

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 October 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
democratic.services@merton.gov.uk or telephone [020 8545 3616](tel:02085453616).

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

Cabinet Agenda

16 October 2017

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| 10 | Exclusion of the public
To RESOLVE that the public are excluded from the meeting during consideration of the following report(s) on the grounds that it is (they are) exempt from disclosure for the reasons stated in the report(s). | |
| 11 | Contract Award- Adult Integrated Drug and Alcohol Service - Appendix | 129 -
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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

18 SEPTEMBER 2017

(7.15 pm - 7.50 pm)

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

ALSO PRESENT: Councillors Daniel Holden and Peter Southgate

Hannah Doody (Director of Community and Housing), Caroline Holland (Director of Corporate Services), Chris Lee (Director of Environment and Regeneration), Yvette Stanley (Director, Children, Schools & Families Department), Fiona Thomsen (Head of shared legal services) and Tara Butler (Programme Manager - Strategic Policy and Research)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies were received from Councillor Tobin Byers; and the Chief Executive.

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 3 July 2017 are agreed as an accurate record.

4 NEIGHBOURHOOD COMMUNITY INFRASTRUCTURE LEVY - GOVERNANCE (Agenda Item 4)

The Cabinet Member for Regeneration, Environment and Housing presented the report which set out governance and allocation arrangements for both the Community Infrastructure Levy Neighbourhood Fund and the Carbon Offset Fund. In presenting the report, he highlighted that since 2014 the Council had collected £777,000. He drew Members attention to the timetable for allocation set out in the report; the results of the consultation; and the proposed governance arrangements. It was proposed that there should be an equitable allocation across the Borough, to address the areas of most need and contribute to the Community Plan priority to bridge the gap. He stressed the key role which Councillors play in working with neighbourhoods to make improvements which are inline with residents' priorities.

It was noted that the proposals related to the neighbourhood proportion of Merton CIL income, which was approximately 15% of the total income. Under the CIL regulations, the Neighbourhood Fund, must be spent on local projects to support the

demands of the area; and that 'area' was defined as the whole Borough. In addition, the guidance stated that administrative cost of the governance arrangements should be proportionate to the level of receipts.

In considering the report, Cabinet Members sought clarification from officers on a number of issues. It was noted that the amount of contributions to the Carbon Offset Fund not yet received related to development work not yet started. Development must start within 3 years of planning approval, and the Carbon Offset Fund normally only applied to building refurbishments where it was not possible to achieve compliance with energy and carbon emission standards. It was also noted that the proposals contained in the report did not fetter the Council's discretion to allocate funding to the areas of most need.

RESOLVED:

1. That the governance and allocation arrangements for the Neighbourhood Community Infrastructure Levy (CIL) Fund, as set out in Appendices A and B to the report, be approved.
2. That the changes to the carbon offset collection process be noted; and the governance and allocation arrangements for the Carbon Offset Fund, as set out in the Appendix to the report, be approved.

5 DESIGN SUPPLEMENTARY PLANNING DOCUMENT - BASEMENTS AND SHOPFRONTS CHAPTERS FOR ADOPTION (Agenda Item 5)

The Cabinet Member for Regeneration, Environment and Housing presented the report which set out two chapters of the Design Supplementary Planning Document (SPD) relating to basements and shopfronts; and the Canons Conservation Area Management Plan.

Cabinet welcomed the partnership working which had taken place with businesses in Colliers Wood in relation to improving their shopfronts; and the conservation work carried out in the Canons, Mitcham working in partnership with local organisations for the benefit of local residents.

RESOLVED:

1. That chapter 9: *basement and subterranean development planning guidance* and chapter 8: *Shop fronts* of the Design Supplementary Planning document (SPD); and the Canons Management Plan Supplementary Planning Document be adopted.

6 BUSINESS PLAN 2018-22 (Agenda Item 6)

The Cabinet Member for Finance presented the report which set out the initial review of the Medium Term Financial Strategy and the approach for setting a balanced budget for 2018-22.

Cabinet noted that, following publication of the report, advice had been received from the National Employers that an initial pay offer would now be made following the Governments Autumn Budget in November, and not September as originally anticipated.

RESOLVED:

1. That the rolled forward MTFS for 2018-22 be noted.
2. That the latest position with regards to savings already in the MTFS be confirmed.
3. The approach to setting a balanced budget using weighted controllable expenditure for each department as the basis for the setting of targets be agreed.
4. That the proposed corporate and departmental targets be agreed.
5. That the timetable for the Business Plan 2018-22 including the revenue budget 2018/19, the MTFS 2018-22 and the Capital Programme for 2018-22 be agreed.
6. That the process for the Service Plan 2018-22 and the progress made so far be noted.

7 FINANCIAL MONITORING REPORT 2017-18 - JUNE 2017 (Agenda Item 7)

The Chair advised that Items 7 and 8 would be considered together, however for the purposes of the minutes, the decisions are recorded separately.

The Cabinet Member for Finance presented the reports, which set out the financial monitoring data for periods 3 and 4 relating to income and expenditure, an update on the Capital Programme and progress on delivery of the 2017/18 revenue savings. It was noted that both reports had also been considered by the Financial Monitoring Task Group.

RESOLVED:

1. That the financial reporting data relating to revenue budgetary control, showing a forecast net overspend at year end of £1.8million, 0.3% of the gross budget be noted.
2. That the adjustments to the Capital Programme contained in Appendix 5b to the report be noted.
3. That the following adjustments to the Capital Programme be approved:

Scheme	2017/18 Budget	2018/19 Budget	Funding/Re-profiling
Corporate Services			
Capita Housing	(70,000)	70,000	Re-profiling
Planning & Public Protection System	165,580	(165,580)	Re-profiling
Environment and Regeneration			
Rediscover Mitcham S106	224,650	0	S106 Funding
Total	320,230	(95,580)	

8 FINANCIAL MONITORING REPORT 2017-18 - JULY 2017 (Agenda Item 8)

The Chair advised that Items 7 and 8 would be considered together, however for the purposes of the minutes, the decisions are recorded separately.

The Cabinet Member for Finance presented the reports, which set out the financial monitoring data for periods 3 and 4 relating to income and expenditure, an update on the Capital Programme and progress on delivery of the 2017/18 revenue savings. It was noted that both reports had also been considered by the Financial Monitoring Task Group.

RESOLVED:

1. That the financial reporting data relating to revenue budgetary control, showing a forecast net overspend at year end of £1.4million, 0.3% of the gross budget be noted.
2. That the adjustments to the Capital Programme contained in Appendix 5b be approved.
3. That the following adjustments to the Capital Programme be approved:

Scheme		2017/18 budget	2018/19 budget	Funding/Re-profiling
Environment and Regeneration				
GPS Vehicle Tracking	(1)	22,000	0	Virement
Sports Facilities – Wim Pk Lke De-silting	(1)	(143,500)	0	Virement
Tackling Traffic Congestion – ANPR Cmrs	(1)	110,000	0	Virement
Morden Pollution Monitoring	(1)	11,500	0	Virement
Total		0	0	

Cabinet

Date: 16 October 2017

Subject: Draft Business Plan 2018-22

Lead officer: Caroline Holland – Director of Corporate Services

Lead member: Councillor Mark Allison – Deputy Leader and Cabinet Member
for Finance

Contact Officer: Roger Kershaw

Recommendations:

1. That Cabinet agree the proposed amendments to savings set out in Appendix 1 and incorporate the financial implications into the draft MTFS 2018-22.
 2. That Cabinet agrees the latest draft Capital Programme 2018-22 detailed in Appendix 3 for consideration by scrutiny in November and notes the indicative programme for 2022-27.
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1. Purpose of report and executive summary

- 1.1 This report provides an update on progress towards preparing the Business Plan 2018-22 and requests Cabinet to consider and agree some proposed amendments to savings, including replacement savings, which have been approved previously and are incorporated into the current MTFS.
- 1.3 The report also provides details of the latest capital programme, including new bids and an indicative programme for 2022- 2027

Details

2. Medium Term Financial Strategy 2018-22

- 2.1 At its meeting on 18 September 2017 Cabinet considered a report which updated the Business Plan 2018-22. At the meeting it was resolved by Cabinet:-

RESOLVED:

1. That the rolled forward MTFS for 2018-22 be noted.
2. That the latest position with regards to savings already in the MTFS be confirmed.
3. That the approach to setting a balanced budget using weighted controllable expenditure for each department as the basis for the setting of targets be agreed.

4. That the proposed corporate and departmental targets be agreed.
5. That the timetable for the Business Plan 2018-22 including the revenue budget 2018/19, the MTFS 2018-22 and the Capital Programme for 2018-22 be agreed.
6. That the process for the Service Plan 2018-22 and the progress made so far be noted.

2.2 In the September Cabinet report, the following budget gap in the MTFS was identified before identifying any new savings and income proposals:-

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Budget Gap	0	5,619	15,284	828
Budget Gap (Cumulative)	0	5,619	20,903	21,731

2.3 The September Cabinet report set out initial targets, based on controllable spend and shortfalls in previously identified targets, to balance the MTFS at this stage for each department as follows:-

SAVINGS TARGETS BY DEPARTMENT	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	Total £000
Corporate Services	0	2,363	1,911	169	4,443
Children, Schools and Families	0	0	3,328	132	3,460
Environment and Regeneration	0	3,256	3,352	262	6,870
Community and Housing	0	0	6,693	265	6,958
Total	0	5,619	15,284	828	21,731
Cumulative	0	5,619	20,903	21,731	

3. Proposed Amendments to Previously Agreed Savings

3.1 In recent years, the introduction of multi-year financial planning has resulted in savings agreed in a particular financial year having an impact on future years. These have been incorporated into the Council's Medium Term Financial Strategy. The full year effect of savings in the current MTFS from 2018/19 onwards is shown in the following table:-

	2018/19 £000	2019/20 £000	2020/21 £000	2022/22 £000	Total £000
Corporate Services	2,043	301	0	0	2,344
Children, Schools & Families	489	429	0	0	918
Environment & Regeneration	1,358	650	0	0	2,008
Community & Housing	3,128	339	0	0	3,467
Total	7,018	1,719	0	0	8,737
Cumulative total	7,018	8,737	8,737	8,737	

3.2 Monitoring of the delivery of savings is important and it is essential to recognise as quickly as possible where circumstances change and savings previously agreed are either not achievable in full or in part or are delayed. The following changes to agreed savings are proposed in this report:-

3.2.1 Environment and Regeneration

There is a need to amend some savings previously agreed which are now seen to be undeliverable. The majority of these are in Development Control/Building Control where the slowdown in the economy and reduction in fee income has affected our income levels . In addition we have struggled to absorb the service changes without a significant impact on performance . Without the promised increase in planning fee charges proposed by Government earlier this year but yet to materialise we need to amend these savings . In addition some income assumptions in greenspaces have been over optimistic and whilst possible in the longer term will take more time to ramp up to.

A new saving, which will contribute towards meeting E&R's future savings target is also attached.

3.2.2 Further details of the proposed amendments to previously agreed savings and the new saving are provided in Appendix 1.

3.2.3 Equalities Assessments are included as Appendix 4.

3.3 Summary

The overall effect of the proposed amendments is set out in the following table:-

SUMMARY (cumulative)	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	Total £000
Corporate Services	0	0	0	0	0
Children, Schools & Families	0	0	0	0	0
Environment & Regeneration	0	300	0	0	300
Community & Housing	0	0	0	0	0
Total	0	300	0	0	300
Net Cumulative total	0	300	300	300	

4. **Treasury Management: Capital Financing Costs and Investment income**

4.1 The report to Cabinet in September 2017 provided information on the capital financing costs of the Capital Programme based on the July monitoring position.

4.2 Investment Income

There are two key factors that impact on the level of investment income that the Council can generate:-

- The amount invested
- The interest rate that is achieved

Based on latest information, the projected levels of investment income over the period of the MTFs have been revised. The following table show the latest projections compared with the amounts included in the MTFs approved by Cabinet in September 2017:-

Investment Income	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000	2021/22 Estimate £'000
MTFS (Cabinet September 2017)	(393)	(283)	(258)	*(1,184)
Latest projections	(566)	(452)	(428)	*(1,355)
Change	(173)	(169)	(170)	(171)

* Includes interest on Property Company loan

4.3 **Capital Programme for 2018-22**

This report includes the latest information on the draft Capital Programme 2018-22 based on August monitoring information including the addition of new schemes commencing in 2021/22. An indicative programme for 2022-27 is also provided. The draft programme is set out in Appendix 3.

4.4 The bidding process for 2021/22 was launched on 26 June 2017.

4.5 The current capital provision and associated revenue implications in the currently approved capital programme, based on August 2017 monitoring information, are as follows:-

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Capital Programme	64,274	31,360	9,280	8,569
Revenue Implications (net of investment income)	11,333	13,636	14,870	13,857

4.6 The change in the capital programme since that reported to Cabinet on 18 September 2017, based on July 2017 monitoring information, is summarised in the following table:-

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Capital Programme:				
- Cabinet 18 September 2017	60,004	30,200	9,222	8,661
- Revised Position with Slippage revisions and new schemes	64,274	31,360	9,280	8,569
Change	4,270	1,160	58	(92)
Revenue impact (net of investment income)				
Cabinet 18 September 2017	11,506	13,567	14,731	13,717
Revised	11,333	13,636	14,870	13,857
Change	(173)	69	139	140

- 4.6 The programme has been rigorously reviewed and reduced where appropriate. The changes made to the programme are detailed within Appendix 3, along with movements when compared to the current programme. This review is continuing and it is envisaged that further information will be presented to December 2017 Cabinet.

5. Update to MTFS 2018-22

- 5.1 If the changes outlined in this report are agreed the forecast budget gap over the MTFS period is:-

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Budget Gap in MTFS	0	5,215	20,742	21,571

- 5.2 A more detailed MTFS is included as Appendix 2.
- 5.3 It is anticipated that new revenue savings/income proposals and revisions to the capital programme will continue to be identified during the business planning process and these will be included in future reports to Cabinet in accordance with the agreed timetable and these will go onto Overview and Scrutiny Panels and the Commission in January 2018.

6. Alternative Options

- 6.1 The range of options available to the Council relating to the Business Plan 2018-22 and for setting a balanced revenue budget and fully financed capital programme will be presented in reports to Cabinet and Council in accordance with the agreed timetable.

7. Consultation Undertaken or Proposed

7.1 All relevant bodies have been consulted.

7.2 The details in this report will be considered by the Overview and Scrutiny Panels and Commission on the following dates:-

Sustainable Communities	2 November 2017
Healthier Communities and Older People	7 November 2017
Children and Younger People	8 November 2017
Overview and Scrutiny Commission	15 November 2017

7.3 As for 2017/18, it is proposed that a savings proposals consultation pack will be prepared and distributed to all councillors at the end of December 2017 that can be brought to all Scrutiny and Cabinet meetings from 10 January 2018 onwards and to Budget Council. This makes the information more manageable for councillors and ensures that only one version of those documents is available so referring to page numbers at meetings is easier. It considerably reduces printing costs and reduces the amount of printing that needs to take place immediately prior to Budget Council.

7.4 The pack will include:

- Savings proposals
- Equality impact assessment for each saving proposal
- Service plans (these will also be printed in A3 to lay round at scrutiny meetings)

8. Timetable

8.1 In accordance with current financial reporting timetables.

8.2 The proposed timetable for developing the business plan and service plans was approved by Cabinet on 18 September 2017.

9. Financial, resource and property implications

9.1 As contained in the body of the report.

9.2 The Chancellor of the Exchequer has announced that there will be an Autumn Budget published on 22 November 2017. The Autumn Budget sets out the government's plans for the economy based on the latest forecasts from the Office for Budget Responsibility (OBR). Overall funding allocations for local government will be notified in the review but details of provisional funding allocations for each local authority will not be known until the provisional Local Government Finance Settlement is published in mid/late December 2017.

10. Legal and statutory implications

10.1 As outlined in the report.

11. Human rights, equalities and community cohesion implications

11.1 None for the purposes of this report, these will be dealt with as the budget is developed for 2018 – 2022.

11.2 Equalities Assessments for replacement savings are provided in Appendix 4.

12. Crime and Disorder Implications

12.1 Not applicable.

13. Risk Management and health and safety implications

13.1 There is a specific key strategic risk for the Business Plan, which is monitored in line with the corporate risk monitoring timetable.

14. Appendices – The following documents are to be published with this Report and form part of the Report.

Appendix 1 – Proposed Amendments to previously agreed savings

Appendix 2 – Latest draft MTFS 2018-22

Appendix 3 – Draft Capital Programme 2018-22

Appendix 4 - Equalities analyses for new saving

15. Background Papers

15.1 The following documents have been relied on in drawing up this report but do not form part of the report:

Budgetary Control and Final Accounts Working Papers in the Corporate Services Department.

Budget Monitoring working papers

MTFS working papers

16. REPORT AUTHOR

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E&R Swap/Alternative Savings

Introduction

As at Period 5 (August), we are reporting to DMT and Cabinet the following shortfall against our agreed savings:-

YEAR IMPLEMENTED	AMOUNT (£'000)
2016/17	612
2017/18	1,447
2018/19	709
TOTAL	2,768

Some of this shortfall may be achieved next year but it appears that, for whatever reason, a significant proportion simply cannot be achieved.

Therefore, we need to take this opportunity to mitigate these saving shortfalls as far as possible. Due to the scale of savings in question the mitigating action may arise from other areas/services that can assist with meeting the department's targets.

Pressures

The majority of 'at risk' savings relate to Sustainable Communities, notably Development and Building Control (D&BC) but other pockets of unachievable savings exist across the department. The below tables show the key savings that are currently at risk.

Savings implemented in 2016/17

Ref	Section	Description of Saving	Savings Required £000	2017/18 Expected Shortfall £000	17/18 RAG
E&R33a	D&BC	Various D&BC Budgets - Increase in income from commercialisation of services	75	75	R
E&R39	Future Merton	Pre-application income. This is in addition to any previous pre-app savings proposal.	50	50	R
E&R10	Parking Services	Back office reorganisation	80	80	R
E&R21	Waste Services	HRRC Site operations procured to external provider. Contractual savings.	30	30	R
Total Environment and Regeneration Savings 2016			235	235	

Savings implemented in 2017/18

Ref	Section	Description of Saving	2017/18 Savings Required	2017/18 Expected Shortfall £00	17/18 RAG
D&BC1	D&BC	Fast track of householder planning applications	55	55	R
D&BC2	D&BC	Growth in PPA and Pre-app income	50	50	R
D&BC3	D&BC	Commercialisation of building control	50	50	R
D&BC5	D&BC	Eliminate the Planning Duty service (both face to face and dedicated phone line) within D&BC	35	35	R
D&BC6	D&BC	Stop sending consultation letters on applications and erect site notices only	10	10	R
ENV20	D&BC	Increased income from building control services.	35	35	R
ENV06	Parking Services	Reduction in transport related budgets	46	46	R
ENV18	Greenspaces	Increased income from events in parks	100	100	R
Total Environment and Regeneration Savings 2017/18			381	381	

Savings to be implemented in 2018/19

Ref	Section	Description of Saving	2018/19 £000	2018/19 Deliverability Risk RAG
D&BC7	D&BC	Shared service collaboration with Kingston/Sutton	50	R
D&BC8	D&BC	Review of service through shared service discussions	274	R
TOTAL			324	

Proposal

The main opportunities to assist with mitigating these pressures relate to Parking Services, as follows:-

- ENV33 = £250k saving implemented this year relating to the diesel surcharge is being exceeded by c£290k. With the permit fee increasing to £115 next year, the surplus should increase to around £440k.
- E&R8 = £500k growth currently built in to Medium term Financial Strategy (MTFS) for 2018/19

This provides the department with a total budget of £940k that can be used to help offset the department's above pressures. Therefore, it is proposed that:-

- E&R8 will be used as a swap saving
- The diesel surcharge surplus will be used as an alternative saving – an Equalities Assessment is provided in Appendix 4.

