels, to inform planning and commissioning of services.
- to provide parents with feedback on their child's weight status:** to help them understand their child's health status and to support and encourage behaviour change where it will help a child achieve a healthy weight. This also provides a mechanism for direct engagement with families.

Diagram 1: Calorie balancing



When measuring a population of children (for example reporting NCMP findings) weight status is defined using the following UK90 population cut points. These cut points are slightly lower than the clinical cut points mentioned in the 'BMI for Children' section. This is to identify those children with a weight problem as well as those at risk of developing a weight problem (that is those children who maybe on the border line of the clinical definition). This helps ensure that adequate services are planned and delivered for the whole population.

Table 3: NCMP Categories

Population based category	Centile range)
Underweight	≤2nd centile
Healthy weight	>2 - <85th centile
Overweight	≥ 85th centile
Obese	≥95th centile

The NCMP is a reliable source of data and is available by both resident and school populations. Resident data for Reception class and Year 6 has been used in this report. As most children attend primary schools near to their homes, the school level data closely reflects the resident children's population.

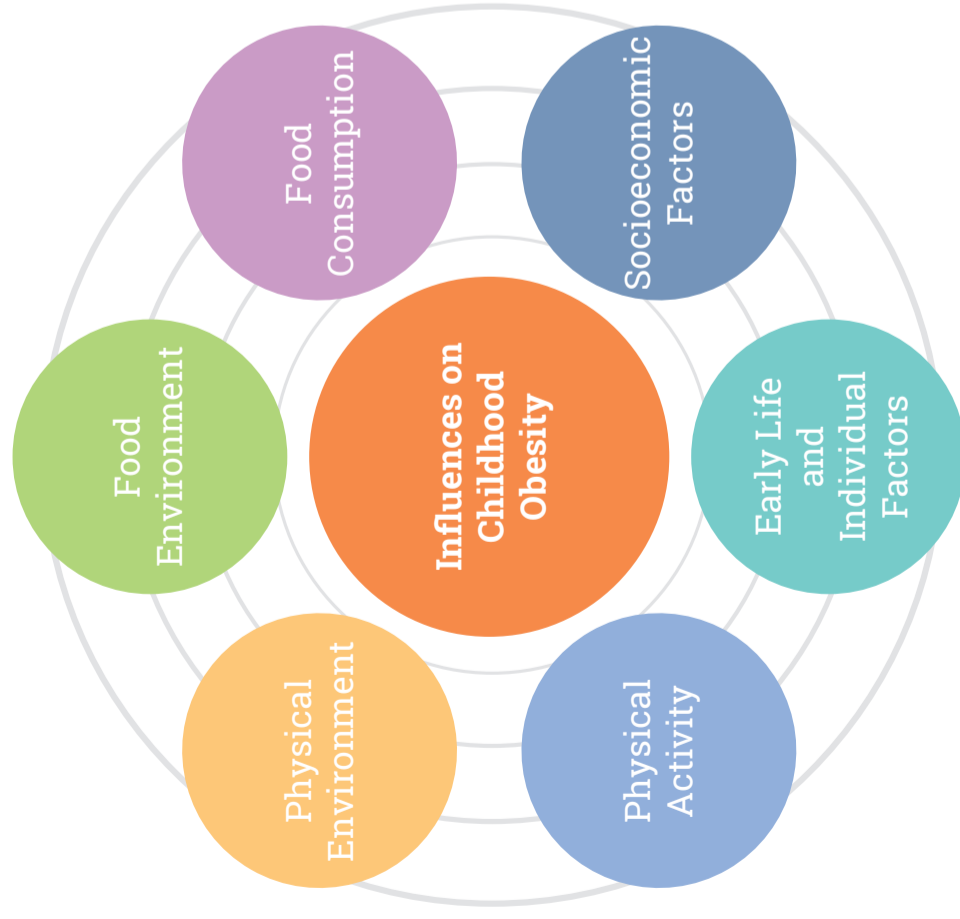
Weight gain, weight loss and weight maintenance

Weight gain occurs as a result of regularly eating more calories than people would use through normal bodily functions and physical activity. Weight is maintained through ensuring the amount of calories consumed is equal to calories used (see diagram 1).



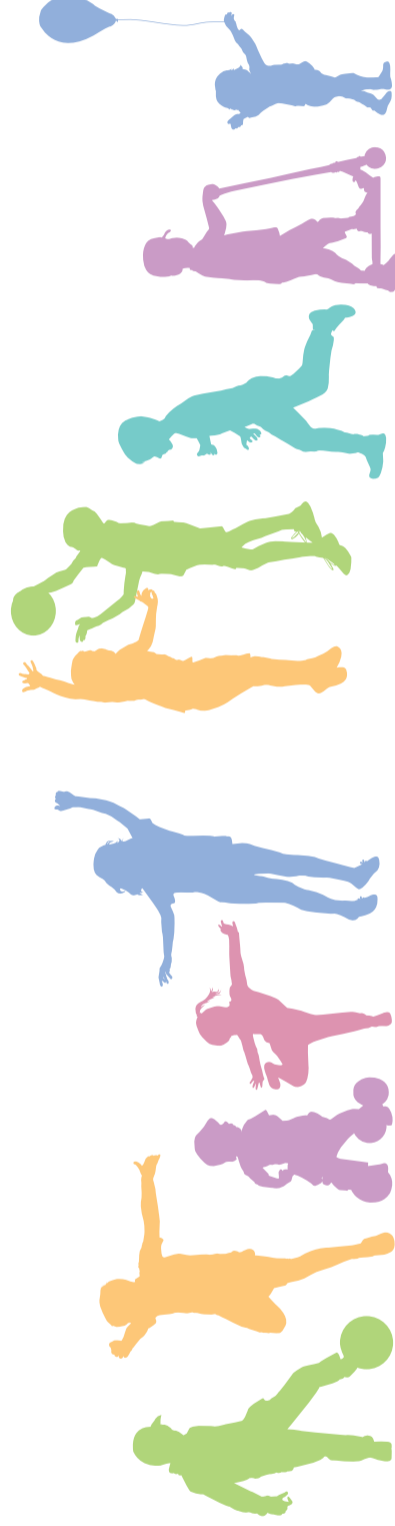
2. Influences on Childhood Obesity

Childhood obesity is not caused by one distinct factor but a number of wide-ranging factors all combining to increase risk of obesity.



Physical activity

Physical activity includes cycling, walking, active play, going to the gym, swimming, gardening, housework and active travel. Sedentary lifestyles in children increase obesity rates. Increased 'screen time', including playing computer games and watching television, and using touchscreens and smartphones, is linked to increased obesity rates. Children who watch more than eight hours of television per week at age three are more likely to be obese. Good physical activity habits in childhood and adolescence are likely to be carried into adulthood.



Nationally:

- Around **four in ten children** aged between five and 15 years old are physically inactive (39% boys and 45% girls) (classified as fewer than 30 minutes of moderate to vigorous activity on each day or 60 minutes or more, on fewer than seven days in the last week).
- Only **one in ten children** aged between two and four years old meet the Governments' recommendations for physical activity (classed as 180 minutes (3 hours) of physical activity spread throughout the day on all seven days in the last week).
- The percentage of two to 15 year olds meeting the recommended levels of physical activity has dropped from 25% in 2008 to **18% in 2012**.
- **Low levels of physical activity are related to household income**. More boys and girls in the lowest income households were classified in the low physical activity group than in the highest income households.

In Merton:

In Merton, a national survey of 15 year olds shows:

- Only **11.8% of 15 year olds** in Merton meet the World Health Organization's guideline of an hour of moderate-to-vigorous physical activity per day.
- **71.2% of 15 year olds** spend an average of seven hours a day on sedentary activities, including time watching television and using computers.

Both of these are similar levels to London and England.

Physical environment

The environments that people live in may help or block how physically active children and families are. Safety, road traffic, ease of walking and access to physical activity facilities and green space all have an impact on the level of physical activity undertaken. Work to create environments where families chose to walk and cycle and visit open space as part of everyday life will have a positive impact at individual and population levels.

In Merton:

- Parks and open spaces are an asset. Merton is one of the greenest boroughs in London. There are more than 60 parks and 18% of the borough is open space, compared to 10% London average. However, only one in 10 residents use outdoor space to exercise, the fifth lowest level in London.
- A significant part of the borough's open space is made up of Wimbledon Common and Mitcham Common.
- More than half (57.8%) of households have access to open spaces (within 400 metres), more than a third (38.8%) of households have access to local parks (within 400 metres) and two thirds (66.9%) have access to regional parks (within 5km).
- In terms of utilisation of outdoor space, only 11.1% of the population in Merton use outdoor space for exercise purposes (lower than London-12.3% and England-17.9%).

Food consumption

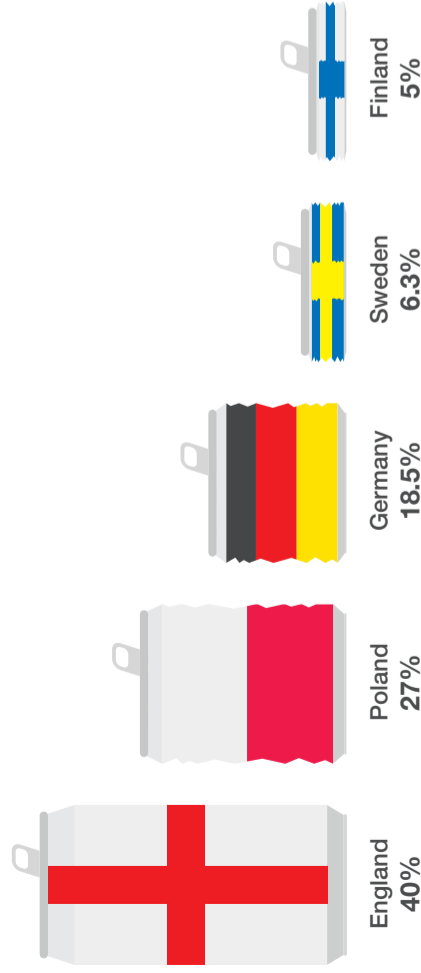
Poor diet is a major risk factor for childhood obesity, ill-health and premature death. Consumption of high excess calories is often due to consumption of high energy foods and drinks or large portion sizes. Eating habits are perpetuated through families, communities, cultures and environments and are often maintained from child through to adulthood.

In general, children who eat a school lunch meal tend to consume a healthier meal than those who eat packed lunches or takeaway meals at lunch time. Uptake of school meals tends to decrease when children move from primary to secondary school and some schools also allow children to leave school premises at lunch times, which can increase children's consumption of fast food.

Nationally:

- Fruit and vegetable consumption decreases as children get older.
- Fruit and vegetable consumption is related to household income. Families from the highest income households consume more than those in all other categories of household income.
- England's young people have the highest consumption of sugary soft drinks in Europe.

Percentage of 11-15 year olds who drink sugary drinks at least once a day



In Merton:

- Just over half (52.8%) of 15-year-old children reported that they ate at least five portions of fruit and vegetables each day (the recommended amount). This compares to 56.2% in London and 52.4% in England.
- In the Autumn and Spring term (2015/16 academic year) 60% of children in a Merton primary school ate a school meal. Therefore around 40% of pupils are having a packed lunch, which are often less healthy.

Food environment

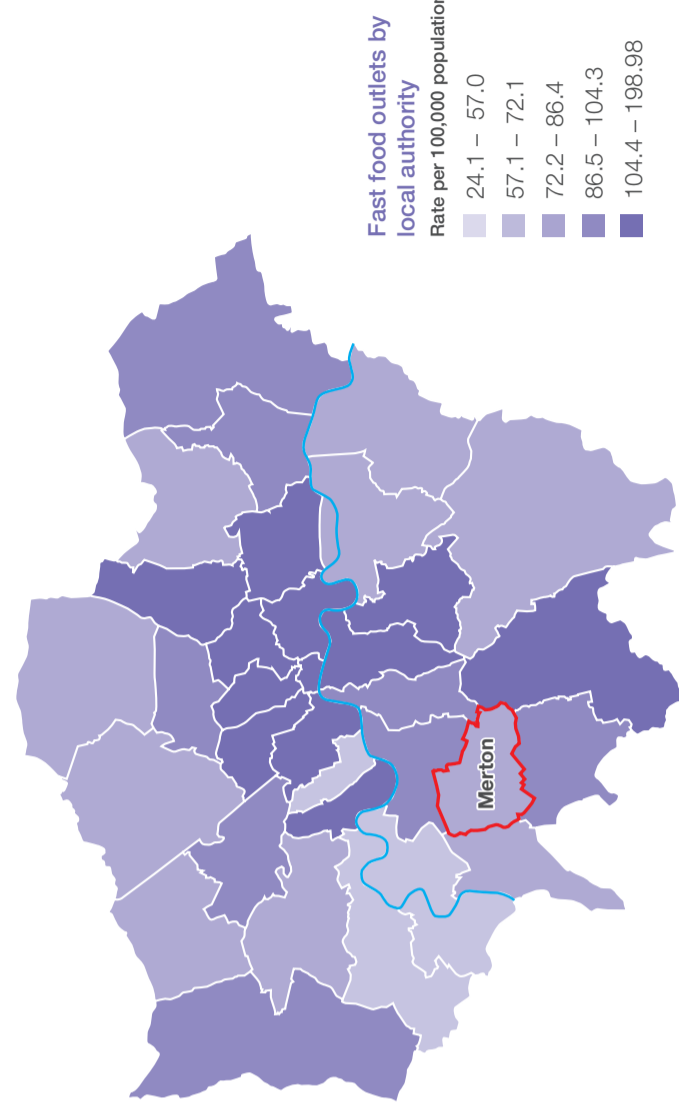
There are strong links between obesity and the community food environment. Fast food is generally higher in sugar, salt and saturated fat content therefore higher consumption of fast food contributes to higher risk of obesity. There is a strong association between deprivation and the density of fast food outlets.

Fast food is an affordable and readily available source of food in some areas whereas healthy food options may be limited or unaffordable. It is also a popular choice for children and young people, which provides a significant proportion of their fat, salt and sugar intake. The proximity of fast food outlets to schools makes it harder to make healthy lifestyle choices.

In Merton:

- There are 82.1 fast food outlets per 100,000 population (fourth lowest in London and 149th highest in England (out of 325).
- In 2015 there were 302 restaurants and 171 takeaways.
- The wards with the highest number of fast food takeaways are Trinity, Abbey and Colliers Wood.

Map 1: London boroughs fast food outlet density (2014)



Socioeconomic factors

Deprivation is one of the most striking influences on obesity. Evidence shows that a child is more likely to have excess weight if they are from a lower income household. Childhood obesity prevalence increases with increasing deprivation.

Nationally, children from the most deprived backgrounds have almost double the level of obesity compared to those in the least deprived backgrounds.

Rising food prices, low wages, changes to welfare benefits and lack of local retailers selling affordable healthy food all contribute to higher rates of obesity.

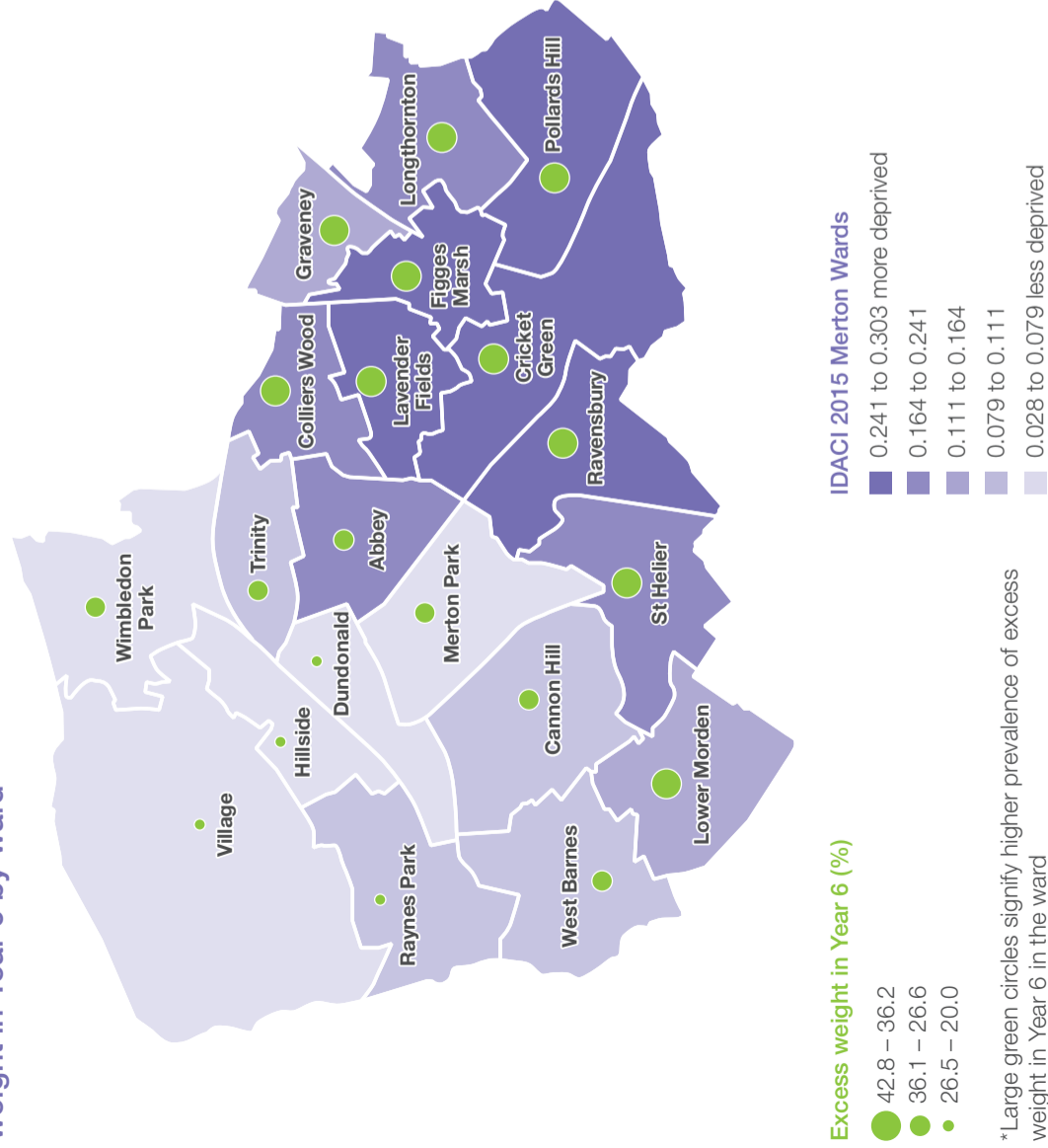
Cost-of living pressures mean that low income families have fewer choices, spend more of their budget on food compared to the national average, and are eating unhealthier food, prioritising calories over nutrients when money is tight.

In Merton:

Wards in East Merton have a higher Index of Deprivation Affecting Children Index (IDACI). This correlates with the pattern of excess weight seen

where wards in the East have a higher prevalence of excess weight than wards in the West.

Map 2: Index of Deprivation Affecting Children Index (IDACI) in Merton and excess weight in Year 6 by ward



Early life, individual and family factors

A child's nutrition early in life has consequences for future obesity risk. Breastfeeding has been shown to confer significant protection against obesity in children. Evidence also suggests the longer the duration of breastfeeding, the lower the associated risk of childhood obesity. High Body Mass Index (BMI) in preschool years leads to a significantly higher risk of being obese later in childhood.

Parental behaviours are an integral and influential part of a child's development and behaviour, which includes eating habits and physical activity.

Parental obesity is an important influence on childhood obesity. The children of obese parents are

more likely to be obese than those born to parents of a healthy weight.

Evidence also shows that excessive weight gain during pregnancy (regardless of mothers weight pre-pregnancy), can lead to an increased likelihood of higher obesity rates in children.

Think Family

Action to tackle childhood obesity at an environmental level will have benefits for whole families and wider communities, and encouraging parents and carers to take a whole family approach including adults and siblings is effective.

In Merton:

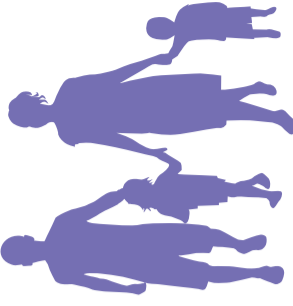
The family context in Merton



3 in 5 adults are either overweight or obese



50% of Merton residents are living in family households



Ethnicity and Obesity

There are ethnic variations in obesity prevalence. Nationally, evidence indicates that a child is more likely to have excess weight if they are from a black British, black African, black Caribbean or Asian ethnic background. This is significant because 46% of children and young people in Merton are from Black, Asian and Minority Ethnic groups and the range across children and young people in our schools in Merton is between 32% to 91%.

However, there is no straightforward relationship between obesity and ethnicity, with a complex interplay of factors. Health behaviour differs according to different socioeconomic, religious and cultural factors, and evidence suggests that it is the impact of higher levels of deprivation and its association with greater risk of obesity that is a leading factor.

Nationally:

NCMP data for 2015/16 shows:

- For **4-5 year olds** in Reception, obesity prevalence was:
 - 15.2% in Black or Black British ethnic group compared to 8.8% in the White group – a gap of over 6%.
 - 9.7% in Mixed ethnic group compared to 8.8% in the white group.

For **10-11 year olds** in Year 6, obesity prevalence was:

- 28.6% in the Black or Black British ethnic group compared to 18.1% in the White group – a gap of over 10%.
- 24.5% in Asian or Asian British ethnic group compared to 18.1% in the white group.

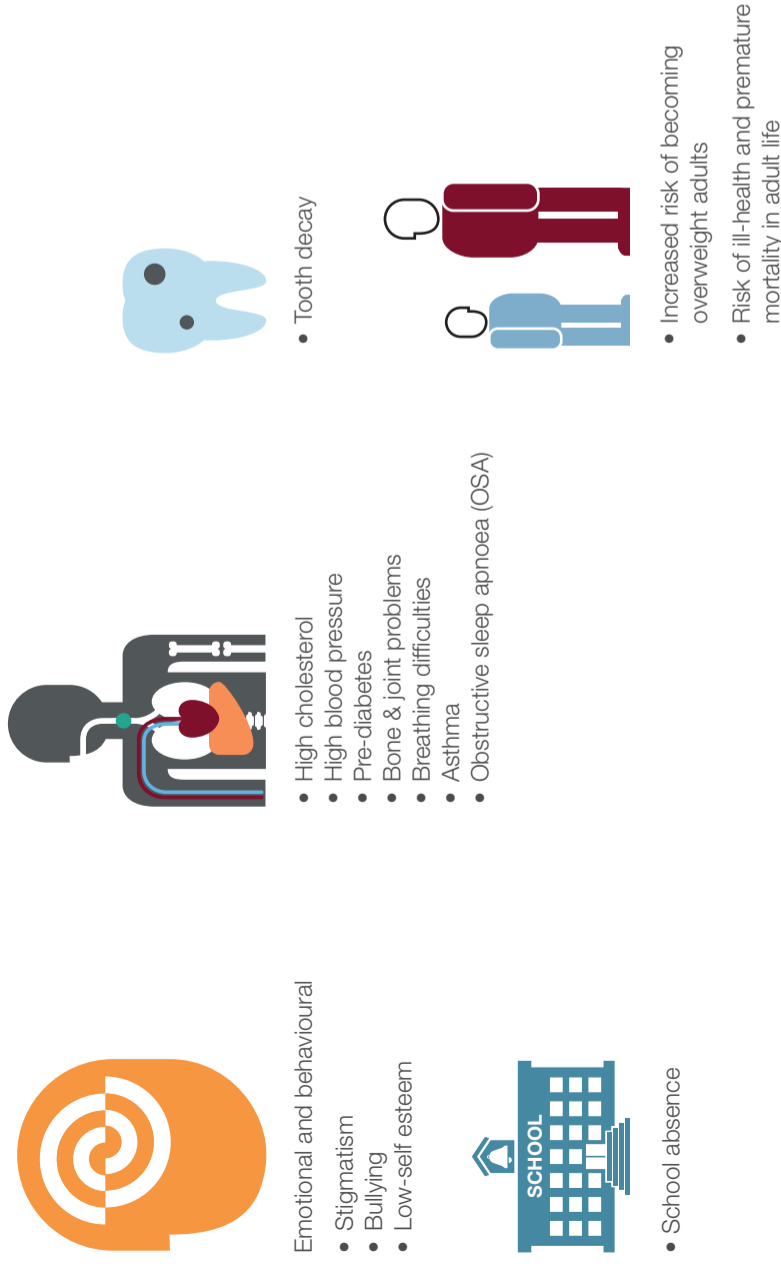
3. Consequences and Costs

The consequences of childhood obesity are wide ranging and include impact on future health, both physical and psychological, as well as having long-lasting impacts on employment and relationships.

Physical and mental health consequences in childhood

Obesity increases the risk of the following physical, emotional and mental health problems developing during childhood and adolescence (See Figure A).

Figure A: Negative consequences of being overweight or obese in childhood

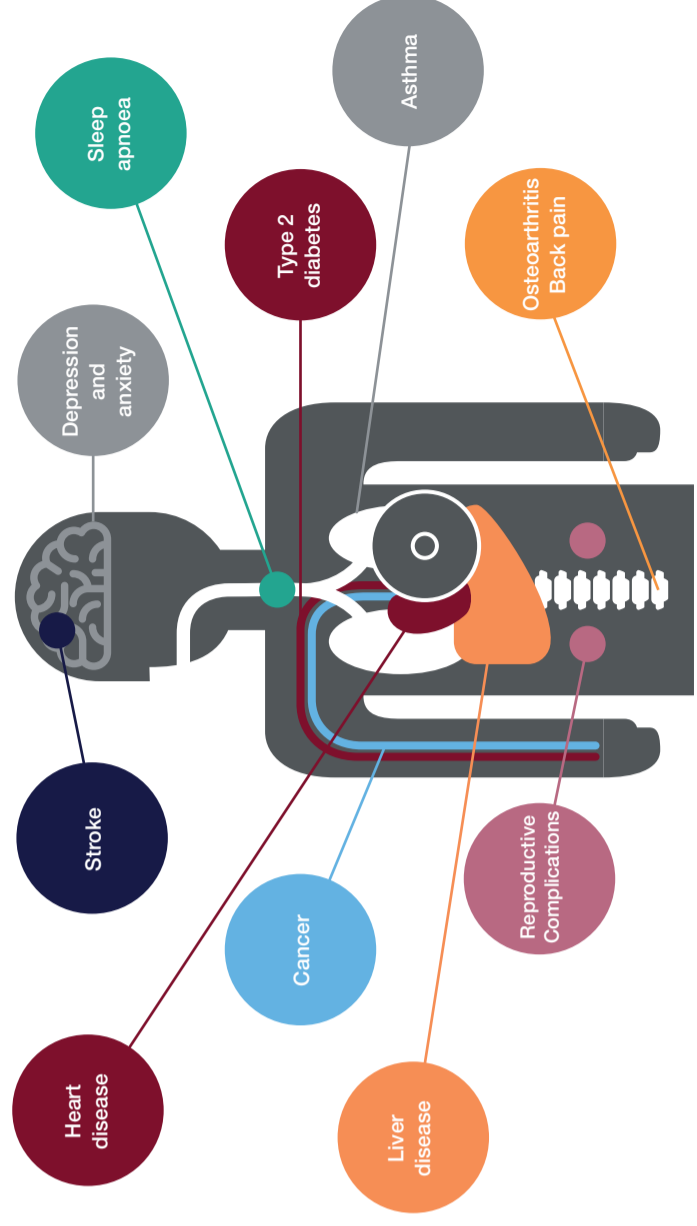


Long term consequences

Being obese in childhood can lead to premature death. Children with weight in the highest BMI quartile are over twice as likely to die before the age of 55 than those with BMIs in the lowest quartile.

Childhood obesity is also significantly linked to increased morbidity. Obesity affects almost all of the body's systems, and there are a huge number of adult chronic long term conditions that are linked to childhood obesity (See Figure B opposite).

Figure B: Impact of obesity on adult health



The costs of childhood obesity

The impact of child obesity has long term consequences for adult ill health. As well as the effects on the individual, it is a burden on the healthcare system causing increased financial costs.

Obesity and its associated health problems have a significant economic impact on the NHS. Direct medical costs include preventive, diagnostic, and treatment services such as the cost of medication related to obesity. Indirect costs relate to reduced

productivity from being absent from work due to sickness and decreased productivity whilst at work, as well as disability and premature mortality.

The lost earnings attributable to obesity have been estimated between £2.3-3.6 billion. The annual social care costs of obesity to local authorities are estimated at £352m, with the costs to the wider economy of £27 billion.

In Merton:

By 2020...



49,500 people in Merton will have high blood pressure compared to 44,000 in 2010.



9,000 people in Merton will have cardiovascular disease compared to 8,000 people in 2010.



13,700 people in Merton will have diabetes compared to 11,200 in 2010.

Figure C: The annual financial cost of obesity to society



In Merton:

The annual costs to the NHS of:

- Diseases related to being **overweight and obese** is estimated at **£52 million**.
- Diseases related to **obesity alone** is estimated at **£30 million**.

By 2025 it is estimated that the costs of being overweight or obese to the NHS will rise to **£8.3 billion**, with the wider cost to society of **£37.2 billion**. By 2050, the NHS costs could rise to **£9.7 billion**, with the wider cost to society being increasing to nearly **£50 billion** (at today's prices).



4. The pattern of childhood overweight and obesity in Merton

It is important to understand the pattern of childhood obesity locally to support the development of actions and interventions to reduce childhood obesity. The data below focuses on the National Child Measurement Programme (NCMP), which involves measuring the height and weight of children in Reception (4-5 year olds) and Year 6 (10-11 year olds) at state-maintained schools, including academies.

Merton's position in London

In London, for Reception year, Merton had the fifth lowest prevalence of excess weight (overweight and obesity) for 2015/16 (out of 32 boroughs). However for Year 6, Merton's higher prevalence of excess weight moves our position into the ninth lowest out of 32 boroughs.

London's prevalence of excess weight is similar to England for Reception, however, Year 6 excess weight in London is higher than England. The top 3 London boroughs for excess weight at Reception are Greenwich, Bexley and Barking and Dagenham. For Year 6, the top 3 boroughs with the highest prevalence of excess weight are Barking and Dagenham, Hackney and Newham.

Focus on excess weight (BMI > 91st centile)

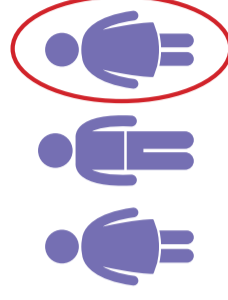
Merton's good ranking when compared to London can mask the reality that the numbers of children with excess weight are substantial.

Overall, there are over 4,500 primary schoolchildren, between 4 and 11 years old in Merton that are estimated to have excess weight – equivalent to 150 primary school classes.

Nearly **one in every five** children in Merton entering Reception has excess weight (18.8%) which is lower than London (22%) and England (22.1%).



By the time children leave primary school in Year 6, the proportion of those who have excess weight increases to **over one in every three** children (34.7%), which is similar to England (34.2%) but lower than London (38.1%).