This income forms part of the On-Street Parking Account maintained by the Council. Any surpluses on the account can only be applied towards the specific purposes set out in section 55 of the Road Traffic Regulation Act 1984. For example, in 2016/17 the surplus was notionally applied to concessionary fares.

The details of the Parking Account are included within the annual Statement of Accounts, and reported to the Mayor for London.

The above savings relate to income that will be included as part of the 2017/18 Parking Account in the usual manner. The associated surpluses have materialised through existing pricing structures, either agreed by Cabinet (diesel surcharge) or the Secretary of State (Penalty Charge Notices), primarily aimed at improving both driver behaviour and air quality, and reducing congestion within the borough. The Council currently utilises significant General Fund resources for transport related costs.

The following table demonstrates that the additional £440k will fund specific purposes as per the Road Traffic Regulation Act 1984:-

	£000
Parking Surplus	(7,554)
Spend on Concessionary Fares	9,319
Amount over and above Surplus applied	1,765
Additional Parking income	(440)
Revised Amount above surplus	1,325

DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2018/19

Panel	Ref	Description of Saving	Baseline Budget 17/18 £000	2017/18 £000	2018/19 £000	2019/20 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	ENR10	<p>Leisure & Culture</p> <p>Two year extension of the GLL contract Extend continuity of service provision with same contractor for 2 further years.</p> <p>None</p> <p>Continuity of service maintained with existing contractual arrangements. Puts back the need to reprocure contract by two years</p> <p>Business Plan implications</p> <p>Procurement and legal - as re-procurement delayed by 2 years; Children, Schools and Families - continuity of service provision by current contractor for 2 further years - school curriculum swimming, etc.</p> <p>Impact on other departments</p> <p>Continuity of service maintained with existing contractual arrangements.</p> <p>Equalities Implications</p> <p>Contract change creating efficiencies. Key officer across council will be involved in the detail of the changes to ensure delivery.</p>	573			300	Med	Low	SP1

Savings Type

- SI1 Income - increase in current level of charges
- SI2 Income - increase arising from expansion of existing service/new service
- SS1 Staffing: reduction in costs due to efficiency
- SS2 Staffing: reduction in costs due to deletion/reduction in service
- SNS1 Non - Staffing: reduction in costs due to efficiency
- SNS2 Non - Staffing: reduction in costs due to deletion/reduction in service
- SP1 Procurement / Third Party arrangements - efficiency
- SP2 Procurement / Third Party arrangements - deletion/reduction in service
- SG1 Grants: Existing service funded by new grant
- SG2 Grants: Improved Efficiency of existing service currently funded by unringfenced grant

Panel

- C&YP Children & Young People
- CC Corporate Capacity
- HC&OP Healthier Communities & Older People
- SC Sustainable Communities

Previously Agreed Savings**DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS**

Ref	Description of Saving		2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
E&R10	Service/Section Description Service Implication Staffing Implications Business Plan Impact on other Equalities Implications	Parking Services Back office reorganisation Review the current back office structure Reduction in staff Improve efficiencies by reducing revenue expenditure None None	80			Low	Low	SS1
E&R21	Service/Section Description Service Implication Staffing Implications Business Plan Impact on other Equalities Implications	Waste Services HRRC Site operations procured to external provider. Contractual savings. None - Continuation of externalised service - current procurement in progress TUPE and impact on transfer station. None None None	30			Low	Low	SP1
E&R33a	Service/Section Description Service Implication Staffing Implications Business Plan Impact on other Equalities Implications	D&BC Various Budgets - Increase in income from commercialisation of services Increase in commercial income across a range of budgets following recruitment of commercial sales manager from 15/16. This includes events in parks / commercial waste / leisure/ building control and other income streams to be developed Will work closely with Business managers in EandR and across Council 2 year Fixed term contract due to commence early 2015 funded from Transformation budgets alongside Marketing Manager. Consistent with transformation Plan Will work with other income generating staff across the council None anticipated	75			High	Low	SI1/SI2
E&R39	Service/Section Description Service Implication Staffing Implications Business Plan Impact on other Equalities Implications	Traffic & Highways Pre-application income. This is in addition to any previous pre-app savings proposal. Charging for pre-application services inputted from the T&H service as part of the pre application service. Delivered within existing resources Increased income Will require close liaison with DC/BC team None	50			Med	Med	SI2

DEPARTMENT : ENVIRONMENT AND REGENERATION SAVINGS

Ref	Service/Section Description	Description of Saving	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
D&BC1	<p>Building and Development Control Fast track of householder planning applications New processes to be implemented and securely embedded None. Sufficient staff will have to be retained to service the concept. Failure to deliver properly and the service will not be used thereby eliminating the income generation. Increased income None None In line with TOM proposals</p> <p>Business Plan implications Impact on other departments Equalities Implications TOM Implications</p>	<p>Building and Development Control Fast track of householder planning applications New processes to be implemented and securely embedded None. Sufficient staff will have to be retained to service the concept. Failure to deliver properly and the service will not be used thereby eliminating the income generation. Increased income None None In line with TOM proposals</p>		55		Low	Low	SI2
D&BC2	<p>Building and Development Control Growth in PPA and Pre-app income Responsiveness to service requests should not change. As the service/income improves extra staffing will be needed and funded from a proportion of that extra income. Increased income Future Merton could also need to adjust staffing accordingly none In line with TOM proposals</p> <p>Business Plan implications Impact on other departments Equalities Implications TOM Implications</p>	<p>Building and Development Control Growth in PPA and Pre-app income Responsiveness to service requests should not change. As the service/income improves extra staffing will be needed and funded from a proportion of that extra income. Increased income Future Merton could also need to adjust staffing accordingly none In line with TOM proposals</p>		50		Med	Low	SI2
D&BC3	<p>Building and Development Control Commercialisation of building control This has so far proven difficult mainly due to recruitment issues Will need an invest to save with any additional staff funded by some of the increased income generation Increased income None . Expanded team could better support other internal users None Integral part of the TOM for BC</p> <p>Service/Section Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications TOM Implications</p>	<p>Building and Development Control Commercialisation of building control This has so far proven difficult mainly due to recruitment issues Will need an invest to save with any additional staff funded by some of the increased income generation Increased income None . Expanded team could better support other internal users None Integral part of the TOM for BC</p>		50		High	Low	SI2

DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS

Ref	Service/Section Description	Description of Saving	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
D&BC5	<p>Service Implication</p> <p>Staffing Implications Business Plan Impact on other departments Equalities Implications</p>	<p>Building and Development Control Eliminate the Planning Duty service (both face to face and dedicated phone line) Callers will still try to contact officers by other means in any event, so there will have to be a clear understanding and agreed supported message that such calls will not be dealt with. Web site self service improvements will be required Reduce by 1FTE none Less assistance for pre app enquiries (unless charged) reduced assistance for all residents in understanding the planning process</p>	35			Low	High	SS2
D&BC6	<p>TOM Implications Service/Section Description</p> <p>Service Implication Staffing Implications Business Plan Impact on other departments Equalities Implications</p>	<p>Reduced customer care, contrary to the general aims of TOM Building and Development Control Stop sending consultation letters on applications and erect site notices only Site notices will be mandatory so failsafe system to be devised none None none Those without web site connections will find it difficult to search for application details None</p>	10			Low	Med	SNS2
ENV06	<p>TOM Implications Service/Section Description</p> <p>Service Implication</p> <p>Staffing Implications Business Plan Impact on other departments Equalities Implications TOM Implications</p>	<p>Parking Services Reduction in transport related budgets May result in slight reduction in quality of some areas of service, particularly in respect of civil enforcement some changes in staff travel arrangements to ensure on site as effectively and efficiently as possible. None None None consistent with TOM direction of travel</p>	46			Low	Low	SNS1

DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS

Ref	Description of Saving		2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
ENV18	<p>Service/Section Description</p> <p>Service Implication</p> <p>Staffing Implications</p> <p>Business Plan implications</p> <p>Impact on other departments</p> <p>Equalities Implications</p> <p>TOM Implications</p>	<p>Greenspaces</p> <p>Increased income from events in parks</p> <p>Increased income through a broader range of commercial opportunities - over and above those previously agreed.</p> <p>Some unquantified extra resource likely to be required, linked to the business case for each initiative.</p> <p>In line with the TOM outcomes</p> <p>None</p> <p>None</p> <p>In line with the TOM direction of travel</p> <p>Development & Building Control</p> <p>Increased income from building control services.</p> <p>Increased income through a broader range of commercial opportunities - over and above those previously agreed.</p> <p>None</p> <p>In line with the TOM outcomes</p> <p>None</p> <p>None</p> <p>In line with the TOM outcomes however care will be needed to ensure there is no duplication of commercial income counting .</p>		100		Med	Med	SI2
ENV20	<p>Service/Section Description</p> <p>Service Implication</p> <p>Staffing Implications</p> <p>Business Plan implications</p> <p>Impact on other departments</p> <p>Equalities Implications</p> <p>TOM Implications</p>	<p>Building and Development Control</p> <p>Shared service collaboration with Kingston/Sutton</p> <p>Combined analysis of service delivery should result in further additional income streams from PPA's and Pre-apps and more efficient working practices across the service</p> <p>Additional service demand may need more staff. Efficiencies should result in less staff.</p> <p>Increased income, PPA's and pre apps</p> <p>None</p> <p>None</p> <p>Significant progress on one of the main TOM strategies</p>		35	50	Med	Low	SI2
D&BC7	<p>Service/Section Description</p> <p>Service Implication</p> <p>Staffing Implications</p> <p>Business Plan implications</p> <p>Impact on other departments</p> <p>Equalities Implications</p> <p>TOM Implications</p>	<p>Building and Development Control</p> <p>Shared service collaboration with Kingston/Sutton</p> <p>Combined analysis of service delivery should result in further additional income streams from PPA's and Pre-apps and more efficient working practices across the service</p> <p>Additional service demand may need more staff. Efficiencies should result in less staff.</p> <p>Increased income, PPA's and pre apps</p> <p>None</p> <p>None</p> <p>Significant progress on one of the main TOM strategies</p>				Low	Low	SI2

DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS

Ref	Service/Section Description	Description of Saving	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
D&BC8	Building and Development Control	Review of service through shared service discussions			274	High	Med	SI1; SI2; SS1; SS2;SNS 1: SNS2
	Service Implication	To be determined through shared service discussions						
	Staffing Implications	To be determined through shared service discussions						
	Business Plan implications	To be determined through shared service discussions						
	Impact on other departments	None.						
	Equalities Implications	None.						
	TOM Implications	In line with the TOM.						
		TOTAL	235	381	324			
		Cumulative Total	235	616	940			

DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS

Ref	Description of Saving		2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
Swap Saving								
Ref	Description of Saving		2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
E&R8	<p>Parking Services - ORIGINALLY A GROWTH ITEM In response to residents concerns about traffic congestion, enforcement of moving traffic contraventions, following the Implementation of ANPR.</p> <p>Improvement of traffic enforcement efficiency and compliance by motorists</p> <p>Expansion of FTEs in PCN processing and Debt Registration teams by up to 100%</p> <p>Increase in fines from PCNs and expenditure and a need for more accommodation</p> <p>Corporate Services: increasing accommodation will require Facilities input along with support from Business Improvement and IT infrastructure</p> <p>None</p>	<p>Service/Section Description</p> <p>Service Implication</p> <p>Staffing Implications</p> <p>Business Plan implications impact on other departments</p> <p>Equalities Implications</p>	2016/17 £000	2017/18 £000	2018/19 £000	Med	High	S12

Alternative Saving

Ref	Description of Saving		2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
ALT1	<p>Parking Services/Regulatory Services Partnership The further development of the emissions based charging policy by way of increased charges applicable to resident/business permits as a means of continuing to tackle the significant and ongoing issue of poor air quality in the borough. Will have no impact on service although the permit issuing system will need to be capable of accommodating changes to the price/variety of permits.</p> <p>None</p> <p>Will underpin the key aims and objectives of the emerging Air Quality Action Plan designed to encourage cleaner air quality and change in motorist behaviour.</p> <p>Will require continues close liaison between Parking and EH (P) team to monitor the effectiveness of this proposal as a means of tackling poor air quality.</p> <p>None anticipated as vehicle emissions has no known correlation with equalities groups</p> <p>Both service area TOMS (Parking & RSP) are committed to taking traffic congestion and improving air quality. The proposal is entirely consistent with these aims.</p>	<p>Service/Section Description</p> <p>Service Implication</p> <p>Staffing Implications</p> <p>Business Plan implications</p> <p>Impact on other departments</p> <p>Equalities Implications</p> <p>TOM Implications</p>	2016/17 £000	2017/18 £000	2018/19 £000	Med	Med	S12
			0	0	940			

DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS

Ref	Description of Saving	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)	
	Savings Type	Panel						
SI1	Income - increase in current level of charges	C&YP				Children & Young People		
SI2	Income - increase arising from expansion of existing service/new service	CC				Corporate Capacity		
SS2	Staffing: reduction in costs due to deletion/reduction in service	HC&OP				Healthier Communities & Older People		
SNS1	Non - Staffing: reduction in costs due to efficiency	SC				Sustainable Communities		
SNS2	Non - Staffing: reduction in costs due to deletion/reduction in service							
SP1	Procurement / Third Party arrangements - efficiency							
SP2	Procurement / Third Party arrangements - deletion/reduction in service							
SG1	Grants: Existing service funded by new grant							
SG2	Grants: Improved Efficiency of existing service currently funded by unringfenced grant							
SPROP	Reduction in Property related costs							

DRAFT MTFS 2018-22:				
	2018/19	2019/20	2020/21	2021/22
	£000	£000	£000	£000
Departmental Base Budget 2017/18	151,131	151,131	151,131	151,131
Inflation (Pay, Prices)	3,816	7,632	10,669	13,706
Autoenrolment/Nat. ins changes	315	315	315	315
FYE – Previous Years Savings	(7,018)	(8,737)	(8,737)	(8,737)
FYE – Previous Years Growth	974	(1,532)	(1,032)	(1,032)
Amendments to previously agreed savings	0	0	0	0
Change in Net Appropriations to/(from) Reserves	(1,257)	(993)	(851)	(984)
Taxi card/Concessionary Fares	450	900	1,350	1,800
Change in depreciation/Impairment (Contra Other Corporate items)	0	0	0	0
Growth	0	0	0	0
Other	1,360	1,436	3,323	3,604
Re-Priced Departmental Budget	149,770	150,151	156,167	159,802
Treasury/Capital financing	7,885	12,135	13,510	12,631
Pensions	3,469	3,552	3,635	3,718
Other Corporate items	(18,528)	(18,866)	(18,652)	(18,661)
Levies	614	614	614	614
Sub-total: Corporate provisions	(6,560)	(2,565)	(893)	(1,698)
Sub-total: Repriced Departmental Budget + Corporate Provisions	143,211	147,587	155,274	158,104
Savings/Income Proposals 2018/19	0	(300)	(300)	(300)
Sub-total	143,211	147,287	154,974	157,804
Appropriation to/from departmental reserves	173	(92)	(234)	(100)
Appropriation to/from Balancing the Budget Reserve	(1,977)	(3,473)	0	0
BUDGET REQUIREMENT	141,406	143,722	154,740	157,704
Funded by:				
Revenue Support Grant	(10,071)	(5,076)	0	0
Business Rates (inc. Section 31 grant)	(36,304)	(37,176)	(37,725)	(38,285)
Adult Social Care Improved BCF - Budget 2017	(2,115)	(1,054)	0	0
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(3,110)	(2,984)	(2,000)	(1,500)
Council Tax inc. WPC	(85,382)	(87,420)	(89,477)	(91,552)
Collection Fund – (Surplus)/Deficit	372	0	0	0
TOTAL FUNDING	(141,406)	(138,507)	(133,999)	(136,134)
GAP including Use of Reserves (Cumulative)	0	5,215	20,742	21,571

Capital Programme as at August 2017

APPENDIX 3

	Approved 2018/19	Approved 2019/20	Approved 2020/21	Indicative 2021/22	Indicative 2022/23	Indicative 2023/24	Indicative 2024/25	Indicative 2025/26	Indicative 2026/27
Capital	58,162	26,380	8,432	8,944	7,457	9,852	7,869	13,855	6,902
Corporate Services	16,798	10,626	2,135	3,962	2,510	4,800	2,862	4,560	1,920
Business Improvement	1,362	0	0	2,042	100	3,075	682	2,550	0
Customer Contact Programme	0	0	0	2,000	0	900	0	2,000	0
IT Systems Projects	1,012	0	0	42	100	75	682	550	0
Social Care IT System	350	0	0	0	0	2,100	0	0	0
Facilities Management Total	1,250	1,250	950	950	950	950	950	950	950
Works to other buildings	300	650	650	650	650	650	650	650	650
Civic Centre	300	300	0	0	0	0	0	0	0
Invest to Save schemes	300	300	300	300	300	300	300	300	300
Water Safety Works	100	0	0	0	0	0	0	0	0
Asbestos Safety Works	250	0	0	0	0	0	0	0	0
Infrastructure & Transactions	1,085	630	1,060	970	760	775	630	1,060	970
Planned Replacement Programme	1,085	630	1,060	970	760	775	630	1,060	970
Resources	0	0	125	0	700	0	0	0	0
Financial System	0	0	0	0	700	0	0	0	0
ePayments System	0	0	125	0	0	0	0	0	0
Corporate Items	13,101	8,746	0	0	0	0	600	0	0
Acquisitions Budget	5,000	0	0	0	0	0	0	0	0
Capital Bidding Fund	0	0	0	0	0	0	0	0	0
Multi Functioning Device (MFD)	0	600	0	0	0	0	600	0	0
Housing Company	8,101	8,146	0	0	0	0	0	0	0
CPOs Morden									
Community and Housing	629	480	630	280	280	280	280	630	280
Housing	629	280	280	280	280	280	280	280	280
Disabled Facilities Grant	629	280	280	280	280	280	280	280	280
Libraries	0	200	350	0	0	0	0	350	0
Library Enhancement Works	0	200	0	0	0	0	0	350	0
Major Library Projects	0	0	350	0	0	0	0	0	0
Children Schools & Families	16,905	7,536	650	650	650	755	650	650	650
Primary Schools	650	650	650	650	650	650	650	650	650
Schs Cap Maint & Accessibility	650	650	650	650	650	650	650	650	650
Secondary School	8,847	5,781	0	0	0	0	0	0	0
Harris Academy Morden	2,194	800	0	0	0	0	0	0	0
Harris Academy Merton	100	0	0	0	0	0	0	0	0
St Mark's Academy	1,624	3,681	0	0	0	0	0	0	0
Harris Academy Wimbledon	4,930	1,300	0	0	0	0	0	0	0
SEN	7,304	1,000	0	0	0	0	0	0	0
Perseid	650	0	0	0	0	0	0	0	0
Secondary School Autism Unit	1,330	0	0	0	0	0	0	0	0
Unlocated SEN	5,324	1,000	0	0	0	0	0	0	0
CSF Schemes	104	105	0	0	0	105	0	0	0
Admissions IT System	0	105	0	0	0	105	0	0	0
Capital Loans to schools	104	0	0	0	0	0	0	0	0
Environment and Regeneration	23,830	7,738	5,017	4,052	4,017	4,017	4,077	8,015	4,052
Public Protection and Developm	0	60	0	35	0	0	60	0	35
Parking Improvements	0	60	0	0	0	0	60	0	0
Public Protection and Developm	0	0	0	35	0	0	0	0	35
Street Scene & Waste	5,790	340	340	340	340	340	340	4,338	340
Fleet Vehicles	400	300	300	300	300	300	300	300	300
Alley Gating Scheme	40	40	40	40	40	40	40	40	40
Smart Bin Leases - Street Scen	6	0	0	0	0	0	0	0	0
Waste SLWP	5,344	0	0	0	0	0	0	3,998	0
Sustainable Communities	18,041	7,338	4,677	3,677	3,677	3,677	3,677	3,677	3,677
Street Trees	60	60	60	60	60	60	60	60	60
Highways & Footways	3,581	3,067	3,067	3,067	3,067	3,067	3,067	3,067	3,067
Unallocated TfI	1,865	0	0	0	0	0	0	0	0
Mitcham Area Regeneration	2,032	301	0	0	0	0	0	0	0
Morden Area Regeneration	3,000	3,000	1,000	0	0	0	0	0	0
Morden Leisure Centre	4,501	169	0	0	0	0	0	0	0
Sports Facilities	1,550	250	250	250	250	250	250	250	250
Parks	1,452	491	300	300	300	300	300	200	300

Proposed Capital Programme as at August 2017 with Bids APPENDIX 3

	Proposed 2018/19	Proposed 2019/20	Proposed 2020/21	Proposed 2021/22	Proposed Indicative 2022/23	Proposed Indicative 2023/24	Proposed Indicative 2024/25	Proposed Indicative 2025/26	Proposed Indicative 2026/27
Capital	59,212	26,630	8,432	8,844	7,697	8,952	7,869	12,855	7,902
Corporate Services	17,848	10,876	2,135	3,862	2,650	3,900	2,862	3,560	2,920
Business Improvement	2,412	250	0	1,942	100	2,175	682	1,550	1,000
Customer Contact Programme	1,050	250	0	1,900	0	0	0	1,000	1,000
IT Systems Projects	1,012	0	0	42	100	75	682	550	0
Social Care IT System	350	0	0	0	0	2,100	0	0	0
Facilities Management Total	1,250	1,250	950	950	950	950	950	950	950
Works to other buildings	300	650	650	650	650	650	650	650	650
Civic Centre	300	300	0	0	0	0	0	0	0
Invest to Save schemes	300	300	300	300	300	300	300	300	300
Water Safety Works	100	0	0	0	0	0	0	0	0
Asbestos Safety Works	250	0	0	0	0	0	0	0	0
Infrastructure & Transactions	1,085	630	1,060	970	900	775	630	1,060	970
Planned Replacement Programme	1,085	630	1,060	970	900	775	630	1,060	970
Resources	0	0	125	0	700	0	0	0	0
Financial System	0	0	0	0	700	0	0	0	0
ePayments System	0	0	125	0	0	0	0	0	0
Corporate Items	13,101	8,746	0	0	0	0	600	0	0
Acquisitions Budget	5,000	0	0	0	0	0	0	0	0
Capital Bidding Fund	0	0	0	0	0	0	0	0	0
Multi Functioning Device (MFD)	0	600	0	0	0	0	600	0	0
Housing Company	8,101	8,146	0	0	0	0	0	0	0
CPOs Morden									
Community and Housing	629	480	630	280	380	280	280	630	280
Housing	629	280	280	280	280	280	280	280	280
Disabled Facilities Grant	629	280	280	280	280	280	280	280	280
Libraries	0	200	350	0	100	0	0	350	0
Library Enhancement Works	0	200	0	0	0	0	0	350	0
Major Library Projects	0	0	350	0	0	0	0	0	0
Children Schools & Families	16,905	7,536	650	650	650	755	650	650	650
Primary Schools	650	650	650	650	650	650	650	650	650
Schs Cap Maint & Accessibility	650	650	650	650	650	650	650	650	650
Secondary School	8,847	5,781	0	0	0	0	0	0	0
Harris Academy Morden	2,194	800	0	0	0	0	0	0	0
Harris Academy Merton	100	0	0	0	0	0	0	0	0
St Mark's Academy	1,624	3,681	0	0	0	0	0	0	0
Harris Academy Wimbledon	4,930	1,300	0	0	0	0	0	0	0
SEN	7,304	1,000	0	0	0	0	0	0	0
Perseid	650	0	0	0	0	0	0	0	0
Secondary School Autism Unit	1,330	0	0	0	0	0	0	0	0
Unlocated SEN	5,324	1,000	0	0	0	0	0	0	0
CSF Schemes	104	105	0	0	0	105	0	0	0
Admissions IT System	0	105	0	0	0	105	0	0	0
Capital Loans to schools	104	0	0	0	0	0	0	0	0
Environment and Regeneration	23,830	7,738	5,017	4,052	4,017	4,017	4,077	8,015	4,052
Public Protection and Developm	0	60	0	35	0	0	60	0	35
Parking Improvements	0	60	0	0	0	0	60	0	0
Public Protection and Developm	0	0	0	35	0	0	0	0	35
Street Scene & Waste	5,790	340	340	340	340	340	340	4,338	340
Fleet Vehicles	400	300	300	300	300	300	300	300	300
Alley Gating Scheme	40	40	40	40	40	40	40	40	40
Smart Bin Leases - Street Scen	6	0	0	0	0	0	0	0	0
Waste SLWP	5,344	0	0	0	0	0	0	3,998	0
Sustainable Communities	18,041	7,338	4,677	3,677	3,677	3,677	3,677	3,677	3,677
Street Trees	60	60	60	60	60	60	60	60	60
Highways & Footways	3,581	3,067	3,067	3,067	3,067	3,067	3,067	3,067	3,067
Unallocated TfI	1,865	0	0	0	0	0	0	0	0
Mitcham Area Regeneration	2,032	301	0	0	0	0	0	0	0
Morden Area Regeneration	3,000	3,000	1,000	0	0	0	0	0	0
Morden Leisure Centre	4,501	169	0	0	0	0	0	0	0
Sports Facilities	1,550	250	250	250	250	250	250	250	250
Parks	1,452	491	300	300	300	300	300	2100	300

Variance between Proposed and Approved Programme

APPENDIX 3

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Capital	1,050	250	0	(100)	240	(900)	0	(1,000)	1,000
Corporate Services	1,050	250	0	(100)	140	(900)	0	(1,000)	1,000
Business Improvement	1,050	250	0	(100)	0	(900)	0	(1,000)	1,000
Customer Contact Programme	1,050	250	0	(100)	0	(900)	0	(1,000)	1,000
IT Systems Projects	0	0	0	0	0	0	0	0	0
Social Care IT System	0	0	0	0	0	0	0	0	0
Facilities Management Total	0	0	0	0	0	0	0	0	0
Works to other buildings	0	0	0	0	0	0	0	0	0
Civic Centre	0	0	0	0	0	0	0	0	0
Invest to Save schemes	0	0	0	0	0	0	0	0	0
Water Safety Works	0	0	0	0	0	0	0	0	0
Asbestos Safety Works	0	0	0	0	0	0	0	0	0
Infrastructure & Transactions	0	0	0	0	140	0	0	0	0
Planned Replacement Programme	0	0	0	0	140	0	0	0	0
Resources	0	0	0	0	0	0	0	0	0
Financial System	0	0	0	0	0	0	0	0	0
ePayments System	0	0	0	0	0	0	0	0	0
Corporate Items	0	0	0	0	0	0	0	0	0
Acquisitions Budget	0	0	0	0	0	0	0	0	0
Capital Bidding Fund	0	0	0	0	0	0	0	0	0
Multi Functioning Device (MFD)	0	0	0	0	0	0	0	0	0
Housing Company	0	0	0	0	0	0	0	0	0
CPOs Morden									
Community and Housing	0	0	0	0	100	0	0	0	0
Housing	0	0	0	0	0	0	0	0	0
Disabled Facilities Grant	0	0	0	0	0	0	0	0	0
Libraries	0	0	0	0	100	0	0	0	0
Library Enhancement Works	0	0	0	0	0	0	0	0	0
Major Library Projects	0	0	0	0	0	0	0	0	0
Children Schools & Families	0	0	0	0	0	0	0	0	0
Primary Schools	0	0	0	0	0	0	0	0	0
Schs Cap Maint & Accessibility	0	0	0	0	0	0	0	0	0
Secondary School	0	0	0	0	0	0	0	0	0
Harris Academy Morden	0	0	0	0	0	0	0	0	0
Harris Academy Merton	0	0	0	0	0	0	0	0	0
St Mark's Academy	0	0	0	0	0	0	0	0	0
Harris Academy Wimbledon	0	0	0	0	0	0	0	0	0
SEN	0	0	0	0	0	0	0	0	0
Perseid	0	0	0	0	0	0	0	0	0
Secondary School Autism Unit	0	0	0	0	0	0	0	0	0
Unlocated SEN	0	0	0	0	0	0	0	0	0
CSF Schemes	0	0	0	0	0	0	0	0	0
Admissions IT System	0	0	0	0	0	0	0	0	0
Capital Loans to schools	0	0	0	0	0	0	0	0	0
Environment and Regeneration	0	0	0	0	0	0	0	0	0
Public Protection and Developm	0	0	0	0	0	0	0	0	0
Parking Improvements	0	0	0	0	0	0	0	0	0
Public Protection and Developm	0	0	0	0	0	0	0	0	0
Street Scene & Waste	0	0	0	0	0	0	0	0	0
Fleet Vehicles	0	0	0	0	0	0	0	0	0
Alley Gating Scheme	0	0	0	0	0	0	0	0	0
Smart Bin Leases - Street Scen	0	0	0	0	0	0	0	0	0
Waste SLWP	0	0	0	0	0	0	0	0	0
Sustainable Communities	0	0	0	0	0	0	0	0	0
Street Trees	0	0	0	0	0	0	0	0	0
Highways & Footways	0	0	0	0	0	0	0	0	0
Unallocated TfI	0	0	0	0	0	0	0	0	0
Mitcham Area Regeneration	0	0	0	0	0	0	0	0	0
Morden Area Regeneration	0	0	0	0	0	0	0	0	0
Morden Leisure Centre	0	0	0	0	0	0	0	0	0
Sports Facilities	0	0	0	0	0	0	0	0	0
Parks	0	0	0	0	0	0	0	0	0

Equality Analysis – ENR10 – Leisure & Culture Development Team



Guidance for carrying out Equality Impact Assessments is available on the intranet .	
What are the proposals being assessed?	To make Leisure Centre Contract Savings at the time of the opening of the new Morden Leisure Centre (MLC) and the demise of the existing Morden Park Pools (MPP) by way of a Change to the existing Leisure Management Contract with Greenwich Leisure Limited (GLL)
Which Department/Division has the responsibility for this?	Environment & Regeneration – Public Space Division
Stage 1: Overview	
Name and job title of lead officer Christine Parsloe, Leisure & Culture Development Manager	
1. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)	<p>Outcome: To achieve leisure management contract savings</p> <p>Aims: To open a new MLC, close & demolition the existing MPP</p> <p>Proposals:</p> <p>1) The new Morden Leisure Centre (MLC) is due to be completed in the Autumn of 2018 and this will result in a Deed of Variation with the contractors Greenwich Leisure Limited (GLL) to discontinue operation of the existing Morden Park Pools (MPP) and move to operate the new MLC. In doing this we expect to be making savings on the contract sum.</p>
2. How does this contribute to the council's corporate priorities?	Delivers savings and transformation of services
3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.	Customers, community organisations, schools, other departments, stakeholders etc. as we open a new leisure centre and close the existing MPP. The main terms of the contract pricing structures, membership, etc. will not change, rather a new suite of leisure opportunities will be provided generating a saving on the leisure management contract.
4. Is the responsibility shared with another department, authority or organisation? If so: Who are the partners and who has overall responsibility?	No

Stage2: Collecting evidence/data

6. What evidence have you considered as part of this assessment? List the data, results of consultation, research and other sources of evidence reviewed to determine impact on the protected characteristics (equality groups). Where there are gaps in data you may have to address this by including it in the action plan.

Type of evidence
 The range and type of facilities to be included in the new MLC has already been fully considered and consulted upon with the community through formal and informal consultations, planning applications and will continue to occur as the plans and designs implemented. This will include local interest groups, disability organisations, schools, those from ethnic minority communities and faith groups.

Stage 3: Assessing impact and analysis

7. From the evidence you have considered, what areas of concern have you identified regarding the potential negative impact on one or more protected characteristics (equality groups)?

Equality group	Positive impact		Potential negative impact		Reason
	Yes	No	Yes	No	
Age	✓			✓	The facility mix for sports & leisure opportunities will be increased for all. The service contract will remain as is in making this saving.
Disability	✓			✓	
Gender Reassignment	✓			✓	
Marriage and Civil Partnership	✓			✓	
Pregnancy and Maternity	✓			✓	
Race	✓			✓	
Religion/ belief	✓			✓	
Sex	✓			✓	
Sexual orientation	✓			✓	
Socio-economic status	✓			✓	

8. How do you plan to mitigate the negative impact that has been identified above? Also describe how you will promote equality through the policy, strategy, procedure, function or service?

No negative impact identified above.

Stage4: Decision

9. Decision – Please indicate which of the following statements best describe the outcome of the EIA (✓ tick one box only)		
Outcome 1 - ✓	Outcome 3	Outcome 4
<p>Outcome 1 – No change required: when the EIA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed.</p>	<p>Your analysis demonstrates that the proposals are robust and the evidence shows no potential for discrimination and that you have taken all appropriate opportunities to advance equality and foster good relations between groups. If this conclusion is reached, remember to document the reasons for this and the information that you used to make this decision.</p>	<p>This involves taking steps to remove barriers or to better advance equality. It can mean introducing measures to mitigate the potential negative effect. Remember that it is lawful under the Equality Act to treat people differently in some circumstances, for example taking positive action or putting in place single-sex provision where there is a need for it. It is both lawful and a requirement of the general equality duty to consider if there is a need to treat disabled people differently, including more favorable treatment where necessary.</p> <p>This means a recommendation to adopt your proposals, despite any negative effect or missed opportunities to advance equality, provided you have satisfied yourself that it does not unlawfully discriminate. In cases where you believe discrimination is not unlawful because it is objectively justified, it is particularly important that you record what the objective justification is for continuing with your proposals, and how you reached this decision. This is very important to show that you have paid ‘due regard’ to the Public Sector Equality Duty</p>
<p>Outcome 2 – Adjustments to remove negative impact identified by the EIA or to better promote equality. List the actions you propose to take to address this in the Action Plan.</p>		
<p>Outcome 3 – Continue with proposals despite having identified some potential for negative impact or missed opportunities to promote equality. In this case, the justification needs to be included in the EA and should be in line with the PSED to have ‘due regard’. List the actions you propose to take to address this in the Action Plan. (You are advised to seek Legal Advice)</p>		

<p>Outcome 4 – Stop and rethink: when your EA shows actual or potential unlawful discrimination.</p>	<p>If a policy shows unlawful discrimination it must be removed or changed.</p>
<p>Note: If your EA is assessed as outcome 3, explain your justification with full reasoning to continue with your proposals?</p>	<p>Include information as to why you suggest going ahead with your proposals despite negative impact being identified.</p>

Stage 5: Making adjustments – Improvement Action Pan

10. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the assessment and analysis and outlines the action to be taken to mitigate the potential negative impact identified.

<p>Risks or improvements identified in the EIA</p>	<p>Action required</p>	<p>Performance measure & target(s)</p>	<p>By when</p>	<p>Uses existing or additional resources?</p>	<p>Lead Officer</p>	<p>Progress</p>
<p>No negative impacts identified,</p>						

Have you incorporated these actions into your divisional service plan or team plan? Please give details of where they have been included.
 Included as part in the existing Leisure & Culture Development Team's transformation and service plans.

11. How will you share lessons learnt from this assessment with stakeholders and other council departments?

We will share any learning from this with others through one to one support, advice and guidance as appropriate and time allows.

<p>Stage 6: Monitoring The full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.</p>	
<p>How will you monitor the impact of the proposal once it has been implemented? Monitoring will be done through the leisure management contract monitoring processes within existing business practices</p> <p>How often will you do this? Quarterly through formal meetings, otherwise through day to day working and business operations.</p>	
<p>Stage: 7 Reporting outcomes (Completed assessments must be attached to committee reports and a summary of the key findings included in the relevant section with in them)</p>	
<p>Summary of the assessment</p> <ul style="list-style-type: none"> ➤ What are the key impacts – both negative and positive? ➤ What course of action are you advising as a result of this assessment? ➤ Are there any particular groups affected more than others? Do you suggest to proceeding with your proposals although a negative impact has been identified? 	<p>Summary of the key findings:</p> <p>None.</p>
<p>Stage 8: Sign off by Head of Service</p>	
<p>Assessment completed by:</p> <p>Name/Job Title</p>	<p>Christine Parsloe Leisure & Culture Development Manager</p>
<p>Improvement action plan signed off by Head of Service</p>	<p>Graeme Kane, Head of Public Space Division</p>
<p>Department</p>	<p>Environment & Regeneration</p>
<p>Signature:</p> <p>C A Parsloe</p>	<p>Date:</p> <p>29 Sept 2017</p>
<p>Signature:</p> <p>G Kane</p>	<p>Date:</p> <p>29 Sept 2017</p>



Equality Analysis

06 E&R Parking Services (Ref No. TBC)

<p>What are the proposals being assessed?</p>	<p>Further development of an emissions based charging Policy for resident/business permits</p>
<p>Which Department/ Division has the responsibility for this?</p>	<p>Envf & Regeneration /Public Protection/Parking and CCTV Services</p>

<p>Stage 1: Overview</p>	
<p>1. Name and job title of lead officer</p>	<p>Paul Walshe Head of Parking and CCTV Services</p>
<p>2. What are the aims, objectives and desired outcomes of your proposal? (Also explain proposals e.g. reduction/removal of service, deletion of posts, changing criteria etc)</p>	<p>To encourage cleaner air quality and contribute to the public health agenda</p>
<p>3. How does this contribute to the council's corporate priorities?</p>	<p>To improve the health of the Community.</p>
<p>4. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.</p>	<p>Residents, Businesses and Trade who purchase a parking permit</p>
<p>5. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?</p>	<p>The responsibility is not shared with any other department. The section will work closely with the Shared Regulatory Service Pollution Team when implementing the proposal.</p>

Stage 2: Collecting evidence/ data

5. What evidence have you considered as part of this assessment?

Provide details of the information you have reviewed to determine the impact your proposal would have on the protected characteristics (equality groups).