Trends in excess weight (overweight and obese)

Over the past eight years there has been a general decline in the proportion of 4-5 year olds that are of excess weight and in 10-11 year olds the signs are that the level of excess weight is also beginning to decrease. Therefore the overall gain in excess weight between

4-5 year olds and 10-11 year olds in Merton is slowly decreasing (compared to increases seen in London and England) and is currently 15.9% (down from 16.6% in 2014/15). However, with a growing school population in Merton the actual number of children identified with excess weight has steadily increased.

Graph A: Percentage of children in Merton with excess weight 2007/08 to 2015/16



Focus on obesity (BMI ≥ 98th centile)

One in every 13 (7.8%) children in Merton entering Reception class are obese. By the time children leave primary school in Year 6, this increases to one in five (19.9%) children.

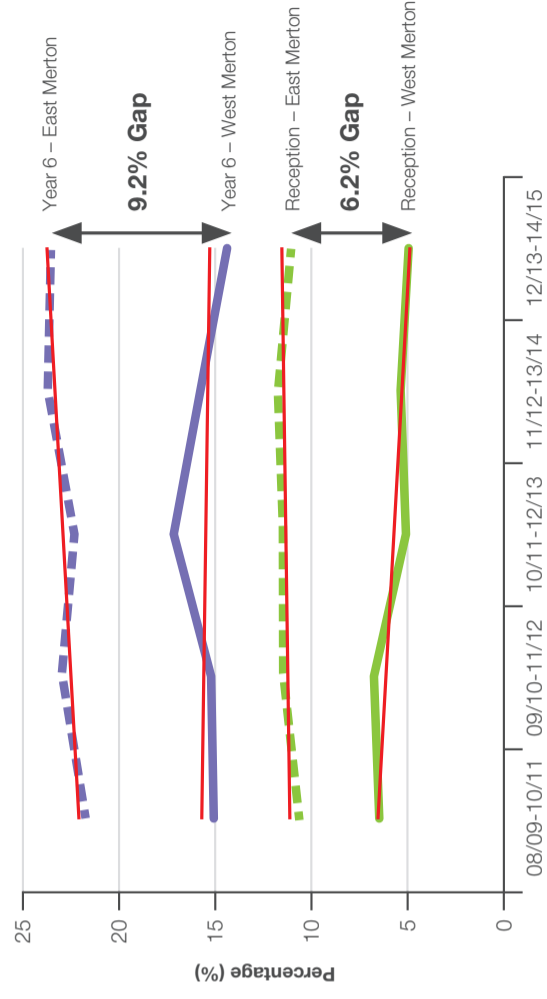
Trends in obesity

Over the past six years there has been a general decline in 4-5 year olds who are obese. However, there has been a slight increase in 10-11 year olds who are obese. Therefore the overall gain in obesity between 4-5 year olds and 10-11 year olds in Merton is slowly increasing and is currently 12.1%.

Gap in obesity between east and west Merton

There are marked geographical inequalities with a higher prevalence of obesity in east Merton (also see p. 14 geographical variation of excess weight by ward):

Graph B: Trend in obesity prevalence in east and west Merton over time (Reception and Year 6)



Looking ahead...

If we do not take more action to tackle childhood obesity and the current trends continue:

By 2018...

Reception

The **inequalities gap** in obesity between the east and west of the borough in Reception will **increase** from 6.2% to 10.7% – that’s an additional 430 more obese children in east Merton.

By 2021...

Reception

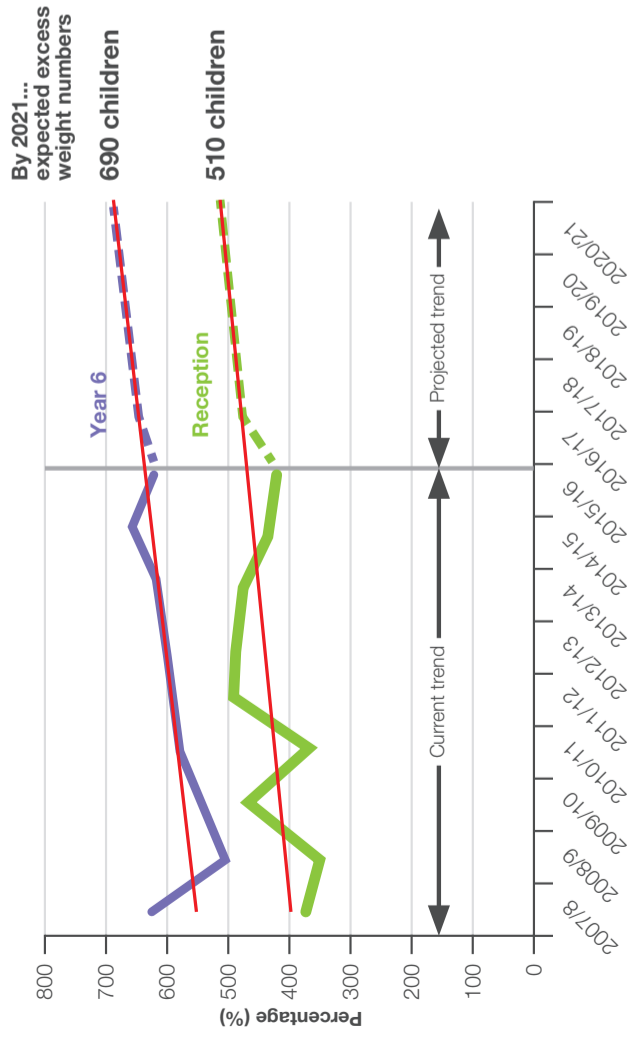
There will be an **overall gain** across Merton in the number of Reception and Year 6 children who are overweight or obese (excess weight) as shown in graph C overleaf.



Year 6

The **inequalities gap** between east and west in Year 6 will **increase** from 7.8% to 10.3% – that’s an additional 580 more obese children in east Merton.

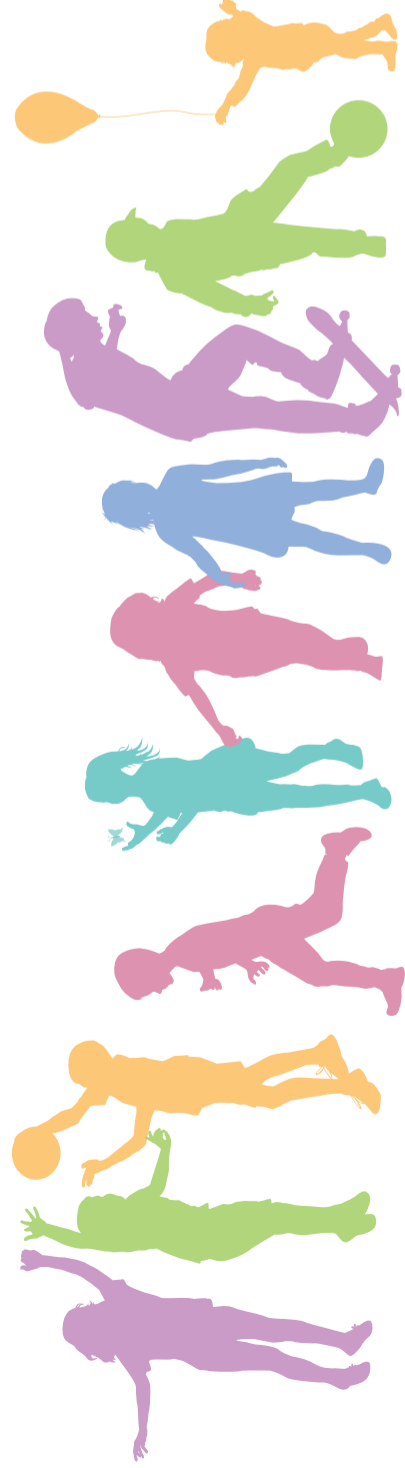
Graph C: Current and projected trends in number of children with excess weight in Reception and Year 6



The projected increasing numbers show that by 2021 in Reception and Year 6 alone the number of children with excess weight will have increased, with:

- **90 more Reception children** who have excess weight than in 2015/16 – equivalent to 3 more school classes.
- **60 more Year 6 children** who have excess weight than in 2015/16 – equivalent to 2 more school classes.

These increasing numbers would be replicated in the other school year groups, therefore a **higher number** of children are expected to be overweight or obese across the borough.



Geographical School clusters

Primary schools in Merton are grouped into geographical areas known as school clusters. The following provides an analysis of NCMP data by these school clusters:

- In Year 6, over four in 10 children in schools in Mitcham Town and East Mitcham clusters have excess weight compared to three in 10 pupils in West Wimbledon cluster

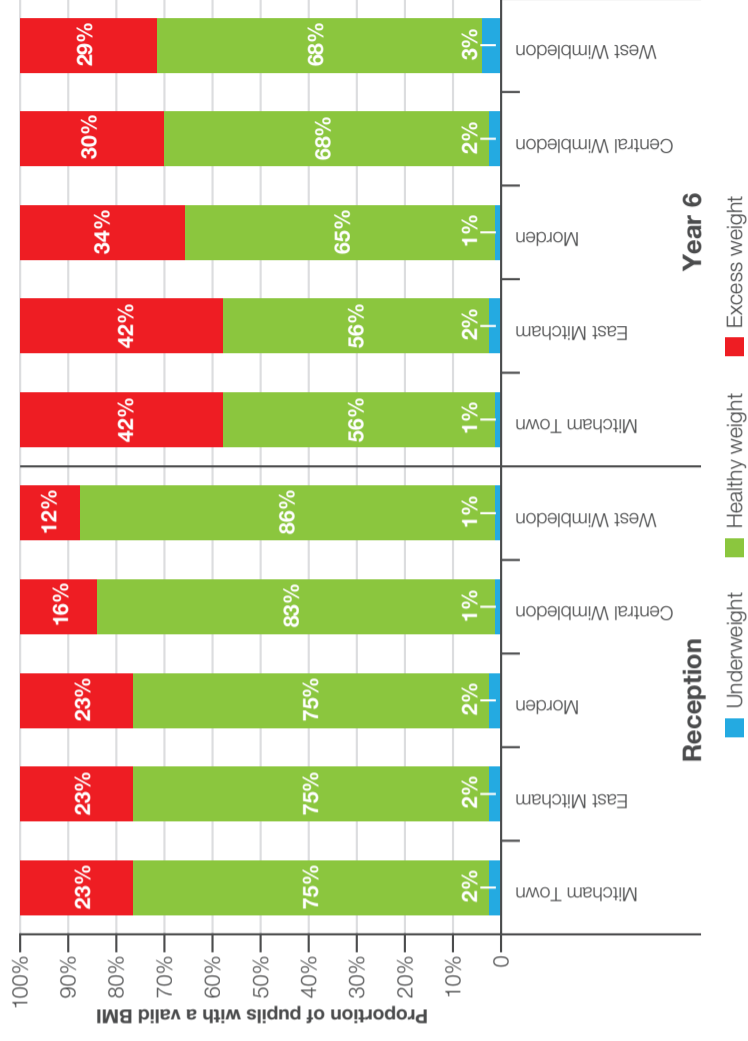
Excess weight in our school clusters

- There are a number of primary schools in Merton where over 50% of pupils in Year 6 have excess weight.

■ At Reception, more than a fifth of pupils from schools in the Mitcham Town and East Mitcham clusters have excess weight compared to one in ten children in West Wimbledon

Graph D: Proportion of pupils with excess weight, healthy weight and underweight in Merton geographical school clusters

Source: National Child Measurement Programme (NCMP), Health & Social Care Information Centre (HSCIC)



5. What do children, young people, families and communities think?

Understanding knowledge and attitudes towards weight, diet and physical activity is important in providing an insight into factors that may motivate and enable change. This section identifies insights from studies that help understand the perspectives of children, young people and adults.

Children and young people's behaviours and perceptions

Perceptions on weight/body size (12-18 year olds)

There are high levels of concern about body size among young people in the UK. In a large study of 15-17-year-olds, obesity was associated with depression and feelings of shame. Concerns around heavier weight or a larger body size stem from more social rather than health related reasons, for example, negative impact on social activities, having fewer friends, not being attractive to others, and being unable to find fashionable clothes to wear. Findings suggest that young women might not always be more concerned about their own size than young men. There are pressures for girls to be 'slim' or 'skinny' and for boys to be more muscular.

Overweight young people report a number of barriers in their way of success in losing weight. They describe stigma and abuse while exercising or attempting to eat healthily, unhelpful food environments at home and unhelpful advice and criticism from others. As a result, young people often withdraw from socialising, avoid school-based physical activity and eat for comfort. Good mental health is seen as key for substantial weight-loss and having taken active steps to reduce weight can be a source of considerable pride, especially when successful.

When asked what would help them, young people said...

Young people tended to emphasise things that they, or other overweight young people should do to help themselves, such as eating healthily and exercising, learning more about nutrition and accessing their own psychological resources.

There was less mentioned about the wider physical and food environments that impact on their food choices and physical activity levels. This may be due to lack of awareness about how the wider environment is impacting on their weight.

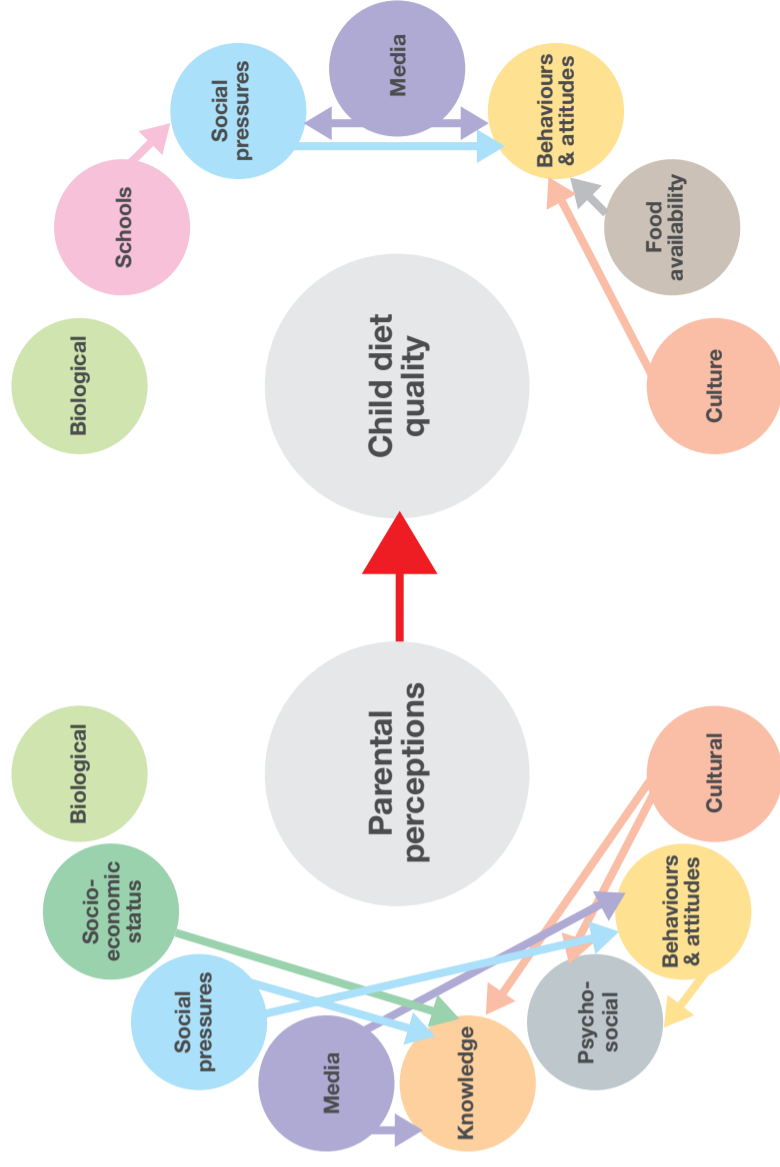
Adults' behaviours and perceptions

Most adults have an understanding of the different components of a healthy diet, for example, eating five portions of fruit and vegetables each day and reducing their salt and fat intake. They consider healthy eating to be important and would like to make improvements to their own diets. However, perceived barriers to making improvements to diet include: lack of time and the cost of healthy foods. For those in lower income households, affordability was cited as a significant barrier to eating more healthy foods.

Most adults are aware that physical activity recommendations exist, but few know what they are and consider the main barriers to be time pressures and lack of motivation to be physically active.

Not all parents perceive they have the same degree of control over their child's dietary behaviour. Figure D illustrates factors that influence parental perceptions of a child's dietary behaviours and how this shapes the quality of a child's diet.

Figure D: Influences on parental perceptions on the quality of children's diet

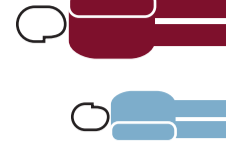
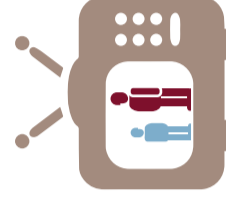


Recognising obesity and overweight

Many people may not recognise a child is overweight or obese as society's understanding of what is a healthy body size and shape has shifted as more people (adults and children) become overweight or obese. In some cultures having a larger body size may be seen as an indication of wealth and high status. The media has contributed to people having a distorted perception of obesity as they tend to use

pictures of extremely obese people when illustrating stories about the dangers of being overweight or obese. Therefore, efforts to tackle obesity and overweight are likely to be hampered by a lack of recognition of what a healthy weight looks like. We need to look at how we can raise awareness, promote recognition and understanding of a healthy weight.

We may not see ourselves or our children as obese...



Adults tend to underestimate their own weight

The media tend to use images of extreme obesity to illustrate articles about obesity

GPs may underestimate their patients' BMI

If we do not recognise obesity we are less likely to prioritise tackling it

Half of parents do not recognise their children are overweight or obese

Londoners' perceptions and awareness

The Great Weight Debate

A London conversation on childhood obesity



The Great Weight Debate (GWD) is a London wide initiative to start a conversation with Londoners so they are fully engaged in the changes that need to be made across the city to support reducing childhood obesity.

So far a panel of Londoners have contributed to the debate and this has highlighted that Londoners were less aware of the scale of childhood obesity for the country and did not identify it as a particular challenge for London. When presented with the data, people were amazed that there is not more awareness of this issue.

Challenges of living in London

The pace of life was identified as a particular challenge for health which results in less time for home cooking, less time for exercise and family activities and less time to think about health. London can be a difficult place for children to be active and some parents are concerned about whether it is safe to allow children to walk or cycle to school. Respondents identified factors such as overcrowding, pollution, long working hours, commuting and the cost of healthy food and exercise as reasons behind London being a difficult city in which to be healthy as well as a stressful place to live.

Constant availability of unhealthy foods was felt to pose a major challenge. Avoiding unhealthy food was felt to be particularly difficult for children and young people as they were being targeted through fast food outlets clustering around schools. Fast food outlets are seen by children and young people as an important and affordable social hub.

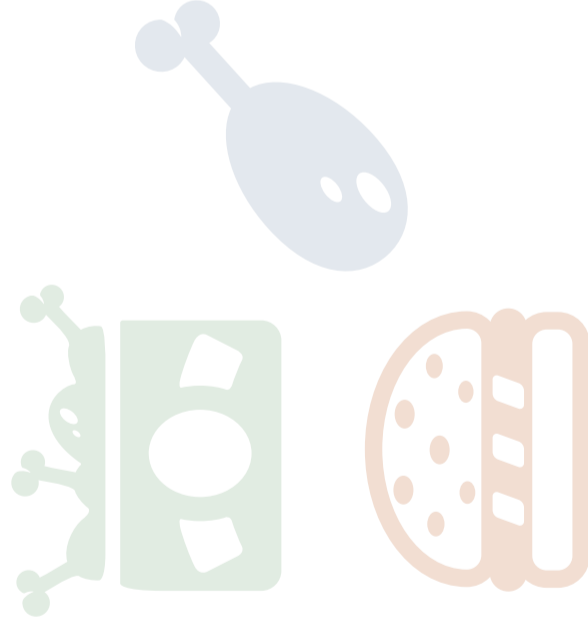
"It's unbelievably cheap, isn't it? £1.99 for a chicken burger is way cheaper than paying for fruit and vegetables."

"[Young people] go and hang out in the chicken shops. It's a big part of the culture."

Stigma

Perceptions that childhood obesity is the result of lax parenting and a lack of self-control mean that there is a considerable stigma attached to this issue. The word 'obesity' puts parents on the defensive, and makes them less likely to accept that their child has a problem. Because of the stigma around obesity, there are concerns that obese children are being bullied and mocked. Parents feel this stigma needs to be addressed if childhood obesity is to be tackled.

"My daughter had to change schools she was getting bullied so much. A PE teacher once told her it was her own fault for eating so many burgers."



What Merton residents say

Findings from insight research on awareness and attitudes towards healthy eating (parents and carers of children aged five or under) highlighted:

Barriers to healthy eating...

- Lack of knowledge, understanding and confidence by parents around cooking and healthy eating guidelines was identified, for example, understanding food labelling, confidence in cooking fresh healthy foods, and confusion over portion sizes.

"How much should my two-year-old be eating, how much should my six year old be eating? They wouldn't have the same as I have, but I'm still not sure how much they should be eating."

"It would be really helpful to know exactly how much sugar and salt is in things. The current information doesn't mean anything. They are hiding information."

- Cost of healthy food and a lack of time to prepare it make it more difficult to eat healthily.

"Sometimes you just don't have time to cook – it's easier just to get a takeaway or stick something in the oven."

When asked what would help them, Merton parents said...

Parents and carers are prepared to make changes for their children. However, some healthy behaviours feel like they would be hard work and parents and carers would like it to be made easier for them to make changes. They want information and support but this needs to be relevant, concise and easy to find. They would like to know about the immediate benefits and tangible rewards of making changes. They would like practical tools to use for daily living to make changes.

Further conversations with Merton's residents

- The second phase of the Great Weight Debate involved a pan London survey to start conversations with residents. Merton had the highest number of responses of any London borough and the results will inform Merton's child healthy weight action plan.
- Additionally, further work is planned to communicate and engage with young people and adults to raise awareness, galvanise action and gather ideas for how Merton can best support children, young people and families to maintain or achieve a healthy weight. We will prioritise engaging with BAME groups and residents living in the east of the borough where the risk of obesity is higher.



6. The Need for a Fresh Approach

Childhood obesity is a complex problem and there is no single solution. The evidence is clear that a preventative, whole systems approach to tackling obesity is needed. This approach recognises the major influence of ‘place’ (where we live, work and play) on health and wellbeing, as well as individual behaviours and choices.

It involves taking action at different levels: at population, community and individual levels, in order to maximise opportunities for children and families to adopt and maintain healthy lifestyles as part of daily life.

- **Population level** actions include regulatory and policy measures, such as the national sugar levy, and the planning process helping create healthy food and physical environments.

- **Community level** actions across a range of settings and organisations include initiatives such as healthy schools, healthy catering and active travel plans creating opportunities for healthy eating and physical activity.

- **Individual level** actions include support to families to achieve and maintain a healthy weight, including advice and support from healthcare and other professionals and on-line digital tools.

Evidence tells us that population wide actions across aspects of the physical, food and cultural environment are most likely to be successful and cost effective. Health promoting environments, that is, those where the healthier choice is both the easier and preferred choice, are also more economically and environmentally sustainable.

Focusing on prevention earlier in life will accumulate greater benefits and is more acceptable and more cost

effective. Early years services have an important role to play in promoting healthy choices and supporting more vulnerable families. Maximising the role of schools and developing clear pathways and support for health and other professionals working with parents/carers, children and young people is important.

A whole systems approach is the most effective for achieving change at a large scale necessary to address childhood obesity. Building on the good work already taking place in Merton, we need to co-produce a shared approach with people who live in the borough and across organisations in the voluntary, community and public sectors, and with business partners.

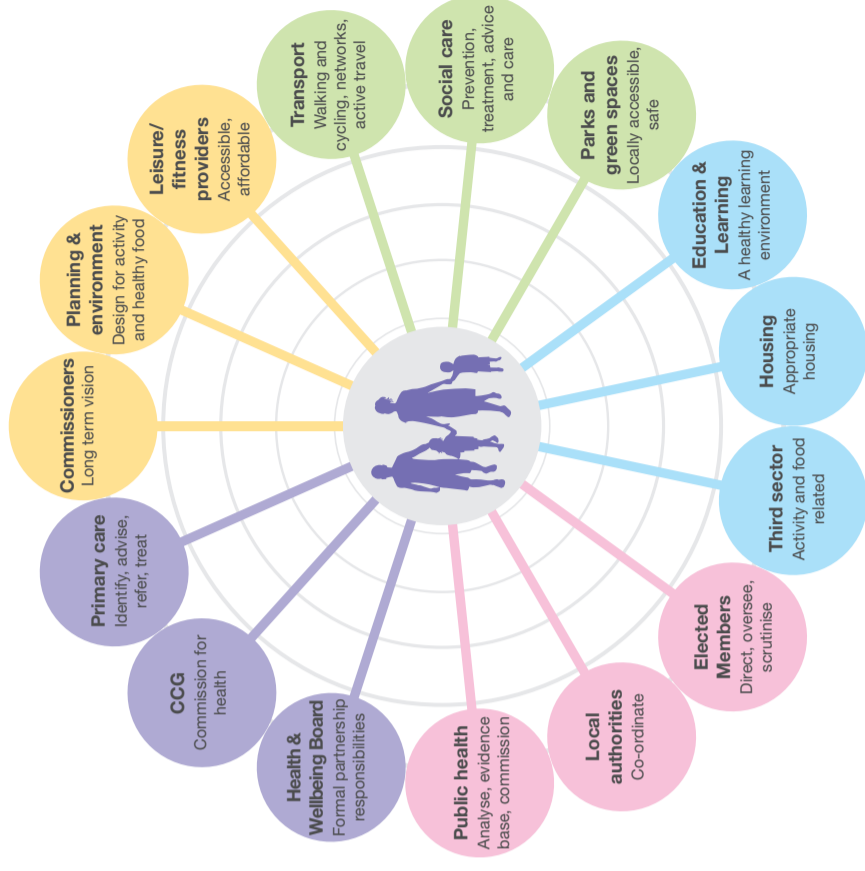
This will enable us to respond to the challenge of childhood obesity through solutions that are effective and sustainable.

Action to tackle childhood obesity should be informed by evidence of effectiveness and cost effectiveness where available. Nationally, Public Health England have reviewed evidence and used this to advise on the development of the national childhood obesity plan (see below) and provide support to local areas.

The World Health Organisations’ (WHO) report on ‘The Case for Investing in Public Health’ highlight that there is a strong economic case for preventative solutions. Prevention is cost-effective, provides value for money and gives return on investment in both the short and longer term.



Figure E: How partners contribute to a whole system approach to tackling obesity



Source: PHE

WHO cost-effective interventions:

- Reduce salt in foods
- Promote healthy diets and physical activity
- Restrict marketing of unhealthy food and beverages to children
- Replace trans fat and saturated fat with polyunsaturated or unsaturated fat
- Support active transport strategies
- Promoting safe green spaces
- Offer counselling in primary care on unhealthy diet and physical inactivity
- Promote healthy diets and physical activity in workplaces and schools

There is also growing evidence on the return on investment of local solutions to tackle childhood obesity.

Return on investment examples from the UK include:

- Studies have demonstrated that the return on investment for enabling one more child to **walk or cycle to school** could be as much as £768 for walking and £539 for cycling in health benefits, NHS costs, productivity gains and reduction in air pollution and congestion.
- **Community Walking** groups have been estimated to return £3 for every £1 invested over 2 years.
- **Local authority** investing an extra £71,000 on healthy, unprocessed, locally sourced school meals (compared with ‘normal’ school meals), was estimated to create over £500,000 of economic, social and environmental benefit.
- **Leisure services**: For every £1 spent on free leisure services for residents available at certain times, £21.30 was estimated to have been recouped in health benefits including an increase in participation rates.

The National Childhood Obesity Plan 2016

The National Childhood Obesity Plan aims to reduce England's rate of childhood obesity within the next decade, and states it will do this while respecting consumer choice and economic realities. Although more limited in scope than expected, the national plan will support local borough approaches to tackling childhood obesity by taking actions that can only be driven at a national level such as influencing

legislation. For example, we know that teenagers in England are the biggest consumers of sugar-sweetened drinks in Europe, therefore introducing a soft drinks industry levy and setting targets to reduce the amount of sugar in food and drink products by 20% will make a positive difference. We must make sure that we get maximum local benefits from the policies and initiatives set out in the national plan.

Figure F: Key actions from the National Childhood Obesity Plan 2016

1) Introducing a soft drinks industry levy
2) Reducing sugar in food and drink products by 20%
3) Supporting innovation to help businesses to make their products healthier
4) Updating Nutrient profile Model reflecting latest government dietary guidelines to support limits on children's exposure to adverts for less healthy food and drink products.
5) Making healthy options available in the public sector
6) Continuing to provide support with the cost of healthy food for those who need it most
7) Helping all children to enjoy an hour of physical activity every day
8) Improving the co-ordination of quality sport and physical activity programmes for schools
9) Creating a new healthy rating scheme for primary schools
10) Making school food healthier
11) Clearer food labelling
12) Supporting early years settings
13) Harnessing the best new technology
14) Enabling health professionals to support families



Examples of good practice, opportunities and emerging solutions

Examples of good practice, opportunities and emerging solutions that can support tackling childhood obesity locally include:



7. Merton's Call to Action on Childhood Obesity

During the last year we have been working to develop our whole systems approach to tackling childhood obesity together.

The starting point was taking part in a 'Childhood Obesity Peer Review' with other boroughs across London. This assessed our progress against an evidence based framework on work to tackle childhood obesity locally. It also provided a benchmark for Merton's position against 13 key areas, highlighting areas where good progress had been made and areas requiring further action. The diagram below shows Merton's position at the time of the review in February 2016.

Merton doing well on:

- Public and Community setting
- Schools

Merton is making progress on:

- Physical environment
- Health services
- Journeys by foot or bike
- Workplaces
- Evaluation of programmes and initiatives

Merton can make improvements on:

- Engagement and commitment
- Accessibility of healthy food
- Breastfeeding and weaning
- Supporting people to be active
- Knowledge and awareness

Merton's child healthy weight action plan for preventing and reducing childhood obesity

A partnership child healthy weight action plan has been developed based on the findings of the peer review. The plan provides a framework for enabling different stakeholders across the council (including public health, children's services, education, environment and transport and planning), NHS organisations, schools, community and voluntary sector and business organisations, to work with our communities to tackle childhood obesity together.

The action plan is split into 4 key areas set out below.

The full action plan is available on the following link:

xxxxxxxxxxxxxx.com



1. Leadership, communication and engagement

- **Leadership** – Increase engagement and commitment to tackling childhood obesity among partners in all sectors, for example through adopting a Health in All Policies approach.
- **Knowledge and awareness** – Improve children and families' understanding of, and feeling of control over their own health and well-being.
- **Promote the use of digital technology and support tools** - Improve access to evidence based advice and information to support healthier lifestyles, for example Start4Life, Change4Life and NHS Go.
- **Engage with families, children and young people** to promote healthy eating and physical activity and conversations on obesity and healthy weight.
- **Listen to residents and children and young people** including BAME groups and residents in east Merton, to ensure actions are co-produced and make a positive impact.
- **Identify opportunities** to bring in additional resources to support tackling childhood obesity in Merton.