It is not believed that levels of vehicle emissions have a correlation with motorists with protected characteristics. If, during the implementing of the policy, it becomes evident that this is not the case, this assessment will be reviewed.

Stage 3: Assessing impact and analysis

6. From the evidence you have considered, what areas of concern have you identified regarding the potential negative and positive impact on one or more protected characteristics (equality groups)?

Protected characteristic (equality group)	Tick which applies		Tick which applies		Reason Briefly explain what positive or negative impact has been identified
	Positive impact		Potential negative impact		
	Yes	No	Yes	No	
Age	x			x	Healthy environment
Disability	X			x	No surcharge will be applied to a vehicle used by a Blue Badge holder
Gender Reassignment	X			x	Healthy environment
Marriage and Civil Partnership	X			x	Healthy environment
Pregnancy and Maternity	X			x	Healthy environment
Race	X			x	Healthy environment
Religion/ belief	X			x	Healthy environment
Sex (Gender)	X			x	Healthy environment
Sexual orientation	X			x	Healthy environment
Socio-economic status		X		x	The increase in costs may affect this group

7. Equality Analysis Improvement Action Plan template – Making adjustments for negative impact

This action plan should be completed after the analysis and should outline action(s) to be taken to mitigate the potential negative impact identified (expanding on information provided in Section 7 above).

Negative impact/ gap in information identified in the Equality Analysis	Action required to mitigate	How will you know this is achieved? e.g. performance measure/ target)	By when	Existing or additional resources?	Lead Officer	Action added to divisional/ team plan?
N/A						
N/A						
N/A						

Note that the full impact of the decision may only be known after the proposals have been implemented; therefore it is important the effective monitoring is in place to assess the impact.

8. Which of the following statements best describe the outcome of the EA (Tick one box only)

Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet for further information about these outcomes and what they mean for your proposal

OUTCOME 1

OUTCOME 2

OUTCOME 3

OUTCOME 4

Stage 5: Sign off by Director/ Head of Service			
Assessment completed by	Paul Walshe Head of Parking and CCTV Services	Signature:	Date: 10th Nov 2015
Improvement action plan signed off by Director/ Head of Service	John Hill Head of Public Protection	Signature:	Date:

Cabinet

Date: 16 October 2017

Subject: Financial Report 2017/18 – August 2017

Lead officer: Roger Kershaw

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 £1.9million, 0.4% of the gross budget.

B. That Cabinet note the adjustments to the Capital Programme contained in Appendix 5b

That Cabinet (Council approval also required) approve the following adjustments to the Capital Programme

Scheme	2017/18 Budget	2018/19 Budget	2019/20 Budget	Narrative
Council and Cabinet Approval				
Capital Bidding Fund	(560,100)	0		Virement
Parks - Canons Parks for the People	180,450	1,117,470	195,540	HLF Funding
Mitcham Area Regeneration - Parks for the People	638,780	2,032,100	301,040	HLF Funding & Virement
Total	259,130	3,149,570	496,580	

That Cabinet approve the following adjustments to the Capital Programme

Scheme	2017/18 Budget	Narrative
Cabinet Only Approval		
Morden Park House Courtyard	125,000	£48k Donation and £77k Revenue Contribution
Total	125,000	

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1 This is the financial monitoring report for period 5, 31st August 2017 presented in line with the financial reporting timetable.

This financial monitoring report provides:-

- The income and expenditure at period 5 and a full year forecast projection.
- An update on the capital programme and detailed monitoring information;
- An update on Corporate Items in the budget 2017/18;
- Progress on the delivery of the 2017/18 revenue savings

2. THE FINANCIAL REPORTING PROCESS

2.1 The budget monitoring process in 2017/18 will continue to focus on adult social care and children's social care as these areas overspent in 2016/17 and continue to have budget pressures.

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 underspent, 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 is not sustainable longer term.

2.3 2017/18 FORECAST OUTTURN BASED UPON LATEST AVAILABLE DATA

Executive summary – At period 5 to 31st August 2017 the year end forecast is a net £1.9m overspend compared to the current budget or 0.4% of the gross budget.

Summary Position as at 31st August 2017

	Current Budget 2017/18 £000s	Full Year Forecast (Aug) £000s	Forecast Variance at year end (Aug) £000s	Forecast Variance at year end (July) £000s	Outturn variance 2016/17 £000s
Department					
3A. Corporate Services	26,507	26,142	(365)	(369)	(1,287)
3B. Children, Schools and Families	48,735	49,735	1,001	1,040	1,154
3C. Community and Housing	60,120	62,060	1,940	818	10,124
3D. Public Health	0	(7)	(7)	48	16
3E. Environment & Regeneration	17,952	17,663	(289)	51	1,011
Overheads	0	0	0	0	12
NET SERVICE EXPENDITURE	153,313	155,593	2,280	1,588	11,030
3E. Corporate Items					
Impact of Capital on revenue budget	13,415	13,265	(150)	(150)	193
Other Central budgets	(21,035)	(21,266)	(231)	(14)	(8,329)
Levies	933	933	0	0	0
TOTAL CORPORATE PROVISIONS	(6,687)	(7,068)	(381)	(164)	(8,136)
Less corporate overheads	(556)	(556)			
TOTAL GENERAL FUND	146,070	147,969	1,899	1,424	2,894
FUNDING					
Revenue Support Grant	(15,520)	(15,520)	0	0	0
Business Rates	(35,483)	(35,483)	0	0	0
Other Grants	(10,733)	(10,733)	0	0	(537)
Council Tax and Collection Fund	(84,329)	(84,329)	0	0	0
FUNDING	(146,065)	(146,065)	0	0	(537)
					0
NET	5	1,904	1,899	1,424	2,357

The current level of GF balances is £12.778m and the minimum level reported to Council for this is £12.27m. This means that another reserve or further savings will need to be found to offset the remaining £1.4m overspend.

3. DEPARTMENTAL SUMMARY OF CURRENT POSITION

Corporate Services

	2017/18 Current Budget	Full year Forecast August	Forecast variance at year end August	Forecast variance at year end July	2016/17 Outturn Variance
	£000	£000	£000	£000	£000
Business Improvement	2,973	2,836	-137	-134	-54
Infrastructure & Transactions	9,355	9,429	74	68	-431
Resources	6,430	6,604	174	160	-314
Human Resources	1,948	1,841	-107	-105	-34
Corporate Governance	2,491	2,412	-79	-76	-330
Customer Services	2,308	2,038	-270	-192	-164
Corporate Items including redundancy costs	1002	982	-20	-90	40
Total (controllable)	26,507	26,142	-365	-368	-1,287

Overview

At the end period 5 (August) the Corporate Services (CS) department is forecasting an underspend of £365k at year end

Business Improvement - £137k under

The systems and projects team are forecasting an underspend on staffing. This is due to vacant posts and staff recharges to projects and CHAS 2013 Limited. This is offset by a projected shortfall on saving CSD42 which is not expected to be fully achieved in 17/18.

Infrastructure & Transactions - £74k over

There are budget pressures in several teams.

The professional development centre (Chaucer Centre) is expected to under-achieve on income by £110k. Bookings year to date are lower than previous years. As budgets are reduced, customers are choosing the Civic Centre non-chargeable rooms over the Chaucer Centre's chargeable rooms. Rental income is also lower and there is a delay with agreed office renters now not taking residence at the centre until November.

The transactional services team are forecasting an overspend of £70k mainly because saving CS70 which is to charge for paper copies of invoices is unachievable due to delays in the implementation of e5, SharePoint and EDRMS.

The Garth Road income target is forecast to under-achieve by approximately £60k and there is a projected overspend in the Commercial Services team on staffing costs of £80k. This team is essential in driving and delivering procurement savings across the Council.

These forecast overspends are partly offset by over-achievement of income on printing and the rental agreement with CHAS 2013 Limited for occupancy of half of the 14th floor in the Civic Centre.

Resources - £174k over

The division is forecasting to overspend due to staffing, including one case of long term sickness.

There were some additional costs for the external audit which were due to the implementation of the new financial system, as discussed at the Standards & General Purposes Committee in September. There are also ongoing development costs of e5 being funded within the division.

The closing of accounts process for 2016/17 and the external audit have highlighted a few areas of concern in meeting the early closure deadlines for next year. Some additional resources will be required to address these issues and a project plan will be developed.

Human Resources – £108k under

The reason for the underspend is a number of vacant posts within the division. This is partly offset by the expected shortfall on schools buy back income of £78k.

There are budget pressures on the payroll contract with Agilisys which are being reviewed.

Corporate Governance - £79k under

The forecast underspend is partly due to a £27k underspend in Internal Audit and £23k in Benefits Investigation where a 18/19 saving has been captured early.

There are other forecast underspends on non salary budgets across the division.

The South London legal partnership (SLLp) has budget pressures on staffing costs but is being recovered by hard charging to the five boroughs in the partnership. There are numerous agency staff as recruitment is becoming increasingly difficult in certain teams. This will be closely monitored and is reported to all partnership boroughs.

Customer Services - £270k under

The Merton Bailiff Service is forecasting over-achieving income by £300k but this is offset by a forecast £70k under-achievement of income in the Shared Bailiff Service.

Translations services are forecasting to overachieve income by £65k.

The Communications Service is under-achieving on advertising the income target which is partially offset by underspends elsewhere in the service. The team are working to address the likely failure to achieve income targets through a review of the strategy. A task and finish group has been established to take this forward with the aim of a refreshed strategy and agreed targets being drafted by the autumn.

Corporate Items - £20k under

Redundancy costs are forecast to be approximately £500k over budget based on year to date actuals.

This is being offset by a reduction in the housing benefit provision.

£45k forecast spend is projected to address cyber security issues following recent security threats. Credit card charges which are currently passed on to customers will also cease in January 2018 and the forecast costs are approx. £25k.

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	2017/18 Current Budget	Full year Forecast (August)	Forecast Variance at year end (August)	Forecast Variance at year end (July)	2016/17 Outturn Variance
	£000	£000	£000	£000	£000
Public Protection	(10,514)	(11,602)	(1,088)	(1,038)	1,290
Public Space	15,232	15,851	619	667	510
Senior Management	1,015	986	(29)	(31)	(44)
Sustainable Communities	12,220	12,429	209	452	(745)
Total (Controllable)	17,953	17,664	(289)	50	1,011

Description	2016/17 Current Budget	Forecast Variance at year end (August)	Forecast Variance at year end (July)	2016/17 Variance at year end
	£000	£000	£000	£000
Overspend within Regulatory Services	627	209	207	(34)
Underspend within Parking & CCTV Services	(11,617)	(1,235)	(1,200)	1,442
Underspend within Safer Merton	476	(62)	(45)	(118)
Total for Public Protection	(10,514)	(1,088)	(1,038)	1,290
Overspend within Waste Services	13,979	331	224	168
Underspend within Leisure & Culture	898	(105)	(105)	(72)
Overspend within Greenspaces	1,307	234	373	206
Overspend within Transport Services	(952)	159	175	342
Total for Public Space	15,232	619	667	510
Underspend within Senior Management & Support	1,015	(29)	(31)	(44)
Total for Senior Management	1,015	(29)	(31)	(44)
Underspend within Property Management	(2,605)	(95)	(87)	(564)
Overspend within Building & Development Control	(332)	285	380	(157)
Overspend within Future Merton	15,157	19	159	(158)
Total for Sustainable Communities	12,220	209	452	(789)
Total Excluding Overheads	17,953	(289)	50	1,011

Overview

The department is currently forecasting an underspend of £289k at year end. The main areas of variance are Regulatory Services, Parking Services, Waste Services, Greenspaces, Transport Services, and Building & Development Control.

Public Protection

Regulatory Services overspend of £209k

The forecast overspend is as a result of a few factors. Firstly, a 2017/18 saving (E&R14) of £100k relating to further expansion of the Regulatory Services Partnership will not be achieved this year, as it is expected that the expansion will not commence until April 2018/19. Secondly, the Partnership has utilised the services of a project manager in order to achieve the aforementioned saving, and Merton's share of this is expected to be around £33k. Thirdly, an underachievement of Licensing income of £47k is forecast, which is associated with a 2016/17 saving (E&R13) of £50k. Finally, the section is liable for any Mortuary costs, which is not within their control. An overspend of £27k related to this service is being forecast.

Parking & CCTV Services underspend of £1,235k

The underspend is mainly as a result of the protracted timeframe for the implementation of the ANPR system across the borough. The section did not have a fully functional system during 2016/17, but the necessary upgrades and camera performance reviews conducted by the contractor and officers from the team have now been completed. The positive effects of this e.g. improved traffic flow are expected to be realised during the year. The later start of the ANPR enforcement has resulted in a delay in motorist compliance with traffic regulations and the revenue generated reflecting this. It is difficult to predict when compliance will begin to set in and how this will affect revenue but this will be closely monitored and future forecasts amended accordingly.

Included within this forecast is an employee related overspend of c£460k due to a combination of savings not yet implemented and increased demand. Due to the implementation of the diesel surcharge and the delay in fully implementing ANPR the section has been forced to delay implementing certain savings, whilst needing to recruit additional agency staff to manage PCN and permit demands. This pressure is being offset by an over-recovery in permit revenue (£377k).

Public Space

Waste Services overspend of £331k

The forecast overspend relates mainly to the Phase C contract (£562k), which has been rolled out successfully delivering in excess of £1.3m savings. However, as part of the approved MTFS savings, the budget has been reduced by in excess of £1.9m. This budget pressure is mitigated next year when the new wheelie bin service is rolled out along with reduced frequency of collection, which will deliver additional savings in the contract cost for the service.

An update report was provided to Sustainable Communities O&S Panel on 4th July with a further update in November. The latter paper will include a summary of all the savings achieved through the procurement of these contracts. Robust contract management is in place ensuring full contractual compliance.

This overspend is being partially mitigated from in-year underspends on disposal costs (£345k).

Greenspaces overspend of £234k

Although significant savings have already been realised, the section is forecasting to overspend on its Phase C contract by around £145k. This overspend is not expected to repeat next year.

In addition, the Authority has been required to continue contracting out arboriculture related work leading to a forecast overspend of c£144k. From April next year, this work is expected to be carried out by IDVerde and will benefit from the lower rates available through the Phase C arrangements..

The section is also currently forecasting to underachieve on its income expectations in the following areas. Firstly, on events related income (£62k), whereby related savings of £170k have been implemented in the last two years, and whilst one event boosted the income, work continues to identify how income from events in parks, including developing working partnerships with external event production companies, can be generated.

Secondly, due to a delay in the implementation of 2016/17 saving E&R26 (£60k) i.e. P&D within certain parks. This is due to be partially implemented this autumn leading to an expectation that only £5k of the associated saving will be achieved this year. Finally, the service is forecasting an under-achievement of rental income of £22k. Work continues with reviewing current rental arrangements as well as identifying new letting opportunities to address this pressure.

These forecast overspends are being partially mitigated from other grants and contributions.

Transport services overspend of 159k

The overspend relates to the Operations and Workshop side of the section. Within Transport Operations, an employee overspend of £74k is forecast mainly as a result of additional agency and overtime requirements due to covering sick leave and vacancies. This also causes a knock on effect for covering core routes, whereby, the only option on occasions is to utilise third party transport providers to cover the routes, which results in further unrecoverable costs (£62k).

Within the Workshop section, the overspend (£69k) relates to invoices for payment relating to good/services received prior to 1st April, at which point the workshop was transferred to Veolia.

Sustainable Communities

Building & Development Control overspend of £285k

The section is forecasting to underachieve on income by £426k, in particular within building Control. This reflects the continued reduction in the Authority's market share. This downward trend has also impacted on the section's ability to meet some of its associated 2017/18 savings, notably ENV20, D&BC1, D&BC2, D&BC3, D&BC5, and D&BC6 i.e. Increased income from building control services, fast tracking of householder applications, commercialisation of the service, and removal of the Planning Duty service.

The section is also forecasting a reduction, when compared to 2016/17, in development control income of around £389k due to a downturn of around 10% in planning applications so far this year. This still results in an underachievement against budget of only £3k, but is a considerable decrease in expected income levels.

Children Schools and Families

Children, Schools and Families	2017/18 Current Budget £000	Full year Forecast (Aug) £000	Forecast Variance at year end (Aug) £000	Forecast Variance at year end (Jul) £000	2016/17 Variance at year end £000
Cross Department budgets	1,668	1,614	(54)	(97)	(271)
Education	16,285	15,898	(387)	(353)	(874)
Social Care and Youth Inclusion	20,783	22,405	1,622	1,670	3,259
PFI	7,916	7,736	(180)	(180)	(549)
Redundancy costs	2,083	2,083	0	0	(411)
Total (controllable)	48,735	49,736	1,001	1,040	1,154

Overview

At the end of August Children Schools and Families had a forecast overspend of £1.001m on local authority funded services. Although the department received £1m growth which was allocated against placement budgets, there were pressures over and above the growth allocated to the department some of which were offset by planned underspends and management action in year. Whilst some planned underspends will continue, the majority of the underspend used to offset cost pressures last year were either non-recurrent management action or one-off windfalls which are not guaranteed or expected in the current financial year.

The forecast overspend also includes the cost for agency staff which was funded from the Corporate Contingency for the last three years (£480k) to enable the department to maintain safe caseloads as part of our agreed approach and service model.

Due to the volatile nature of placement and SEN transport budgets and the current volume of CSC activity and EHC requests we are exercising appropriate demand management balancing our education and social care statutory duties with careful and considered oversight of spend.

Local Authority Funded Services

Significant cost pressures and underspends identified to date are detailed below:

Description	Budget £000	Aug £000	Jul £000	2016/17 £000
MOSAIC implementation support	0	63	0	0
Small over and underspends	1,668	(117)	(97)	(271)
Subtotal Cross Department budgets	1,668	(54)	(97)	(271)
Procurement & School organisation	592	(342)	(342)	(448)
SEN transport	4,131	435	435	394
Early achievement of savings	200	(200)	(200)	0
SEN statement support team	394	(119)	(86)	(7)
Other small over and underspends	10,968	(161)	(160)	(813)
Subtotal Education	16,285	(387)	(353)	(874)
Fostering and residential placements (ART)	5,226	(68)	17	611
Supported lodgings/housing	1,645	131	169	1,110
Un-accompanied asylum seeking children (UASC)	61	624	655	579
No Recourse to Public Funds (NRPF)	21	385	379	484
Social Work staffing	4,173	517	446	282
Family and Adolescent Services	43	17	37	0
Other small over and underspends	9,614	16	(33)	288
Subtotal Children's Social Care and Youth Inclusion	20,783	1,622	1,670	3,259

Cross Department budgets

This budget includes the departmental business support, senior management and joint commissioning services.

Following the implementation of MOSAIC, some changes and service support is still required which is now funded from the departmental budgets rather than from the project. The support is currently forecast to be required until the end of October at an estimated cost of £63k.

There are various other small over and underspends forecast across the division netting to a £117k underspend. These combine with the item described above to arrive at the total reported divisional underspend of £54k.

Education Division

Procurement and school organisation budgets are forecast to underspend by £342k as a result of lower spend on re-venueisation 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.

The SEN transport budget is forecasting to overspend by £430k at the end of the financial year. Due to time required for the new ADAM system to be imbedded, the expected cost reductions have not yet been realised. The annual review of new routes was undertaken over the summer holidays and the process for re-procurement of existing routes will be accelerated in the autumn term.

Education savings was brought forward by a year which will result in a one-off in-year underspend of £200k.

The SEN support team is forecasting a £119k underspend on staffing due to difficulties in recruiting appropriate staff to vacancies. Recruitment continues to ensure we can meet our statutory duties in relation to EHCP timeliness which means that this underspend might reduce towards the end of the financial year.

There are various other small over and underspends forecast across the division netting to a £161k underspend. These combine with the items described above to arrive at the total reported divisional underspend of £387k.

Children's Social Care and Youth Inclusion Division

While the numbers of Looked After Children (LAC) remain relatively stable, and indeed Merton maintains relatively low levels of children in care, the complexity of a significant proportion of cases is causing cost pressures as detailed below. Placement costs are reviewed 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	
			Aug £000	Jul £000	Aug Nr	Jul Nr
Residential Placements	2,239	1,995	(244)	(193)	11	13
Independent Agency Fostering	1,789	1,731	(58)	(41)	41	41
In-house Fostering	964	1,148	184	211	50	49
Secure accommodation	134	0	(134)	(134)	0	0
Mother and baby	100	284	184	174	2	2
Total	5,226	5,158	(68)	17	104	105

The ART service seeks to make placements with in-house foster carers wherever possible and in line with presenting needs, however, the needs of some looked after children mean that placements with residential care providers or independent fostering agencies are required. Some specific provision is mandated by the courts.

- The residential placement expenditure is forecast to underspend by £244k. This change is due two young people moving from residential placements.
- The agency fostering placement expenditure is expected to underspend by £58k. Two placements ended and were replaced by two new cases. The cost of another case reduced as we know the person will be leaving soon. This is a very volatile budget and therefore subject to fluctuation during the year.
- The in-house foster carer expenditure is forecast to overspend by £184k. We had 4 new children placed. Three placements ended. Two placements were projected for a shorter period.
- We are not aware of any secure accommodation placements at this stage and will review throughout the year.
- There are now two remaining Mother and Baby placements which are expected to overspend by £184k due to additional expenses.

The budget for semi-independent and supported lodgings/housing placements are estimated to overspend by £131k. Despite the increase in number of cases by 2, 5 new cases and three leavers, the overall overspend reduced as a result of a net reduction in forecast adjustments. 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 (older in exceptional circumstances), as part of our statutory duties. There were 61 semi-independent placements for non-UASC young people at the end of August 2017.

The UASC supported lodgings/housing placements for post 18 children that became eligible for leaving care support is expected to overspend by £624k this year. This is lower than last month due to a reduction in caseload. At the end of August there were 27 placements for young people aged 18+ with no recourse to public funds in semi-independent accommodation- one less than last month. One young person is predicted to leave in September.

The NRPF budget is expected to overspend by £385k in the current financial year. The NRPF worker is working closely with housing colleagues to manage cases as they arise and is also reviewing historic cases to identify ones where claimant circumstances has changed and can therefore be stepped down from services. 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, First Response, CASA and Bond Road team's staffing costs are expected to overspend by £517k. The majority of this is due to additional social work capacity required to manage safe caseloads, previously funded by the council's contingency, and are kept under regular review as they are covered by agency. 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. We continue with our proactive recruitment and retention campaigns and have a number of permanent staff starting in September and October.

The Family and Adolescent Services staffing budget is expected to overspend by £17k. This is due to the head of service post which has been deleted as part of the 2017/18 savings is being covered by an agency member of staff due to short term service requirements. These arrangements will cease in the autumn.

There are various other small over and underspends forecast across the division netting to a £16k overspend. These combine with the items described above to arrive at the total reported divisional overspend of £1,622k.

Dedicated Schools Grant

DSG funded services is forecast to overspend by £1.504m. These budgets are not within the council's general fund and cannot be offset against the local authority funded budgets. Any overspend will be funded from the DSG reserve and applied after consultation with Schools Forum. Variances between individual subjectives have been shown in the overall departmental analyses.

The main reasons for the forecast relates to an estimated overspend of £970k on Independent Day School provision and £521k on additional school business rate adjustments primarily due to the revaluation of properties in the beginning of 2017.

There are various other smaller over and underspends forecast across the DSG netting to a £13k overspend which, combined with the items above, equates to the net overspend of £1.504m.

Management Action

New burdens

There are a number of duties placed on the Local Authority which have not been fully funded or not funded at all through additional burdens funding from Central Government. £1m growth was added by the council in 2017/18 to the supported housing/lodgings budget. Excluding the cost of these duties would leave a net departmental underspend of £139k, however that figure masks substantial once off windfalls and non-recurrent and recurrent management action. The table below highlights the continued estimated overspends relating to these unfunded duties:

Description	Budget £000	Aug overspend forecast £000	Jul overspend forecast £000
Supported lodgings/housing	1,645	131	169
Un-accompanied asylum seeking children (UASC)	61	624	655
No Recourse to Public Funds (NRPF)	21	385	379
Total	1,727	1,140	1,203

Staffing

Agency cost continues to be a cost pressure for the department as permanent social worker recruitment continues to be challenging. We are operating, however at our lowest level of agency staff in 3 years. The continued recruitment drive including recruitment of NQSWs, temporary to permanent initiatives and retention payments will all have a positive impact on the current financial year and we will continue to take action to bring down anticipated overspends on agency/staffing costs.

Placements

Our strong management oversight enables us to ensure that an appropriate entry to care threshold is well-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.

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

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.

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 to bring our anticipated spend in line with available budgets.

Community and Housing Current Summary Position

Community and Housing is now forecasting an over spend of £1.9m as at August 2017.

The main variances are in Housing £443k and £1.6m in Adult Social Care division of Access & Assessment. This is supported by other under spends in Adult Social Care and Merton Adult Education.

Adult Social Care received £9.3m in growth to support the identifiable pressures and challenges faced by the department. The service has allocated growth to the placements and deprivation of liberty budgets in line with the budget pressures identified in the budget setting report.

The 2017/18 budget was set on the basis of period 9 2016/17 budget forecast. Between period 9 and the year end, placements expenditure increased by £700k against the forecast. This was mainly due to the amount of older people being discharged from hospital but also a one-off charge of £350k.

In addition, the service was hit with a late clawback of Better Care Fund (BCF) monies due to the late reporting of performance on the main factor in the BCF risk share agreement. The service therefore has a financial hit of £275k in 2017/18.

The service therefore started 2017/18 £625k worse off than the budget plan.

Community and Housing	2017/18 Current Budget	Full Year Forecast (Aug)	Forecast Variance (Aug)	Forecast Variance (July)	2016/17 Outturn Variance
	£'000	£'000	£'000	£'000	£'000
Access and Assessment	46,870	48,485	1,615	532	9,432
Commissioning	4,162	4,121	(41)	(32)	67
Direct Provision	4,373	4,303	(70)	(36)	(169)
Directorate	755	814	59	30	(274)
Adult Social Care	56,160	57,723	1,563	494	9,056
Libraries and Heritage	1975	2,005	30	33	(88)
Merton Adult Education	0	0	0	0	501
Merton Adult Education- Commissioning Model	48	(48)	(96)	(96)	0
Housing General Fund	1,937	2,380	443	387	655

Total	60,120	62,060	1,940	818	10,124
Public Health	0	(7)	(7)	48	16

Adult Social Care

Unusually the summer has been a very busy period for our hospital team. A higher than usual number of discharges have happened, which has stretched the re-ablement team, home care and residential care capacity. A number of placements have had to be made in higher cost residential and nursing homes as we were unable to provide the usual cost alternative.

We have also seen a number of complex, and therefore expensive, learning disability packages emerge from the transition from childhood. It is not unusual for placements to cost £150,000 per year each. However, this has been mitigated in part by health funding. This has resulted in period 5 budget forecast overspend of £1.6m for adult social care. Management actions are in place to pull this back, which are set out below.

Access & Assessment - £1.6m Overspend

This section is forecasting an over spend which made up of under and overspends as follows:-

Access & Assessment	Forecast Variances (Aug) £00	Forecast Variances (July) £000
Underspend on Concessionary Fares	(71)	(71)
Overspend on Better Care Fund Risk Share for 2016/17	275	275
Other	(23)	114
Placements*	3,254	2,034
Income*	(1,820)	(1,820)
Total	1,615	532

*Based on estimated data.

The table above shows an increase in placement forecast since July.

Homecare

The market for home care is very limited, which is why we are currently commissioning a new model of service. In the meantime, it is difficult to find carers. Unfortunately this has been exacerbated by a number of systems problems.

In particular, our call monitoring system is not working as it should. This system allows us to pay for care actually delivered, rather than what we commission included missed or cancelled calls. Payments for the first few months of the year were made on the gross amount, at a cost of £80k per calendar month. Since then some have been paid on gross and some on actuals. Work is going on to rectify the issues and to mitigate the cost.

This represents a £960k pressure on the budget, which is based on a prudent assumption that the problems continue for the whole year. However, the problems have now been identified and actions are being taken to rectify the issues. This means that we should be able to go back to paying on actuals, and have the right to clawback previous overpayments, which the providers are used to us doing, once the system is working and payments are up to date. We will update the forecast for period 6 budget monitoring once we have been able to test the fixes.

System issues

We are four months into the implementation of the new care system. Whilst the new system is already providing some additional discipline to the core processes, we are also experiencing some problems. New processes have been introduced, for example, every packages of care has to be approved by a manager, and it is then further scrutinised by the brokerage team before a commitment is made. Higher costs packages are automatically escalated to service manager or heads of service for approval.

However, at present we are still working through issues that are hampering full effectiveness, including:

- The need to cancel and re-purchase a high volume of care packages of care on the system to correct data migration and other issues. This is diverting management and brokerage time and means that activity data is skewed. 11% of cases need further review and amendment. Spend data has been subject to detailed manual scrutiny.
- The system is not recording health contributions to care, which have to be calculated manually.
- The system is not netting off health funded nursing care.
- The client income functionality has a number of issues, which is slowing down financial assessments and making it difficult to report on income at present. Period 5 client income is therefore based on previous year's data.

Commissioning - £41k underspend

Current underspend in this area has increased by £9k. This is due to reduced predicted expenditure on conferences and other minor budget lines.

Direct Provision - £69k underspend

Direct Provision service is currently forecasting an under spend as at August 2017. This is due to two members of staff going on flexible retirement in September, after allowing for the associated cost with this and additional out of borough client income at the High Path Day Centre.

Directorate - £58k overspend

The directors budget overspend is due to increased salary costs due to extension of the Head of Commissioning contract to allow for handover to the new assistant director starting in October 2017.

Adult Social Care: other management action 2017/18

A refreshed action plan is in place. Highlight reports are updated and reviewed each Monday by the Director at the weekly budget meeting.

Vacancy management

Current and upcoming vacancies have been identified which will be held, which will reduce salaries costs for the year by £170k.

Home Care

The priority at present is to get the call monitoring system working properly again, so we can pay all providers based on actuals. Once this is in place we can review earlier payments and seek to clawback over payments. At 80% recovery rate, this would reduce the over spend by £768k.

MASCOT efficiencies

The plan to develop a handy person scheme in MASCOT funded from the disabled facilities grant will provide an enhanced service to residents and generate cost efficiencies of £25k.

Overall, the actions identified so far would reduce the forecast overspend by £963k.

Adult Social Care Management Actions	£'000
Forecast variance August	1,593
Vacancy management	-170
Home Care clawback (@80%)	-768
MASCOT	-25
Subtotal	630
Total	963

Other actions being taken include the new outcomes panel, which will be lead by the incoming assistant director and will review support planning practice case-by-case to ensure that we are exploring the best options to meet people's needs. We are also opening new in-borough respite and transitions beds, to reduce the dependence on a single provider and out of borough placements.

Medium term sustainability planning is focussing on three key areas:

- Further integration with community health and closer working with St George's hospital to better manage the demand that flows from hospital and reduce delayed transfers of care.
- Developing a new community 'front door' for Community & Housing with voluntary sector and health partners, so that we can provide earlier and more holistic support to vulnerable people and families who are struggling before a crisis develops. This will also include an even larger role for our libraries.
- A supported review of our learning disability offer to agree a set of fair and affordable outcomes, and develop a better in-borough offer to reduce dependency on expensive and poorly performing out of borough provisions. This will include further development of housing options and in-reach support from adult education into local provisions.

C&H-Other Services

Libraries- £30k overspend

This service is forecasting a £30k overspend as at August 2017, this is a reduction of £3k since July. Libraries overspend continues to reduced but there is still an issue around income and staffing. The service is currently working to reduce overspend.

Merton Adult Education - £96k underspend

No change from July's for Merton Adult Education Commissioning. Under spend is due to the under delivery by providers on commissioned contracts.

Housing - £443k overspend

This service overspend has increased since period 4 (July) by £56k. This is due to a revision in expected contribution from clients.

Universal Credit is having a negative impact on the ability of this service to seek client contributions. Payments under Universal Credit are often delayed, and the recipients are in debt by the time they receive their first payment. This reduces our capacity to collect income from them.

Housing	Forecast Variances (Aug) £000	Forecast Variances (July) £000
Temporary Accommodation-Expenditure	1,204	1,204
Temporary Accommodation-Client Contribution	(560)	(617)
Temporary Accommodation-Housing Benefit Income	(450)	(450)
Temporary Accommodation-Subsidy Shortfall	633	633
Temporary Accommodation- Grant	(406)	(406)
Total Temporary Accommodation	421	364
Housing Other- Over(under)spends	22	23
Total	443	387

Public Health - £7k underspend

Public Health is now showing an improved position £7k under spend as at August 2017. This is mainly due to the low activity levels on the Tier 4 Detox service.

Corporate Items

The details comparing actual expenditure up to 31 August 2017 against budget are contained in Appendix 2. The main areas of variance as at 31 August 2017 are:-

Corporate Items	Current Budget 2017/18 £000s	Full Year Forecast (Aug.) £000s	Forecast Variance at year end (Aug.) £000s	Forecast Variance at year end (July) £000s	2016/17 Year end Variance £000s
Impact of Capital on revenue budget	13,415	13,265	(150)	(150)	193
Investment Income	(1,186)	(667)	519	590	(176)
Pension Fund	3,350	3,350	0	0	(498)
Pay and Price Inflation	736	736	0	0	(739)
Contingencies and provisions	4,426	3,676	(750)	(650)	(3,495)
Income Items	(1,152)	(1,152)	0	0	(330)
Appropriations/Transfers	(4,891)	(4,891)	0	0	(3,091)
Central Items	1,283	1,052	(231)	(60)	(8,329)
Levies	933	933	0	0	0
Depreciation and Impairment	(22,318)	(22,318)	0	0	0
TOTAL CORPORATE PROVISIONS	(6,687)	(7,068)	(381)	(210)	(8,136)

The July position was for a net underspend of £0.210m. This has been updated to a net underspend of £0.381m based on August. The reasons for the change in forecast are :-

- The forecast for investment income has been reviewed and it is estimated that investment come will be £0.667m in 2017/18, an improvement of £0.71k on the July forecast.
- The forecast underspend in contingencies and provisions has increased by £100k. This is due to the forecast loss of Housing Benefit Administration grant being less than anticipated.

4. CAPITAL PROGRAMME 2017-21

4.1 The Table below shows the movement in the 2017/21 corporate capital programme since the last meeting of Cabinet:

Depts	Current Budget 17/18	Variance	Revised Budget 17/18	Current Budget 18/19	Variance	Revised Budget 18/19	Revised Budget 19/20	Variance	Revised Budget 19/20	Revised Budget 20/21	Variance	Revised Budget 20/21
CS	25,890	(435)	25,455	16,798	0	16,798	10,626	0	10,626	2,135	0	2,135
C&H	1,445	0	1,445	629	0	629	480	0	480	630	0	630
CSF	8,230	0	8,230	16,905	0	16,905	7,536	0	7,536	650	0	650
E&R	19,121	839	19,960	20,681	3,150	23,830	7,241	497	7,738	5,017	0	5,017
TOTAL	54,686	404	55,090	55,013	3,150	58,162	25,883	497	26,380	8,432	0	8,432

- 4.2 The table below summarises the position in respect of the Capital Programme as at July 2017. The detail is shown in Appendix 5a

Merton Summary Capital Report – August 2017 Monitoring

Department	2017/18 Year to Date			2017-18	Full Year Forecast	
	Actuals	Profiled Budget	Variance	Final Budget	Final Forecast	Full Year Variance
Corporate Services	713,999	667,306	46,693	25,454,950	18,245,066	(7,209,884)
Community and Housing	173,751	335,023	(161,272)	1,444,770	982,280	(462,490)
Children Schools & Families	1,213,417	4,354,930	(3,141,513)	8,230,360	8,275,084	44,724
Environment and Regeneration	3,368,165	7,524,051	(4,155,886)	19,960,370	19,661,112	(299,258)
Capital	5,469,332	12,881,310	(7,411,978)	55,090,450	47,163,542	(7,926,908)

- a) Corporate Services – Currently officers are projecting an overall underspend of £7.2 million. This comprises two projected overspends on Customer Contact /EDRMS of £350k and Social Care IT System £123k in total, officers are currently trying to mitigate these overspends and finalise the split between capital and revenue budgets; and three projected underspends the Acquisitions Budget £6.4 million, the Bidding Fund £1.25 million and BI It systems projects £64k. One new scheme has been added for £125k for Morden Park Courtyard, this will be funded by a £48k donation and a £77k Revenue Contribution.
- b) Community and Housing – All schemes are projecting full spend apart from Disabled Facilities Grants which are currently projecting a £462k underspend.
- c) Children, Schools and Families – **Currently project £195k overspend on Primary Scheme because school contributions have not been added – school contributions will be tabled at the meeting.** Officers are currently projecting underspends on three secondary schools totalling £155k (Harris Academy Merton £22k Harris Academy Wimbledon £126k and Rutlish £8k) – these are in year projected underspends and officers are currently finalising the multi-year profile of these schemes. Officers are also projecting a £4k on Perseid special school, again it is envisaged that this is a timing delay.
- d) Environment and Regeneration – Officers are currently projecting a £299k underspend against budget, this is mainly caused by the projected underspend on Industrial Estates – the utilisation of this budget is currently under review. A Heritage Lottery Fund Project is being added to the Programme totalling £4,465k in 2017-20, this is being funded by a £560k (being re-profiled from 2017/18) contribution from the bidding fund and £3,905 HLF capital funding.