2. Food environment – increasing availability of healthy food

- Increase the reach of Merton Food Charter to maintain and grow the local food partnership and roll out the **Healthy Catering Commitment**.
- Increase **availability of affordable healthier food and drinks** in Merton to help make the healthier choice the easier choice.
- Ensure that all food and drink available within local authority maintained establishments is in line with relevant **government standards/guidelines** for good nutrition.
- Develop effective ways to **monitor and reduce** the number of food outlets selling predominately foods high in fat, salt and sugar through partnership between planning, regulatory services, public health, schools, children's centres and community venues.

3. Physical environment – increasing levels of physical activity and health promoting physical environment

- Increase opportunities for **active travel and physical activity** through the use of existing best practice and guidance.
- Maximise opportunities to promote physical activity and social engagement in **estates regeneration** including access to active travel opportunities and open spaces.
- Increase number of children and young people that **travel to and from school on foot and on bike**.
- Increase the number of children and young people, and their families, who are **regular users of parks, open spaces, informal recreation space and allotments**.
- Improve the **school sport offer**, to ensure that children and young people are enthused and have the resources to be able to lead active lifestyles later in life.
- Increase uptake of **food growing, gardening and outdoor activities**.

4. Early years and school aged settings and pathways

- Increase the number of babies that are **breastfed**.
- Support parents and carers to **establish a healthy diet** for their children from a very early age through Children's Centres and other Early Years services.
- **Maximise the role of schools** as settings promoting healthy weight, for example through promotion of Healthy Schools London (HSL) programme and schools achieving bronze, silver and gold awards.
- Ensure the delivery of the new **schools meals contract** which achieves the required nutrition standards and healthy choices.
- Use **local data and intelligence** on childhood obesity to inform services and support to children and families identified as obese to help them achieve and maintain a healthy weight.
- Develop **clear pathways for service providers and support for professionals** to make every contact count and feel confident about talking about weight and supporting and signposting families.

Examples of actions in Merton to tackle childhood obesity

Healthier Catering Commitment



The *Healthier Catering Commitment* is a London wide voluntary scheme based on the principle that small changes can make a big difference. It recognises those food businesses that demonstrate a commitment to offering healthier options, such as using healthier oils and fats, using less salt, promoting healthier alternatives to sugary drinks and making smaller portions available.

Since July 2015 a Health Improvement Officer has been working with food businesses across the borough and so far 28 businesses have signed up and been awarded a certificate of achievement.

These businesses include takeaways, cafés, restaurants and voluntary organisations from across the borough.

Looking forward, the aim is to support businesses to not only provide healthier food, but also reduce their food waste, raise food hygiene levels and become responsible retailers if they also sell alcohol.

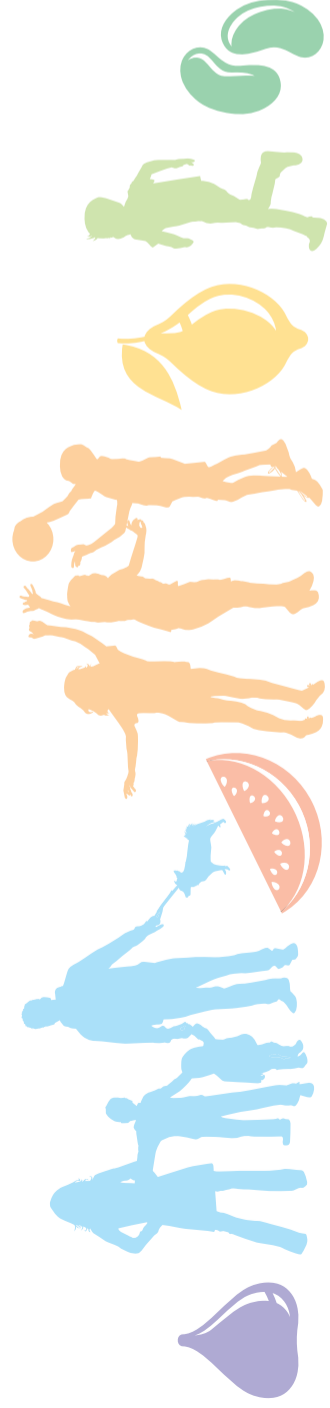
HENRY Training

The *Healthy Eating and Nutrition for the Really Young* (HENRY) programme is an evidence-based programme which promotes a healthy start in life to prevent child obesity. The programme equips health and early years practitioners with the skills, knowledge and confidence to tackle sensitive lifestyle issues taking a holistic approach, focusing on babies and children aged up to five years old and their families.

In 2016, 24 children's centre staff in Merton undertook the HENRY training. The confidence of participants to tackle child obesity and support families to develop a healthy lifestyle rose from 13% to 92%.

"Very useful to build confidence in an area that many lack experience."

"Very beneficial for both myself and families I work with."



Healthy Schools



HEALTHY SCHOOLS LONDON

The *Healthy Schools London* (HSL) programme has been adopted in Merton and schools are being supported to achieve bronze, silver and gold status. HSL provides a framework to deliver a 'whole school approach' to health and well-being.

This followed the success of a two year targeted Merton Healthy Schools programme focussing in the east of the borough which encouraged schools to undertake practical initiatives to support children, families and teachers. Projects included: gardening and food growing, healthy eating, diet and nutrition, promoting healthy weight and physical fitness, building confidence and resilience for pupils and involved 20 schools from across the east of the borough.

Evaluation has shown positive impact, for example, one gardening and food growing project showed that initially 70% of children said they would not try at least one of the three ingredients in healthy coleslaw. Following the food growing education and cooking sessions 95% of pupils said they would gladly make and eat healthy coleslaw.

Sports Blast



The London Borough of Merton was awarded over £120,000 funding from Sport England and the National Lottery over three years, to deliver sporting activities with specific focus in

the east of the borough. Over the last two and a half years, the programme has engaged with over 8,000 people and has been running free sports courses for 14 – 25 year olds and families.

The year round inclusive physical activity and well-being programme is being delivered with partners, including: Sport England, Circle Housing Merton Priory, Fulham Football Club, Tooting and Mitcham United, YMCA London South West, England Netball,

Moat, London Sport, St Mark's Academy and MVSC. Together these partners have been able to make additional contributions of £180,000 to the programme. The partners are now looking into how the programme can become more sustainable once the Sports England and National Lottery funding ends.

Daily Mile

Lonesome Primary School is one of the first schools in Merton to have taken up the challenge of running *The Daily Mile*. The aim of *The Daily Mile* is to improve the physical, emotional and social health and wellbeing of our children. Having started as a trial with Year 1 children in the Summer Term, it has gained momentum and has become a regular part of the school day for all year groups. They are using walking or running for 15 minutes each day as a way of increasing the physical activity of their children on a regular basis as well as providing children with a brain break when needed.

"We wanted to ensure that more children would benefit from the thrill and fun of getting active every day. We have noticed that children are getting fitter – they can walk or run further in the time given than at the beginning of term. They also love the break from lessons and are enjoying developing their friendships through jogging and walking together."

Headteacher
Lonesome Primary School

Healthy vending machines in Leisure Centres

The London Borough of Merton and Greenwich Leisure Limited (GLL) have worked in partnership to improve the quality of leisure centre vending machines in the borough. This is to make sure that affordable healthier snacks and drink options are available for people using leisure centres.

Snack options available have been replacing traditional chocolate bars with lower sugar, lower calorie more natural options and traditional high sugar fizzy drinks have been replaced with low sugar, low calories more natural options.

Healthy vending machines have now been introduced in two out of the three leisure centres (Wimbledon and Morden Park), helping make the healthier option the easiest choice.

Merton Council's Workplace Health Champions

As part of the Merton Council's workplace health programme, which has 'commitment' level recognition from the GLA's Healthy Workplace Charter, Public Health and Human Resources have developed a network of health champions. These health champions help their colleagues lead healthy lifestyles by raising awareness of activities that are available to support healthy living.

The workplace health champions have been essential partners when engaging and inviting colleagues and residents to complete the Great Weight Debate survey, which aims to raise awareness and gather ideas from Londoners about how our children can be helped to lead healthier lives.

Champions took on responsibility to promote the Great Weight Debate, for example, libraries designated zones with computers set up for the survey as well as floor walkers and staff ready to invite users to the survey.

School Meals Contract

Merton Public Health team have been working in partnership with the Children's Schools and Families Directorate over the past year to add value to the new school meals contract that came in to effect in September 2016. As a result the new provider, Chartwell's, has committed to undertaking a variety of projects and initiatives that aim to both increase uptake of school meals and support wider public health objectives around childhood obesity and food poverty.

Over the next three years, staff working in school kitchens across Merton primary schools will have the opportunity to attend nutrition and healthy eating training to increase their confidence and competency to support children to eat more healthily. We will also see a sustainable reduction in the sugar content of school meals of up to 20% by 2019, so children will be receiving fewer calories from sugar but will still be able to enjoy a tasty hot school meal.

A holiday hunger programme will aim to address the gap in nutritionally balanced food provision for those children eligible for school meals during the school holidays. Schools will also have the opportunity to participate in a variety of programmes that educate children about the importance of having a balanced diet, where their food comes from, and improving their cooking skills.

Student dietician project – nutritional quality of schools meals and packed lunches

Student dieticians from Kings College London University regularly undertake work experience placements with the Public Health team in Merton. In September 2016 the students investigated whether packed lunches are nutritionally different to school meals, and if there is any difference between primary schools in the west or east of the borough.

Based on visits to nine schools and 133 packed lunches surveyed, the results showed that only 4% of packed lunches surveyed met the food based standards for school meals, with 50% of children bringing in restricted items high in fat, salt or sugar. Sugar sweetened drinks were a popular component, with 25% of children having them for packed lunch, compared to no children having a school meal. Packed lunches in the east of the borough were nutritionally less balanced, with less fruit and vegetables and more foods high in fat, salt and sugar.

Next steps are to offer recommendations to schools to implement robust whole school food policies that encourage children to choose a healthy hot school meal.

Junior health and fitness – Wimbledon leisure centre

To promote better use of leisure centres by young people under 16 years and to increase physical activity in this group, GLL and the council's Leisure Team introduced an 'enhanced junior offer'. This increased the number of activities available as part of membership for a monthly fee, including the gym, taking part in group training sessions, fitness classes, lane swimming in the pool and the pool inflatable sessions. In creating a membership offer of varied activities, the centre aims to cultivate a more positive training environment. The enhanced junior offer was marketed through member schools/colleges, website and other partners and a junior 'Welcome Desk' was put up on the gym floor. A holiday programme was also implemented in order to keep junior members engaged.

The All England Lawn Tennis Club (AELTC)



The All England Lawn Tennis Club (AELTC) is piloting their Early Years Activation Programme at primary schools across the east of the borough. The early years programme seeks to enthuse very young children to be active for short ten minute bursts every day. Led initially by the AELTC head coach, the train the trainer approach gives teachers the confidence to build the activity into the everyday curriculum. The exciting project will be evaluated to show how early years activation can positively enhance the school day.



8. Resources

Links to evidence, guidance and standards and digital resources for children, young people and families:

Intelligence and evidence:

- **PHE National Obesity Observatory (NOO) resources** – A library of reports which forms a detailed evidence base and data repository for child obesity.
www.noo.org.uk/Resources/DH_Publications
- **PHE Public Health outcomes framework and profiles** – Browse indicators for tracking progress in helping people to live healthy lifestyles and make healthy choices.
www.phoutcomes.info
- **Merton Joint Strategic Needs Assessment** – An overview of the health and wellbeing needs of Merton residents. It highlights trends and changes in the health and well-being of Merton residents.
www.merton.gov.uk/health-social-care/publichealth/jsna.htm
- **Physical Activity** – Chief Medical Officers report on physical activity for health from the four home countries.
www.gov.uk/government/uploads/system/uploads/attachment_data/file/216370/dh_128210.pdf

Guidance and standards:

- **NICE guidance** – The National Institute for Health and Care Excellence (NICE) provides a range of national guidance and advice to improve health and social care.
www.nice.org.uk
- Relevant guidance produced relating to childhood obesity include
- **QS127** – Obesity: clinical assessment and management (2016)
 - **CG43** – Obesity prevention (2015)
 - **QS94** – Obesity in children and young people: prevention and lifestyle weight management programmes (2015)
 - **NG7** – Preventing excess weight gain (2015)
 - **PH11** – Maternal and child nutrition (2014)
 - **PH47** – Weight management: lifestyle services for overweight or obese children and young people (2013)
 - **PH42** – Obesity: working with local communities (2012)
 - **PH41** – Physical activity: walking and cycling (2012)
 - **PH17** – Physical activity for children and young people (2009)
- **Healthy Schools London** – Bronze, Silver and Gold awards scheme for schools to recognise their achievements in supporting the health and wellbeing of their pupils, parents and staff.
www.healthyschools.london.gov.uk
 - **Children's Food Trust** – A charity sharing the skills, knowledge and confidence to cook from scratch, helping anyone who provides food for children encouraging industry to help families make better food choices
www.childrensfoodtrust.org.uk

- **Healthy Catering Commitment** – A voluntary scheme for food outlets in London based on the principle that small changes to the food offer and nutritional quality can make a big difference.
www.cieh.org/healthier-catering-commitment.html

- **All Our Health** – Public Health England guidance on childhood obesity for healthcare professionals.
www.gov.uk/government/.../childhood-obesity-applying-all-our-health

Children, Young People and Families:

- **Health Matters** – A local digital hub that supports parents/carers and children and young people to access the health visiting and school nursing services and age appropriate advice and support delivered by Central London Community Healthcare NHS Trust.
www.healthmatters.clch.nhs.uk
 - **Merton Family Services Directory** – For information on services for children, young people, parents, carers, professionals and practitioners across Merton including information on education, childcare, activities and leisure, health and well-being, things to do, advice, help and support.
www.fsd.merton.gov.uk/kb5/merton/directory/home.page
 - **Start4Life** – Ideas and support to give your baby the best start in life for mums, dads, family and friends.
www.nhs.uk/start4life
 - **Change4Life** – Ideas, recipes and games to help families get the most out of daily life.
www.nhs.uk/Change4Life/Pages/change-for-life.aspx
 - **NHS Go** – Mobile App for young people to increase access and remove barriers to health services.
www.nhs.go.uk
 - **One You** – Supporting adults to make simple changes towards a longer and happier life. It provides tools, support and encouragement every step of the way, to help improve your health right away
www.nhs.uk/oneyou
 - **NHS Choices** – Provides comprehensive health information service with thousands of articles, videos and tools, helping people make the best choices about their health and lifestyle, but also about making the most of NHS and social care services in England.
www.nhs.uk/pages/home.aspx
- References to this report are available separately on the following link **XXXXXXXXXXXXX.com**
- Contact details:**
Merton Public Health Team
London Borough of Merton
Civic Centre
London Road
SM4 5DX
020 8545 4836
public.health@merton.gov.uk
www.merton.gov.uk/health-social-care/publichealth

Contact details:

Merton Public Health Team
London Borough of Merton
Civic Centre
London Road
SM4 5DX

020 8545 4836

public.health@merton.gov.uk

www.merton.gov.uk/health-social-care/publichealth

This page is intentionally left blank

Merton Child Healthy Weight Action Plan 2016 - 2018

Introduction

Reducing Childhood Obesity in Merton is a key priority of the Health and Well-being Strategy (2015-2018) as part of theme 1 - Best Start in Life. The Child Healthy Weight Action plan provides the framework for taking forward actions which will support achieving theme 1. The Action Plan reflects the major influence of 'place' (where we live, work and play) on health and wellbeing, as well as individual behaviours and choices.

The action plan aims to:

- Establish a sustainable whole systems approach to addressing childhood obesity locally, focusing on food and physical environments
- Increase proportion of children and families who are a healthy weight
- Reduce the 'gain' in excess weight between reception (4-5 year olds) and Year 6 (10 – 11 year olds)
- Reduce the gap in obesity between the east and the west of Merton, by improving the east

The Child Healthy Weight Action plan is complemented by the Director of Public Health's Annual Public Health Report (APHR) 2016-17 which is available on the following link XXXXXXXXXXXX. The APHR sets out the challenge of childhood obesity in Merton and is a call to action to partners to work together on the solutions provides. It brings together data and information from a range of sources and provides evidence about what works as well as examples of actions to tackle obesity at the population, community and individual level, to provide a local reference and resource to support our joint effort. It recognises the good work already taking place across the borough and highlights some examples underway.

The starting point for developing this action plan was Merton's participation in a 'Childhood Obesity Peer Review' with other boroughs across London. This assessed our progress against an evidence based framework on work to tackle childhood obesity locally. This provided a benchmark for Merton's position against 13 key areas, highlighting areas where good progress had been made and areas requiring further action. The peer review, the national childhood obesity plan and the Annual Public Health Report have been used to develop this local plan for Merton.

Merton context

- In Merton an estimated 4,500 children aged 4-11 years are overweight or obese– equivalent to 150 primary school classes.
- One in five children entering Reception year are overweight or obese and this increases to one in three children leaving primary school in Year 6.
- Childhood obesity contributes to health inequalities - the gap in overweight and obesity between the east and west of the borough is widening in both Reception and Year 6 and is nearly 10% in Year 6.
- There are a number of primary schools in Merton where over 50% of children in year 6 are classed as overweight or obese.
- Overweight and obese children are more likely to experience bullying and stigma. This can affect their self-esteem and may in turn affect their performance at school.

- Children who are obese are more likely to become obese adults and they risk the early development of obesity related problems associated with middle age, including diabetes, and have reduced life chances such as employment opportunities.

Priorities for 2016/17

The action plan is being delivered over three years (2016/17 -2018/19) and this is reflected in timescales. Priorities for 2016/17 include:

- Establish child healthy weight steering group
- Promote awareness and feedback through the London 'Great Weight Debate'
- Develop a communications plan and make better use of national resources
- Engage with young people and local communities in the east of the borough and with black and minority ethnic groups
- Promote 'health in all policies' programme as a means of tackling childhood obesity through Council business
- Extend Healthy Catering Commitment
- Explore opportunities to address childhood obesity through the development of the Wilson/east Merton Model of Health and wellbeing
- Support schools to sign up to Healthy Schools London awards
- Pilot All England Lawn Tennis Club early years activation programme in nursery schools
- Support community and staff champions with training on healthy weight
- Develop our framework for child healthy weight support and develop pathways for overweight children and families

Monitoring the Action Plan

- The Children's Trust Board (CTB) are responsible for monitoring the delivery of theme 1 of the Health and Wellbeing Strategy: Best Start in Life. This action plan will be monitored through the CTB and the Child Healthy Weight Steering Group will lead on ensuring it is operationally delivered. Metrics will be developed for actions as they are implemented. New and emerging actions will be incorporated into the action plan over time, building on the evolving evidence base.
- It is recognised that many activities and initiatives are already underway across Merton which have a positive impact on child healthy weight. This action plan does not aim to map all activity across the borough, rather it focuses on actions that are additional or enhance existing activity.

1. Leadership, communication and engagement

- **Leadership** – Increase engagement and commitment to tackling childhood obesity among partners in all sectors.
- **Knowledge and awareness** – Improve children and families' understanding of, and feeling of control over their own health and well-being.
- **Engage with families**, children and young people to promote healthy eating and physical activity and conversations on obesity/healthy weight.
- **Listen to residents and children and young people** including BAME groups and residents in east Merton, to ensure the actions we take are co-produced and make a positive impact.
- Develop a '**Health in All Policies**' approach to positively influence council policies and commissioned services to support children, young people and families to lead healthier lifestyles.
- **Identify opportunities** to bring additional investment to support tackling childhood obesity in Merton.

Merton Child Healthy Weight Action Plan

2. Food environment – Increasing availability of healthy food

- Increase the reach of **Merton Food Charter** to maintain and grow the local food partnership and roll out the **Healthy Catering Commitment**.
- Increase **availability of affordable healthier food and drinks** in Merton to help make the healthier choice the easier choice.
- Ensure that all food and drink available within local authority maintained establishments is in line with relevant **government standards/guidelines** for good nutrition.
- Develop effective ways to **monitor and reduce** the number of food outlets selling predominately foods high in fat, salt and sugar.

3. Physical environment – increasing levels of physical activity and health promoting physical environment

- Increase opportunities for **active travel and physical activity** through the use of existing best practice and guidance.
- Ensure that key **planning policies** help to create healthy, sustainable communities and that new developments are planned with health in mind
- Increase number of children and young people that **travel to and from school actively**.
- Improve the **school sport offer**, to ensure that children and young people have the physical literacy to be enthused and able to lead active lifestyles later in life.
- Increase the number of children and young people, and their families, who are **regular users of parks, open spaces, leisure centres, informal recreation space, allotments and outdoor activities**.
- Maximise opportunities to **promote physical activity, health and social engagement** in estates regeneration or new developments including access to active travel opportunities and open spaces

4. Early Years and school aged settings and pathways

- Increase the number of babies that are **breastfed**.
- **Support parents and carers** to establish a healthy diet for their children from a very early age through Children's Centres and other Early Years settings and services.
- **Maximise the role of schools** as settings promoting healthy eating, physical activity and healthy weight e.g. through promotion of Healthy Schools London (HSL) programme and schools achieving Bronze, Silver and Gold awards.
- Ensure the delivery of the new **schools meals contract** achieves required nutrition standards and healthy choices.
- Use local **data and intelligence** on childhood obesity to inform services and support children and families identified as obese to help them achieve and maintain a healthy weight.
- Develop clear **pathways and support for health and other professionals** working with parents, children and young people to feel confident about talking about weight and supporting and signposting families.

Merton DRAFT Joint Child Healthy Weight Action Plan for preventing and reducing childhood obesity

1. Leadership, Communication and engagement							
Objectives	Tasks	Lead responsibilities	Monitoring indicators /targets	Timescale	Resources	Named Officer in PH responsible	Named Partner responsible
Leadership - Increase engagement and commitment to tackle child obesity among partners in all sectors	1.1 Establish a Merton Child Healthy Weight steering group accountable to CTB and Health and Well-being Board	Public Health	Steering group established and meeting regularly	June 2016	Within Resource	HA/DT	
	1.2 Sign up to the Local Government Declaration on Healthier Food and Sugar Reduction	Public Health	A decision to sign the Declaration is made	April 2018	Within Resource	BC / CL	
	1.3 Develop a communication, engagement and marketing plan	Communications and Public Health	Communication and marketing plan implemented	Feb 2017	Within Resource	DT / A-ML	RD (Rana Darbyshire) ZB (Zara Bishop)
	1.4 Clinical leadership – CCG and health partners to identify opportunities to embed and promote child healthy weight through commissioning, service and workforce developments e.g. development of East Merton Model of Health and Well-being (EMMHWB) at Wilson hospital site	Merton CCG	Opportunities to embed tackling childhood obesity identified and implemented	Ongoing	Within Resources	JG	Hannah Pearson
	1.5 Positively influence council policies and commissioned services that have the potential for supporting	All council departments	Policies and commissioned services use the	April 2017 and ongoing	Within Resource	CL	

<p>Knowledge & awareness – Improve children and families’ understanding of, and feeling of control over their own health and well-being</p>	<p>children, young people and families to lead healthier lifestyles by developing the ‘Health in All Policies’ approach, e.g. use of Social Value Act in commissioning.</p>	<p>Public Health Community engagement</p>	<p>Health in All Policies approach to ensure positive impact on CYP and families. Monitoring indicators to be developed</p>	<p>From October 2016 onwards</p>	<p>Public Health funding</p>	<p>RD / ZB</p>
<p>1.6 Use National and London childhood obesity resources to support communication and engagement with residents, stakeholders, strategic partners and local leaders.</p>	<p>Public Health and partners</p>	<p>Survey promoted widely and completion by residents</p>	<p>Pan-London resources used in communication locally and engagement undertaken</p>	<p>December 2016</p>	<p>Within resources</p>	<p>All stakeholders</p>
<p>1.7 Promote residents awareness and feedback through the London ‘Great Weight Debate’ survey and use this to inform local action</p>	<p>Public Health / Housing Associations / CCG</p>	<p>Champions recruited and trained to deliver health messages</p>	<p>Ongoing, follows development timescales</p>	<p>Within Resource</p>	<p>BC / A-ML / HA</p>	<p>DC (Dave Curtis), CR (Chelsea Renehan)</p>
<p>1.8 Identify Champions (Youth, Community, Workplace, School – School Teachers & Governors) and share and promote consistent healthy weight messages</p>	<p>Policy, Community engagement Public Health and CCG</p>	<p>Commissioned provider delivers conversations and report on recommendations</p>	<p>April 2017</p>	<p>Public Health Funding</p>	<p>DT / Provider</p>	<p>EW (Evereth Wills)</p>
<p>1.9 Undertake community conversations with residents in the east of the borough and with BAME communities to develop and co-create actions.</p>	<p>Public Health and partners</p>	<p>Champions recruited and trained to deliver health messages</p>	<p>Ongoing, follows development timescales</p>	<p>Within Resource</p>	<p>BC / A-ML / HA</p>	<p>DC (Dave Curtis), CR (Chelsea Renehan)</p>

	1.11 Actively seek external funding opportunities and partnerships which will support achieving reduction in childhood obesity/overweight locally including opportunities to pool funding.	ALL	Funding opportunities identified and shared. Applications submitted with positive decisions	Ongoing	Within Resource	HA	ALL
	1.12 Identify funding needs through e.g. a review of gaps in Sustain's – Good Food for London Report	Child Healthy Weight steering group and	Needs identified and recommendations made to stakeholders for action	August 2017	Within Resource	HA/DT	Child Healthy Weight Steering group partners

2. Food environment - Availability of healthy foods

The availability and price of foods and drinks is a major factor in influencing the diet of children and families. It is much more difficult to eat a healthy diet if healthy foods are relatively expensive or unavailable in local food outlets.

Objectives	Tasks	Lead responsibilities	Monitoring indicators /targets	Timescale	Resources	Named Officer in PH responsible	Named Partner responsible
Increase the reach of the Merton Food Charter to maintain and grow the local food partnership	2.1 Refresh the Merton Food Charter to ensure that local businesses continue to support it and more businesses are engaged	Public Health	Revised version is created and piloted with partners	September 2017	Within resource	RS	Merton Chamber of commerce
Increase the availability of healthier foods and drinks in Merton helping to make the healthier choice the easiest choice.	2.2 Further develop and promote the Healthier Catering Commitment (HCC) to food premises, focusing on those in areas of higher deprivation & near to schools or where children and young people congregate. 2.3 Takeaway fast food project work focuses on reducing the portion sizes, improving the quality of chips and reducing sales of sugary drinks, linking in with Change 4 Life.	Environmental Health	Number of food businesses signed up to HCC scheme	April 2017	Resources required	RS	HB (Heather Bailey)
		Environmental Health	Samples analysed, recommendations implemented, re-sampling.	April 2017	Resources required	RS	HB (Heather Bailey)

	<p>2.4 Develop a sustainable response to food poverty and access to nutritious food – seek resources to develop a Food Poverty Plan</p>	<p>Welfare Reform Group / Community partners TBC</p>	<p>Task and Finish group convened. Plan produced with metrics</p>	<p>August 2017</p>	<p>Within resource</p>	<p>RS / DT / HA</p>	<p>Matthew Snelling (Through Welfare Reform Group)</p>	
	<p>2.5 Implement the Mayor of London's Holiday Provision Programme in Merton which will provide healthy meals during school holidays and social development activities.</p>	<p>Greater London Authority (GLA) / Public Health</p>	<p>Programme provides healthy meals to CYP in Merton during school holidays</p>	<p>August 2018</p>	<p>GLA funded</p>	<p>DT</p>	<p>GLA</p>	
<p>Ensure that all food and drink available within LA maintained establishments is in line with relevant government standards/guidelines for good nutrition.</p>	<p><u>Food Standards, access & availability</u> 2.6 All school food catering to adhere to the School Food Plan</p>	<p>CSF</p>	<p>School meal uptake increases</p>	<p>Termly – ongoing</p>	<p>Within resource</p>	<p>RS</p>	<p>MD (Murray Davies)</p>	
	<p>2.7 Primary school meals catering contract to measure progress of added value KPIs, including addressing holiday hunger and cooking classes for parents</p>	<p>CSF / School Meals Steering Group</p>	<p>Contract monitoring includes achievement of added value elements</p>	<p>Termly – ongoing</p>	<p>Within resource</p>	<p>RS</p>	<p>MD (Murray Davies)</p>	
		<p>2.8 Explore healthier catering pledges for all LA, community, voluntary and NHS venues within Merton to include food and drink provision and vending, in line with local government declaration on sugar reduction and healthier food</p>	<p>Facilities Corporate Commissioning</p>	<p>Pledge developed and implemented in appropriate establishments.</p>	<p>April 2018</p>	<p>Within resource</p>	<p>RS</p>	<p>TBC</p>
	<p>2.9 Develop opportunities for the Children's Health Fund Levy (sugary drinks tax) to be promoted to and adopted by local businesses, with a view to making a declaration to say</p>	<p>Future Merton E & R and Merton Chamber of</p>	<p>Number of businesses adopting the sugary drinks levy</p>	<p>October 2017</p>	<p>Within resource</p>	<p>RS</p>	<p>TBC</p>	

Develop effective ways to monitor & reduce the number of food outlets selling predominately foods high in fat, salt and sugar	we are a "Sugar Smart borough".	Commerce	Evidence is collated, reviewed and recommendations made for action.	2017/18	Within resource	PH registrar	AC (Ann Clarke)
2.10 Develop a robust evidence based document to examine the impact of A5 Use Class and examine recommendation for whether planning restrictions are required.	<u>Licensing & regulation / fast food outlets</u> 2.10 Develop a robust evidence based document to examine the impact of A5 Use Class and examine recommendation for whether planning restrictions are required.	Environment and Regeneration /Public Health					
2.11 Develop a criteria for use during licencing applications to encourage events management & vendors to adopt healthier cooking practices, with healthier options being made available.	2.11 Develop a criteria for use during licencing applications to encourage events management & vendors to adopt healthier cooking practices, with healthier options being made available.	Street Trading – Licensing	Criteria developed and implemented	April 2018	Within resource	RS	DR (David Ryan) Christine Parsloe

3. Physical environment- Increasing levels of physical activity and health promoting physical environment

The street and outdoor environment is a strong influence on both activity levels and diet. Proximity and ease of access can influence whether families use open and green spaces for activity. Choice of travel mode can be influenced by whether it is convenient to walk, cycle, use of public transport or private cars and perceptions of safety. Planned activity such as sport and exercise is important, but many do not feel motivated or able to participate in sport and exercise, therefore building a greater level of activity into everyday routines is a priority.

Objectives	Tasks	Lead responsibilities	Monitoring indicators /targets	Timescale	Resources	Named Officer in PH responsible	Named Partner responsible
Increase opportunities for active travel and physical activity through the use of existing best practice and guidance.	3.1 Explore opportunities to audit Merton's compliance against best practice guidance. Agree to undertake 1 audit per year with recommendations for action	Public Health & Environment regeneration.	Audit completed, gaps identified and plans influenced	To agree start date by April 2017 (annual audit)	Within Resources	RS / HA / PH Registrar	MD (Mitra Dubet)
Ensure that key planning policies help to create healthy, sustainable communities and that new developments are planned with health in mind	3.2 Ensure that Local Plan documents are in line with the Local Plan Strategic Objectives 5 (to make Merton a healthier and better place for people to live and work in or visit) and Strategic Objective 7 (connected place where walking, cycling and public transport modes of choice when planning a journey)	Environment & regeneration.	Review forthcoming development planning documents, in line with Strategic objectives 5 and 7.	To agree dates by April 2017/18	Within Resources	RS	AC
Increase number of children and young people that travel to and from school actively.	3.3 As a minimum, all schools to have a school travel plan at Bronze level and working towards silver, which is refreshed on an annual basis to create a shift towards active travel.	Environment & regeneration.	Year on year increase in number of schools with a travel plan at bronze, silver and gold	Review annually	Within Resources	HA	DM (Dylis Martin)
Increase the number of	3.4 Increase attendances at Merton Leisure Centres by children, young	Environment & regeneration.	Baselines identified and	To agree by April	Within Resources	BC	CP (Chris Parsloe)

<p>children and young people (and their families) who are regular users of parks, open spaces, leisure centres, informal recreation space, allotments and outdoor activities.</p>	<p>people and their families. Establish baselines for participation at leisure centres and develop targets to increase attendances by children and young people, particularly girls and BAME communities.</p>	<p>Environment & regeneration</p>	<p>Merton's Open Space Strategy 2010/Local Plan reviewed</p>	<p>Within Resource</p>	<p>BC</p>	<p>DN (Doug Napier)</p>	
	<p>3.5 Ensure that existing and new open spaces are accessible and safe to use for Merton's diverse community by reviewing Merton's Open Space Strategy 2010/Local Plan.</p>	<p>Environment and Regeneration</p>	<p>Satisfaction level of parks is maintained/increased.</p>	<p>Annually</p>	<p>Within Resource</p>	<p>BC</p>	<p>DN</p>
	<p>3.6 Increase/maintain satisfaction levels of parks in Merton as evidenced from the annual residents survey.</p>	<p>Environment and Regeneration and Public Health</p>	<p>Community Mile developed in parks and accessed by community.</p>	<p>To agree dates by end April 2017</p>	<p>Within Resource</p>	<p>RS / AC</p>	<p>DN</p>
	<p>3.7 Explore opportunities to develop a community 'Merton Mile' in parks which will allow the community to easily run/walk a mile with marked out 1 mile routes e.g. in parks.</p>	<p>Wandle Valley, Regional Park Trust, Sustainable Merton, Public Health.</p>	<p>Meet the KPI's for Get Wandle Active</p>	<p>Review annually</p>	<p>Within Resource</p>	<p>BC</p>	<p>DC (Dan Cudmore)</p>
	<p>3.8 Support the 'Get Wandle Active' physical activity programme.</p>	<p>MSSP</p>	<p>X% of schools achieving Silver or Gold. (2014/2015 had 89% achieve silver and above. (Gold 67% and silver 22%)</p>	<p>July 2017</p>	<p>Within Resource</p>	<p>DT</p>	<p>NR (Nicola Ryan)</p>
<p>Improve the school sport offer, to ensure that all children and young people are enthused to participate and able to lead</p>	<p>3.9 All schools are part of the Merton School Sport Partnership (MSSP) and:</p> <ul style="list-style-type: none"> I. are working towards Gold in the Merton School Sports Mark. II. deliver 2 hours/2x50 minutes of PE on separate school days 						

<p>active lifestyles later in life.</p>	<p>III. have skilled, confident deliverers of PE</p>						
<p>Maximise opportunities to promote physical activity, health and social engagement in regeneration or new developments including access to active travel opportunities and open spaces</p>	<p>3.10 Ensure schools use new evidence based advice being published for schools in 2017/18 to support investment of additional Sports Premium monies appropriately. This includes expressing an interest in London Sports school mentor scheme.</p> <p>3.11 Encourage the 'Daily Mile' (or similar school led initiative) to get all school children to run/walk a mile a day.</p> <p>3.12 For any major future development e.g. High Path, Eastfields and Ravensbury estates and Wilson Hospital site, ensure the developer is required to carry out a Health Impact Assessment (HIA) which includes physical activity and food environment.</p> <p>3.13 Undertake Health Impact Assessments (HIAs) with developer of Morden Leisure Centre.</p> <p>3.14 Produce HIA guidance paper for developers who are planning major large developments in the borough in line with national and regional guidance</p>	<p>MSSP / CSF/ London Sport / Healthy Schools London Steering gp</p> <p>MSSP / CSF/ London Sport / Healthy Schools London Steering gp</p> <p>Future Merton and Public Health</p> <p>Public Health / Leisure</p> <p>Future Merton and Public Health</p>	<p>School Sports Premium spent in line with PHE advice; evidence based initiatives implemented</p> <p>Year on year increase of schools implementing 'Daily Mile'</p> <p>HIAs undertaken for major developments identified</p> <p>HIA undertaken for Morden Leisure Centre</p> <p>Guidance paper developed and used by developers</p>	<p>Academic year 2017/18 and beyond</p> <p>Annually</p> <p>dates follows timescales of development</p> <p>dates follows timescales of development</p> <p>Review progress by April 2018</p>	<p>Within Resource</p> <p>Within Resource</p> <p>Within Resource</p> <p>Within Resources</p>	<p>HA</p> <p>DT / MSSP</p> <p>AC/AK/PH Registrar</p> <p>AK / PH Registrar</p> <p>AK / PH Registrar</p>	<p>NR / London Sport</p> <p>NR / London Sport</p> <p>AC</p> <p>CP / Francis McPartland (FM)/Christine Parsloe</p> <p>AC</p>

4. Early years and school aged settings and pathways

The school environment is hugely influential on children's behaviour, both through the curriculum, the culture of the school and engagement with families and the wider community. There is a growing evidence base on the effectiveness of school-based intervention to promote health, diet and physical activity. The development of pathways and the role of health and other professionals in providing support and advice is important to help children and families achieve and maintain a healthy weight.

Objectives	Tasks	Lead responsibilities	Monitoring indicators /targets	Timescales	Resources	Named Officer in PH responsible	Named Partner responsible
Increase the number of babies that are breastfed.	4.1 Ensure continuation of Unicef Baby Friendly Stage 3 accreditation in Community and Midwifery services. Ensure Health Visiting services, Children's Centre and Primary Care Services continue to promote Breastfeeding.	CLCH, St Helier, St Georges, Kingston Hosp	Unicef Baby Friendly stage 3 accreditation maintained	Aligned to timescales of Unicef Baby Friendly Accreditation timescale for Merton	Within Resource	HA	HT (Helen Tebbit), (AJ) Alison Jones / (TP) Tracy Podger
	4.3 Undertake a rapid review/audit of breastfeeding data and engagement to identify approaches to increasing breastfeeding among certain population groups/geographical areas.	Public Health, Comms	Engagement with women less likely to breastfeed undertaken to inform approach to increase breastfeeding	By July 2017	Within Resource	HA/PH Registrar	HT (Helen Tebbit)
Support parents and carers to establish a healthy diet for their children from a very early age through Children's Centres and other	4.4 Continue annual site visits by Early Years staff to Childcare settings including Private, Voluntary and Independent (PVI) nurseries which include review of food and weaning practices providing appropriate advice	CSF	Food and weaning practices reviewed in all PVI nurseries visited	Ongoing	Within Resource	HA	TC (Tracey Clarke)
	4.5 Once published, develop plan to implement GLAs Healthy Early Years	Public Health	Year on year increase in	Timescale dictated	Within	HA	TC (Tracey Clarke)

Early Years settings and services.	London (HEYL) programme locally.	and CSF	settings achieving Bronze award	by GLA April (2017/2018)	Resource			
	4.6 Undertake an audit to assess need and content of training for Health and Education frontline staff to increase confidence to talk about healthy weight –Making Every Contact Count	Public Health, CSF, CCG, Primary care, community Providers, PVI's etc.	Audit undertaken and recommendations made	Agreed March 2016	Within resource	PH registrar	TBC	
	4.7 Procure training for talking about healthy weight as part of brief advice.	Public Health	Number of staff trained to deliver healthy weight brief advice	April 2017	PH funding	HA / DT	TBC	
	4.8 Commission HENRY (Health Exercise and Nutrition Training for the Really Young) for Early Years settings	Public Health, CSF	PVI nurseries with at least 1 member of staff trained in HENRY	April 2017	PH funding	HA / DT	TBC	
	4.9 Audit uptake of Healthy Start Vitamins & Vouchers (HSV) as well as processes across the borough	Public Health CLCH CSF	Healthy Start vitamin uptake data analysed and processes reviewed	May 2017	Within Resource	PH Registrar	HT / TC	
	4.10 Where HSV uptake is poor, explore methods to increase uptake e.g. through Children's Centres, GPs, Health Visitors and PVI's	CLCH & CSF, CCG	Recommendations implemented and process for increasing uptake established	April 2018	Within resource	PH Registrar	HT / TC FW (Fiona White)	
	4.11 Ensure NCMP continues to	CLCH	95% participation rate	Aligned to timescales	Within resource	HA	HT	
	Early identification and							

<p>support provisions for children and their families identified as overweight and obese.</p>	<p>achieve high participation rates for Reception and Year 6</p>	<p>CLCH, HRCH. Future providers</p>	<p>is maintained for the NCMP programme</p>	<p>of Community Services Contract</p>	<p>Within resource</p>	<p>HA/DT</p>	<p>HT</p>
	<p>4.12 Ensure robust pathways are developed for children identified as overweight or obese from the NCMP into healthy weight support:</p> <p>a) during 2016/17</p> <p>b) develop future child healthy weight support model 2017/18 onwards</p>	<p>Public Health and future partners</p>	<p>Clear pathway developed, shared and implemented with referrers and wider partners to services that support reducing weight</p>	<p>a) By March 2017</p> <p>b) Draft by April 2017</p>	<p>Public Health funding</p>	<p>HA/DT</p>	<p>TBC</p>
	<p>4.13 Merton CCG to develop primary care pathway linked to IT systems to appropriately support and signpost children and families to local services.</p>	<p>MCCG/Public Health</p>	<p>Primary care pathways developed</p>	<p>May 2017</p>	<p>Within resource</p>	<p>HA/JG</p>	<p>HP (Hannah Pearson)/ LL (Lucy Lewis)/CC (Conan Cowely)</p>
	<p>4.14 Review the need for tier 3 children's weight management services locally</p>	<p>CCG</p>	<p>Recommendations on tier 3 weight management services for children are developed</p>	<p>By Dec 2017</p>	<p>Within Resource</p>	<p>HA/DT</p>	<p>HP</p>
	<p>4.15 Develop the role of dentists and pharmacists in promoting awareness and signposting families to local services</p>	<p>CCG/NHSE</p>	<p>Action to develop role of dentists and pharmacists established and implemented</p>	<p>Jan 2018</p>	<p>Within Resource</p>	<p>HA/DT</p>	<p>CCG and NHSE partners TBC</p>

<p>Ensure local data and intelligence on childhood obesity informs service development</p>	<p>4.16 Continue analysis of NCMP data by school, ward and ethnicity to ensure services are targeted appropriately and data is shared within NCMP guidelines</p>	<p>Public Health</p>	<p>Analysis of annual NCMP data shared Schools provided with individual feedback letters on their obesity levels</p>	<p>April 2017 Annually in Oct</p>	<p>Within Resource</p>	<p>HA/SS</p>	<p>CLCH /CSF</p>
<p>Support schools to promote healthy eating, physical activity and health and well-being</p>	<p><u>Healthy Schools</u> 4.17 Build on the work of the local Targeted Healthy Schools programme in the east of the borough and continue the Healthy Schools steering group. Work with head teachers, governors, school improvement to ensure schools are engaged with Healthy Schools London</p>	<p>Public Health CSF, Schools, Steering group</p>	<p>Steering group meets and increases its active membership. Protocol developed for assessing schools and building peer to peer learning</p>	<p>April 2017</p>	<p>Within Resource</p>	<p>HA/DT</p>	<p>Steering group</p>
	<p>4.18 Increase the number of schools registered on the Healthy Schools London (HSL) programme and achieving Bronze, Silver and Gold awards by engaging with schools</p>	<p>Public Health, CSF, Schools</p>	<p>Year on year increase of schools registered and awarded with Bronze, Silver and Gold</p>	<p>Review at end of academic year annually</p>	<p>Additional Resource and capacity</p>	<p>HA/DT</p>	<p>Steering group</p>

	<p>4.19 Pilot All England Lawn Tennis Club (AELTC) Early Years activation programme within Mitcham Town and East Mitcham schools clusters and evaluate impact</p>	<p>AELTC / Public Health /</p>	<p>Pilot undertaken with evaluation report and recommendations to expand if shown to be successful</p>	<p>Aug 2017</p>	<p>Within Resource</p>	<p>PH registrar AJ</p>	<p>DB (Dan Bloxham)</p>
--	---	--	--	-----------------	------------------------	----------------------------	-------------------------

Committee: Cabinet

Date: 16 January 2017

Wards: All

Subject: Merton's Voluntary Sector and Volunteering Strategy

Lead officer: Simon Williams, Director of Community and Housing

Lead member: Councillor Edith Macauley, Cabinet Member for Community Safety, Engagement and Equalities

Contact officer: Amjad Agil, Policy, Strategy and Partnerships Officer.
amjad.agil@merton.gov.uk; 020 8545 3379

Recommendations:

1. That Cabinet endorse the recommendations of the Merton Partnership's Voluntary Sector and Volunteering Strategy Steering Group and that these form the basis for the Merton Partnership's Voluntary Sector and Volunteering Strategy
 2. That Cabinet delegates the responsibility of approving the final version of the strategy to the Director of Community and Housing in consultation with the Cabinet Member for Community Safety, Engagement and Equalities..
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Both the Voluntary Sector Strategy and Volunteering Strategy need updating. The Merton Partnership Executive Board agreed to combine both strategies and appointed a Steering Group to develop a new Voluntary Sector and Volunteering Strategy. This reports sets out the key recommendations from the Steering Group and proposes that these form the basis of a new Strategy for the borough.

2 DETAILS

BACKGROUND

- 2.1 The Voluntary and Community Sector (VCS) is an important partner for the Council. It provides a range of services on behalf of the Council and a host of other activities that contribute to making the borough an excellent place to live. The social capacity that the Sector delivers also reduces demand for the Council's own services, particularly for vulnerable residents, by increasing resilience and self-support. Any contraction in the size and reach of the Sector is likely to have a detrimental impact on the Council both in terms of our ability to deliver services via the sector but also increasing demand for statutory services.

- 2.2 To oversee the development of the new strategy a steering group was drawn from the Merton Partnership and representatives from the voluntary and community sector. The group was chaired by Simon Williams, Director of Community and Housing at Merton Council. Merton Voluntary Service Council (MVSC) and the Council's Policy Team provided secretariat and research support.
- 2.3 A State of the Sector survey was commissioned to inform the development of the strategy. Whilst the sector has actually grown over the last two years there are worrying signs of structural weakness that threaten the long term health and viability of the sector:
- skills gap – fundraising, tendering, communication, digital awareness, evidence gathering and evaluation, strategic leadership and planning;
 - over reliance on public sector funding- lack of knowledge about what funding the public sector will provide in the future and a failure to explore or have the necessary skills to win funding bids from alternative sources;
 - unsustainable financial basis – an increasing number of organisations with no funding sources and little financial resilience;
 - unhealthy competition – a lack of partnerships and collaborative ways of working resulting in increased competition for reducing resources;
 - property – increasing difficulty in finding and keeping a physical base for operations, also compounding financial difficulties e.g. high rents, lack of income generating opportunities;
 - increased demand – increasing demand for services and more complex needs.
- 2.4 The draft recommendations were discussed by the Overview and Scrutiny Commission on 15 November 2016. OSC agreed the following:
- To endorse the direction of travel taken by the draft voluntary sector and volunteering strategy;
 - To give political backing to the concept of including social value in the contracting process as long as this is done in a transparent and measurable way alongside price and quality considerations.
- 2.5 The draft recommendations were approved by the Merton Partnership Executive Board on 22 November 2016.

3. KEY ISSUES AND DRAFT RECOMMENDATIONS

- 3.1. The steering group examined a number of key themes related to the strategy in turn at their monthly meetings. Each theme was intensively researched and a report was produced for discussion. The following is a summary of each theme and the draft recommendations it produced.

4. SUPPORT FOR THE SECTOR TO CHANGE AND ADAPT

- 4.1. The voluntary and community sector is facing a challenging future contending with reducing resources and rising demand, with service users presenting with increasingly complex needs that require intensive interventions. For the sector to thrive in this difficult environment, it needs to adapt how it operates and consider new ways of working.

- 4.2. The State of the Sector survey highlighted the number of unincorporated organisations thereby exposing their trustees to greater risk. The increased size of the sector plus the nature of these challenging times highlights the pressures on current trustees and the need to find more high calibre trustees with the right skills in the future. Surprisingly, despite the funding reductions, there was less evidence than expected of consolidation within the sector or increasing levels of partnership working to share costs and collaboration to bid for work. The increase in the number of new organisations with no funding suggests that the nature of support provided to the VCS needs to change to take account of this.
- 4.3. The State of the Sector survey found that the clear areas for organisational development include fundraising, tendering, communication, monitoring, evaluation, and strategic leadership and planning. The steering group agreed that equipping the sector with the tools needed to thrive in the current climate is of paramount importance. Key amongst these are the issues highlighted from the survey: improving partnership working to cut costs and add value; and providing the expertise and training needed to raise income.
- 4.4. A number of different approaches to supporting the sector were considered. The following draft recommendations were agreed:
- A. Review the support offer to Merton's VCS organisations to improve their business planning, fundraising strategies and expertise, underpinned by good governance and financial management;
 - B. Support Merton's VCS organisations to improve collaboration and set up partnerships and consortia to extend their scope and reach, underpinned by due diligence, contract readiness, contract and performance management, evaluation and impact measurement;
 - C. Review the support offer to smaller and more informal groups;
 - D. Develop a joint approach to promoting the role of trustees and improving their skills to lead and govern VCS organisations;
 - E. Support Merton's VCS to improve enterprise acumen to grow the social enterprise market, underpinned by structural/financial support to encourage business-like innovation and risk taking;
 - F. Further develop the JSNA to become a dynamic tool for the VCS and decision makers in understanding and addressing local needs
 - G. Develop a more strategic approach across the Merton Partnership to increase the provision of affordable, flexible premises.

5. MAXIMISING FUNDING AND INCOME GENERATION

- 5.1. Resource maximisation in a period of scarcity was another key issue that the steering group grappled with. As resources diminish and competition increases, the VC sector is increasingly looking to new and innovative ways to generate income and operate more efficiently.
- 5.2. The State of the Sector report identified a number of concerns. Firstly, the increase in the number of organisations with no sustainable funding sources. Secondly, that 40% of organisations thought their income from grants and unrestricted funding sources was likely to grow despite on-going cuts in public sector funding and the increased competition for dwindling resources. There is a clear imperative for Merton VCS organisations to seek out alternative funding outside of the public sector and to increase its chances of successfully bidding for work in competition with VCS organisations outside of Merton and against the private sector.

- 5.3. The group studied alternative sources of income include Social Investment Bonds, Corporate Social Responsibility pledges and best practice examples from other organisations. The group considered the impact of the Merton Community Fund set up in 2012 by MVSC to act as a conduit for donations to sector. The group heard from the Chamber of Commerce and agreed that more could be done to tap into local businesses and individuals to offer financial and in-kind support to the sector.
- 5.4. It should be noted, that there is a clear overlap between the recommendations for supporting the sector and for maximising funding. One example of this is increasing collaboration and partnership working. It is noticeable that where the voluntary and community organisations are provided with bid writing and income generation advice and support they are often able to increase their income. The steering group arrived at the following draft recommendations to increase and diversify funding to the sector:
- A. Revive and market the Merton Community Fund to attract funding from local residents and businesses;
 - B. Encourage and foster collaborative working and the sharing of resources in the sector
 - C. Support VCS organisations to look at alternative approaches to income generation
 - D. Ensure that there is clarity from the public sector on funding priorities and how funding is allocated
 - E. Strengthen our partnerships with business in order to increase their support via corporate social responsibility pledges;
 - F. Seek opportunities to develop and access social investment opportunities

6. COMMISSIONING AND SOCIAL VALUE

- 6.1. The State of the Sector survey indicates the need for voluntary sector organisations to work more collaboratively together and to work in partnership with commissioners as part of the commissioning cycle including the identification of need and what interventions might work best to meet these needs. There is a clear need and opportunity for public sector commissioners to work more effectively with the sector and to look to exploit opportunities within the Public Services (Social Value) Act 2012.
- 6.2. The Social Value Act requires public bodies to think about how they can improve the economic, social and environmental well being of an area through the services they commission above £164,176. The Act is a tool to help commissioners get more value for money out of procurement. It also encourages commissioners to talk to their local provider market or community to design better services, often finding new and innovative solutions to difficult problems.
- 6.3. With grant funding levels reducing, the sector is increasingly looking to win contracts to deliver services from public or private sector bodies as an alternative income generation stream. The group examined how Merton Council and other bodies in the Merton Partnership can ensure that before starting the procurement process, commissioners think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.

- 6.4. The voluntary sector is perfectly placed to deliver services that provide additional social and environmental benefits to Merton such as providing training for the unemployed; creating supply chain opportunities for SMEs and social enterprises; creating opportunities to develop third sector organisations; and making facilities (such as school libraries, leisure facilities or computers) available to excluded VCS groups.
- 6.5. The steering group worked with the commissioning and procurement team in Merton Council to produce recommendations that would help the sector compete for contracts, and that added social value by potential providers is recognised and scored appropriately. The following draft recommendations were agreed:
- A. Secure political and executive backing from members of the Merton Partnership to seek additional social value through the commissioning process and to identify and recognise the social value delivered by Merton VCS organisations
 - B. All commissioners, where appropriate, to provide guidance to organisations through training, soft market testing and one to one meetings to encourage them to apply and to sign up to our procurement framework;
 - C. All commissioners, where appropriate, to engage and meet with organisations at the early stages of the commissioning process and ensure Social Value is considered at the design stage and built into the tender process;
 - D. Make it an option to include Social Value as part of the bid evaluation process through its inclusion in the scoring criteria;
 - E. Ensure that opportunities to seek Social Value are reviewed at all levels of governance

7. INCREASING VOLUNTEERING

- 7.1. Volunteering is associated with increasing wellbeing and with a strong sense of civic pride. It simultaneously benefits the users and the volunteers through increasing their feelings of wellbeing. Volunteers report better career prospects, and improvements in mental and physical health also come out very high.
- 7.2. The number of volunteers in Merton has increased by 8% from 2,462 in 2014/15 to 2831 in 2015/16. Retaining and increasing the numbers of volunteers in the borough was agreed as a key priority. Whilst Merton has higher than average levels of volunteering the steering group felt there should be an ambition to increase volunteering to match or exceed the highest levels in London. The steering group felt that the approach set out in the current Volunteering Strategy was working well but identified some additional draft recommendations:
- A. Promote and support the recruitment of volunteers across the Merton Partnership
 - B. Develop models of public service delivery that create additional volunteering opportunities
 - C. Continue the recognition of volunteers and volunteering programmes and promote them throughout the borough
 - D. Develop further the communications plan to raise the profile of volunteering & community action in Merton

- E. Promote a consistent model of evaluating the contribution and value of volunteers for the VCS
- F. Maximise and promote the benefits of volunteering for volunteers, in particular seeking routes into paid employment.
- G. Ensure local public and private sector organisations are engaged and supported to creatively deliver their corporate social responsibility agenda and actively promote their employee volunteering programmes.

8. ALTERNATIVE OPTIONS

To not renew the strategy:

To forgo renewing the strategy would mean that Merton Partnership is ill- equipped to support the borough's voluntary and community sector in the current challenging climate. The current strategies are several years out of date and are in need of renewal to reflect the current environment.

The sector is an integral part Merton's social fabric, adding value through their services and addressing complex social needs from vulnerable groups that would otherwise fall to public services to meet. Having a new strategy in place would enable the Merton Partnership to support the sector to adapt and to continue to thrive.

9. CONSULTATION UNDERTAKEN OR PROPOSED –

- 9.1. The strategy development was overseen by a steering group consisting of Merton Partnership members. The Terms of Reference were discussed at a number of forums including INVOLVE and The Faith and Belief Forum allowing the sector an opportunity to comment on the scope of the strategy at an early stage.
- 9.2. A State of the Sector Study was commissioned to provide further evidence to inform the strategy. A combination of questionnaires, interviews and focus groups provided the sector with an opportunity to share their views and discuss challenges. In total over eighty organisations were engaged through questionnaires, interviews, focus groups, one to one meetings and desk research.
- 9.3. The 2016 Merton Partnership Conference in November discussed the draft recommendations in depth and this feedback has informed the final recommendations.

10. TIMELINE

- 10.1. Subject to Cabinet's agreement, a draft Strategy based on the recommendations of the Steering Group will be submitted to the Cabinet Member for Community Safety, Engagement and Equalities in February 2017.
- 10.2. The implementation of the Strategy will be overseen by the Compact Board and Merton Partnership Executive Board.

11. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 12.1 There are no direct financial impacts arising from this report. Any future impact that arises from actions to support implementation of this strategy will be reported separately.

12. LEGAL AND STATUTORY IMPLICATIONS

None

13. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS –

Research has shown that a thriving voluntary and community sector supports community cohesion.¹

14. CRIME AND DISORDER IMPLICATIONS –

None

15. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS –

None

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

Appendix 1: Recommendations and actions in support of the Strategy

17. BACKGROUND PAPERS

- State of the Sector survey – see [link](#).

None

¹ Commission on Integration and Cohesion: Our Future Lives 2007

Appendix 1: Voluntary Sector and Volunteering Strategy Draft Recommendations

Strategic priority	Steering Group recommendations	Examples of possible actions to implement the strategy
Support for the sector to help it adapt and change	<ol style="list-style-type: none"> 1. Review the support offer to Merton's VCS organisations to improve their business planning, fundraising strategies and expertise, use of digital technology, underpinned by good governance and financial management; 2. Support Merton's VCS organisations to improve collaboration and set up partnerships and consortia to extend their scope and reach, underpinned by due diligence, contract readiness, contract and performance management, evaluation and impact measurement; 3. Review the support offer to smaller and more informal groups; 4. Develop a joint approach to promoting the role of trustees and improving their skills to lead and govern VCS organisations; 5. Support Merton's VCS to improve enterprise acumen to grow the social enterprise market, underpinned by structural/financial support to encourage business-like innovation and risk taking; 6. Further develop the JSNA to become a dynamic tool for the VCS and decision makers in understanding and addressing local needs 7. Develop a more strategic approach across the Merton Partnership to increase the provision of affordable, flexible premises. 	<p>Review priorities, resources and approach to commissioning support to the sector through the Strategic Grant programme to better reflect the issues identified in the State of the Sector survey.</p> <p>Explore how the Wilson Centre can become a place where multiple organisations providing different services are located- an exemplar in partnership working and resource sharing.</p> <p>LBM will engage the VCS and partners in the future development of the JSNA / Merton Observatory</p> <p>Merton Partnership to look at opportunities through the One Public Estate programme to review how the public sector collectively uses its public estate and supports the VCS to deliver increased social value.</p> <p>Support VCS management of community assets to enhance strategic planning, sustainability and service delivery.</p> <p>Strengthen VCS strategic representation and co-production, including for small groups</p>
Maximising funding and income generation	<ol style="list-style-type: none"> 8. Revive and market the Merton Community Fund to attract funding from local residents and businesses; 9. Encourage and foster collaborative working and the sharing of resources in the sector 10. Support VCS organisations to look at alternative approaches to 	<p>Identify capacity to re-launch the Merton Community fund and review the approach to securing CSR contributions from businesses and community giving.</p> <p>Ensure that commissioners publish information about</p>

Strategic priority	Steering Group recommendations	Examples of possible actions to implement the strategy
	<p>income generation</p> <p>11. Ensure that there is clarity from the public sector on funding priorities and how funding is allocated</p> <p>12. Strengthen our partnerships with business in order to increase their support via corporate social responsibility pledges;</p> <p>13. Seek opportunities to develop and access social investment opportunities</p>	<p>grant levels and priorities as early as practicable to allow the sector to plan ahead.</p> <p>Explore a social investment vehicle for the development of the Wilson Centre.</p> <p>Contact significant funders to better understand how Merton VCS can be more competitive in winning bids.</p> <p>Ensure that business rate relief to charities is well publicised</p>
Commissioning and social value	<p>14. Secure political and executive backing from members of the Merton Partnership to seek additional social value through the commissioning process and to identify and recognise the social value delivered by Merton VCS organisations</p> <p>15. All commissioners, where appropriate, to provide guidance to organisations through training, soft market testing and one to one meetings to encourage them to apply and to sign up to our procurement framework;</p> <p>16. All commissioners, where appropriate, to engage and meet with organisations at the early stages of the commissioning process and ensure Social Value is considered at the design stage and built into the tender process;</p> <p>17. Make it an option to include Social Value as part of the bid evaluation process through its inclusion in the scoring criteria;</p> <p>18. Ensure that opportunities to seek Social Value are reviewed at all levels of governance</p>	<p>Secure agreement to the approach from LBM's Cabinet in January 2017 and the CCG Executive Board. Update the Council's Standing Orders accordingly.</p> <p>Produce guidance and training for commissioners on the use of the Social Value Act including the development of a model approach for measuring and evaluating social value.</p> <p>Review mechanisms built in at departmental and corporate levels, and through the thematic partnerships such as the Sustainable Communities Board</p> <p>Engage early with the VCS to prepare them to bid for services where they strongest e.g. address the alcohol and drug dependence issues in the borough</p> <p>Use the Social Prescribing pilot to commission VCS organisations to improve health outcomes in the east of the borough.</p>

Strategic priority	Steering Group recommendations	Examples of possible actions to implement the strategy
Increasing volunteering	<p>19. Promote and support the recruitment of volunteers across the Merton Partnership</p> <p>20. Develop models of public service delivery that create additional volunteering opportunities</p> <p>21. Continue the recognition of volunteers and volunteering programmes and promote them throughout the borough</p> <p>22. Develop further the communications plan to raise the profile of volunteering & community action in Merton</p> <p>23. Promote a consistent model of evaluating the contribution and value of volunteers for the VCS</p> <p>24. Maximise and promote the benefits of volunteering for volunteers, in particular seeking routes into paid employment.</p> <p>25. Ensure local public and private sector organisations are engaged and supported to creatively deliver their corporate social responsibility agenda and actively promote their employee volunteering programmes.</p>	<p>Promote and utilise the Volunteer Merton online volunteer recruitment hub (one stop shop) to ensure individuals, groups and organisations have a single access point to volunteering and community action in Merton.</p> <p>Ensure that new initiatives such as Merton social prescribing pilot include the development of volunteers as an element for its sustainability.</p> <p>Merton Council's Health Champions programme, run in partnership with Merton Voluntary Service Council (MVSC) and LiveWell Merton, encourages individuals in the borough to volunteer their time motivating other residents to make realistic health changes to benefit their long term health</p> <p>Volunteers undertake a wide variety of roles in Merton Libraries including meeting and greeting, supporting children's activities, helping customers use the IT facilities and helping to promote libraries in the community.</p> <p>Ensure that large contracts include a commitment to CSR such as employee volunteering schemes.</p> <p>Continue to promote the ValueYou 100 hours volunteering discount card scheme.</p> <p>Hold an annual Merton Partnership Volunteer Awards ceremony</p> <p>Explore the potential of volunteering 'passports' to demonstrate volunteers' experience and skills and encourage employers to involve volunteers in their work, to the mutual benefit of the volunteer and the</p>

Strategic priority	Steering Group recommendations	Examples of possible actions to implement the strategy
		<p>business.</p> <p>Work with the Merton Partnership to promote their employee volunteering programmes</p>

This page is intentionally left blank

Committee: Cabinet

Date: 16 January 2017

Wards: All

Subject: London Councils Grants Scheme
Subscription for 2017/18

Lead officer: Paul Dale, AD Resources

Lead member: Councillor Edith Macauley, Cabinet Member for Community
Safety, Engagement and Equalities

Contact officer: Amjad Agil, Policy, Strategy and Partnerships Officer
(020 8545 3379 / amjad.agil@merton.gov.uk)

Recommendations:

1. That Cabinet approves the council's contribution to the London Councils Grants Scheme 2017/18 as per the subscription set by London Councils Leaders' Committee on 6 December 2016;
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The London Councils Leaders' Committee has set a revised budget for the London Councils Grants Scheme (LCGS) for 2017/18. The LCGS is governed by statute which requires the budget to be approved by two thirds of London boroughs by 20 January 2017.
- 1.2 This report seeks Cabinet's approval for Merton's contribution to the LCGS for 2017/18, which the London Councils Leaders' Committee has determined should be £180,853. This can be met within existing resources.