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

Scheme	2017/18 Budget	2018/19 Budget	2019/20 Budget	Funding/Re-profiling
Council and Cabinet Approval				
Capital Bidding Fund	(560,100)	0		Virement
Parks - Canons Parks for the People	180,450	1,117,470	195,540	HLF Funding
Mitcham Area Regeneration - Parks for the People	638,780	2,032,100	301,040	HLF Funding & Virement
Total	259,130	3,149,570	496,580	

Scheme	2017/18 Budget	Funding/Re-profiling
Cabinet Only Approval		
Morden Park House Courtyard	125,000	£48k Donation and £77k Revenue Contribution
Total	125,000	

4.4 Appendix 5c details the impact of all the adjustments to the Capital Programme have on the funding of the programme in 2017/18 and 2018/19. The table below summarises the movement in 2017/18 funding since the July 2017 Monitoring Report:

Depts.	Approved Budget 17/18	Adjustments	New External Funding	New Internal Funding	Re-profiling	Revised Budget 17/18
Corporate Services	25,890	(560)	48	77	0	25,455
Community & Housing	1,445	0	0	0	0	1,445
Children Schools & Families	8,230	0	0	0	0	8,230
Environment and Regeneration	19,121	560	259	20	0	19,960
Total	54,686	0	307	97	0	55,090

4.5 The table below compares capital expenditure (£000s) to August 2017 to that achieved over the last few years:

Depts.	Spend To August 2014	Spend To August 2015	Spend To August 2016	Spend to August 2017	Variance 2014 to 2017	Variance 2015 to 2017	Variance 2016 to 2017
CS	216	431	568	714	498	283	146
C&H	109	23	119	174	65	151	55
CSF	5,854	6,719	2,032	1,213	(4,641)	(5,505)	(819)
E&R	1,396	1,889	4,343	3,368	1,972	1,479	(975)
Total Capital	7,575	9,062	7,062	5,469	(2,106)	(3,593)	(1,593)

Outturn £000s	36,869	29,327	30,626	
Budget £000s				55,090
Projected Spend August 2017 £000s				47,164
Percentage Spend to Budget				9.93%
% Spend to Outturn/Projection	20.55%	30.90%	23.06%	11.60%
Monthly Spend to Achieve Projected Outturn £000s				4,633

4.6 The table shows that spend during August 2017 was considerably below this target. Officers will be undertaking a detailed review of profiles and year end projections as part of September Monitoring to improve in year budget profiling and year end projection:

Department	Spend To July 2017 £000s	Spend To August 2017 £000s	Increase £000s
CS	417	714	297
C&H	114	174	60
CSF	682	1,213	531
E&R	2,642	3,368	727
Total Capital	3,855	5,469	1,615

5. DELIVERY OF SAVINGS FOR 2017/18

Department	Target Savings 2017/18	Projected Savings 2017/18	Period 5 Forecast Shortfall	Period 4 Forecast Shortfall	Period Forecast Shortfall
	£000	£000	£000	£000	%
Corporate Services	1,484	1,288	196	118	8.0%
Children Schools and Families	1,110	1,093	17	37	3.3%
Community and Housing	2,673	1,913	760	642	24%
Environment and Regeneration	3,050	2,148	1,447	902	29.6%
Total	8,317	6,618	2,420	1,699	20.4%

Appendix 6 details the progress on savings for 2017/18 by department. Details of prior year savings shortfall and the full year effect in 17/18 will be reported next month.

Department	Target Savings 2016/17	2016/17 Shortfall	2017/18 Projected shortfall	2018/19 Projected shortfall
	£000's	£000's	£000's	£000's
Corporate Services	2,316	288	30	30
Children Schools and Families	2,191	0	0	0
Community and Housing	5,379	1,727	C&H Savings mitigated by growth received in 17/18	0
Environment and Regeneration	4,771	2,356	612	300
Total	14,657	4,371	642	330

Appendix 7 details the progress on savings for 2016/17 by department and the impact on the current year.

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 2017/18
Appendix 5b –	Adjustments to the Current Capital Programme 2017/18
Appendix 5c –	Funding Current Capital Programme 2017/18 & 2018/19
Appendix 6 –	Progress on savings 2017/18
Appendix 7 –	Progress on savings 2016/17

14. BACKGROUND PAPERS

14.1 Budgetary Control files held in the Corporate Services department.

15. REPORT AUTHOR

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**Summary Position as at
31st August 2017**

	Original Budget 2017/18 £000s	Current Budget 2017/18 £000s	Year to Date Budget (Aug) £000s	Year to Date Actual (Aug) £000s	Full Year Forecast (Aug) £000s	Forecast Variance at year end (Aug) £000s	Forecast Variance at year end (July) £000s	Outturn variance 2016/17 £000
Department	-	-	-	-	-	-	-	-
3A.Corporate Services	10,866	26,507	11,101	13,844	26,142	(365)	(369)	(1,287)
3B.Children, Schools and Families	52,579	48,735	73,082	4,600	49,735	1,001	1,040	1,154
3C.Community and Housing	-	-	-	-	-	-	-	-
Adult Social Care	59,402	56,160	20,889	23,622	57,723	1,563	494	9,056
Libraries & Adult Education	2,691	2,023	958	1,306	1,957	(66)	(63)	413
Housing General Fund	2,224	1,937	654	479	2,380	443	387	655
3D.Public Health	0	0	(920)	(3,559)	(7)	(7)	48	16
3E.Environment & Regeneration	23,184	17,952	7,155	(5,585)	17,663	(289)	51	1,011
Overheads	0	0	0	0	0	0	0	12
NET SERVICE EXPENDITURE	150,946	153,313	112,919	34,707	155,593	2,280	1,588	11,030
3E.Corporate Items	-	-	-	-	-	-	-	-
Impact of Capital on revenue budget	13,415	13,415	2,793	992	13,265	(150)	(150)	193
Other Central items	(19,224)	(21,035)	(5,198)	(19)	(21,266)	(231)	(14)	(8,329)
Levies	933	933	393	393	933	0	0	0
TOTAL CORPORATE PROVISIONS	(4,876)	(6,687)	(2,013)	1,366	(7,068)	(381)	(164)	(8,136)
Less corporate overheads		(556)			(556)			
TOTAL GENERAL FUND	146,070	146,070	110,906	36,073	147,969	1,899	1,424	2,894
Funding	-	-	-	-	-	-	-	-
- Business Rates	(35,483)	(35,483)	0	(79)	(35,483)	0	0	0
- RSG	(15,520)	(15,520)	(7,643)	(7,643)	(15,520)	0	0	0
- Section 31 Grant	(1,035)	(1,035)	(464)	(464)	(1,035)	0	0	5
- New Homes Bonus	(4,150)	(4,150)	(2,114)	(2,114)	(4,150)	0	0	(542)
- PFI Grant	(4,797)	(4,797)	(1,199)	(1,199)	(4,797)	0	0	0
- Adult Social Care Grant 2017/18	(751)	(751)	0	0	(751)	0	0	0
Grants	(61,736)	(61,736)	(11,420)	(11,499)	(61,736)	0	0	(537)
Collection Fund - Council Tax Surplus(-)/Deficit	(1,386)	(1,386)	0	0	(1,386)	0	0	0
Collection Fund - Business Rates Surplus(-)/Deficit	(380)	(380)	0	0	(380)	0	0	0
Council Tax								
- General	(82,244)	(82,244)	0	0	(82,244)	0	0	0
- WPCC	(318)	(318)	0	0	(318)	0	0	0
Council Tax and Collection Fund	(84,329)	(84,329)	0	0	(84,329)	0	0	0
FUNDING	(146,065)	(146,065)	(11,420)	(11,499)	(146,065)	0	0	(537)
NET	5	5	99,486	24,574	1,904	1,899	1,424	2,357

Appendix 2

3E. Corporate Items	Council 2017/18 £000s	Original Budget 2017/18 £000s	Current Budget 2017/18 £000s	Year to Date Budget (Aug.) £000s	Year to Date Actual (Aug.) £000s	Full Year Forecast (Aug.) £000s	Forecast Variance at year end (Aug.) £000s	Forecast Variance at year end (July) £000s	Outturn Variance 2016/17 £000s
Cost of Borrowing Use for Capital Programme	13,415	13,415	13,415	2,793	992	13,265	(150) 0	(150) 0	193 0
Impact of Capital on revenue budget	13,415	13,415	13,415	2,793	992	13,265	(150)	(150)	193
Investment Income	(1,186)	(1,186)	(1,186)	(494)	(164)	(667)	519	590	(176)
Pension Fund	3,350	3,350	3,350	0	0	3,350	0	0	(498)
Provision for excess inflation	451	451	436		0	436	0	0	(439)
Utilities Inflation Provision	300	300	300		0	300	0	0	(300)
Pay and Price Inflation	751	751	736	0	0	736	0	0	(739)
Contingency	1,500	1,500	1,500		0	1,250	(250)	(250)	(821)
Single Status/Equal Pay	100	100	100		1	100	0	0	(60)
Bad Debt Provision	500	500	500		0	500	0	0	(271)
Loss of income arising from P3/P4	400	400	400		0	0	(400)	(400)	(400)
Loss of HB Admin grant	200	200	200		0	100	(100)	0	(200)
Reduction in Education Services Grant	819	819	0		0	0	0	0	0
Apprenticeship Levy	450	450	450	188	192	450	0	0	0
Revenuisation and miscellaneous	889	889	1,276		585	1,276	0	0	(1,743)
Contingencies and provisions	4,858	4,858	4,426	188	778	3,676	(750)	(650)	(3,495)
Other income	0	0	0	0	0	0	0	0	(280)
CHAS IP/Dividend	(1,152)	(1,152)	(1,152)		0	(1,152)	0	0	(50)
Income items	(1,152)	(1,152)	(1,152)	0	0	(1,152)	0	0	(330)
Appropriations: CS Reserves	(667)	(667)	(915)	(915)	(248)	(915)	0	0	0
Appropriations: E&R Reserves	4	4	(450)	(450)	(143)	(450)	0	0	2
Appropriations: CSF Reserves	283	283	117	117	255	117	0	0	0
Appropriations: C&H Reserves	(104)	(104)	(150)	(150)	(46)	(150)	0	0	0
Appropriations: Public Health Reserves	(600)	(600)	(600)	(600)	0	(600)	0	0	0
Appropriations: Corporate Reserves	(2,443)	(2,443)	(2,893)	(2,893)	(450)	(2,893)	0	0	(3,093)
Appropriations/Transfers	(3,528)	(3,528)	(4,891)	(4,891)	(633)	(4,891)	0	0	(3,091)
Depreciation and Impairment	(22,318)	(22,318)	(22,318)	0	0	(22,318)	0	0	0
Other Central Items	(19,224)	(19,224)	(21,035)	(5,198)	(19)	(21,266)	(231)	(60)	(8,329)
Levies	933	933	933	393	393	933	0	0	0
TOTAL CORPORATE PROVISIONS	(4,876)	(4,876)	(6,687)	(2,013)	1,366	(7,068)	(381)	(210)	(8,136)

Pay and Price Inflation as at August 2017

In 2017/18, the budget includes 1% for increases in pay and 1.5% for increases in general prices, with an additional amount of £0.451m which is held to assist services that may experience price increases greatly in excess of the inflation allowance provided when setting the budget. At present it is not anticipated that there will be a significant call on this budget and it will only be released when it is certain that it will not be required.

Pay:

The local government pay award for 2017/18 was agreed last year covering 2016/17 and 2017/18. For the lowest paid (those on spinal points 6-17) this agreed a pay rise of between 6.6% and 1.01% in the first year, and between 3.4% and 1.3% in 2017/18. Those on spinal points 18-49 received 1% in year one and the same again in 2017/18. The offer also included a joint review of the NJC pay spine and term-time working for school support staff. Departmental budgets include provision for the 2017/18 pay award.

Prices:

The Consumer Prices Index (CPI) 12-month rate was 2.9% in August 2017, up from 2.6% in July 2017. Rising prices for clothing and motor fuels were the main contributors to the increase in the rate between July and August 2017. Air fares also rose between July and August but the rise was smaller than between the same two months a year ago and so resulted in a partially offsetting, downward contribution.

CPIH, a measure of UK consumer price inflation that includes owner occupiers' housing costs, 12-month inflation rate was 2.7% in August 2017, up from 2.6% in July.

The RPI 12-month rate for August 2017 stood at 3.9%, up from 3.6% in July 2017.

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 13 September 2017, the Committee voted by a majority of 7-2 to maintain Bank Rate at 0.25%. The Committee voted unanimously to maintain the stock of sterling non-financial investment-grade corporate bond purchases, financed by the issuance of central bank reserves, at £10 billion. The Committee also voted unanimously to maintain the stock of UK government bond purchases, financed by the issuance of central bank reserves, at £435 billion. The August 2017 Inflation Report was published on the 3 August 2017.

In the minutes to its meeting, the MPC noted that "The circumstances since the referendum on EU membership, and the accompanying depreciation of sterling, have been exceptional. Monetary policy cannot prevent either the necessary real adjustment as the United Kingdom moves towards its new international trading arrangements or the weaker real income growth that is likely to accompany that adjustment over the next few years. The MPC's remit specifies that, in such exceptional circumstances, the Committee must balance any trade-off between the speed at which it intends to return inflation sustainably to the target and the support that monetary policy provides to jobs and activity. Recent developments suggest that remaining spare capacity in the economy is being absorbed a little more rapidly than expected at the time of the August Report, and that inflation remains likely to overshoot the 2% target over the next three years."

In the August 2017 quarterly Inflation Report, the MPC sets out its view on the prospects for inflation and the report notes that “Although CPI inflation has been volatile, it has risen over 2017 and was 2.6% in June. It is expected to remain around 2¾% in the near term, boosted by higher import prices as a result of the depreciation in sterling, before easing back towards the 2% target during 2018. Growth in firms’ imported costs appears to have started moderating. Domestically generated inflation appears to have remained relatively subdued and inflation expectations remain consistent with the MPC’s 2% target.” Since the August inflation report, the MPC has met on 13 September and kept the Bank Base Rate at 0.25% but concluded that “there remain considerable risks to the outlook, which include the response of households, businesses and financial markets to developments related to the process of EU withdrawal. The MPC will respond to these developments as they occur insofar as they affect the behaviour of households and businesses, and the outlook for inflation. The Committee will continue to monitor closely the incoming evidence on these and other developments, and stands ready to respond to changes in the economic outlook as they unfold to ensure a sustainable return of inflation to the 2% target.”

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

Table 11: Forecasts for the UK Economy

Source: HM Treasury - Forecasts for the UK Economy (September 2017)			
	Lowest %	Highest %	Average %
2017 (Quarter 4)			
CPI	2.6	3.4	2.9
RPI	3.3	4.4	3.8
LFS Unemployment Rate	4.2	5.2	4.6
2018 (Quarter 4)			
CPI	1.6	3.0	2.4
RPI	2.4	3.9	3.2
LFS Unemployment Rate	3.9	5.4	4.7

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 2017 to 2021 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (August 2017)					
	2017	2018	2019	2020	2021
	%	%	%	%	%
CPI	2.7	2.6	2.2	1.9	1.9
RPI	3.5	3.5	3.0	3.0	3.0
LFS Unemployment Rate	4.5	4.7	4.8	4.8	4.8

Treasury Management: Outlook

At its meeting ending on 13 September 2017, the Committee voted by a majority of 7-2 to maintain Bank Rate at 0.25%. The Committee voted unanimously to maintain the stock of sterling non-financial investment-grade corporate bond purchases, financed by the issuance of central bank reserves, at £10 billion. The Committee also voted unanimously to maintain the stock of UK government bond purchases, financed by the issuance of central bank reserves, at £435 billion.

In the Bank of England's quarterly Inflation report for August 2017, the MPC set out its most recent assessment of the outlook for inflation and activity and outlined its view on the long-term outlook for interest rates. The MPC noted that "CPI inflation has remained above the 2% target as rises in import prices following the steep fall in the sterling exchange rate last year continue to pass through to consumer prices.... Overall, given a market-implied path for Bank Rate that rises by around ½ percentage point over the next three years, growth is projected to be modest and unemployment to stay close to its current rate. Import price pressures begin to fade in the second half of the forecast period, but are still keeping inflation above the 2% target at the end."

In the minutes to the MPC meeting ending on 13 September 2017, it was stated that "All MPC members continue to judge that, if the economy follows a path broadly consistent with the August Inflation Report central projection, then monetary policy could need to be tightened by a somewhat greater extent over the forecast period than current market expectations. A majority of MPC members judge that, if the economy continues to follow a path consistent with the prospect of a continued erosion of slack and a gradual rise in underlying inflationary pressure then, with the further lessening in the trade-off that this would imply, some withdrawal of monetary stimulus is likely to be appropriate over the coming months in order to return inflation sustainably to target. All members agree that any prospective increases in Bank Rate would be expected to be at a gradual pace and to a limited extent."

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.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	End Q.1 2020	End Q.2 2020	End Q.3 2020
Aug.'17	0.2	0.3	0.4	0.4	0.5	0.5	0.5	0.6	0.6	0.7	0.7	0.7	0.8
May '17	0.2	0.2	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.5	0.5	0.5	
Feb'17	0.3	0.3	0.3	0.4	0.4	0.4	0.5	0.5	0.6	0.6	0.7		
Nov.'16	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	0.2	0.2	0.2	0.2				
May '16	0.5	0.5	0.6	0.6	0.6	0.7	0.7	0.8					
Feb. '16	0.7	0.8	0.8	0.9	1.0	1.0	1.1						
Nov. '15	0.9	1.0	1.1	1.1	1.2	1.3							
Aug.'15	1.4	1.5	1.6	1.7	1.7								
May '15	1.2	1.3	1.3	1.4									
Feb.'15	1.0	1.1	1.1										
Nov '14	1.7	1.7											
Aug.'14	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.

Capital Budget Monitoring August 2017

Please note totals are now at the top of activity rather than the bottom

	2017/18 Year to Date			2017-18	Full Year Forecast	
	Actuals	Profiled Budget	Variance	Final Budget	Final Forecast	Full Year Variance
Capital	5,469,332	12,881,310	(7,411,978)	55,090,450	47,163,542	(7,926,908)
Corporate Services	713,999	667,306	46,693	25,454,950	18,245,066	(7,209,884)
Business Improvement	86,879	297,306	(210,427)	1,810,280	2,218,976	408,696
Customer Contact Programme	5,393	0	5,393	1,006,420	1,356,420	350,000
IT Systems Projects	3,905	190,921	(187,016)	405,460	341,260	(64,200)
Social Care IT System	77,582	106,385	(28,803)	398,400	521,296	122,896
Facilities Management Total	176,005	142,500	33,505	4,368,030	4,368,030	0
Works to other buildings	53,373	122,500	(69,127)	457,500	457,500	0
Civic Centre	(47,546)	50,000	(97,546)	275,000	275,000	0
Invest to Save schemes	217,441	(150,000)	367,441	3,188,720	3,188,720	0
Water Safety Works	(28,237)	45,000	(73,237)	153,990	153,990	0
Asbestos Safety Works	(19,026)	75,000	(94,026)	292,820	292,820	0
Infrastructure & Transactions	474,952	260,000	214,952	2,268,190	2,268,190	0
Disaster recovery site	90,952	175,000	(84,048)	513,790	513,790	0
Planned Replacement Programme	383,999	85,000	298,999	1,754,400	1,754,400	0
Resources	(23,837)		(23,837)	165,870	165,870	0
Financial System	(23,837)		(23,837)	18,070	18,070	0
ePayments System			0	106,800	106,800	0
Invoice Scanning SCIS/FIS			0	41,000	41,000	0
Corporate Items		(32,500)	32,500	16,842,580	9,224,000	(7,618,580)
Housing company				9,188,000	9,188,000	
Acquisitions Budget			0	6,372,180	0	(6,372,180)
Capital Bidding Fund		(32,500)	32,500	1,246,400	0	(1,246,400)
Multi Functioning Device (MFD)			0	36,000	36,000	0
Community and Housing	173,751	335,023	(161,272)	1,444,770	982,280	(462,490)
Adult Social Care	8,907	36,594	(27,687)	83,600	83,600	0
ASC IT Equipment	8,907	14,724	(5,817)	39,850	39,850	0
Telehealth		21,870	(21,870)	43,750	43,750	0
Housing	147,065	101,549	45,516	962,490	500,000	(462,490)
Disabled Facilities Grant	165,034	101,549	63,485	962,490	500,000	(462,490)
Major Projects - Social Care H	(17,969)		(17,969)			0
Libraries	17,779	196,880	(179,101)	398,680	398,680	0
Library Enhancement Works	1,897	180,000	(178,103)	200,000	200,000	0
Major Library Projects	15,602	16,880	(1,278)	98,680	98,680	0
Libraries IT	280		280	100,000	100,000	0

Capital Budget Monitoring August 2017

Please note totals are now at the top of activity rather than the bottom

	2017/18 Year to Date			2017-18	Full Year Forecast	
	Actuals	Profiled Budget	Variance	Final Budget	Final Forecast	Full Year Variance
Children Schools & Families	1,213,417	4,354,930	(3,141,513)	8,230,360	8,275,084	44,724
Primary Schools	(513,196)	678,500	(1,191,696)	1,030,120	1,225,910	195,790
West Wimbledon		50,000	(50,000)	56,090	50,000	(6,090)
Hatfield	(798)	8,000	(8,798)	21,330	21,330	0
Hillcross	11,134	50,000	(38,866)	50,000	41,000	(9,000)
Joseph Hood	528	40,000	(39,472)	42,720	28,720	(14,000)
Dundonald	(184,764)		(184,764)	96,070	137,070	41,000
Merton Abbey	45		45			0
Merton Park	528	20,000	(19,472)	20,000	11,000	(9,000)
Pelham	(18,780)	65,000	(83,780)	65,000	50,000	(15,000)
Poplar	(8,569)		(8,569)	1,000	1,000	0
Wimbledon Chase		60,000	(60,000)	60,000	80,000	20,000
Wimbledon Park		20,000	(20,000)	20,000	20,000	0
Malmesbury		27,000	(27,000)	27,000	34,000	7,000
Morden		100,000	(100,000)	100,000	110,000	10,000
Liberty		20,000	(20,000)	20,000	17,000	(3,000)
Links	3,845	20,000	(16,155)	20,000	17,000	(3,000)
Singlegate	17,375	45,000	(27,625)	194,290	214,290	20,000
St Marks		70,000	(70,000)	70,000	95,000	25,000
Lonesome	17,602		17,602	61,500	95,000	33,500
Sherwood			0		83,000	83,000
Stanford	1,056	50,000	(48,944)	50,000	50,000	0
William Morris		25,000	(25,000)	26,620	42,000	15,380
Unlocated Primary School Proj	(316,535)		(316,535)			0
St Mary's (RC)	(35,862)	8,500	(44,362)	28,500	28,500	0
Secondary School	1,424,731	2,917,500	(1,492,769)	5,076,630	4,921,604	(155,026)
Harris Academy Morden			0	50,060	50,060	0
Harris Academy Merton	1,271,242	1,737,500	(466,258)	3,127,020	3,105,520	(21,500)
St Mark's Academy			0			0
Rutlish			0	88,000	80,000	(8,000)
Harris Academy Wimbledon	153,489	1,180,000	(1,026,511)	1,811,550	1,686,024	(125,526)
SEN	165,561	678,070	(512,509)	1,654,830	1,658,790	3,960
Perseid	113,636	547,000	(433,364)	1,273,760	1,277,720	3,960
Cricket Green		1,070	(1,070)	1,070	1,070	0
Secondary School Autism Unit			0	30,000	30,000	0
Unlocated SEN	51,926	130,000	(78,074)	350,000	350,000	0
CSF Schemes	151,625	80,860	70,765	468,780	468,780	0
CSF - IT Schemes			0			0
School Equipment Loans			0	104,900	104,900	0
Devolved Formula Capital	151,625	80,860	70,765	363,880	363,880	0

Capital Budget Monitoring August 2017

Please note totals are now at the top of activity rather than the bottom

	2017/18 Year to Date			2017-18	Full Year Forecast	
	Actuals	Profiled Budget	Variance	Final Budget	Final Forecast	Full Year Variance
Environment and Regeneration	3,368,165	7,524,051	(4,155,886)	19,960,370	19,661,112	(299,258)
Public Protection and Developm	139,325	69,022	70,303	203,240	203,240	0
Off Street Parking - P&D			0			0
CCTV Investment	139,325	57,522	81,803	191,740	191,740	0
Public Protection and Developm		11,500	(11,500)	11,500	11,500	0
Street Scene & Waste	(138,871)	1,482,580	(1,621,451)	1,640,080	1,640,080	0
Fleet Vehicles	142,302	380,000	(237,698)	350,000	350,000	0
GPS Vehical Tracking Equipment	13,146	7,990	5,156	159,990	159,990	0
Alley Gating Scheme	22,093	10,000	12,093	40,000	40,000	0
Smart Bin Leases - Street Scen			0	5,500	5,500	0
Waste SLWP	(316,412)	1,084,590	(1,401,002)	1,084,590	1,084,590	0
Sustainable Communities	3,367,711	5,972,449	(2,604,738)	18,117,050	17,817,792	(299,258)
Street Trees	7,656	33,300	(25,644)	60,000	60,000	0
Unallocated Roads Budget (unsp	(33,311)		(33,311)		0	0
Highways & Footways	1,375,149	2,017,269	(642,120)	4,414,750	4,414,750	0
Cycle Route Improvements	315,905	233,154	82,751	859,740	860,100	360
Mitcham Transport Improvements	(170)	112,880	(113,050)	307,880	307,880	0
Electric Vehicle Infrastructur		15,000	(15,000)	15,000	15,000	0
Unallocated Tfl			0		0	0
Tackling Traffic Congestion	240,374	100,824	139,550	410,950	410,950	0
Industrial Estates		26,880	(26,880)	452,750	104,750	(348,000)
Colliers Wood Area Regeneratio	134,699	158,610	(23,911)	188,610	188,610	0
Mitcham Area Regeneration	612,101	257,664	354,437	2,082,260	2,082,260	0
Morden Area Regeneration	8,408		8,408	200,000	200,000	0
Borough Regeneration	110,678	79,870	30,808	79,870	127,870	48,000
Morden Leisure Centre	506,872	3,079,958	(2,573,086)	8,029,540	8,038,295	8,755
Sports Facilities	27,334	20,000	7,334	530,960	524,460	(6,500)
Parks	62,015	(216,850)	278,865	430,850	428,977	(1,873)
Mortuary Provision		53,890	(53,890)	53,890	53,890	0

Virement, Re-profiling and New Funding - August 2017

Appendix 5b

	2017/18 Budget	Virements	Adjusted & New Funding	Reprofiling	Revised 2017/18 Budget	2018/19 Budget	Reprofiling	Revised 2018/19 Budget	Narrative
	£	£	£	£	£	£	£	£	
Corporate Services	-								
Capital Bidding Fund	(2) 1,806,500			(560,100)	1,246,400	0		0	
Morden Park House Courtyard	(1) 0	0	125,000		125,000				£48k Donation and £77k Revenue Contribution
Environment & Regeneration	-								
Parks - Canons Parks for the People	(2) 15,400		180,450		195,850	0	1,117,470	1,117,470	Virement - Bidding fund (Canons park for people scheme)
Mitcham Area Regeneration - Parks for the People	(2) 0	0	78,680	560,100	638,780	1,250,000	2,032,100	3,282,100	Virement - Bidding fund (Canons park for people scheme)
Imp PRW Runs Mawson Clse - Kingston Rd		0	20,000		20,000	0		0	Section 106 Funded
Total		1,821,900	404,130	0	2,226,030	1,250,000	3,149,570	4,399,570	

1) Requires Cabinet Approval

2) Requires Council Approval

Virement, Re-profiling and New Funding - August 2017

Appendix 5b

	2019/20 Budget	Reprofiling	Revised 2019/20 Budget	2020/21 Budget	Reprofiling	Revised 2020/21 Budget	Narrative
	£	£	£	£	£	£	
-							
-							
(2) 0	0	195,540	195,540				
(2) 0	0	301,040	301,040				
Total	0	496,580	496,580	0	0	0	

Environment & Regeneration

Parks - Canons Parks for the People

Mitcham Area Regeneration - Parks for the People

Capital Programme Funding Summary 2017/18

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
Revised Funding - July 2017 Monitoring	41,031	13,655	54,686
<u>Corporate Services</u>			
Morden Park House Courtyard	77	48	125
<u>Environment and Regeneration</u>			
Parks - Canons Parks for the People	0	180	180
Mitcham Area Regeneration - Parks for the People	0	79	79
Imp PRW Runs Mawson Clse - Kingston Rd	20	0	20
Revised Funding - August 2017 Monitoring	41,128	13,962	55,090

Capital Programme Funding Summary 2018/19

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
Approved Programme - July Monitoring	37,080	17,933	55,013
<u>Environment and Regeneration</u>			
Parks - Canons Parks for the People	0	1,117	1,117
Mitcham Area Regeneration - Parks for the People	0	2,032	2,032
Proposed Programme - August Monitoring	37,080	21,083	58,162

Capital Programme Funding Summary 2019/20

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
Revised Funding - July 2017	23,537	2,346	25,883
<u>Environment and Regeneration</u>			
Parks - Canons Parks for the People	0	196	196
Mitcham Area Regeneration - Parks for the People	0	301	301
Revised Funding - July 2017	23,537	2,843	26,380

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2017/18-Aug 2017

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Expected Savings £000	Shortfall £000	17/18 RAG	2017/18 Mitigated by Growth £000	2018/19 Savings Expected £000	Shortfall	18/19 RAG	Responsible Officer	Comments	R / A Included in Forecast Over/Underspend ? Y/N
CH38, CH1	Adult Social Care Placements (replaces three original savings proposals). Given ongoing market pressures and extensive work already undertaken to review OP packages, the savings can only be achieved by more targeted work to manage demand. There will be a focus on three areas: 1) demand coming through transition into adulthood, 2) maximising reablement opportunities to reduce long term needs, 3) Reviewing equity of access and resource in areas such as 1:1 care, night cover, double-up care, 15 min daytime visits and multiple provisions.	827	827	0	R		827	0	G	Richard Ellis	There is a focus on learning disabilities where package costs tend to be much higher and direct payments. 350 reviews have been carried out. £493k has been achieved to date.	Y
CH20, CH58, CH54, CH 37, CH59	Staff savings: most were brought forward to 2016/17. These represent the residual savings in Direct provision	100	100	0	G		100	0	G	Andy Ottaway-Searle	Achieved	Y
CH57	Staff savings: transfer of savings from housing	50	0	50	R		0	(50)	R	Richard Ellis	Options are currently being considered	Y
CH2, CH3	Contracts: re-commissioning of home care contracts. Moving packages from high cost spot purchased care to contract rate.	215	97	118	R		215	0	G	Richard Ellis	The new contracts will be in place by January 2018. The ability to transfer current spot purchased packages depends on the ability of the new providers to recruit carers.	Y
CH35, CH36, CH52	Supporting People: re-commissioning of former Supporting People contracts. Savings can be achieved by removing funding from community alarms and reducing the capacity for housing support (including single homeless, mental health and young people at risk)	100	0	100	R		0	(100)	R	Richard Ellis	Further work on the options and impacts of reducing out subsidy of community alarms is being considered. The project is therefore deferred to 2018/19.	Y

APPENDIX 6

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2017/18-Aug 2017

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Expected Savings £000	Shortfall £000	17/18 RAG	2017/18 Mitigated by Growth £000	2018/19 Savings Expected £000	Shortfall	18/19 RAG	Responsible Officer	Comments	R / A Included in Forecast Over/Underspend ? Y/N
CH35, CH36, CH52	Supporting People: re-commissioning of former Supporting People contracts. Savings can be achieved by removing funding from community alarms and reducing the capacity for housing support (including single homeless, mental health and young people at risk)	356	0	356	A	(356)	356	0	G	Richard Ellis	Contracts do not end until the end of November 2017. This is a challenging sector with a reducing number of providers. Two contracts have been handed back in the last year. The Homelessness Prevention Bill may result in more people coming forward for support, whilst existing provision is already fully utilised. The optimal procurement route means that the process will now take longer than expected and savings will not accrue until 2018/19.	Y
CH53	Vol orgs Grant	600	600	0	G		600	0	G	Richard Ellis	Achieved	Y
Subtotal Adult Social Care		2,248	1,624	624		(356)	2,098	(150)				
Library & Heritage Service												
Page 69	Introduce self-serve libraries at off peak times: Smaller libraries to be self-service and supported only by a security guard during off peak times (nb. Saving would be reduced to £45k if Donald Hope and West Barnes libraries are closed). 3.5FTE at risk	90	90	0	A		90	0	G	Anthony Hopkins	These savings were delivered as part of a full organisational review, which has reduced the workforce by approx. 33%. The new delivery model has been in place since 1 May 2017. Current issue with agency spend but working to deliver savings	Y
CH49	Additional staff savings (Deletion of 1.5xFTE)	38	38	0	A		38	0	G	Anthony Hopkins		Y
CH50	Deletion of Projects & Procurement Manager post (Deletion of 0.6xFTE)	22	22	0	A		22	0	G	Anthony Hopkins		Y
CH70	Additional staffing efficiencies and consolidation of branch managers	63	63		A		63	0	G	Anthony Hopkins		
CH71	Reduction in People's Network costs	40	40	0	G		40	0	G	Anthony Hopkins		Y
Housing Needs & Enabling												
CH9	Rationalisation of admin budget :	36	36	0	G		36	0	G	Steve Langley		Y
CH10	Deletion of one staffing post	36	0	36	R		36	0	G	Steve Langley		Y
CH43	Further Staff reductions. This will represent a reduction in staff from any areas of the HINES & EHH :	100	0	100	R		100	0	G	Steve Langley	Service currently restricting to achieve savings.	Y
Total C & H Savings for 2017/18		2,673	1,913	760		(356)	2,523	(150)				

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - PROGRESS ON SAVINGS 17-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Savings Expected £000	Shortfall	17/18 RAG	2018/19 Savings Expected £000	Shortfall	18/19 RAG	Responsible Officer	Comments	R/A Included in Forecast Over/Underspend? Y/N
CSF2016-01	<u>Gross cutting</u> Deletion of Assistant Director, Service Manager and half an admin support posts as part of phased restructure of the department.	224	207	17	A	224	0	G	Paul Angeli	Due to the number of management changes affecting social care and the preparation required for the OFSTED inspection, it is required to provide cover for the Service Manager reduction in the short term. Quantification of this shortfall will be reviewed during the year.	Y
CSF2015-05	<u>Contracts and School Organisation</u> property and contracts 1 FTE.	65	65	0	G	65	0	G	Jane McSherry		
CSF2013-01	<u>Early Years</u> 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	250	250	0	G	250	0	G	Jane McSherry		
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.	296	296	0	G	296	0	G	Jane McSherry		
CSF2013-02	<u>School Standards and Quality</u> Reduced service offer from School improvement service.	75	75	0	G	75	0	G	Jane McSherry		
CSF2015-03	Schools Increased income from schools and/or reduced LA service offer to schools.	200	200	0	G	200	0	G	Jane McSherry		
	Total Children, Schools and Families Department Savings for 2015/16	1,110	1,093	17		1,110	0				

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 17-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Savings Expected £000	Shortfall	17/18 RAG	2018/19 Savings Expected £000	2018/19 Expected Shortfall £000	18/19 RAG	Responsible Officer	Comments	R / A Included in Forecast Over/Underspend? Y/N
CS60	Deletion of Assistant Director post	109	109		G	109		G	Caroline Holland		N
CSD17	Reduce Marketing budget - Increase self service by using Panacea - marketing solution software in order to reduce designer costs for smaller marketing jobs	73	73		G	73		G	Sophie Poole		N
CS2015-04	Increase in Registrars income	25	25		G	25		G	Sean Cumniffe/Tomas Dyson		N
CS2016-04	Increase income through Registrars service	15	15		G	15		G	Sean Cumniffe/Tomas Dyson		N
	Business Improvement										
CS63	Reorganisation of systems development and support arrangements.	74	74		G	74		G	Clive Cooke		N
CSD42	Restructure functions, delete 1 AD and other elements of management	170	100	70	Red	100	70	Red	Sophie Ellis		Y
CS2015-08	Staffing support savings	13	0	13	Red	0	13	Red	Sophie Ellis		N
	I & T										
CS70	Apply a £3 administration charge to customers requesting a hard copy paper invoice for services administered by Transactional Services team	35	0	35	Red	0	35	Red	Pam Lamb	Due to delays in implementation of e5, Sharepoint and EDRMS there will be a delay in achieving this. Alternative to be identified within the division.	N
CS71	Delete two in house trainers posts	42	42		G	42		G	Richard Warren		N
CS72	Consolidation of Infrastructure & Transactions revenue budgets	34	34		G	34		G	Tina Dullaway		N
CS2015-09	Restructure of Safety Services & Emergency Planning team	18	18		G	18		G	Adam Vicari		N
CS2015-08	Potential income derived from letting two floors of vacant office space within the Civic centre to external/partner organisations.	90	90		G	90		G	Mark Humphries		N
	CEX										
CS2015-07	Reduction in running cost budgets	28	28		G	28		G	Sophie Jones		N
	Resources										
CS46	Resources -Deletion of 3 Posts within the Division	78	78		G	78		G	R Kershaw		N
CS66	Review recharges of Resources support function to pension fund	47	47		G	47		G	R Kershaw/Paul Audu		N
CSD20	Increased income	16	16		G	16		G	R Kershaw		N
CSD23	Cut running costs budgets	3	3		G	3		G	Bindi Lakhani		N
CSD26	Delete 1 Business Partner	78	0	78	Red	0	0	G	Caroline Holland	Due to delays in major change projects	N
CSD46	Reduce budget for LCGS to match actual contribution	81	81		G	81		G	John Dimmer		N
CS2016-01	Reduction in contribution to insurance fund	100	100		G	100		G	R Kershaw/Paul Audu		N
	Human Resources										
CSD34	Learning and Development admin support	18	18		G	18		G	Kim Brown		N
CSD35	Learning and Development Budget	134	134		G	134		G	Kim Brown		N
	Corporate Governance										
CS73	Saving from 4 borough shared legal service	20	20		G	20		G	Fiona Thomsen		N
CSD43	Share FOI and information governance policy with another Council	40	40		Red	40		Red	Paul Evans		N
CSD45	Share audit and investigation service	20	20		G	20		G	Margaret Culleton		N