2 DETAILS

- 2.1 The LCGS funds a range of services across London with financial contributions from all London boroughs. The budget for the grants scheme is determined by the London Councils Leaders' Committee and boroughs are asked to confirm their contributions each year.
- 2.2 In 2016/17 the London Councils Leaders' Committee determined Merton's contribution to be £214,515.
- 2.3 For 2017/18 London Councils Leaders' Committee has determined Merton's contribution to be £180,853 which represents a £33,661 reduction compared to 2016/17.
- 2.4 This reduction followed the conclusion of the Grants Review during 2015/16, which included two public consultations and consideration of a wide range of evidence including equalities impact information.

2.5 Based on the findings of the Grants Review, the London Council's Leaders' Committee agreed in March 2016 to deliver a Grants Programme from April 2017 focussed on three priorities:

- Priority 1 – combatting homelessness
- Priority 2 – tackling sexual and domestic violence
- Priority 3 – tackling poverty through employment (European Social Fund match funded).

2.6 Priority 4 which previously focussed on capacity building in the voluntary sector will cease to exist. The budget proposals to the Grants Committee and Leaders Committee reflected this reduction of £1.332 million compared to the 2016/17 budget. As part of this saving, a proposal to fund an additional officer resource whose role would be to represent boroughs needs to independent funders and supporting performance management was agreed.

2.7 With this in mind, the £180,853 subscription for 2017/18 can be met within existing resources, and Cabinet is therefore recommended to approve Merton's contribution in line with the decision of the London Councils Leaders' Committee.

3 ALTERNATIVE OPTIONS

3.1 Merton could decide not to approve the proposed contribution. However, if at least two thirds of London boroughs approve the budget it will apply to all councils.

3.2 If at least two thirds of constituent councils do not agree the revised budget within the timescales, then the subscription levied for 2016/17 (£214,515) will apply in 2017/18.

4 CONSULTATION UNDERTAKEN OR PROPOSED

4.1 A Grants Review in 2015/16 was carried out. It included two public consultations. The London Councils Leaders' Committee approved the overall revenue budget for London Councils for 2017/18 and the level of borough subscriptions and charges for the year on 23 November 2016, including those relating to the LCGS.

4.2 A circular setting out individual borough subscriptions and charges to be levied in 2017/18 was sent to Chief Executives on 09 December 2016, and is attached to this report as Appendix I.

5 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

5.1. The subscription for 2017/18 can be met within existing resources. The saving of £33,661 will count toward the savings target previously agreed by Cabinet in the Business Plan 2016-20.

6 LEGAL AND STATUTORY IMPLICATIONS

6.1 The LCGS is governed by statute which requires at least two thirds of London boroughs to approve the budget in order for the budget to apply to all councils. If at least two thirds of constituent councils do not agree the

revised budget within the timescales, then the subscription levied for 2016/17, £214,515 will apply for 2017/18.

- 6.1. The LCGS can only be revoked if a majority of the member councils so decide. In such circumstances the revocation would take effect from the end of any financial year after that in which the decision to revoke is made. The Council cannot, therefore, unilaterally withdraw from the scheme and is bound to make a contribution to the scheme in 2017/18.

7 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 7.1. None for the purposes of this report.

8 CRIME AND DISORDER IMPLICATIONS

- 8.1. None for the purposes of this report.

9 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 9.1. None for the purposes of this report.

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

- Appendix I: London Councils Grants Budget – Borough Contributions 2017-18

11 BACKGROUND PAPERS

- 11.1. None.

This page is intentionally left blank

Borough Contributions towards the Grants Scheme 2017/18

ONS Mid-2014 Estimate of Population ('000)	2016/17 Base Borough Contribution (%)	2016/17 Base Borough Contribution (£)	Borough	ONS Mid-2015 Estimate of Population ('000)	%	2017/18 Base Borough Contribution (£)	Base Difference from 2016/17 (£)
234.85	2.71%	247,537	Inner London	241.06	2.78%	213,113	-34,424
8.07	0.09%	8,506	Camden	8.76	0.10%	7,744	-762
268.68	3.10%	283,195	City of London	274.80	3.17%	242,941	-40,253
263.15	3.03%	277,366	Greenwich	269.01	3.10%	237,823	-39,543
178.37	2.06%	188,006	Hackney	179.41	2.07%	158,610	-29,396
221.03	2.55%	232,971	Hammersmith and Fulham	227.69	2.63%	201,293	-31,677
156.19	1.80%	164,628	Islington	157.71	1.82%	139,426	-25,202
318.22	3.67%	335,411	Kensington and Chelsea	324.43	3.74%	286,818	-48,593
291.93	3.37%	307,701	Lambeth	297.33	3.43%	262,859	-44,841
302.54	3.49%	318,854	Lewisham	308.90	3.56%	273,088	-45,796
284.02	3.27%	299,363	Southwark	295.24	3.40%	261,012	-38,352
312.15	3.60%	329,073	Tower Hamlets	314.54	3.63%	278,074	-50,939
233.29	2.69%	245,893	Wandsworth	242.30	2.79%	214,209	-31,684
3,072.49	35.42%	3,238,473	Westminster	3,141.18	36.21%	2,777,011	-461,461
198.29	2.29%	209,002	Outer London	201.98	2.33%	178,564	-30,438
374.92	4.32%	395,174	Barking and Dagenham	379.69	4.38%	335,671	-59,503
239.87	2.77%	252,828	Barnet	242.14	2.79%	214,068	-38,760
320.76	3.70%	338,088	Bexley	324.01	3.74%	286,446	-51,642
321.28	3.70%	338,636	Brent	324.86	3.75%	287,198	-51,438
376.04	4.34%	396,354	Bromley	379.03	4.37%	335,088	-61,267
342.12	3.94%	360,602	Croydon	343.06	3.96%	303,288	-57,314
324.57	3.74%	342,104	Ealing	328.43	3.79%	290,354	-51,750
267.54	3.08%	281,993	Enfield	272.86	3.15%	241,226	-40,767
246.01	2.84%	259,300	Haringey	247.13	2.85%	218,479	-40,821
245.97	2.84%	259,258	Harrow	249.09	2.87%	220,212	-39,046
292.69	3.37%	308,502	Havering	297.74	3.43%	263,222	-45,280
265.57	3.06%	279,917	Hillingdon	268.77	3.10%	237,610	-42,306
169.96	1.96%	179,142	Hounslow	173.53	2.00%	153,412	-25,730
203.52	2.35%	214,515	Kingston upon Thames	204.57	2.36%	180,853	-33,661
324.32	3.74%	341,840	Merton	332.82	3.84%	294,235	-47,606
193.59	2.23%	204,048	Newham	194.73	2.25%	172,154	-31,894
198.13	2.28%	208,833	Redbridge	200.15	2.31%	176,946	-31,888
268.02	3.09%	282,499	Richmond upon Thames	271.17	3.13%	239,732	-42,767
5,466.23	63.02%	5,761,527	Waltham Forest	5,532.55	63.79%	4,891,141	-870,387
8,538.72	98.44%	9,000,000	Totals	8,673.73	100.00%	7,668,152	-1,331,848

9,000,000

7,668,152

Share of repayment in 2017/18 (£)	Returned to borough (£)	Transferred to Joint Committee (£)	Net payment 2017/18 (£)
-4,336	0	-4,336	213,113
-158	0	-158	7,744
-4,942	-4,942	0	237,999
-4,838	-4,838	0	232,984
-3,227	0	-3,227	158,610
-4,095	0	-4,095	201,293
-2,836	0	-2,836	139,426
-5,835	0	-5,835	286,818
-5,348	0	-5,348	262,859
-5,556	0	-5,556	273,088
-5,310	0	-5,310	261,012
-5,657	0	-5,657	278,074
-4,358	0	-4,358	214,209
-56,495	-9,781	-46,715	2,767,231
-3,633	-3,633	0	174,931
-6,829	-6,829	0	335,671
-4,355	-4,355	0	209,713
-5,827	0	-5,827	286,446
-5,843	-5,843	0	281,355
-6,817	-6,817	0	328,271
-6,170	0	-6,170	303,288
-5,907	0	-5,907	290,354
-4,907	0	-4,907	241,226
-4,445	0	-4,445	218,479
-4,480	0	-4,480	220,212
-5,355	0	-5,355	263,222
-4,834	0	-4,834	237,610
-3,121	-3,121	0	150,291
-3,679	0	-3,679	180,853
-5,986	-5,986	0	288,249
-5,338	-5,338	0	257,044
-3,502	-3,502	0	168,652
-3,600	-3,600	0	173,346
-4,877	-4,877	0	234,855
-99,505	-47,071	-52,434	4,844,070
-156,000	-56,852	-99,148	7,611,300

156,000

7,611,300

This page is intentionally left blank

Cabinet

Date: 16 January 2017

Subject: Financial Report 2016/17 – November 2016

Lead officer: Paul Dale

Lead member: Mark Allison

Recommendations:

- A. That Cabinet note the financial reporting data relating to revenue budgetary control, showing a forecast net overspend at year end of £6.325 million, 1.2% of the gross budget.
- B. That Cabinet note the proposals set out in 2.4 to fund this shortfall without any impact on services in the current year.
- C. That Cabinet approve the adjustments to the Capital Programme detailed in appendix 5b.
That Cabinet note the adjustments to the Capital Programme detailed in appendix 5b and approve:

Scheme	2016/17 Budget	Virements	Revised 2016/17 Budget
-	£	£	£
Improving Fin. Information Systems	506,160	50,000	556,160
Mitcham Town Centre	220,000	120,000	340,000

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This is the financial monitoring report for period 8, 30th November 2016 presented in line with the financial reporting timetable.

This financial monitoring report provides:-

- The income and expenditure at period 8 and a full year forecast projection.
- An update on the capital programme and detailed monitoring information;
- An update on Corporate Items in the budget 2016/17;
- Progress on the delivery of the 2016/17 revenue savings
- Progress on the delivery of 2014/15 and 2015/16 revenue savings

2. THE FINANCIAL REPORTING PROCESS

- 2.1 The budget monitoring process continues to focus on adult social care and children's social care as these areas are forecasting significant overspends. Urgent mitigating action is required to address the scale of the forecast overspend.
- 2.2 Chief Officers, together with budget managers and Service Financial Advisers are responsible for keeping budgets under close scrutiny and ensuring that expenditure within budgets which are overspending is being actively and vigorously controlled and where budgets are under spent, these underspends are retained until year end. Any final overall overspend on the

General Fund will result in a call on balances as has been the case for the last two financial years, however this action is not sustainable longer term.

2.3 2016/17 FORECAST OUTTURN BASED UPON LATEST AVAILABLE DATA

Executive summary – At period 8 to 30th November 2016 the year end forecast is a net £6.325m overspend (£5.740m overspend last month) compared to the current budget.

Summary Position as at 30th November 2016

	Current Budget 2016/17	Full Year Forecast (Nov)	Forecast Variance at year end (Nov)	Forecast Variance at year end (Oct)	Outturn variance 2015/16
	£000s	£000s	£000s	£000s	£000s
Department					
3A. Corporate Services	11,808	11,508	(300)	(328)	(373)
3B. Children, Schools and Families	51,068	52,593	1,525	1,487	(7)
3C. Community and Housing	56,764	65,871	9,107	8,982	940
3D. Public Health	43	44	0	0	(7)
3E. Environment & Regeneration	22,458	22,849	391	(53)	3,632
Overheads	0	0	0	0	272
NET SERVICE EXPENDITURE	142,142	152,864	10,723	10,088	4,457
3E. Corporate Items					
Impact of Capital on revenue budget	13,643	13,649	6	6	49
Central budgets	(9,099)	(12,295)	(3,197)	(3,147)	(2,846)
Levies	928	928	0	0	0
TOTAL CORPORATE PROVISIONS	5,472	2,281	(3,191)	(3,141)	(2,797)
TOTAL GENERAL FUND	147,614	155,145	7,532	6,947	1,660
FUNDING					
Revenue Support Grant	(23,156)	(23,156)	0	0	0
Business Rates	(34,230)	(34,230)	0	0	0
Other Grants	(9,811)	(10,353)	(542)	(542)	(954)
Council Tax and Collection Fund	(80,399)	(80,399)	0	0	(6)
FUNDING	(147,597)	(148,139)	(542)	(542)	(960)
Appropriation from reserves		(665)	(665)	(665)	0
NET	17	6,342	6,325	5,740	699

	Current Budget 2016/17	Full Year Forecast at (Nov)	Forecast Variance at year end (Nov)	Forecast Variance at year end (Oct)
	£000	£000	£000	£000
Expenditure				
Employees	93,805	95,465	1,659	1,575
Premises Related Expenditure	8,522	8,296	-226	-371
Transport Related Expenditure	14,509	15,316	808	556
Supplies and Services	168,660	167,489	-1,171	-1,236
Third Party Payments	89,565	101,428	11,863	11,516
Transfer Payments	104,224	94,802	-9,423	-7,449
Support Services	32,135	32,135	-0	-0
Depreciation and Impairment Losses	17,637	17,637	-0	-0

GROSS EXPENDITURE	529,058	532,568	3,511	4,590
Income				
Government Grants	-265,733	-255,457	10,276	8,431
Other Grants, Reimbursements and Contribs	-24,720	-27,175	-2,455	-2,462
Customer and Client Receipts	-63,466	-63,490	-25	-86
Interest	-46	-15	31	31
Recharges	-32,519	-32,519	0	0
Balances	-433	-1,048	-616	-416
GROSS INCOME	-386,916	-379,704	7,212	5,498
NET EXPENDITURE	142,142	152,864	10,723	10,088

Chart 1 below shows the forecast year end variance for departmental expenditure with a comparison against prior years.

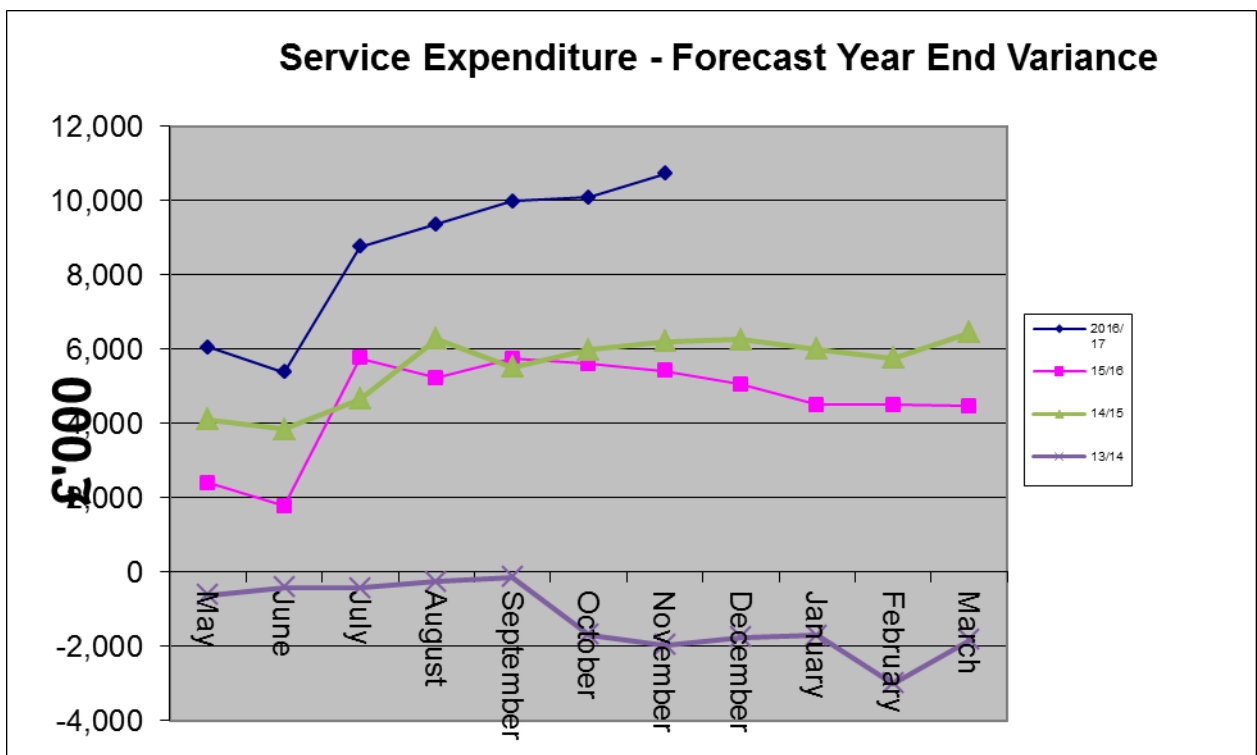
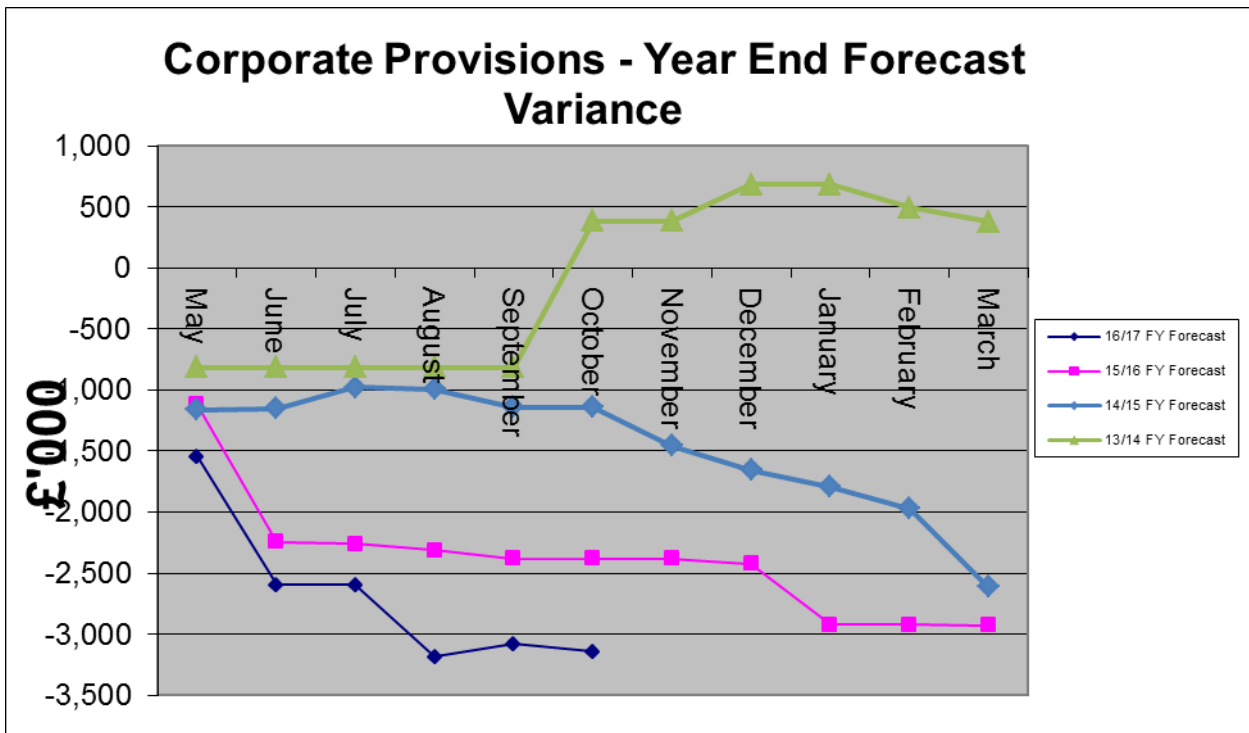


Chart 2 shows the forecast year end variance for corporate provisions with a comparison against prior years.



2.4

The overspend can be addressed as follows:

November monitoring forecast overspend	£000 6,325
Sources of funding:	
Savings Mitigation Fund	1,300
Contribution to balancing the budget reserve	2,394
General Fund balances	2,631
This reduces general fund balances to *	12,520

*Still above the minimum level of balances of £12.01m.

3. DEPARTMENTAL SUMMARY OF CURRENT POSITION

Corporate Services

	2016/17 Current Budget	Full year Forecast November	Forecast variance at year end	Forecast variance at year end	2015/16 Outturn Variance
			Nov	Oct	
	£000	£000	£000	£000	£000
Business Improvement	3,280	3,089	-191	-191	-29
Infrastructure & Transactions	9,920	9,824	-96	-181	-249
Resources	6,801	6,848	47	44	-243
Human Resources	2,231	2,088	-143	-126	-55
Corporate Governance	2,751	2,486	-265	-186	-426
Customer Services	2,579	2,562	-17	-5	-479
Corporate Items including redundancy costs	981	1,346	365	317	1109
Total (controllable)	28,543	28,243	-300	-328	-372

Overview

The Corporate Services (CS) department are forecasting an underspend of £300k at year end, which has reduced by £28k from last month.

Business Improvement - £191k under

The underspend is due to an overachievement of street naming income and an underspend relating to non-salary expenditure.

Infrastructure & Transactions - £96k under

The underspend has decreased from last month due to an increase in cost of approx. £100k on the new Enterprise Agreement with Microsoft for licences.

Resources - £47k over

The delayed implementation of the FIS/E5 finance system has caused an overspend which is being funded from underspends elsewhere in the division.

Human Resources – £143k under

The underspend is due to unfilled posts within the new HR structure and an underspend on learning and development expenditure.

Corporate Governance - £265k under

The forecast underspend is partly due to a £51K underspend in Internal Audit, a consequence of an Audit Partnership restructure and £38k in Benefits investigation where a 17/18 saving has been captured early.

Merton legal are forecasting an overachievement of income relating to S106 and Merton Property charges of approx. £105k and there are underspends on supplies and services budgets within Democratic Services of approx. £50k.

Customer Services - £17k under

The communications service is underachieving on advertising income targets which is partially offset by underspends elsewhere in the service resulting in a £60k overspend.

The Merton Bailiff Service is forecasting overachieving income by £160k but this is offset by a forecast £75k underachievement of income in the Shared Bailiff Service.

There is a reduction in the anticipated recovery of court cost income which is offset by underspends elsewhere within the division.

Corporate Items - £365k over

Redundancy costs are forecasted to be £380k over budget.

Estimates from Westminster Council regarding the shared coroner court service are £100k higher than budget. The reasons for the increase are being reviewed with Westminster Council.

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

Environment & Regeneration

Environment & Regeneration	2016/17 Current Budget £000	Full year Forecast (Nov) £000	Forecast Variance at year end (Nov) £000	Forecast Variance at year end (Sept) £000	2015/16 Variance at year end £000
Public Protection	(10,962)	(10,604)	358	(394)	3,709
Sustainable Communities	12,334	11,777	(557)	(415)	(600)
Waste Services	15,283	15,688	405	540	187
Other	(847)	(662)	185	216	336
Total (Controllable)	15,808	16,199	391	(53)	3,632

Description	2016/17 Current Budget £000	Forecast Variance at year end (Nov) £000	Forecast Variance at year end (Oct) £000	2015/16 Variance at year end £000
Underachievement of Customer & Client Receipts within Parking Services	(17,194)	234	(505)	3,281
Employee overspend within Parking Services	3,393	72	75	(71)
Underspend within Safer Merton	583	(112)	(86)	(182)
Other small over and underspends	2,256	164	122	681
Total for Public Protection	(10,962)	358	(394)	3,709
Overachievement of rental income within Property Management	(4,090)	(428)	(423)	(430)
Employee overspend within Greenspaces	2,271	83	83	80
Underachievement of Customer & Client Receipts within Greenspaces	(2,053)	235	235	278
Overachievement of Grants & Contributions within Greenspaces	(153)	(111)	(111)	(14)
Overachievement of Customer & Client Receipts within D&BC	(1,973)	(153)	(165)	14
Underspend within Senior Management & Support	972	(90)	(93)	(149)
Other small over and underspends	(7,308)	93	59	(379)
Total for Sustainable Communities	12,334	(557)	(415)	(600)
Employee overspend within Waste Services	7,594	310	345	213
Overspend on 3 rd party payments within Waste Services	6,756	364	407	346
Overspend on Transport related costs within Waste Services	1,938	148	161	(146)
Overachievement of Customer & Client Receipts within Waste Services	(2,348)	(191)	(153)	(164)
Overspend within Transport Services	(847)	185	216	336
Other small over and underspends	1,343	(226)	(220)	(62)
Total for Street Scene & Waste	14,436	590	756	523
Total Excluding Overheads	15,808	391	(53)	3,632

Overview

The department is currently forecasting an overspend of £391k at year end. The main areas of variance are Parking Services, Safer Merton, Property Management, Greenspaces, Development & Building Control, Waste Services, and Transport Services.

Pressures

Public Protection

Parking & CCTV Services – forecasting a total £462k overspend

The section is forecasting to underachieve on its customer and client receipts by £234k, mainly as a result of the budgeted expectations regarding the installation of ANPR cameras across the borough. The contractor has needed to carry out several upgrades of the ANPR camera software with further fine tuning of each camera since operation began in July, because of initial technical difficulties with data received from some of the cameras. As a result, the ANPR data received from July to October was not truly representative so a more accurate forecast was not feasible until now.

We are working closely with the contractor to seek specific performance from the contract as early as possible. We are utilising all aspects of the contract to drive an early resolution.

As at the end of November, the number of PCNs being issued is still indicative that the cameras are not working to their expected potential. Regular monitoring meetings and conference calls are being undertaken with the contractor to resolve the issues and two “man v machine” tests have been carried out using Civil Enforcement Officers at camera locations identifying contraventions which should also have been picked up by the cameras. These tests have indicated a considerable shortfall in the capture of offences by the cameras and Parking Services continue to work closely with the contractor to rectify this.

In addition, the section continues to fund CPZ related expenditure totalling £200k, and provide free parking during the Christmas period resulting in a loss of income of c£60k. These pressures are being partially offset by an over-recovery in most areas of on-street/ permit/ bay suspension revenue (£396k), and off-street parking income (£272k).

Safer Merton – forecasting a total £112k underspend

The main reasons for the forecast underspend is part/full year staffing vacancies (£32k), and third party payments (£45k). The third party payments underspend relates to the recruitment process for an Individual Offender Management Co-ordinator, which required three rounds of recruitment to be undertaken until an officer with the relevant skills and attributes to take up this role was secured.

Sustainable Communities

Property Management – forecasting a total £369k underspend

The main reason for the forecast underspend is as a result of exceeding their commercial rental income expectations by £428k mainly due to conducting the back log of rent reviews in line with the tenancy agreements.

Greenspaces – forecasting a total £203k overspend

The forecast employee overspend of £83k is as a result of overtime payments (Parks), and staffing of the firework displays (before taking into account income received from the event).

The section is also forecasting an underachievement of income of £235k, which is a result of an underachievement of sports income (£90k), a delay to the implementation of saving E&R26 i.e. P&D within certain parks (£48k), and the ‘Live at Wimbledon Park’ event (£70k). Unfortunately, due to lower than expected ticket sales, the event was cancelled with a total of c£33k of costs incurred (net of refunds), and although this event was expected to break-even this year, there was a budgeted expectation for it to achieve a surplus of £70k. Work continues to identify how we can generate further income from events in parks.

These pressures are being partially off-set by expected underspends within Supplies & Services (£24k), and Grants & Contributions (£111k).

Development & Building Control – forecasting a total £176k underspend

An underspend of £176k is being forecast mainly due to an overachievement of customer & client receipts of £153k, which is mainly attributable to planning application fees and Planning Performance Agreements where we are being more successful.

Street Scene & Waste

Waste Services – forecasting a total £405k overspend

The section is forecasting an employee related overspend of £310k as a result of covering for absences, sick leave, and in order to maintain the level of service performance. However, as the section's employee establishment is still to be finalised it is not yet possible to confirm how this impacts on their budgeted establishment. This has reduced this month as we bear down on further agency staff use.

The forecast overspend on 3rd party payments of £364k mainly relates to waste disposal costs. A major contributing factor to this is the reduction of food waste which has fallen by 5.5%. This is being disposed/ treated as landfill waste, and as such is subject to a higher gate fee. In addition to this, Garden waste has increased by 8.7% which is a positive contributor to the services recycling performance. However this additional waste is subject to a gate fee and haulage cost.

These pressures are being partially offset by expected underspends within Supplies & Services (£108k), Grants & Contributions (£102k), and Customer & Client Receipts (£191k).

Transport Services – forecasting a total £185k overspend

The overspend is mainly as a result of additional agency and overtime requirements due to a number of staffing issues, which are being addressed in line with corporate policy. A recent recruitment process for drivers through the conventional market places yielded only 7 applications and no appointable applicants. Advice has been taken from one of the commercial bus companies who have had similar issues in the past, in preparation for another recruitment drive in the coming months.

Children Schools and Families

Children, Schools and Families	2016/17 Current Budget £000	Full year Forecast (Nov) £000	Forecast Variance at year end (Nov) £000	Forecast Variance at year end (Oct) £000	2015/16 Variance at year end £000
Commissioning, Strategy and Performance	8,083	9,723	1,640	1,524	677
Education	16,314	16,189	(125)	61	34
Social Care and Youth Inclusion	11,958	12,775	817	609	309
Public Health contribution	0	0	0	0	(328)
PFI	7,799	7,292	(507)	(507)	(368)
Redundancy costs	2,077	1,777	(300)	(200)	(331)
Total (controllable)	46,231	47,756	1,525	1,487	(7)

Overview

At the end of November Children Schools and Families had a forecast overspend of £1.525m on local authority funded services. Close scrutiny of overspending areas and management action to offset these overspends are on-going by the management team.

Local Authority Funded Services

There are a number of volatile budgets requiring continuous and careful demand management which will be reflected through fluctuating monthly forecasts. Significant cost pressures and underspends identified to date are detailed below:

Description	Budget £000	Nov £000	Oct £000	2015/16 £000
Fostering and residential placements (ART)	5,056	386	365	377
Supported lodgings/housing	634	1,190	1,127	546
Un-accompanied asylum seeking children (UASC)	60	537	517	308
Procurement & School organisation	550	(339)	(337)	(276)
Other small over and underspends	1,783	(134)	(148)	(278)
Subtotal Commissioning, Strategy and Performance	8,083	1,640	1,524	677
SEN Transport	3,785	262	247	374
Staffing underspends across Early Years services	2,873	(320)	(250)	(315)
Children's Centre programme funding	90	(120)	(120)	0
Children with disabilities team (CWD) staffing	541	66	57	8
Other small over and underspends	9,025	(13)	127	(33)
Subtotal Education	16,314	(125)	61	34
No Recourse to Public Funds (NRPF)	20	580	436	470
Social Work staffing	3,075	378	354	151
CAMHS	306	(62)	(62)	(133)
Other small over and underspends	8,557	(79)	(119)	(179)
Subtotal Children's Social Care and Youth Inclusion	11,958	817	609	309

Commissioning, Strategy and Performance Division

While the numbers of Looked After Children (LAC) remain relatively stable, the complexity of a significant proportion of cases is causing cost pressures as detailed below. Placements are checked on a monthly basis and assumptions reviewed quarterly to ensure that projections of spend are as accurate as possible.

Service	Budget £000	Forecast spend £000	Variance		Placements	
			Nov £000	Oct £000	Nov Nr	Oct Nr
Residential Placements	2,127	2,382	255	241	16	16
Independent Agency Fostering	1,762	1,748	(14)	16	40	43
In-house Fostering	905	1,171	266	209	52	47
Secure accommodation*	164	13	(151)	(158)	1	0
Mother and baby	98	128	30	57	3	1
Total	5,056	5,442	386	365	112	107

*Known changes in secure accommodation was included in previous month's forecast.

The ART service seeks to make placements with in-house foster carers wherever possible. However, the needs of some looked after children mean that placements with residential care providers or independent fostering agencies are required

- The forecast spend on residential placements has increased by £14k from last month. This is due to a number of changes of weekly costs for this month. Also one young person returned to a residential placement following a period in foster care.
- The forecast spend for agency fostering placements has reduced by £30k from last month. This is due to a reduction of 3 placements with IFA carers.
- The forecast spend on in-house foster carers increased by £57k from last month. This is due to seven new placements and two children leaving.
- Last month we were anticipating overspending on the Mother and Baby placement budget by an estimated £57k. Two new placements have been made this month. One is more expensive due to both parents being assessed. Based on this information our forecast overspend for the year was reduced to £30k.

The budget for semi-independent and supported lodgings/housing placements is estimated to overspend by £1,190k. This budget is used to finance an increased number of placements for young people aged 16/17 and above. These are for young people who require semi-independent provision and for Care Leavers through to independence or, in some cases, through to the age of 21, as part of our statutory duties. There are currently 60 semi-independent placements. There were 35 at the end of 2014/15. Since 2014/15 average weekly cost has reduced by £100. Additional support to one placement has been extended this month due to this young person's additional needs. A further young person has deferred taking up a university place. We are currently reviewing all placements in semi-independent provision and our overall approach to providing accommodation and support to our care leavers.

The UASC supported lodgings/housing placements are expected to overspend by £537k this year due to an increase in cases in recent years with no corresponding growth in budget. In November there were 31 placements with more young people turning 18 later during the financial year.

Procurement and school organisation budgets are expected to underspend by £339k as a result of lower spend forecast on revenue budgets. This budget relates to construction projects that cannot be classified as capital. The majority of this is required for temporary classrooms due to rising pupil demand when it is not viable to provide permanent buildings.

There are various other small over and underspends forecast across the division netting to a £134k underspend. These combine with the items described above to arrive at the total reported divisional overspend of £1,640k.

Education Division

SEN and FE transport cost are expected to overspend by £262k, £15k more than the forecast last month. This forecast is calculated using a case-by-case costs model and is reviewed monthly. We continue to reviewing demand management, cost efficiency of supply, and safeguarding of students with E&R who provide the in-house transport and commission the taxi service. We went live with a Dynamic Purchasing System on the 12th of December which should provide some cost reductions in future. The cost will be met from the transport budget so we do not anticipate a big reduction in the current year cost. We do however expect a reduction in cost from 2017/18 to reduce further the current levels of overspend.

As part of management action, where possible, recruitment to vacancies in some areas will be delayed in preparation for 2017/18 savings with the aim to reduce the overall in-year departmental overspend. This is estimated to result in an overall underspend of £320k.

£120k of accumulated grant funding (which was originally ring-fenced), but which is now able to be used across children services and has been identified as a once-off contribution towards overspends.

The CWD team staffing costs is expected to overspend by £66k. As highlighted in the budget reports to Cabinet and Council, additional capacity is being kept under regular review and funded quarterly from the corporate contingency. This amount equates to two additional social workers. For the first two quarters an adjustment of £54k have been made towards the overspend for these costs (a maximum of £120k can be adjusted for the year). On top of the additional staff, the team also has to cover vacancies with higher cost agency staff.

There are various other small over and underspends forecast across the division netting to a £13k underspend. These combine with the item described above to arrive at the total reported divisional underspend of £125k.

Children's Social Care and Youth Inclusion Division

The NRPF budgets are forecast to overspend by £580k, an increase of £144k from last month, for the current financial year. This forecast is based on the assumption that case levels will not increase significantly towards the end of the financial year. We currently support 26 families with 40 dependants. The new NRPF worker is working closely with housing colleagues to manage cases as they arise. We continue to use the Connect system to progress cases and have started a process of reviewing all open cases with the aim to limit the cost pressure on the council.

The Central Social Work, MASH and First Response team's staffing costs is expected to overspend by £378k. As highlighted in the budget reports to Cabinet and Council, additional capacity is being kept under regular review and funded quarterly from the corporate contingency. This amount equates to six additional social workers. For the first two quarter an adjustment of £175k was made towards the overspend of these costs (a maximum of £360k can be adjusted for the year). On top of the additional staff, the team also has to cover vacancies with agency staff due to difficulty in recruiting permanent members of staff. This cost could fluctuate during the course of the year depending on our ability to recruit permanent members of staff to our vacancies. Following a review of the MASH we have had to change staffing structures to strengthen management oversight given the complexity and volume of current cases. We are partially offsetting the additional cost through keeping vacancies elsewhere in CSF and will keep this under review as we complete the restructure of the department. Budgets will be realigned next year to ensure MASH and First Response staffing structure is fully funded.

The Children and Adolescent Mental Health Service (CAMHS) is expected to underspend by £62k due to vacancies.

There are various other small over and underspends forecast across the division netting to a £79k underspend. These combine with the item described above to arrive at the total reported divisional overspend of £817k.

Dedicated Schools Grant

DSG funded services is forecast to overspend by £616k. These budgets are not within the council's general fund and cannot be offset against or increase the local authority funded budgets. Any underspend or overspend will be added to the DSG reserve and applied after consultation with Schools Forum. Variances between individual subjective codes have been shown in the overall departmental analyses.

The Independent Residential School provision is expected to underspend by £129k. This is our best estimate at the moment with the information available as we are still awaiting confirmation on one placement. There is one case currently under review which could result in cost transferring to the general fund under Adult Social Care.

Independent Day School provision is estimated to overspend by £695k. This is in the main due to an increase of 21 placements from the new academic year which started in September.

Payment for Merton pupils that receive education in other boroughs is expected to overspend by £213k in the current financial year.

There are various other smaller over and underspends forecast across the DSG netting to a £163k underspend which, combined with the items above, equates to the net overspend of £616k.

Management Action

New burdens

There are a considerable number of duties placed on the Local Authority which have not been fully funded or not funded at all. Excluding the cost of these duties would leave a net departmental underspend of £782k. The table below highlights the estimated overspends relating to these duties:

Description	Budget £000	Nov overspend forecast £000	Oct overspend forecast £000
Supported lodgings/housing	634	1,190	1,127
Un-accompanied asylum seeking children (UASC)	60	537	517
No Recourse to Public Funds (NRPF)	20	580	436
Total	714	2,307	2,080

Staffing

The number of Comensura agency social workers used in the second quarter continued to reduce. At 35 (26.6 WTE) in September 2016 this is a reduction of 17 from Sept 2015 (52,40 WTE). Expenditure on agency has also reduced by £178k from the same period last year moving from £671,541 in 2015 to £492,548 in 2016.

85% of agency workers are covering vacant posts, 9% long term absences such as maternity leave or secondments and 6% are above establishment to respond to volume pressures.

The number of leavers increased this quarter but in part reflected planned departures like career breaks, retirement etc. Although turnover has risen (due to reasons above) Merton's % remain in line or lower than the outer London averages of 26% turnover and 29% vacancy rate.

Key areas for recruitment continue to be MASH and First Response and CWD. A new 4 team/rota has been recently established in MASH/First Response. 6 NQSWs are due to start in October. Recruitment and retention (R&R) initiatives and our recruitment action plan continue.

Placements

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

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

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

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

We ensure that accurate information about changes to placement costs are kept up to date. We are improving our response to invoice queries by having tight timescales in place. The placement reconciliation is completed on a monthly basis and builds in challenge meetings with colleagues in corporate finance.

We have commissioned an independent analysis of our residential and semi-independent expenditure to establish what further action we can take to reduce cost whilst meeting the needs of our young people.

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

Transport

We have continued to develop a number of alternatives to transport and to develop a more cost effective continuum of offer to meet our SEN Transport statutory duties. We currently have 32 personal budgets. This equates to a £244k annual saving compared to what the cost would be if these clients were transported by taxi. In addition 10 young people have been through the independent travel training programme this year providing an on-going cost reduction of £91k. We are monitoring tight eligibility thresholds with the view to limit any additional cost pressure.

The Dynamic Purchasing System was implemented on the 12th of December and should provide some taxi cost reductions. We are also piloting initiatives to provide more cost effective answers to our statutory duties with a growing population.

The clienting of bus and taxi provision will transfer to CSF on the 1st April 2017.

General

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

Community and Housing

Community and Housing is forecasting an over spend of £9.1m as at November 2016. Which is apportioned as follows:-

Adult Social Care over spend is £8.3m and Housing, Libraries and Merton Adult Education £846k.

Please note that this forecast has been reduced by £500k over commitment on homecare still to be verified and anticipated other placement savings of £556k.

The Director has produced and is implementing an action plan to determine the full extent and reasons behind the current forecasted over spend, and to do everything possible to contain or reduce expenditure. This action plan is monitored and updated on a weekly basis.

C&H Summary Position

Community and Housing	2016/17 Current Budget £000	Full Year Forecast (Nov) £000	Forecast Variance (Nov) £000	Forecast Variance (Oct) £000	2015/16 Variance @ year end £000
Access and Assessment	37,241	46,057	8,816	8,627	3,259
Commissioning	4,225	4,073	(152)	(169)	(50)
Direct Provision	5,753	5,666	(87)	(16)	(197)
Directorate	815	500	(315)	(317)	(17)
Care Act Implementation Expenditure	0	0	0	0	(1,230)
Contribution from Public Health	0	0	0	0	(328)
Adult Social Care	48,034	56,296	8,262	8,124	1,437
Libraries and Heritage	2,217	2,069	(148)	(163)	(176)
Merton Adult Education	(238)	298	536	532	218
Merton Adult Education-Commissioning Model	0	0	0	0	0
Housing General Fund	2,052	2,509	457	489	(538)
Total	52,065	61,172	9,107	8,982	940

Adult Social Care

Access and Assessment - £8.8m over-spend

Access and Assessment	Variance (Nov'16) £000	Variance (Oct'16) £'000	2015/16 Variance @ Year end £000
Gross Placements overspend	7,200	7,070	3,146
Other A&A Over-spends/(underspend)	810	693	(526)
Sub-total Net over-spend	8,010	7,763	2,620
Under/(Over-achievement) of income	806	864	639
Total A&A Forecast over-spend	8,816	8,627	3,259

The main movement in the placement spend and other overspends due to additional cost payable to a voluntary organisation.

Placement Activity

The table below details the current number of care packages as at November 2016.

Activity Data	Care Packages (No's) Nov'16		Care Packages (No's) Oct'16
Service Areas			
Mental Health	148	↓	152
Physical & Sensory	337	↑	326
Learning Disabilities	433	↑	429
Older People	1,629	↑	1,605
Substance Misuse	4	↓	5
No Recourse to Public Funds	14	↓	15
LBM- In-house	130	↓	131
Total	2,695	↓	2,663
Net Increase	32		

Commissioning- £152 under-spend

In the Commissioning Service underspend has decreased by £16k due to agency staff remaining longer than anticipated.

Direct Provision - £87k under-spend

Underspend has increased due to vacancies and increase in client contributions.

Management Actions Update:-

- Admission numbers to care homes kept in check over the period.
- DTOC number down but this might be at a cost of LBM's reputation and relationships.
- Service to continue to look at staffing and on a good note has managed to reduce use of agency staff.

Adult Social Care in 2016.17:-

Access and Assessment

The main pressures are set out below.

Complexity of care needs: One factor of this increasing complexity is that a growing number of older people require two carers to move them, particularly when leaving hospital, which is reflected in the steady growth in the percentage of double-up packages. These packages are often first assessed for whilst people are in hospital, and reflect the assessed risks associated with moving and handling. The department is focussing occupational therapy time to review cases where double ups are indicated to ensure that appropriate equipment or adjustments to the home setting are put in place.

More generally as older people, in particular, are being discharged from hospital earlier, they have had less opportunity to recuperate and receive input such as physiotherapy to recover confidence and mobility. This can be exacerbated by changes in medication on discharge and the confusion inherent in moving vulnerable people between home and hospital. The Hospital to Home team was identified in the recent restructure as the key team to manage these challenges along the re-ablement and brokerage services, and work continues to optimise the team's input.

Price pressures: Nationally the market in social care has shown that providers are successfully demanding increases in fees. This means that to secure supply and sustain a viable market Merton had to negotiate new higher fees in 2015/16 and is facing similar challenges in 2016/17.

Recent comparator data indicates that Merton has been paying less than the average for south west London when placing people in care homes. For example, an analysis of 2015/16 data shows that Merton paid an average of £502 and £636 per week for older peoples residential and nursing care, compared to ££561 and £690 per week paid by comparator authorities. However,

this position has proved difficult to sustain, with residential care providers in particular seeking to make up for several years of nil or below inflation increases. As reported in the press recently, even not for profit providers are considering moving the focus of their business away from local authority business and are increasingly demanding commercial rates.

As a consequence and to secure an adequate supply a number of uplifts have been agreed with providers of older people residential and nursing care services which has resulted in a £820k cost pressure. Some of these were prior year's commitments that were made to secure lower inflationary uplifts or the result of fixed price contracts coming to an end. Providers are aware of the lack of alternative supply thus the tactic has been to demand uplift or move your client knowing this cannot be done easily.

Given capacity shortfalls in key areas of the care home market, providers are now more able to demand higher fees from Merton. This is being mitigated by the work of the brokerage team which consistently looks for care within the capped rates they are given to negotiate with, minimising voids in any remaining block contracts, and looking for any possible advantageous new block contracts even for short periods of time.

There are significant cost pressures in the home care market due to the London Living Wage, low margins leading to some providers recently exiting the market and a high demand for labour. Our contracted providers have been struggling to supply the level of carers needed, which has forced the council to spot purchase care, often at a higher price.

A major re-commissioning exercise is being undertaken this year that will seek to create a more sustainable supply of care, without the need to go off contract. Work is on-going with the South West London authorities and health to try to improve market leverage, particularly in residential care through joint working.

Learning Disabilities Rising 18, School and College Leavers - Transitions

The service has estimated Transitions costs for 2016/17 of £657k. To date (November) £437k are active commitments with an additional £220k expected by March 2017.

Deprivation of Liberty Assessment (Dolls) (Cheshire West judgement)

Management action has been taken to prioritise the assessments to be completed in the current financial year in order to reduce overspend on this budget line. The financial pressure has been caused by a significant growth in demand as well as the cessation of the government grant initially provided to respond to the legislative changes. . Adult Safeguarding forecasted overspend has reduced by another £10k to £107k. This team now has a new permanent manager.

This overspend is based on the final 4 months of the old service and the increased expenditure costs that were unable to be offset by income collection as no fees were being collected for 2016/17 courses. The service is currently looking at possible solutions to reduce current overspend.

C&H Other Services

Libraries- £148k under-spend

This service is forecasting £148k under spend as at November 2016. This is a reduction of £15k from previous months due to the requirement for additional urgent works.

Merton Adult Education - £536K over-spend

Merton Adult Education (MAE) has moved to a commissioning model; with go live from 1st September 2016.

The new commissioning model is forecasting to breakeven in 2016/17.

Housing - £ 458k over-spend

The Housing service is forecasting an over spend of £485k in November which is a decrease of £32k from October. This is due to an increase in anticipated Housing Benefit income.

Public Health

Public Health is expected to currently forecasting a breakeven position as at November 2016.

Public Health	2016/17 Current Budget £000	Full year forecast (Nov) £000	Forecast Variance (Nov) £000	Forecast Variance (Oct) £000	2015/16 Variance @ Yearend £000
PH - Directorate	509	497	(12)	(42)	(116)
PH - Admin	26	17	(8)	(5)	0
PH-Contraception	748	748	0	0	(41)
PH - GUM	2,136	2,056	(80)	(50)	(27)
PH-Sexual Health Advice	127	126	(1)	(16)	(9)
PH-NHS Health check	523	557	34	70	(78)
PH-Falls Prevention	57	57	0	0	0
PH - Obesity	415	415	0	0	(200)
PH - Projects	0	0	0	(10)	0
PH - Smoking	0	2	2	0	(16)
PH-Substance Misuse	1,781	1,653	(128)	(193)	(32)
PH-School Nursing	936	1,029	93	276	(16)
PH-Infectious Diseases	0	0	0	0	(10)

PH - Determinants	368	394	26	48	(83)
PH-Community	0	0	0	0	(1)
PH-New Investments	20	9	(11)	(11)	2
PH-Health Visiting	3,229	3,229	0	(124)	(15)
Sub-Total Public Health	10,875	10,790	(85)	(58)	(642)
PH - Main Grant	(8,046)	(7,946)	100	73	642
PH-Health Visiting Gant	(2,952)	(2,967)	(15)	(15)	0
Grand Total	(123)	(123)	0	0	0

Corporate Items

The details comparing actual expenditure up to 31 November 2016 against budget are contained in Appendix 2. The main areas of variance as at 31 November 2016 are:-

Corporate Items	Current Budget 2016/17 £000s	Full Year Forecast (Nov.) £000s	Forecast Variance at year end (Nov.) £000s	Forecast Variance at year end (Oct.) £000s	2015/16 Year end Variance £000s
Cost of borrowing	13,643	13,649	6	6	49
Use for Capital Programme	0	0	0	0	0
Impact of Capital on revenue budget	13,643	13,649	6	6	49
Investment Income	(739)	(1,160)	(421)	(421)	(613)
Pension Fund	5,232	4,932	(300)	(250)	(616)
Pay and Price Inflation	739	220	(519)	(519)	(654)
Contingencies and provisions	4,198	2,391	(1,807)	(1,807)	(2,716)
Income Items	(948)	(1,098)	(150)	(150)	(667)
Appropriations/Transfers	57	57	0	0	1,727
Central Items	8,539	5,342	(3,197)	(3,147)	(3,539)
Levies	928	928	0	0	0
Depreciation and Impairment	(17,638)	(17,638)	0	0	0
TOTAL CORPORATE PROVISIONS	5,472	2,281	(3,191)	(3,141)	(3,491)

There has been a small increase in the projected underspend on corporate items of £50k following a further review of provisions relating to the Pension Fund.

CAPITAL PROGRAMME 2016-20

4.1 The Table below shows the movement in the 2016/20 corporate capital programme since the October monitoring report:

Depts	Current Budget 16/17	Variance	Revised Budget 16/17	Current Budget 17/18	Variance	Revised Budget 17/18	Revised Budget 18/19	Variance	Revised Budget 18/19	Revised Budget 19/20	Variance	Revised Budget 19/20
C&H	2,030	(79)	1,951	1,255	79	1,334	629	0	629	280	0	280
CS	9,096	(122)	8,974	7,022	109	7,131	2,852	0	2,852	2,530	0	2,530
CSF	13,396	0	13,396	17,035	0	17,035	11,900	0	11,900	9,934	0	9,934
E&R	14,738	(550)	14,188	17,836	685	18,521	20,873	0	20,873	4,445	0	4,445
TOTAL	39,261	(751)	38,510	43,148	873	44,021	36,254	0	36,254	17,189	0	17,189

4.2 The table below summarises the position in respect of the Capital Programme as at November 2016 the detail is shown in Appendix 5a

Merton Summary Capital Report - November 2016 Monitoring

Department	Revised Budget	YTD Actual	YTD Budget	Variance To Date	Forecast For Year	Forecast Variance
Community and Housing	1,950,550	348,160	687,470	(339,310)	1,407,380	(543,170)
Corporate Services	8,974,660	1,386,234	2,516,060	(1,129,826)	5,763,474	(3,211,186)
Children Schools and Families	13,396,210	9,683,914	9,987,899	(303,984)	13,291,757	(104,453)
Environment and Regeneration	14,143,230	7,833,505	8,030,129	(303,919)	14,131,674	(11,556)
Total Capital	38,464,650	19,251,813	21,221,558	(2,077,039)	34,594,285	(3,870,365)

- Community and Housing – Officers have re-profiled four schemes (totalling £79k) into 2017/18. The projected £543k underspend is on one scheme – Disabled Facilities Grants (DFG). Officers are currently projecting the maximum projected spend £500k on the scheme. The flexibility in relation to the use of DFG funding is currently being explored. Two adult social care IT schemes are being re-profiled into 2017/18, these are Telehealth and Captive E-Learning.
- Corporate Services – The projected underspend is caused by two major corporate schemes which are the Acquisition Fund £1,372k (the projected spend added is in respect of Stamp Duty on an Operating Lease for homeless provision) and the Bidding Fund £1,839k. All other schemes are projecting a full spend at year end in 2016/17. Three adjustments are being made to the programme £50k is being added to Improving Financial Systems (funded from Revenuisation and Miscellaneous Corporate Budget), £10k is being added to Protective marking and £34k is being relinquished for Multi-Function Devices (of which £10k is being vired to Protective Marking). Two schemes are being re-profiled into 2017/18 ePayments Project (107k) and Invoice Scanning SCIS/FIS (£41k).
- Environment and Regeneration – Officers are currently projecting that three schemes will underspend £15k on Replacement of Fleet Vehicles and £20k on Change of £1 coinage in P&D Machines and £44k on the TfL20mph Scheme. These two non-TfL underspends are being utilised to undertake building works on some property to let and generate revenue income. The projected TfL underspend will be recycled into others TfL schemes.

Five schemes are being adjusted as part of October monitoring:

- i) £120k is being added to Mitcham Town Centre funded by TfL – this funding has been re-directed from revenue.
 - ii) 91k is being re-profiled into 2017/18 for Canons Parks for People funded by the Heritage Lottery Fund.
 - iii) £300k is being re-profiled into 2017/18 for Tackling Traffic Congestion.
 - iv) £164k is being re-profiled into 2017/18 for CCTV
 - v) £130k is being re-profiled into 2017/18 for GPS tracking.
 - vi) £45k is being re-profiled into 2017/18 for the Mortuary Scheme.
- d) Children, Schools and Families – Officers are currently projecting a £104k underspend on the School Equipment Loans.

4.3 Appendix 5b details the adjustments being made to the Capital Programme this month. The following adjustment will require Cabinet approval:

Scheme	2016/17 Budget	Virements	Revised 2016/17 Budget
-	£	£	£
Improving Fin. Information Systems	506,160	50,000	556,160
Mitcham Town Centre	220,000	120,000	340,000

4.4 Appendix 5c details the impact of all the adjustments to the Capital Programme have on the funding of the programme in 2016/17 and 2017/18. The table below summarises the movement in 2016/17 funding since approval in March 2016:

Depts.	Original Budget 16/17	Net Slippage 2015/16	Adjustments	New External Funding	New Internal Funding	Re-profiling	Revised Budget 16/17
Community & Housing	2,074	271	0	0	(115)	(279)	1,951
Corporate Services	7,565	4,065	(1,267)	341	(125)	(1,605)	8,974
Children Schools & Families	13,998	141	(239)	368	224	(1,096)	13,396
Environment and Regeneration	15,658	2,176	(73)	505	411	(4,489)	14,188
Total	39,295	6,653	(1,579)	1,214	395	(7,469)	38,510

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

Depts.	Spend To November 2012	Spend To November 2013	Spend To November 2014	Spend To November 2015	Spend To November 2016	Variance 2012 to 2016	Variance 2013 to 2016	Variance 2014 to 2016	Variance 2015 to 2016
C&H	503	860	415	529	348	(154)	(511)	(67)	(181)
CS	1,244	2,418	679	690	1,386	142	(1,031)	707	696
CSF	19,698	6,210	11,314	9,975	9,684	(10,014)	3,473	(1,631)	(291)
E&R	5,666	5,974	2,995	4,393	7,834	2,168	1,860	4,838	3,440
Total Capital	27,110	15,462	15,405	15,587	19,252	(7,858)	3,790	3,847	3,665

Outturn £000s	40,487	31,564	36,869	29,327	
Budget £000s					38,465
Projected Spend November 2016 £000s					34,594
Percentage Spend to Budget					50.05%
% Spend to Outturn/Projection	66.96%	48.99%	41.78%	53.15%	55.65%
Monthly Spend to Achieve Projected Outturn £					3,836

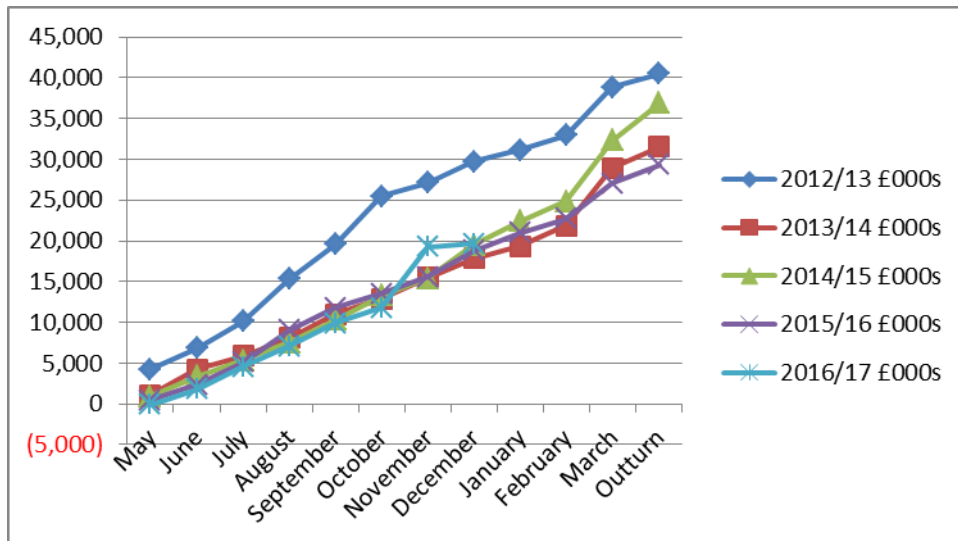
4.6 November is eight months into the financial year; overall departments have spent less of their budget than compared to previous financial years. The table below shows that officers spent just under £7.5 million in November 2016. Expenditure during November is significantly elevated by the purchase one of the sites for the new secondary school.

Spend During November 2016

Department	Spend To October 2016 £000s	Spend To November 2016 £000s	Increase £000s
C&H	279	348	69
CS	1,155	1,386	231
CSF	3,144	9,684	6,540
E&R	7,201	7,834	632
Total Capital	11,779	19,252	7,473

4.7 The table below summarises the capital spend patterns for the financial years from 2012/13. Utilising this spend information officers project that outturn will be circa £32 million.

Spend Data from 2012/13 to Present



Please note December spend is to 21 December 2016

4.8 The accumulation of budget manager returns above shows a projected outturn of just under £34.6 million. The financial funding model will utilise this information to improve the accuracy of outturn projections and the funding required. This information will then be utilised by the medium term financial strategy, the Capital Strategy and the Treasury Strategy.

5. DELIVERY OF SAVINGS FOR 2016/17

Department	Target Savings 2016/17	Projected Savings 2016/17	Period 8 Forecast Shortfall	Period 8 Forecast Shortfall	Period 7 Forecast Shortfall	Period 7 Forecast Shortfall
	£000's	£000's	£000's	%	£000's	%
Corporate Services	2,316	2,028	288	12.4%	288	12.4%
Children Schools and Families	2,191	2,191	0	0.0%	0	0.0%
Community and Housing	5,379	3,700	1,679	31.2%	1,679	31.2%
Environment and Regeneration	4,771	3,542	1,229	25.8%	645	13.5%
Total	14,657	11,461	3,196	21.8%	2,612	17.8%

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

Progress on savings 2015/16

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

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

Progress on savings 2014/15

Department	Target Savings 2014/15	2014/15 shortfall	2015/16 shortfall	2016/17 projected shortfall
	£000's	£000's	£000's	%
Corporate Services	1,650	0	0	0
Children Schools and Families	860	40	0	0
Community and Housing	2,465	1,339	1,339	834
Environment and Regeneration	3,338	129	125	125
Total	8,313	1,508	1,464	959

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

6. CONSULTATION UNDERTAKEN OR PROPOSED

6.1 All relevant bodies have been consulted.

7. TIMETABLE

7.1 In accordance with current financial reporting timetables.

8. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

8.1 All relevant implications have been addressed in the report.

9. LEGAL AND STATUTORY IMPLICATIONS

9.1 All relevant implications have been addressed in the report.

10. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

10.1 Not applicable

11. CRIME AND DISORDER IMPLICATIONS

11.1 Not applicable

12. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

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

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

- Appendix 1- Detailed position table
- Appendix 2 – Detailed Corporate Items table
- Appendix 3 – Pay and Price Inflation
- Appendix 4 – Treasury Management: Outlook
- Appendix 5a – Current Capital Programme 2016/17
- Appendix 5b – Adjustments to the Current Capital Programme 2016/17
- Appendix 5c – Funding Current Capital Programme 2016/17 & 2017/18
- Appendix 6 – Progress on savings 2016/17
- Appendix 7 - Progress on savings 2015/16
- Appendix 8 - Progress on savings 2014/15

14. BACKGROUND PAPERS

14.1 Budgetary Control files held in the Corporate Services department.

15. REPORT AUTHOR

- Name: Paul Dale
- Tel: 020 8545 3458
- email: paul.dale@merton.gov.uk

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

APPENDIX 1

	Original Budget 2016/17	Current Budget 2016/17	Year to Date Budget (Nov)	Year to Date Actual (Nov)	Full Year Forecast (Nov)	Forecast Variance at year end (Nov)	Forecast Variance at year end (Oct)	Outturn Variance 2015/16
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000
Department	-	-	-	-	-	-	-	-
3A. Corporate Services	11,357	11,808	18,488	18,398	11,508	(300)	(328)	-373
3B. Children, Schools and Families	50,183	51,068	19,653	19,330	52,593	1,525	1,487	-7
3C. Community and Housing	-	-	-	-	-	-	-	0
Adult Social Care	51,413	51,575	32,255	37,653	59,837	8,262	8,124	1,437
Libraries & Adult Education	2,796	2,846	2,154	2,117	3,233	387	369	41
Housing General Fund	2,009	2,343	1,353	1,569	2,801	457	489	-538
3D. Public Health	417	43	-965	-2,722	44	0	0	-7
3E. Environment & Regeneration	21,230	22,458	5,291	3,688	22,849	391	(53)	3,632
Overheads	0	0	0	0	0	0	0	272
NET SERVICE EXPENDITURE	139,405	142,142	78,229	80,034	152,864	10,723	10,088	4,457
3E. Corporate Items	-	-	-	-	-	-	-	-
Impact of Capital on revenue budget	13,643	13,643	4,464	4,159	13,649	6	6	49
Other Central items	-5,962	-9,099	3,168	3,695	-12,295	-3,197	-3,147	-2,846
Levies	928	928	651	651	928	0	0	0
TOTAL CORPORATE PROVISIONS	8,608	5,472	8,282	8,505	2,281	-3,191	-3,141	-2,797
TOTAL GENERAL FUND	148,013	147,614	86,511	88,539	155,145	7,532	6,947	1,660
Funding	-	-	-	-	-	-	-	-
- Business Rates	(34,230)	(34,230)	(5,376)	(5,376)	(34,230)	0	0	0
- RSG	(23,156)	(23,156)	(15,739)	(15,739)	(23,156)	0	0	0
- Council Tax Freeze Grant 2014/15	0	0	0	0	0	0	0	(6)
- Section 31 Grant	(822)	(822)	(427)	(427)	(898)	(76)	(76)	83
- New Homes Bonus	(4,192)	(4,192)	(3,570)	(3,570)	(4,658)	(466)	(466)	(1,037)
- PFI Grant	(4,797)	(4,797)	(2,398)	(2,398)	(4,797)	0	0	0
Grants	(67,198)	(67,198)	(27,510)	(27,510)	(67,740)	(542)	(542)	(960)
Collection Fund - Council Tax Surplus(-)/Deficit	(3,200)	(3,200)	0	0	(3,200)	0	0	0
Collection Fund - Business Rates Surplus(-))/Deficit	1,721	1,721	0	0	1,721	0	0	(0)
Council Tax	-	-	-	-	-	-	-	-
- General	(78,620)	(78,620)	0	0	(78,620)	0	0	(0)
- WPC	(300)	(300)	0	0	(300)	0	0	(0)
Council Tax and Collection Fund	(80,399)	(80,399)	0	0	(80,399)	0	0	(0)
FUNDING	(147,597)	(147,597)	(27,510)	(27,510)	(148,139)	(542)	(542)	(961)
NET	417	17	59,001	61,029	7,007	6,990	6,405	699
Appropriation from reserves	-418				(665)	(665)	(665)	
NET	(1)	17	59,001	61,029	6,342	6,325	5,740	699

	Current Budget 2016/17	Year to Date Budget (Oct)	Year to Date Actual (Oct)	Full Year Forecast at (Nov)	Forecast Variance at year end (Nov)	Forecast Variance at year end (Oct)
Expenditure	£000	£000	£000	£000	£000	£000
Employees	93,805	62,543	64,175	95,465	1,659	1,575
Premises Related Expenditure	8,522	6,202	4,879	8,296	-226	-371
Transport Related Expenditure	14,509	9,601	9,390	15,316	808	556
Supplies and Services	168,660	106,346	102,329	167,489	-1,171	-1,236
Third Party Payments	89,565	57,409	60,228	101,428	11,863	11,516
Transfer Payments	104,224	67,702	63,346	94,802	-9,423	-7,449
Support Services	32,135	0	0	32,135	-0	-0
Depreciation and Impairment Losses	17,637	10	0	17,637	-0	-0
GROSS EXPENDITURE	529,058	309,813	304,347	532,568	3,511	4,590
Income						
Government Grants	-265,733	-178,529	-170,771	-255,457	10,276	8,431
Other Grants, Reimbursements and Contribs	-24,720	-11,887	-12,670	-27,175	-2,455	-2,462
Customer and Client Receipts	-63,466	-40,841	-40,676	-63,490	-25	-86
Interest	-46	-31	0	-15	31	31
Recharges	-32,519	0	0	-32,519	0	0
Balances	-433	-296	-195	-1,048	-616	-416
GROSS INCOME	-386,916	-231,584	-224,313	-379,704	7,212	5,498
NET EXPENDITURE	142,142	78,229	80,034	152,864	10,723	10,088

Appendix 2

3E. Corporate Items	Council 2016/17 £000s	Original Budget 2016/17 £000s	Current Budget 2016/17 £000s	Year to Date Budget (Nov.) £000s	Year to Date Actual (Nov.) £000s	Full Year Forecast (Nov.) £000s	Forecast Variance at year end (Nov.) £000s	Forecast Variance at year end (Oct.) £000s	Outturn Variance 2015/16 £000s
Cost of Borrowing	13,643	13,643	13,643	4,464	4,159	13,649	6	6	49
Use for Capital Programme							0	0	0
Impact of Capital on revenue budget	13,643	13,643	13,643	4,464	4,159	13,649	6	6	49
Investment Income	(739)	(739)	(739)	(493)	(792)	(1,160)	(421)	(421)	(613)
Pension Fund	5,232	5,232	5,232	4,395	5,081	4,932	(300)	(250)	(616)
Corporate Provision for Pay Award	883	883	0	0	0	0	0	0	(92)
Provision for excess inflation	540	540	439	0	0	20	(419)	(419)	(475)
Utilities Inflation Provision	300	300	300	0	0	200	(100)	(100)	(87)
Pay and Price Inflation	1,723	1,723	739	0	0	220	(519)	(519)	(654)
Contingency	1,500	1,500	1,271	0	441	440	(831)	(831)	(725)
Single Status/Equal Pay	100	100	100	0	25	0	(100)	(100)	(100)
Bad Debt Provision	500	500	500	0	0	500	0	0	12
Loss of income arising from P3/P4	400	400	400	0	0	0	(400)	(400)	(400)
Loss of HB Admin grant	200	200	200	0	0	200	0	0	0
MAE 1st year redundancies	600	600	600	0	0	600	0	0	0
Revenuisation and miscellaneous	1,414	1,414	1,127	0	0	651	(476)	(476)	(1,503)
Contingencies and provisions	4,714	4,714	4,198	0	466	2,391	(1,807)	(1,807)	(2,716)
Local Services Support Grant	204	204	204	68	0	54	(150)	(150)	(41)
Other	(1,152)	(1,152)	(1,152)	0	(202)	(1,152)	0	0	(626)
Income items	(948)	(948)	(948)	68	(202)	(1,098)	(150)	(150)	(667)
Appropriations: CS Reserves	(1,371)	(1,371)	(1,958)	0	(715)	(1,958)	0	0	(0)
Appropriations: E&R Reserves	(520)	(520)	(1,372)	(715)	(115)	(1,372)	0	0	1
Appropriations: CSF Reserves	44	44	(115)	(60)	0	(115)	0	0	(0)
Appropriations: C&H Reserves	1,146	1,146	1,146	0	0	1,146	0	0	0
Appropriations: Public Health Reserves	0	0	(28)	(28)	(28)	(28)	0	0	(0)
Appropriations: Corporate Reserves	2,394	2,394	2,385	0	0	2,385	0	0	1,726
Appropriations/Transfers	1,693	1,693	57	(803)	(858)	57	0	0	1,727
Depreciation and Impairment	(17,638)	(17,638)	(17,638)	0	0	(17,638)	0	0	0
Central Items	7,681	7,681	4,544	7,632	7,854	1,354	(3,191)	(3,141)	(3,491)
Levies	928	928	928	651	651	928	0	0	0
TOTAL CORPORATE PROVISIONS	8,608	8,608	5,472	8,282	8,505	2,281	(3,191)	(3,141)	(3,491)

Pay and Price Inflation as at November 2016

In 2016/17, the budget includes 1% for increases in pay and 0.5% for increases in general prices, with an additional amount of £0.540m which is held to assist services that may experience price increases greatly in excess of the inflation allowance provided when setting the budget. There have been a number of requests to call on this budget and it is currently forecasting an underspend of £419k. Any balance on this budget will be used to offset the forecast overspend on services

Pay:

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

Prices:

The Consumer Prices Index (CPI) rose by 1.2% in the year to November 2016, compared with a 0.9% rise in the year to October. Rises in the prices of clothing, motor fuels and a variety of recreational and cultural goods and services, most notably data processing equipment, were the main contributors to the increase in the rate. These upward pressures were partially offset by falls in air and sea fares.

The Consumer Prices Index (CPI) rose by 0.9% in the year to October 2016, compared with a 1.0% rise in the year to September. The main reasons for the drop in the rate were downward pressures to the prices for clothing and university tuition fees, which rose by less than they did a year ago, as well as falling prices for certain games and toys, overnight hotel stays and non-alcoholic beverages. The reduction in the rate was offset by rising prices for motor fuels, and by prices for furniture and furnishings, which fell by less than they did a year ago.

CPIH, a measure of UK consumer price inflation that includes owner occupiers' housing costs, rose by 1.4% in the year to November 2016, up from 1.2% in October.

The RPI 12-month rate for November 2016 stood at 2.2%, up from 2% in October 2016.

Outlook for inflation:

The Bank of England's Monetary Policy Committee (MPC) sets monetary policy to meet the 2% inflation target and in a way that helps to sustain growth and employment. At its meeting ending on 14 December 2016, the MPC voted unanimously to keep the Bank Base Rate at 0.25%. It also voted unanimously to continue with the programme of sterling non-financial investment-grade corporate bond purchases totalling up to £10 billion, financed by the issuance of central bank reserves and also voted unanimously to

continue with the programme of £60 billion of UK government bond purchases to take the total stock of these purchases to £435 billion, financed by the issuance of central bank reserves.

The MPC's latest projections for output, unemployment and inflation, conditioned on average market yields, are set out in the November Inflation Report. Output growth is expected to be stronger in the near term but weaker than previously anticipated in the latter part of the forecast period. The unemployment rate is projected to rise to around 5½% by the middle of 2018 and to stay at around that level throughout 2019. Largely as a result of the depreciation of sterling, CPI inflation is expected to be higher throughout the three-year forecast period than in the Committee's August projections. In the central projection, inflation rises from its current level of 1% to around 2¾% in 2018, before falling back gradually over 2019 to reach 2½% in three years' time. Inflation is judged likely to return to close to the target over the following year.

In providing an update for the recent position the MPC state that "since November, long-term interest rates have risen internationally, including in the United Kingdom. In part, this reflects expectations of looser fiscal policy in the United States which, if it materialises, will help to underpin the slightly greater momentum in the global economy evident in a range of data since the summer. At the same time, however, the global outlook has become more fragile, with risks in China, the euro area and some emerging markets, and an increase in policy uncertainty."

The outlook for inflation is that it is likely to exceed 2% in late 2017 and during 2018. The MPC minutes note that "twelve-month CPI inflation stood at 1.2% in November, up from 0.9% in October and 1.0% in September. Looking forward, the MPC expects inflation to rise to the 2% target within six months. Since the Committee's previous meeting, sterling's trade-weighted exchange rate has appreciated by over 6%, while dollar oil prices have risen by 14%. All else equal, this would result in a slightly lower path for inflation than envisaged in the November Inflation Report, though it is still likely to overshoot the target later in 2017 and through 2018."

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

Source: HM Treasury - Forecasts for the UK Economy (December 2016)			
	Lowest %	Highest %	Average %
2016 (Quarter 4)			
CPI	0.6	1.9	1.3
RPI	1.7	3.0	2.3
LFS Unemployment Rate	4.7	5.3	4.9
2017 (Quarter 4)			
CPI	1.9	3.8	2.8
RPI	2.4	5.2	3.4
LFS Unemployment Rate	4.6	6.0	5.4

Clearly where the level of inflation during the year exceeds the amount provided for in the budget, this will put pressure on services to stay within budget and will require effective monitoring and control.

Independent medium-term projections for the calendar years 2016 to 2020 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (November 2016)					
	2016	2017	2018	2019	2020
	%	%	%	%	%
CPI	0.7	2.7	2.6	2.2	2.1
RPI	1.8	3.5	3.1	3.0	3.1
LFS Unemployment Rate	5.0	5.2	5.5	5.4	5.3

Treasury Management: Outlook

At its meeting ending on 14 December 2016 the Committee voted unanimously to maintain Bank Rate at 0.25%. The Committee voted unanimously to continue with the programme of sterling non-financial investment-grade corporate bond purchases totalling up to £10 billion, financed by the issuance of central bank reserves. The Committee also voted unanimously to continue with the programme of £60 billion of UK government bond purchases to take the total stock of these purchases to £435 billion, financed by the issuance of central bank reserves.

The MPC's latest projections for output, unemployment and inflation, conditioned on average market yields, are set out in the November Inflation Report. In this report "Output was expected to grow at a moderate pace in the near term, but slow from the beginning of next year. In part that reflected the likelihood that household real income growth would slow and hence weaken household spending. It also reflected uncertainty over future trading arrangements, and the risk that UK-based firms' access to EU markets could be materially reduced, which could restrain business activity and supply growth over a protracted period. The unemployment rate was projected to rise to around 5½% by the middle of 2018 and to stay at around that level throughout 2019. Largely as a result of the depreciation of sterling, CPI inflation was expected to rise to around 2¾% in 2018, before falling back gradually over 2019 to reach 2½% in three years' time. Inflation was judged likely to return to close to the target over the following year.

Looking at the position since November, the MPC thinks it is likely that inflation will overshoot the 2% target in late 2017 and throughout 2018 and in the minutes sets out the rationale for keeping the Bank base Rate the same this month, stating that "The MPC's Remit requires that monetary policy should balance the speed with which inflation is returned to the target with the support for real activity. The lower level of sterling since the vote to leave the European Union has adversely affected that trade-off. Sterling's effect on CPI inflation will ultimately prove temporary and fully offsetting it would require exerting further downward pressure on domestic costs, including wages, and would therefore involve lost output and higher unemployment. The Committee continues to judge that such outcomes would be undesirable and, consistent with its Remit, that it would therefore be appropriate to set policy so that inflation returns to its target over a longer period than the usual 18-24 months. Equally, there are limits to the extent to which above-target inflation can be tolerated. Those limits depend, for example, on the cause of the inflation overshoot, the extent of second-round effects on domestic costs, the evolution of inflation expectations, and the scale of the shortfall in economic activity below potential. Inflation expectations at medium-term horizons had been somewhat below their past average levels, reflecting the period of below-target inflation, although some measures have risen more recently. The Committee continues to monitor the evolution of these expectations closely."

The MPC's forecasts of Bank Base Rate in recent Quarterly Inflation Reports which were made pre-Brexit up to May 2016 are summarised in the following table:-

	End Q.4 2016	End Q.1 2017	End Q.2 2017	End Q.3 2017	End Q.4 2017	End Q.1 2018	End Q.2 2018	End Q.3 2018	End Q.4 2018	End Q.1 2019	End Q.2 2019	End Q.3 2019	End Q.4 2019
Nov.'16	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.4	0.4
Aug.'16	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	
May.'16	0.4	0.4	0.5	0.5	0.5	0.6	0.6	0.6	0.7	0.7	0.8		
Feb.'16	0.5	0.5	0.6	0.7	0.8	0.8	0.9	1.0	1.0	1.1			
Nov.'15	0.6	0.7	0.8	0.9	1.0	1.1	1.1	1.2	1.3				
Aug.'15	1.0	1.2	1.3	1.4	1.5	1.6	1.7	1.7					
May.'15	0.9	1.0	1.1	1.2	1.3	1.3	1.4						
Feb.'15	0.8	0.9	1.0	1.0	1.1	1.1							
Nov.'14	1.4	1.5	1.5	1.7	1.7								
Aug.'14	2.0	2.1	2.2	2.3									

Source: Bank of England Inflation Reports

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

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

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

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

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

Appendix 5a

Community & Housing Summary Capital Report - November 2016 Monitoring

Scheme Description	Revised Budget	YTD Actual	YTD Budget	Variance To Date	Forecast For Year	Forecast Variance
Adult Social Care	52,410	21,724	(38,992)	60,716	52,410	0
Libraries	94,970	(16,112)	94,970	(111,082)	94,970	0
Housing						
8 Wilton Road	0	(4,371)	0	(4,371)	0	0
Western Road	760,000	0	380,000	(380,000)	760,000	0
Disabled Facilities	1,043,170	346,919	251,492	95,427	500,000	(543,170)
Community and Housing Total	1,950,550	348,160	687,470	(339,310)	1,407,380	(543,170)

Corporate Services Summary Capital Report - November 2016 Monitoring

Scheme Description	Revised Budget	YTD Actual	YTD Budget	Variance To Date	Forecast For Year	Forecast Variance
Business Improvement	2,100,380	80,500	859,202	(778,702)	2,100,375	(5)
Corporate Items	3,372,300	161,122	0	161,122	161,122	(3,211,178)
Facilities Management	1,422,020	359,822	594,744	(234,922)	1,422,020	0
IT Total	1,523,800	541,155	763,814	(222,659)	1,523,797	(3)
Resources	556,160	243,635	298,300	(54,665)	556,160	0
Corporate Services Total	8,974,660	1,386,234	2,516,060	(1,129,826)	5,763,474	(3,211,186)

Children, Schools & Families Summary Capital Report - November 2016 Monitoring

Scheme Description	Revised Budget	YTD Actual	YTD Budget	Variance To Date	Forecast For Year	Forecast Variance
Aragon expansion*	0	(11,083)	(11,083)	0	0	0
Joseph Hood Permanent Expansn	3,720	1,000	3,720	(2,720)	3,720	0
St Mary's expansion*	0	(43,972)	(23,722)	(20,250)	0	0
Hillcross School Expansion*	3,090	(69,767)	(69,767)	0	3,090	0
Merton Abbey Temp Accomodation*	0	(23,184)	(23,684)	500	0	0
Pelham School Expansion*	10,660	(8,117)	(8,117)	0	10,660	0
Dundonald expansion	2,664,410	2,060,555	2,271,897	(211,342)	2,664,410	0
Poplar Permanent Expansion*	1,000	(49,144)	(49,144)	0	1,000	0
Singlegate expansion	1,014,020	826,509	863,020	(36,511)	1,014,020	0
Primary School Exp. Overspen Provision*	61,490	(327,053)	(344,131)	17,078	61,490	0
Wimbledon Park expansion*	0	(27,000)	(27,000)	0	0	0
Primary Expansion	3,758,390	2,328,744	2,581,989	(253,245)	3,758,390	0

CSF department has undertaken a number of major school expansion projects over the past few years. Under the contract terms the council holds back a retention sum which is only paid at least a year after the building project is completed, and then only when we are satisfied that all minor defects on the building are completed satisfactorily. This can frequently take a considerable period and the cumulative effect is that there are a series of accruals from the end of the 2015/16 financial year where the money has not been spent in 2016/17. It is not in the council's interests to spend this money until we are absolutely sure the building is defect free.

Appendix 5a

Scheme Description	Revised Budget	YTD Actual	YTD Budget	Variance To Date	Forecast For Year	Forecast Variance
New School	6,764,500	6,438,475	6,414,500	23,975	6,764,500	0
Harris Merton Expansion	1,033,440	216,028	250,000	(33,972)	1,033,440	0
Secondary Expansion	7,797,940	6,654,503	6,664,500	(9,997)	7,797,940	0
Cricket Green Site	1,560	(705)	(1,200)	495	1,560	0
Primary school autism unit	40,730	(32,583)	(34,783)	2,200	40,730	0
Perseid	150,000	(131,055)	(120,805)	(10,250)	150,000	0
Futher SEN Units	165,320	0	0	0	165,320	0
SEN Expansion	357,610	(164,343)	(156,788)	(7,555)	357,610	0
Devolved Formula Capital	367,820	245,224	245,224	0	367,820	0
Free School Meals	0	(24,126)	(24,126)	1	0	0
B698 St Catherines Fields Fencing	24,100	20,250	24,100	(3,850)	24,097	(3)
Schs Cap Maint & Accessibility	985,900	623,662	653,000	(29,338)	985,900	0
Schools Equipment Loans	104,450	0	0	0	0	(104,450)
Other	1,482,270	865,010	898,198	(33,187)	1,377,817	(104,453)
Children Schools and Families	13,396,210	9,683,914	9,987,899	(303,984)	13,291,757	(104,453)

Environment & Regeneration Summary Capital Report - November 2016 Monitoring

Scheme Description	Revised Budget	YTD Actual	YTD Budget	Variance To Date	Forecast For Year	Forecast Variance
Footways Planned Works	1,000,000	822,191	600,000	222,191	1,000,000	0
Greenspaces	722,560	560,422	284,360	200,938	722,560	0
Highways General Planned Works	435,860	129,629	186,000	(56,371)	435,860	0
Highways Planned Road Works	1,500,000	1,414,542	1,470,000	(55,458)	1,500,000	0
Leisure Centres	1,972,540	572,477	1,088,586	(527,551)	1,972,540	0
Other E&R	193,020	81,622	53,334	28,288	222,907	29,887
On and Off Street Parking	9,900	0	0	0	9,900	0
Regeneration Partnerships	3,535,210	1,617,978	1,378,858	238,892	3,540,767	5,557
Street Lighting	662,000	597,942	567,135	14,463	662,000	0
Street Scene	105,950	60,336	61,072	(736)	105,950	0
Transport for London	2,552,620	1,112,625	1,299,825	(189,494)	2,508,620	(44,000)
Traffic and Parking Management	920,070	548,799	716,150	(167,351)	920,070	0
Transport and Plant	488,000	288,166	234,477	53,689	485,000	(3,000)
Waste Operations	45,500	26,776	90,332	(65,419)	45,500	0
Environment and Regeneration	14,143,230	7,833,505	8,030,129	(303,919)	14,131,674	(11,556)

Virement, Re-profiling and New Funding - November 2016

Appendix 5b

	2016/17 Budget	Virements	Adjusted & New Funding	Reprofiling	Revised 2016/17 Budget	2017/18 Budget	Adjustment	Revised 2017/18 Budget	Narrative
	£	£	£	£	£	£		£	
Corporate Services									
Multi Functioning Device (MFD)	200,000	(10,000)	(24,220)		165,780	75,000	(39,000)	36,000	Lease costs excluding interest
Improving Fin. Information Systems (1)	506,160		50,000		556,160	0		0	Additional funding for technical support.
Protective Marking	80,500	10,000			90,500	0		0	Required to complete the project
ePayments Project	106,800			(106,800)	0	0	106,800		Reflects projected spending pattern
Invoice Scanning SCIS/FIS	41,000			(41,000)	0	0	41,000		Reflects projected spending pattern
Community & Housing									
Telehealth	43,750			(43,750)	0	0	43,750	43,750	Linked to the Mosiac Project
Captive E-Learning	8,350			(8,350)	0	0	8,350	8,350	Linked to the Mosiac Project
SCIS report Development	14,000			(14,000)	0	0	14,000	14,000	Reflects projected spending pattern
Excel Add-Ins	3,000			(3,000)	0	0	3,000	3,000	Reflects projected spending pattern
Adult Social care Collections	10,000			(10,000)	0	0	10,000	10,000	Reflects projected spending pattern
Environment & Regeneration									
Mitcham Town Centre (1)	220,000		120,000		340,000	0		0	Re-directing some TfL funding from Revenue to Capital
Gunns Parks for People	204,960			(90,590)	114,370	0	90,590	90,590	Reflects projected spending pattern
Backlogging Traffic Congestion	570,030			(300,030)	270,000	0	300,030	300,030	Reflects projected spending pattern
CTV (match funding)	514,440			(164,440)	350,000	0	164,440	164,440	Reflects projected spending pattern
£1 Coinage change P&D Machines	120,000	(20,000)			100,000	0		0	Vired to Building Works
GPS Vehicle Tracking	130,000			(130,000)	0	0	130,000	130,000	Reflects projected spending pattern
Portuary Provision	45,000			(45,000)	0	0	45,000	45,000	Reflects projected spending pattern
Purchase and Installation of Exacom	0		15,000		15,000	0		0	Computerised system for the mangement of CIL - funded by CIL
Building Works	0	32,000			32,000			0	Building Works to facilitate rental income to be generated
Replacement of Fleet Vehicles	500,000	(12,000)			488,000	500,000		500,000	Vired to Building Works
Total	3,317,990	0	160,780	(956,960)	2,521,810	575,000	917,960	1,345,160	

1) Requires Cabinet Approval

Capital Programme Funding Summary 2016/17

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
Cabinet - December - October 2016 Mon.	24,791	14,470	39,261
<u>Corporate Services</u>			
Multi Functioning Device (MFD)	(24)	0	(24)
Improving Fin. Information Systems	50	0	50
ePayments Project	(106)	0	(106)
Invoice Scanning SCIS/FIS	(41)	0	(41)
<u>Community and Housing</u>			
Telehealth	0	(44)	(44)
Captive E-Learning	0	(8)	(8)
SCIS report Development	0	(14)	(14)
Excel Add-Ins	0	(3)	(3)
Adult Social care Collections	0	(10)	(10)
<u>Environment & Regeneration</u>			
Mitcham Town Centre	0	120	120
Canons Parks for People	(18)	(73)	(91)
Tackling Traffic Congestion	(300)	0	(300)
CCTV (match funding)	(164)	0	(164)
GPS Vehicle Tracking	(130)	0	(130)
Mortuary Provision	(45)	0	(45)
Purchase and Installation of Exacom	0	15	15
Cabinet - January - November 2016 Mon.	24,013	14,453	38,465

This funding includes £1million grant funding from the EFA for the new school – it is unlikely that this funding will be approved by the EFA until May 2017. As additional information becomes available funding appropriate changes will be made to the expected timing and amount of funding.

Capital Programme Funding Summary 2017/18

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
Cabinet - December - October 2016 Mon.	26,593	16,556	43,148
<u>Corporate Services</u>			
Multi Functioning Device (MFD)	(39)	0	(39)
ePayments Project	106	0	106
Invoice Scanning SCIS/FIS	41	0	41
<u>Community and Housing</u>			
Telehealth		44	44
Captive E-Learning	0	8	8
SCIS report Development	0	14	14
Excel Add-Ins	0	3	3
Adult Social care Collections	0	10	10
<u>Environment & Regeneration</u>			
Canons Parks for People	18	73	91
Tackling Traffic Congestion	300	0	300
CCTV (match funding)	164	0	164
GPS Vehicle Tracking	130	0	130
Mortuary Provision	45	0	45
Cabinet - January - November 2016 Mon.	27,359	16,708	44,066

This funding includes £4.85million grant funding from the EFA for the new school – it is unlikely that this funding will be approved by the EFA until May 2017. As additional information becomes available funding appropriate changes will be made to the expected timing and amount of funding.

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- Nov'2016 ' No Change'

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend ? Y/N
	Adult Social Care										
CH02	Promoting Independence - Public Value Review - Efficiencies to be found in hospital discharge process and by enabling customers to regain and maintain independence	100	52	48	R	100	0	G	David Slark	Some savings achieved through provider negotiations	Y
CH29	Older People - Managing Crisis (including hospital discharge) admissions to residential care. This would include a number of activities designed to reduce admissions to residential care placements. We would be looking to families to continue to support people at home for longer. This would fit in with our overall approach to enable independence.	125	0	125	R	125	0	R	Kim Carey	We continue to manage to target the number of admissions to residential care, but this is having a knock-on to the cost of care in the home. Arrangements are now in place to mitigate the cost of double handed care using proactive OT engagement in these packages.	Y
CH34	Substance Misuse Placements - Actively manage throughput in residential rehab placements - A reduction in the placements available for Substance misuse clients	6	6	0	G	6	0	G	Henrietta Brown		Y
CH35	Realise benefits of new prevention programme in terms of reduced demand for statutory services, or alternatively if these benefits have not occurred then to reduce investment in the prevention programme through reduced grants to Voluntary Organisations. -Reduced demand for statutory services or reduced level of preventative services. In the latter case people would lose some of the services which make their life fuller.	500	500	0	G	500	0	G	Richard Ellis		Y
CH04	Reduce Management costs and reduction in staffing costs Access & Assessment- Staffing restructure to deliver efficient processes, and building on planned shift of some customers to manage their own processes.	100	75	25	A	100	0	G	Kim Carey	Due to the delays in submitting the staff re-structure Business Case and subsequent staff consultation this saving will not be fully realised.	Y
CH20	Access and Assessment Employees - Staff Savings 12 FTE to be deleted in 2016/17 12 FTE in 17/18, 12 FTE in 18/19 - These savings will come from across Access and Assessment, covering all service areas. - Reduction in the ability to carry out assessments and reviews, social work support, safeguarding activities, DOLs responsibilities and financial assessments. (CH20)	511	468	43	A	511	0	G	Kim Carey	Due to the delays in submitting the staff re-structure Business Case and subsequent staff consultation this saving may not be fully realised in year.	Y

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- Nov'2016 ' No Change'

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend ? Y/N
CH58	Access and Assessment Employees - Staff Savings	700	700	0	G	700	0	G	Kim Carey		Y
CH22	Commissioning Employees- Staff Savings- 4 FTE to be deleted- Reduced capacity to monitor quality within provider services, reduced capacity to monitor performance within services and a reduced capacity to proactively work to sustain and develop a local provider market.	156	151	5	A	156	0	G	Richard Ellis	Due to the delays in submitting the staff re-structure Business Case and subsequent staff consultation this saving will not be fully realised.	Y
CH21	Direct Provision Employees - Staff Savings 11FTE to be deleted- Less activities available both at day centres and in the community. Clients would spend more time in larger congregated settings with less choice of activities. These savings would be made across the three LD and PD day centres.	274	274	0	G	274	0	G	Andy Ottaway-Searle		Y
CH59	Direct Provision Residential and supported living management -staff reductions- We would expect to keep front line support staff but reduce management. This would mean less resource to provide outreach and the emphasis would primarily on providing core services (Bring forward savings -CH37) 2 FTE's	100	100	0	G	100	0	G	Andy Ottaway-Searle		Y
CH23	Directorate- Staff Savings - 0.46 FTE to be deleted-None, post now funded by Public Health	21	21	0	G	21	0	G	Richard Ellis	Saving to be achieved as change of funding	Y
CH64	Directorate- Staff Savings - (Budget contribution to Joint Public Health consultant post to be deleted)-None, post now funded by Public Health	30	30	0	G	30	0	G	Richard Ellis	Saving to be achieved as change of funding	Y
CH24	Learning Disabilities- High Cost Packages - Review of High Cost Packages with a view to promoting independence This would be a holistic review of 17 identified high cost placements (i.e. those receiving packages of care over £1,500 per week and not health funded). We will use promoting Independence as the basis of these reviews. We are designing these figures based on a 6% reduction in support for the identified client group.	100	100	0	G	100	0	G	Kim Carey		Y

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- Nov'2016 ' No Change'

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend ? Y/N
CH25	Learning Disabilities- Medium Cost Packages- Review of medium cost packages with a view of promoting independence -This would be a holistic review of identified medium cost placements of care of between £400 -£1,500 per week and not health funded). We will use the promoting independence model as the basis for these reviews. We are designing these figures based on a 10% reduction in support for the relevant clients within the identified group.	400	268	132	R	400	0	A	Kim Carey	These cases are taking a lower priority due to the opportunity afforded by addressing the high cost packages first.	Y
CH26	Learning Disabilities - Direct Payments- Review of all Direct Payments in Learning Disabilities with a view to promoting independence .We will review the Direct Payments received by clients to assess whether it is still set at the appropriate level for their needs and whether the full payment is being utilised. We will use the promoting independence model as the basis of these reviews. We anticipate this being a reduction of 7% for the individual support packages within this client group. There are currently 98 packages in this group.	50	0	50	R	50	0	A	Kim Carey	This has stalled due to lack of capacity but will be given priority when other work has been finalised.	Y
CH27	Mental Health- Care Packages - Review of support packages within all areas ofMental Health services. - We antcipaate this being a reduction of 5% across all support packages and will include a review of Direct Payments within this area. Options include less use of residential placements and quicker reviews as part of a recovery model.	76	0	76	R	76	0	A	Henrietta Brown	Reviews in progress	Y
CH28	Older People- Home Care Review of Home Care within support packages. There are currently 596 Older People within Merton receiving home care within their support packages. This represents an average reduction of 9% in home care support packages.	387	130	257	R	387	0	A	Kim Carey	These cases are being prioritised within the long term team. The lack of additional resource will mean that progress will now not be as quick as had been hoped.	Y
CH30	Older People - Review of Direct Payments support packages -Review of Direct Payments in Older People using the enablement model. We will review the Direct Payments received by clients to assess whether the full payment is being utilised. We will use the enablement model as the basis of these reviews. We anticipate this being an average reduction of 15% for individual support packages within this client group. There are currently 225 packages.	345	0	345	R	345	0	A	Kim Carey	These cases are being prioritised within the long term team. The lack of additional resource will mean that progress will now not be as quick as had been hoped.	Y

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- Nov'2016 ' No Change'

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend ? Y/N
CH31	Physical Disabilities- Review of all Direct Payments for clients with physical disabilities using promoting independence. -We will review the Direct Payments received by clients to assess whether it is still set at the appropriate level for their needs and whether the full payment is being utilised. We will use the promoting independence model as the basis of these reviews. We anticipate this being a reduction of 10% for the individual support packages within this client group. There are currently 150 packages in this group.	134	0	134	R	134	0	A	Kim Carey	These cases are being prioritised within the long term team. The lack of additional resource will mean that progress will now not be as quick as had been hoped.	Y
CH32	Physical Disabilities - Home Care -The saving would be delivered through a review of home care provision within support packages. There are currently 89 Physical Disabilities clients within Merton receiving home care within their support packages. The proposed savings represents an average reduction of 8% in home care for this group.	48	0	48	R	48	0	A	Kim Carey	These cases are being prioritised within the long term team. The lack of additional resource will mean that progress will now not be as quick as had been hoped.	Y
CH33	Physical Disabilities- High Cost Packages - Review of PD Residential and 1-1 packages. This saving would be delivered through a targeted review of a small number of PD customers in residential care. These reviews would look at renegotiating unit costs, transferring users to other types of accommodation in the community and reducing or removing 1-1 costs.	60	0	60	R	60	0	A	Kim Carey	These cases are being prioritised within the long term team. The lack of additional resource will mean that progress will now not be as quick as had been hoped.	Y
CH60	South Thames Crossroads : Decommission the crossroads service for carers. Replace with domiciliary care service/ Direct Payment offer and commissioned holistic carers support service from voluntary sector.	294	294	0	G	294	0	G	Richard Ellis	Service to be decommissioned from 31st December 2016, therefore will not meet all of savings target. Part of savings was replaced by one-off 164k	Y
CH61	Meals on Wheels (Sodexo): Decommissioning service and embed support within community, neighbourhood and voluntary support infrastructure	153	86	67	R	153	0	A	Richard Ellis	Service was decommissioned on 31st July 2016, therefore will not meet all of savings target.	Y
CH62	Supported accommodation mental health : Decommission service as a result of Provider notice to cease service in Merton	106	106	0	G	106	0	G	Richard Ellis	The service has been decommissioned & saving achieved.	Y
CH63	Day support Imagine Independence : Decommission service and recommission cost effective peer led day opportunities for people with mental health	84	84	0	G	84	0	G	Richard Ellis	The tender has been awarded and will commence 4th July (which will achieve the saving)	Y
CH51	NHS Income :Negotiate extra NHS funding for extra costs of Hospital Discharges - Circa £150k on packages, £50k on staff.	200	0	200	R	0	200	R	Richard Ellis	Not achievable	Y
	Library & Heritage Service										

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- Nov'2016 ' No Change'

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend ? Y/N
CH44	Deletion of all administrative support (Deletion of 1 x FTE)	26	26	0	G	26	0	G	Anthony Hopkins	Reorganisation complete and individual has been slotted into a new post in the council.	Y
CH45	Reduction in activities programme	2	2	0	G	2	0	G	Anthony Hopkins	Budget re-profiled and savings delivered.	Y
CH46	Withdrawal from annual CIPFA public library user survey (PLUS)	3	3	0	G	3	0	G	Anthony Hopkins	New systems devised and saving achieved. New consultation exercise running in October 2016.	Y
CH47	Reduction in volunteering contract	20	20	0	G	20	0	G	Anthony Hopkins	Contract renegotiated and new arrangements in place from 1 April 2016	Y
CH48	Reduction in media fund	45	45	0	G	45	0	G	Anthony Hopkins	Budget reduction re-profiled to reflect new expenditure, savings on course to delivered.	Y
	Merton Adult Education										
CH45	MAE :Staffing cost reductions -Delivery utilising the use of Information Technology and other efficiencies	8	0	8	R	8	0	G	Anthony Hopkins	Saving built into new SFA funding profile	Y
	Housing Needs & Enabling										
CH48	Reduction of Homelessness Prevention Grant:	56	0	56	R	56	0	A	Steve Langley		Y
CH9	Rationalisation of admin budget :	30	30	0	G	30	0	G	Steve Langley	Savings achieved	Y
CH40	Housing Strategy officer - deletion of 1 FTE :	43	43	0	G	43	0	G	Steve Langley	Post vacant and will be deleted - saving will be achieved	Y
CH41	Environmental health Technical officer deletion of 1 FTE:	33	33	0	G	33	0	G	Steve Langley	Post vacant and will be deleted - saving will be achieved	Y
CH42	Housing options adviser deletion of 1.5 FTE :	53	53	0	G	53	0	G	Steve Langley	Post vacant and will be deleted - saving will be achieved	Y
	Total Community & Housing Department Savings for 2016/17	5,379	3,700	1,679		5,179	200				

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

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
Commissioning, Strategy and Performance											
CSF2012-04	Reduce expenditure on LAC and SEN placements	50	50	0	R	50	0	A	Paul Ballatt	Although we expect to achieve the savings target, increased cost due to higher and more complex caseload is causing the service area to overspend. Placements are reviewed on a monthly basis and detailed analysis to back up the cost reduction in placement costs through negotiations with providers are reported to DMT every quarter. At the end of the second quarter, this equated to £731k.	Y
CSF2014-02	Reduce the post 16 LAC/CL accommodation.	50	50	0	R	50	0	A	Paul Ballatt	Although we expect to achieve the savings target, increased cost due to higher and more complex caseload is causing the service area to overspend. Placements are reviewed on a monthly basis and detailed analysis to back up the cost reduction in placement costs through negotiations with providers are reported to DMT every quarter. At the end of the second quarter, this equated to £731k.	Y
CSF2014-03	This will be achieved through a combination of reducing our training for facilitators of parenting programmes and decommissioning a service where the commissioned outcomes are not being delivered.	40	40	0	G	40	0	G	Paul Ballatt		
CSF2014-05	Reduction in commissioning of early intervention and prevention services from the VCS.	300	300	0	G	300	0	G	Paul Ballatt		
Children Social Care											
CSF2012-07	Family and Adolescent Services Stream - Transforming Families (TF), Youth Offending Team (YOT) and in Education, Training and Employment (ETE). 2016/17 savings will be achieved by the closure of Insight and deletion of YJ management post.	100	100	0	R	100	0	G	Paul Angeli	Insight was not closed as we were not able to opt out of the lease early. This saving will be delivered in 2017/18 and the short for 2016/17 covered through reduced grant-funded and targeted intervention services.	
CSF2015-01	Serious Case Reviews	77	77	0	G	77	0	G	Paul Angeli		
Early Years											
CSF2013-01	Substantial reduction in EY budgets whilst retaining existing Children's Centres targeted work in areas of higher deprivation (up to 10% reduction overall to Children's Centre services). Reduction in funding and in kind contributions to voluntary sector organisations	17	17	0	G	17	0	G	Jane McSherry		

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

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Unders pend? Y/N
CSF2014-09	We are working on the detailed proposals which will in essence reduce the service to paid-for childcare (parents and DSG) with a very limited targeted service for highly vulnerable families.	254	254	0	G	254	0	G	Jane McSherry		
	Youth Service										
CSF2014-06	Young people will be signposted to VCS youth provision. Work continues with RSLs and other possible funders to identify some residual funding.	480	480	0	G	480	0	G	Jane McSherry		
	Public Health										
CSF2014-07	Children's centres deliver the widest outcomes for under fives and getting a good start in life is key to narrowing inequalities in health outcomes.	400	400	0	G	400	0	G	Jane McSherry		
	Schools										
CSF2014-08	Increased income from schools and/or reduced LA service offer to schools.	400	400	0	G	400	0	G	Jane McSherry		
	Cross cutting										
CSF2015-02	Service management review across the CSF dept (2/3 FTE depending on grading of posts)	23	23	0	G	23	0	G	Paul Angeli		
	Total Children, Schools and Families Department Savings for 2015/16	2,191	2,191	0		2,191	0				

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

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 16-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
Customer Services											
CS13	Reduction in discretionary relief (replacement of CS12 and CS13 which had both been deferred until 2016/17)	81	81	0	G	81	0	G	David Keppler/Sean Cunniffe		N
CS36	Re tendering of Cash Collection Contract	10	10	0	G	10	0	G	David Keppler/Sean Cunniffe		N
CS39	Impact of Customer Service Review	30	0	30	R	30	0	A	David Keppler/Sean Cunniffe	Will not be achieved in current year due to delay in Customer Contact Implementation. Will be met this financial year from another source	N
CS61	Dividend income from CHAS 2013 Limited	58	58	0	G	58	0	G			N
CS62	Recharges to Public Health	70	70	0	G	70	0	G			N
CSD9	Ending of e-Capture Service	9	9	0	G	9	0	G	David Keppler/Sean Cunniffe		N
CSD10	Ending of Risk Based Verification	22	22	0	G	22	0	G	David Keppler/Sean Cunniffe		N
CSD11	Terminate the Experian trace and search system contract	10	10	0	G	10	0	G	David Keppler/Sean Cunniffe		N
CSD14	Reduction of 1 FTE Revenues Officer	30	30	0	G	30	0	G	David Keppler/Sean Cunniffe		N
CSD15	Increase in Court Costs (council tax) - Increase from £110.00 to £115.00	40	40	0	G	40	0	G	David Keppler/Sean Cunniffe		N
CSD16	Reduction in discretionary relief	231	231	0	G	231	0	G	David Keppler/Sean Cunniffe		N
CSD18	My Merton and staff reductions - Renegotiate supplier costs for My Merton	32	32	0	G	32	0	G	Sophie Poole		N
CSD19	My Merton and staff reductions - Delete 1 FTE - Communication Asisstant	25	25	0	G	25	0	G	Sophie Poole		N
Business Improvement											
CS63	Review and challenge of the procurement of Support & Maintenance & Licence Contracts	21	21	0	G	21	0	G	Sophie Ellis		N
CS63	Reorganisation of systems development and support arrangements.	88	0	88	R	88	0	G	Sophie Ellis	This was dependent on system changes which have not happened due to delays in implementation	Y
CSD37	PO Restructure	64	64	0	A	64	0	A	Sophie Ellis	At risk as dependent on MIB funding to be agreed.	N
CSD38	Reduction in support budget	5	5	0	G	5	0	G	Sophie Ellis		N
CSD39	Business Systems Team Restructure Phase 2	50	50	0	G	50	0	G	Sophie Ellis		N
CSD40	Secure additional income generated through gazetteer maintenance and street naming and numbering	30	30	0	G	30	0	G	Sophie Ellis		N
CSD41	Consolidation of systems support	20	20	0	A	20	0	A	Sophie Ellis	At risk dependent on additional funding	N
IT Service Delivery											
CS5	Review and challenge of the procurement of Support & Maintenance & Licence Contracts	29	29	0	G	29	0	G	Mark Humphries		N
CS7	Reduction of costs through re-procurement of Mobile Telephones Contract against a number of revenue budgets spread across the Council	20	20	0	G	20	0	G	Mark Humphries		N
CS8	Reduction of costs through re-procurement of Wide Area Network(WAN) Links contract. Savings achieved against a number of revenue budgets spread across the Council	20	20	0	G	20	0	G	Mark Humphries		N
CS10	Outsourcing - Service Desk	20	0	20	R	20	0	G	Mark Humphries	Saving found from supplies budget	N
CS12	Information Governance Vacant Post	37	37	0	G	37	0	G	Mark Humphries		N
CS16	Surrender of remainder of ITSD Overtime budget	35	35	0	G	35	0	G	Mark Humphries		N
CS23	Outsourcing - Building Services & Security Service	50	50	0	G	50	0	G	Mark Humphries		N
CS28	M&E Term Contract (Amalgamation) of Intruder Alarms	20	20	0	G	20	0	G	Mark Humphries		N
CSD2	Energy Savings (Subject to agreed investment of £1.5m)	150	0	150	R	150	0	G	Mark Humphries	Full saving unlikely to be achieved due to delay in implementation. Alternative saving in current year to be identified	N

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 16-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
CSD3	Rationalise IT Service Delivery support & maintenance contracts.	86	86	0	G	86	0	G	Mark Humphries		N
CSD4	Rationalise Facilities Management Building Repairs & Maintenance budgets	15	15	0	G	15	0	G	Mark Humphries		N
CSD5	Increase income generation from external bookings at Chaucer centre	40	40	0	G	40	0	G	Mark Humphries		N
CSD6	Reduction in the number of vehicles operated by Infrastructure & Transactions division from three to two	5	5	0	G	5	0	G	Mark Humphries		N
CSD8	Restructure IT Service Delivery section and delete 1 FTE post.	40	40	0	G	40	0	G	Mark Humphries		N
	Resources										
CS46	Resources -Deletion of 3 Posts within the Division	25	25	0	G	25	0	G	Paul Dale		N
CS64	Reduction of treasury running costs through review, improvement and efficiency	20	20	0	G	20	0	G	Paul Dale		N
CS65	Consolidation of various budgets within Resources division	66	66	0	G	66	0	G	Paul Dale		N
CS67	Reduction in bank and giro charges	12	12	0	G	12	0	G	Paul Dale		N
CSD20	Increased income	16	16	0	G	16	0	G	Paul Dale		N
CSD21	Rephase existing Savings	42	42	0	G	42	0	G	Paul Dale		N
CSD22	Cut running costs budgets	30	30	0	G	30	0	G	Paul Dale		N
CSD23	Consultancy budget	100	100	0	G	100	0	G	Paul Dale		N
CS62	Increased charge to Pension Fund	20	20	0	G	20	0	G	Paul Dale		N
CSD47	Delete 1 Policy post	50	50	0	G	50	0	G	Paul Dale		N
	Human Resources										
CS49	Introduction of new application tracking system	10	10	0	G	10	0	G	Kim Brown		N
CS50	Occupational Health & Employee Assistance programme	40	40	0	G	40	0	G	Kim Brown		N
CS74	Review of L&D spend	69	69	0	G	69	0	G	Kim Brown		N
CSD32	Review of HR business support (printing and stationery)	5	5	0	G	5	0	G	Kim Brown		N
CSD35	Learning and Development Budget	18	18	0	G	18	0	G	Kim Brown		N
	Corporate Governance										
CS73	Saving from 4 borough shared legal service	60	60	0	G	60	0	G	Paul Evans		N
CSD44	Stop web casting meetings, remove scrutiny support fund and reduce other supplies and services	35	35	0	G	35	0	G	Paul Evans		N
CSD45	Share audit and investigation service	60	60	0	G	60	0	G	Paul Evans		N
	Other										
CSD48	CHAS Dividend	145	145	0	G	145	0	G			N
	Total Corporate Services Department Savings for 2016/17	2,316	2,028	288		2,316	0				

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2016-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
SUSTAINABLE COMMUNITIES											
ER23	Staff savings from 6th month review following the merger of the traffic and highways and the FutureMerton team in to one team and further budget savings/adjustments within the controllable expenditure budgets	130	130	0	G	130	0	G	James McGinlay		N
ER23	Restructure of team to provide more focus on property management and resilliance within the team.	52	52	0	A	52	0	G	James McGinlay	Due to a delay in implementation, it is unlikely that this saving will be fully achieved this financial year.	N
EN27	Reduction in the Lining Budget	10	10	0	G	10	0	G	James McGinlay		N
EN30	Reduction in supplies and Services Costs	20	20	0	G	20	0	G	James McGinlay		N
EN31	Reduction in energy costs	30	30	0	G	30	0	G	James McGinlay		N
EN32	Renegotiation of J C Deceaux Contract	10	10	0	G	10	0	G	James McGinlay		N
EN35	Various Budgets - Increased Income through various charging increases where the service provided will still be purchased eg Increases % commercial uplift from 30% to 50% per hr; increases in charges in halls and at watersports centre, etc	14	14	0	G	14	0	G	James McGinlay		N
EN36	Various Budgets - Increased Income through sale of advice & guidance from senior professional officers and sale of specialist arts & leisure developed service packages to groups and organisations e.g private care homes, etc	10	10	0	G	10	0	G	James McGinlay		N
EN37	Merton Active Plus - Increased Income	5	5	0	G	5	0	G	James McGinlay		N
EN42	Consultancy Income. This is based on an average daily rate of £300 per day (15/16 equates to 7 days per year for each chargeable member of staff and 16 days in 16/17) based on the consultancy project mangement working practices adopted by FutureMerton team.	50	50	0	G	50	0	G	James McGinlay	Income achieved via Estates Regeneration income from CHMP. However, income is not guaranteed for future years.	N
EN45	Further commercialisation and development of sports and allied parks services (eg. increase in fees and charges (3.75%); cost recovery plus; service bundling; sponsorship of bedding plants,etc), aligned to the emerging strategy for sports.	13	0	13	R	13	0	G	James McGinlay	This saving is not currently being achieved. However, it forms part on the ongoing Phase C procurement exercise, and it is envisaged that the final agreement will result in this saving being met in full from 2017/18.	Y
E&R1	Arts Development - further reduce Polka Theatre core grant	5	5	0	G	5	0	G	James McGinlay		N
E&R2	Water sports Centre - Additional income from new business - Marine College & educational activities.	10	10	0	G	10	0	G	James McGinlay		N
E&R6	Reduced costs incurred as a result of sub-leasing Stouthall until 2024.	39	39	0	G	39	0	G	James McGinlay		N
E&R24	Reduction in current levels of staffing in the Greenspaces grounds maintenance and horticulture and sports teams.	130	0	130	R	130	0	G	James McGinlay	This saving is not currently being achieved. However, it forms part on the ongoing Phase C procurement exercise, and it is envisaged that the final agreement will result in this saving being met in full from 2017/18.	Y
E&R26	Introduction of P&D within certain parks responding to demand for the management of parking and controlling excess demand for spaces/ commuter parking	60	12	48	R	60	0	A	James McGinlay	Due to a delay in implementation, this saving will not be achieved this year. It is currently expected to be implemented around January 2017.	Y
E&R27	Additional property rental income	44	0	44	R	44	0	A	James McGinlay	New and reviewed tenancies are expected to be implemented during 2017/18 that will fully meet this saving.	N

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2016-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
E&R31	Senior management and support-Deletion of the 2 management support posts and absorption into existing resources.	70	70	0	G	70	0	G	Chris Lee		N
E&R32	Wifi Concessionary Contract-Income from wifi concessionary contract to be let from 2015/16	20	20	0	G	20	0	G	James McGinlay		N
E&R33	Various Budgets - Increase in income from commercialisation of services	250	180	70	R	250	0	A	James McGinlay/ Cormac Stokes	The £70k saving relating to the Live at Wimbledon Park event is not expected to be achieved this year.	Y
E&R35	Reduce street lighting contract costs	25	25	0	G	25	0	G	James McGinlay		N
E&R36	Reduction in reactive work budget	60	60	0	A	60	0	A	James McGinlay	Work is being undertaken in order to bring expenditure back in line with the budget. If this is not possible during 2016/17 then it will be mitigated from the 20% developer admin fees for highway works required.	Y
E&R38	Income from Section 278/Developers agreements where traffic works are required as part of development . Charging for work currently not charged for	50	50	0	G	50	0	G	James McGinlay	Being achieved from 20% developer admin fees for highway works required.	N
E&R39	Pre-application income. This is in addition to any previous pre-app savings proposal.	50	30	20	R	50	0	A	James McGinlay	Being achieved from 20% developer admin fees for highway works required. It is being covered in 2016/17 from increased income within Property Management.	Y
E&R40	consultancy income. This is in addition to any previous savings proposal.	60	10	50	R	60	0	A	James McGinlay	Income achieved via Estates Regeneration income from CHMP. However, income is not guaranteed for future years. It is being covered in 2016/17 from increased income within Property Management.	Y
E&R42	Align Vestry Hall income budget with current levels of income being achieved.	20	20	0	G	20	0	G	James McGinlay		N
PUBLIC PROTECTION											
EN02	Introduction of unattended automatic number plate recognition CCTV parking enforcement cameras at fixed locations.	226	226	0	G	226	0	G	John Hill		N
EV11	Increase all pay and display charges for on and off street parking by 10%. it should be noted that no allowance has been made for elasticity of demand this figure could reduce by 25%	125	125	0	G	125	0	G	John Hill		N
E&R7	Due to additional requests from residents, the budget will be adjusted to reflect the demand for and ongoing expansion of Controlled Parking Zone coverage in the borough.	260	260	0	A	260	0	A	John Hill	The current estimates for new CPZ permit income is 170k. CPZ extensions to Tooting (GC), Colliers Wood (CW) and Merton Park (MP1) zones are pending and this will influence ability to meet £260k target.	N
E&R8	In response to residents concerns about traffic congestion, enforcement of moving traffic contraventions, following the Implementation of ANPR.	1,700	1,056	644	R	1700	0	G	John Hill	The implementation phase of the contract is under way having started in late June 2016. There has been an initial growth in ANPR PCNs but technical issues need to be resolved before level of achievable savings can be measured	N
E&R9	Change in on-street bay suspension pricing structure.	500	320	180	R	500	0	G	John Hill	The current data suggests that the shortfall could be c£180k as it would appear that pricing regime has reduced demand to a greater extent than previously expected. Initial income projections resulting from E&R 11 should offset this shortfall.	Y

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2016-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Expected £000	Shortfall	16/17 RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
E&R10	Back office reorganisation	80	0	80	R	80	0	G	John Hill	Savings will not be achieved as the reorganisation is based on a review of staff numbers following the successful implementation of ANPR which still has technical difficulties.	N
E&R11	Enforcement of pavement parking	60	240	-180	G	60	0	G	John Hill	Expected to exceed target by at least £250k and will be used to offset shortfall on E&R9.	Y
E&R12	End lease of Wycliffe Road	14	14	0	G	14	0	G	John Hill		N
E&R13	Increase income from discretionary fees & charges	50	50	0	A	50	0	A	John Hill	Work underway, but potential for slippage and subsequent failure to achieve full year effect. Currently considering the implementation of a number of income generating schemes such as a licensing pre-application service, scientific consultancy, food safety consultancy and chargeable business advice. Business cases to be finalised and reviewed by the Joint Regulatory Committee in February 2017.	N
E&R15	Alter funding of post dedicated to investigating potential recovery of funds under the POCA, to be funded from costs recovered.	50	50	0	A	50	0	A	John Hill	We are still still optimistic of achieving £50k by year end but this is subject to the legal process and defendants' payments. £3k income is currently forecast for Q3 and £15k in Q4.	N
STREET SCENE & WASTE											
EN14	Mobile technology including GPS and in cab monitors. Once implemented will reduce back office staff numbers as a result of reducing reliance on paper schedules and in addition the GPS vehicle tracking system will lead to improved service and fuel efficiency.	100	0	100	R	100	0	G	Cormac Stokes	This saving is linked to new CRM project and Environmental asset Management Business case. GPS and vehicle tracking will not be delivered this year.	Y
E&R17	To reduce the costs of the service and maintain current standards of cleaning within Merton it is proposed to alter how we deploy our resources by reducing residential solo sweepers and alter the use of mechanical sweepers by investing in electric sweepers	157	157	0	G	157	0	G	Cormac Stokes		N
E&R18	Cease the distribution of food caddy liners	70	70	0	G	70	0	G	Cormac Stokes		N
E&R19	Align income budget to levels of income being generated from the sale of Textiles.	50	50	0	G	50	0	G	Cormac Stokes		N
E&R20	To contribute to a cleaner borough, enforcement of litter dropping under EPA/ ASB legislation with FPN fines for contraventions.	20	20	0	G	20	0	G	Cormac Stokes		N
E&R21	HRRC Site operations procured to external provider. Contractual savings.	30	0	30	R	30	0	A	Cormac Stokes	Although procurement led to significant cost reduction, it was not sufficient enough to reduce below existing budget level. Therefore, an alternative saving will be presented to Cabinet in due course.	Y
E&R22	Removal of borough wide dog bins including Parks	42	42	0	G	42	0	G	Cormac Stokes		N
Total Environment and Regeneration Savings 2014/15		4,771	3,542	1,229							

Ref	Description of Saving	2015/16 Savings Required £000	2015/16 Savings Achieved £000	Shortfall £000	RAG	16/17 RAG	Responsible Officer	Comments	Budget Manager Comments
<div style="display: flex; justify-content: space-between;"> Nov'2016 APPENDIX 7 </div>									
DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2015/16									
No Change'									
	<u>Libraries</u>								
	<u>Merton Adult Education</u>			0					
CH15	Increased income and some staff reductions	14	0	14	R	R	Yvonne Tomlin		
	<u>Housing</u>			0					
	Total Community & Housing Department Savings for 2015/16	14	0	14					
Scrutiny Panels									
C&YP									
Income - increase in current level of charges									
HC&OP									
Income - increase arising from expansion of existing service/new service									
SC									
Staffing: reduction in costs due to efficiency									
O&S									
Staffing: reduction in costs due to deletion/reduction in service									
Non - Staffing: reduction in costs due to efficiency									
Non - Staffing: reduction in costs due to deletion/reduction in service									
Procurement / Third Party arrangements - efficiency									
Grants: Existing service funded by new grant									
Grants: Improved Efficiency of existing service currently funded by unringfenced grant									
Reduction in Property related costs									

Page 120

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

Ref	Description of Saving	2015/16 Savings Required £000	2015/16 Savings Expected £000	Shortfall	15/16 RAG	2016/17 Savings Expected £000	2016/17 Expected Shortfall £000	16/17 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
-----	-----------------------	-------------------------------	-------------------------------	-----------	-----------	-------------------------------	---------------------------------	-----------	---------------------	----------	--

All savings for 2015/16 achieved

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2015-16

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

DEPARTMENT: Corporate Services - PROGRESS ON SAVINGS 15-16

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

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2014/15

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

Ref	Description of Saving	2014/15 Savings Required £000	2014/15 Actuals Savings £000	2014/15 Shortfall £000	2015/16 Savings Achieved £000	2015/16 Shortfall £000	RAG	2016/17 Savings Expected £000	2016/17 Expected Shortfall £000	RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
CH6	Voluntary Organisation- SLA reduction	150	0	150	0	150	R	150	0	A	Simon Williams	Work on-going with voluntary sector to review funding to meet savings targets.	Y
ASC53	Meals on wheels contract	50	0	50	0	50	R	0	50	R	Simon Williams	Meals on Wheels contract will not be renewed, however the saving on the contract cost is a 16/17 saving.	Y
ASC50/CH7	Staffing savings in Direct Provision	216	0	216	0	216	A	216	0	A	Andy Ottaway-Searle	Posts were deleted and budgets reduced at the start of the year, but, increased volumes from 12 to 38 people at our supported living services, plus the need to back fill long term sickness to meet CQC standards led to other staffing budgets overspending. This offset the planned savings. Since increased activity remains unfunded this overspend will only be recouped in 2015-16 if other savings targets are over achieved.	Y
	<u>Merton Adult Education</u> Increase income from commercial courses and café, reduction in staff. Admin & marketing cost.	176	0	176	0	176	R	0	176	R	Yvonne Tomlin	Saving not delivered due to changes in SFA funding	
	Total Community & Housing Dep't Savings for 2014/15	1,598	259	1,339	259	1,339		764	834				

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

Ref	Description of Saving	2014/15 Savings Required £000	2014/15 Savings Achieved £000	2014/15 Shortfall £000	2015/16 Savings Achieved £000	2015/16 Shortfall £000	RAG	2016/17 Savings Expected £000	2016/17 Expected Shortfall £000	RAG	Responsible officer	Comments	R /A Included in Forecast Over/Under spend? Y/N
Education													
CSF2012-08	Introduce new models of fulfilling the council's statutory responsibilities for the provision of SEN transport	140	100	40	140	0	G	140	0	G	Jane McSherry	The full year effect of the travel training programme and the roll-out of personal budgets will result in achieving this saving. During 2015/16 £108k was saved from ITT (£91k in the current year to date). The 32 personal budgets currently provide an annual equivalent saving of £211k. The overall transport budget is expected to overspend due to complexity of caseloads and increased prices. Actions implemented through the transport board has resulted in the forecast variance to reduce during 2016/17.	N

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2014-15

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

DEPARTMENT: Corporate Services - PROGRESS ON SAVINGS 14-15

Ref	Description of Saving	2014/15 Savings Required £000	2014/15 Savings Expected £000	Shortfall	14/15 RAG	Responsible Officer	Comments
-----	-----------------------	----------------------------------	----------------------------------	-----------	-----------	---------------------	----------

All savings for 2014/15 achieved