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 17-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Savings Expected £000	Shortfall	17/18 RAG	2018/19 Savings Expected £000	2018/19 Expected Shortfall £000	18/19 RAG	Responsible Officer	Comments	R / A Included in Forecast Over/Under spend? Y/N
CS2015-13	Reduction in capacity and service efficiency in investigation service	40	40		G	40		G	Margaret Culleton		
CS2015-14	Reduction in capacity and service efficiency in Audit service	33	33		G	33		G	Margaret Culleton		
CS2016-03	Supplies & Services	50	50		G	50		G	Julia Regan		
	Total Corporate Services Department Savings for 2017/18	1,484	1,288	196		1,366	118				

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2017-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Savings Expected £000	Shortfall	17/18 RAG	2018/19 Savings Expected £000	2018/19 Expected Shortfall £000	18/19 RAG	Responsible Officer	Comments	R/A Included in Forecast Over/Unders pend? Y/N
	SUSTAINABLE COMMUNITIES										
ER23b	Restructure of team to provide more focus on property management and resilience within the team.	18	0	18	R	18	0	A	James McGinlay	Business Case for restructure in progress, but due to the delay it's unlikely to be fully achieved this financial year. Saving being achieved through rents (reported through monthly budget return).	Y
E&R5	Team transformation and asset review	82	82	0	A	82	0	A	James McGinlay	Business Case for restructure in progress, but expecting to achieve this saving once implemented. Saving being achieved through rents (reported through monthly budget return).	Y
D&BC1	Fast track of householder planning applications	55	0	55	R	0	55	R	James McGinlay	This saving is not currently being achieved. The team is extremely short of management support and has no resource available to launch this complex new service.	Y
D&BC2	Growth in PPA and Pre-app income	50	0	50	R	0	50	R	James McGinlay	Monitor throughout the year.	Y
D&BC3	Commercialisation of building control	50	0	50	R	0	50	R	James McGinlay	This saving is not currently being achieved. The shared service discussions with Sutton and Kingston are still underway and a future direction decision is awaited at Director level.	Y
D&BC4	Deletion of 1 FTE (manager or deputy) within D&BC	45	45	0	G	45	0	G	James McGinlay	Savings taken - implementation late 2017.	N
D&BC5	Eliminate the Planning Duty service (both face to face and dedicated phone line) within D&BC	35	0	35	R	0	35	R	James McGinlay	Not implemented. Linked to national planning fee increase.	Y
D&BC6	Stop sending consultation letters on applications and erect site notices	10	0	10	R	0	10	R	James McGinlay		Y
E&R32	Income from wifi concessionary contract to be let from 2015/16	5	5	0	G	5	0	G	James McGinlay		N
ENV20	Increased income from building control services.	35	0	35	R	0	35	R	James McGinlay	Not able to implement	Y
ENV21	Lease subscription to Urban London and Future London Leaders	10	10	0	G	10	0	G	James McGinlay		N
ENV34	Increased income from the non-operational portfolio.	8	8	0	G	8	0	G	James McGinlay		N
	PUBLIC PROTECTION										
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.	163	163	0	A	163	0	A	John Hill	The 2017/18 saving is expected to be achieved based on the latest CPZ forecast.	N
E&R8	In response to residents concerns about traffic congestion, enforcement of moving traffic contraventions, following the implementation of ANPR.	-1,540	-1,540	0	G	-1540	0	G	John Hill	Wandsworth is expected to join in April 2018 and the £100K savings earmarked for 2017/18 will not be met.	N
E&R14	Further expansion of the Regulatory shared service.	100	0	100	R	100	0	G	John Hill		Y
E&R43	Reprofiling how Safer Merton will achieve savings of £70,000 in 2017-18. The reprofiling will see staff levels maintained and budget reductions met through cutting back on non statutory budgetary spend.	70	70	0	G	70	0	G	John Hill	Due to the delay in recruiting the Integrated Offender Management co-ordinator this saving will not be met in full during 2017/18. The shortfall relates to the IOM salary.	Y
ENV02	Review the current CEO structure, shift patterns and hours of operation with the intention of moving toward a two shift arrangement based on 5 days on/2 days off.	190	0	190	R	190	0	A	John Hill	This saving is not currently being achieved as the there has been slippage in the timetable for the restructure.	Y
ENV03	Reduction number of CEO team leader posts from 4 to 3	45	0	45	R	45	0	A	John Hill	This saving is not currently being achieved for the same reasons as those given in respect of ENV02.	Y
ENV04	Improved management of traffic flows/congestion and availability of parking space through increase compliance	250	250	0	A	250	0	A	John Hill	Saving expected to be achieved but too early in the year to be certain.	N

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2017-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Savings Expected £000	Shortfall	17/18 RAG	2018/19 Savings Expected £000	2018/19 Expected Shortfall £000	18/19 RAG	Responsible Officer	Comments	R / A Included in Forecast Over/Unders pend? Y/N
ENV05	Review the back office structure based upon the anticipated tailing off of ANPR activity and the movement of CCTV into parking services.	70	0	70	R	70	0	A	John Hill	The implementation of this saving has been delayed by the slower than anticipated implementation of ANPR and its effect on the back office function. The review can take place when a full year's ANPR impact can be measured (which will be after August 2017)	Y
ENV06	Reduction in transport related budgets	46	0	46	R	0	46	R	John Hill	This saving has not yet been achieved as a number of options are being considered as the best way to meet this target.	Y
ENV09	Investigate potential commercial opportunities to generate income	50	25	25	R	50	0	A	John Hill	Although early in the process, there may be difficulty in achieving the full year effect for 2017/18. The income generating RSP Business Development team is scheduled to become operational in September 2018.	Y
ENV10	Reduction in Transport/Supplies and Services budget through greater efficiency	10	10	0	G	10	0	G	John Hill		N
ENV33	Development of emissions based charging policy for resident/business permits recognising the damage particularly from diesel engine motor vehicles	250	250	0	G	250	0	G	John Hill		N
ENR3	Increase the cost of existing Town Centre Season Tickets in Morden, Mitcham and Wimbledon.	16	16	0	G	16	0	G	John Hill		N
ENV01	SENIOR MANAGEMENT										
ENV02	Reduce the level of PA support to Heads of Service by 0.6fte.	19	19	0	G	19	0	G	Chris Lee		N
ENV03	PUBLIC SPACE										
E&R1	Arts Development - further reduce Polka Theatre core grant	5	5	0	G	5	0	G	Graeme Kane		N
E&R2	Water sports Centre - Additional income from new business - Marine College & educational activities.	10	10	0	G	10	0	G	Graeme Kane		N
E&R3	Various Budgets - Reduction in supplies & services &/or increased income over expenditure	16	16	0	G	16	0	G	Graeme Kane		N
E&R16	joint procurement of waste, street cleansing, winter maintenance and fleet maintenance services (Phase C)	1,500	1,400	100	R	1500	0	G	Graeme Kane	Full savings not achieved in Year 1 of contract. Actual savings delivered are being monitored closely	Y
E&R20	To contribute to a cleaner borough, enforcement of litter dropping under EPA/ ASB legislation with FPN fines for contraventions.	-3	-3	0	G	-3	0	G	Graeme Kane		Y
E&R25	Joint procurement of greenspace services as part 2 of the Phase C SLWP procurement contract with LB Sutton	160	160	0	G	160	0	G	Graeme Kane		N
ENV11	Outsource leisure and sports activities	59	59	0	G	59	0	G	Graeme Kane		N
ENV12	Loss of head of section/amalgamated with head of Greenspaces	70	0	70	R	70	0	A	Graeme Kane	Expected to be achieved in 2018/19.	Y
ENV13	Staff savings through the reorganisation of the back office through channel shift from phone and face to face contact.	70	0	70	R	70	0	G	Graeme Kane	Saving forms part of Phase C, but may not be achieved this financial year.	Y
ENV18	Increased income from events in parks	100	0	100	R	100	0	A	Graeme Kane	This saving is not currently being achieved. Work continues to identify how income from events in parks, including developing working partnerships with external event production companies, can be generated.	Y
ENV19	Planned re-distribution of North East Surrey Crematorium funds	90	90	0	G	90	0	G	Graeme Kane		N
ENV21	Reduction in the grant to Wandale Valley Parks Trust	6	6	0	G	6	0	G	Graeme Kane		N
ENV22	Reduction in grant to Mitcham Common Conservators.	24	24	0	G	24	0	G	Graeme Kane		N
ENV23	Further savings from the phase C procurement of Lot 2.	160	89	71	R	160	0	A	Graeme Kane	Saving forms part of Phase C, but may not be achieved this financial year.	Y
ENV25	Department restructure of the waste section	191	0	191	R	191	0	G	Graeme Kane	Saving forms part of Phase C, but may not be achieved this financial year.	Y
ENV26	Re-balancing of rounds	20	0	20	R	20	0	G	Graeme Kane	Saving forms part of Phase C, but may not be achieved this financial year.	Y
ENV27	Remove free provision of food waste liners	66	0	66	R	66	0	G	Graeme Kane	Saving forms part of Phase C, but may not be achieved this financial year.	Y

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2017-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Savings Expected £000	Shortfall	17/18 RAG	2018/19 Savings Expected £000	2018/19 Expected Shortfall £000	18/19 RAG	Responsible Officer	Comments	R / A Included in Forecast Over/Underspend? Y/N
ENV28	Divert gully waste and mechanical Street sweepings from landfill through pre-treatment and recycling	37	37	0	A	37	0	A	Graeme Kane	Working closely with SLWP to prioritise this project.	Y
ENV29	Realign budget to reflect actual income achieved through sale of textiles	20	20	0	A	20	0	A	Graeme Kane	Price of textiles continue to fall. Income levels to be monitored closely.	Y
ENV30	Increase annual Garden Waste subscription fees by £5 p.a.	30	0	30	R	30	0	G	Graeme Kane	Saving forms part of Phase C, but may not be achieved this financial year.	Y
ENV31	Commencing charging schools for recyclable waste (17/18) and food waste (18/19) collection	102	102	0	G	102	0	G	Graeme Kane	Saving forms part of Phase C, but may not be achieved this financial year.	Y
ENV36	Review and removal of NRCs	50	50	0	G	50	0	G	Graeme Kane		Y
Total Environment and Regeneration Savings 2017/18		3,050	1,603	1,447		2,769	281				

APPENDIX 6

Department	Target Savings 2017/18	Projected Savings 2017/18	Period 5 Forecast Shortfall	Period 4 Forecast Shortfall	Period Forecast Shortfall
	£000	£000	£000	£000	%
Corporate Services	1,484	1,288	196	118	13.2%
Children Schools and Families	1,110	1,093	17	37	1.5%
Community and Housing	2,673	1,913	760	642	28.4%
Environment and Regeneration	3,050	1,603	1,447	902	47.4%
Total	8,317	5,897	2,420	1,699	29.1%

86.79%
 98.47%
 71.57%
 52.56%
 70.90%

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- July 2017

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG
CH30	<p>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.</p>	345	345	0	G
CH31	<p>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.</p>	134	0	134	R

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- July 2017

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG
CH02	<p>Adult Social Care</p> <p>Promoting Independence - Public Value Review - Efficiencies to be found in hospital discharge process and by enabling customers to regain and maintain independence</p>	100	79	22	G
CH29	<p>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.</p>	125	0	125	R
CH34	<p>Substance Misuse Placements - Actively manage throughput in residential rehab placements - A reduction in the placements available for Substance misuse clients</p>	6	0	6	R

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- July 2017

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG
CH05	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
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	100	0	G
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	511	0	G

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- July 2017

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG
CH58	Access and Assessment Employees - Staff Savings	700	700	0	G
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	156	0	G
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
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

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- July 2017

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG
CH23	Directorate- Staff Savings - 0.46 FTE to be deleted- None, post now funded by Public Health	21	21	0	G
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
CH24	<p>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.</p>	100	0	100	R

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- July 2017

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG
CH25	<p>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.</p>	400	0	400	R
CH26	<p>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.</p>	50	50	0	R

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- July 2017

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG
CH27	<p>Mental Health- Care Packages - Review of support packages within all areas of Mental Health services. - We anticipate 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.</p>	76	0	76	R
CH28	<p>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.</p>	387	0	387	R

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- July 2017

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG
CH32	<p>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.</p>	48	0	48	R
CH33	<p>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.</p>	60	0	60	R
CH60	<p>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.</p>	294	294	0	G

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- July 2017

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG
CH61	Meals on Wheels (Sodexo): Decommissioning service and embed support within community, neighbourhood and voluntary support infrastructure	153	48	105	R
CH62	Supported accommodation mental health : Decommission service as a result of Provider notice to cease service in Merton	106	106	0	G
CH63	Day support Imagine Independence : Decommission service and recommission cost effective peer led day opportunities for people with mental health	84	84	0	G
CH51	NHS Income : Negotiate extra NHS funding for extra costs of Hospital Discharges - Circa £150k on packages, £50k on staff.	200	0	200	R
	Library & Heritage Service				
CH44	Deletion of all administrative support (Deletion of 1 x FTE)	26	26	0	G
CH45	Reduction in activities programme	2	2	0	G
CH46	Withdrawal from annual CIPFA public library user survey (PLUS)	3	3	0	G
CH47	Reduction in volunteering contract	20	20	0	G
CH48	Reduction in media fund	45	45	0	G
	Merton Adult Education				
CH15	MAE : Staffing cost reductions - Delivery utilising the use of Information Technology and other efficiencies	8	0	8	R

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2016/17- July 2017

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Expected Savings £000	Shortfall £000	RAG
	Housing Needs & Enabling				
CH8	Reduction of Homelessness Prevention Grant:	56	0	56	R
CH9	Rationalisation of admin budget :	30	30	0	G
CH40	Housing Strategy officer - deletion of 1 FTE :	43	43	0	G
CH41	Environmental health Technical officer deletion of 1 FTE:	33	33	0	G
CH42	Housing options adviser deletion of 1.5 FTE :	53	53	0	G
	Total Community & Housing Department Savings for 2016/17	5,379	3,653	1,727	

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	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	2018/19 Savings Expected £000	Shortfall	18/19 RAG	Responsible Officer
CSF2012-07	<p>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.</p> <p>Children Social Care</p>	100	100	0	100	0	A	100	0	G	Paul Angell

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 16-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Shortfall	16/17 RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	2018/19 Savings Expected £000	2018/19 Expected Shortfall £000	18/19 RAG	Responsible Officer	Comments
CS39	Impact of Customer Service Review	30	30	R	0	30	A	0	30	A	David Keppler/Sean Cunniffe	Has not been achieved due to delay in Customer Contact Implementation.
CS63	Reorganisation of systems development and support arrangements.	88	88	R	88	0	G	88	0	G	Sophie Ellis	
CS10	Outsourcing - Service Desk	20	20	R	20	0	G	20	0	G	Mark Humphries	Alternative Saving found from supplies budget
CSD2	Energy Savings (Subject to agreed investment of £1.5m)	150	150	R	150	0	G	150	0	G	Mark Humphries	Alternative Saving found from supplies budget
	Total Corporate Services Department Savings for 2016/17	288	288		258	30		258	30			

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2016-17

Ref	Description of Saving	2016/17 Savings Required £000	2016/17 Savings Achieved £000	Shortfall	16/17 RAG	2017/18 Savings Expected £000	2017/18 Expected Shortfall £000	17/18 RAG	2018/19 Savings Expected £000	2018/19 Expected Shortfall £000	18/19 RAG	Responsible Officer	Comments	R / A Included in Forecast Over/Underspend? Y/N
	SUSTAINABLE COMMUNITIES													
ER23b	Restructure of team to provide more focus on property management and resilience within the team.	52	0	52	R	40	12	R	52	0	A	James McGinlay	Business Case for restructure in progress, but due to the delay it's unlikely to be fully achieved this financial year. Saving being achieved through rents (reported through monthly budget return).	Y
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	13	0	G	James McGinlay		N
ER32	W/iff Concessionary Contract-Income from w/iff concessionary contract to be let from 2015/16	20	20	0	G	0	20	R	0	20	R	James McGinlay	Phase one has been successfully implemented, and phase two will be implemented in 17/18.	N
ER36	Reduction in reactive work budget	60	0	60	R	60	0	G	60	0	G	James McGinlay	Development site review underway. Implemented late 2017.	N
ER38	Income from Sedon 278/Developers agreements where traffic works are required as part of development. Charging for work currently not charged for.	50	50	0	G	15	35	R	50	0	A	James McGinlay	Monitored throughout the year.	Y
ER39	Pre-application income. This is in addition to any previous pre-app savings proposal.	50	50	0	G	0	50	R	50	0	A	James McGinlay		Y
	PUBLIC PROTECTION													
E&R8	In response to residents concerns about traffic congestion, enforcement of moving traffic contraventions, following the implementation of ANPR.	1,700	0	1,700	R	1700	0	G	1700	0	G	John Hill		N
E&R9	Change in on-street bay suspension pricing structure.	500	219	281	R	250	250	R	250	250	R	John Hill	The pricing regime has reduced demand to a greater extent than previously expected. However, income resulting from E&R11 should help to offset this shortfall.	Y
E&R10	Back office reorganisation	80	0	80	R	0	80	R	80	0	A	John Hill		Y
E&R13	Increase income from discretionary fees & charges	50	10	40	R	15	35	R	50	0	A	John Hill	Work underway, but potential for slippage and subsequent failure to achieve full year effect in 2017/18. The expanded RSP (includes Wandsworth) becomes operational in April 2018 and the income generating Business Development team becomes operational in September 2018.	Y
	PUBLIC SPACE													
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	100	0	G	Graeme Kane	This saving is linked to new CRM project and Environmental asset Management Business case.	N
E&R21	HRRC Site operations procured to external provider. Contractual savings.	30	0	30	R	0	30	R	0	30	R	Graeme Kane	Although procurement led to significant cost reduction, it was not sufficient enough to reduce below existing budget level. Current overspend forecast.	Y
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	130	0	G	Graeme Kane	It is currently expected to be implemented around September 2017.	N
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	0	60	R	5	55	R	60	0	A	Graeme Kane	New and reviewed tenancies are expected to be implemented during 2017/18 that will help meet this saving.	Y
E&R27	Additional property rental income	44	0	44	R	14	30	R	44	0	A	Graeme Kane	Work continues with achieving the £70k saving related to events.	Y
E&R33b	Various Greenspaces Budgets - Increase in income from commercialisation of services	70	0	70	R	55	15	R	70	0	A	Graeme Kane		Y
	Total Environment and Regeneration Savings 2016/17	2,705	349	2,356		2,397	612		2,709	300				

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Committee: Cabinet

Date: 16 October 2017

Wards: all

Subject: Starting Stage 1 consultation on new Local Plan

Lead officer: Director for Environment and Regeneration Chris Lee

Lead member: Cabinet Member for Regeneration, Environment and Housing,
Councillor Martin Whelton.

Contact officer: Deputy FutureMerton manager, Tara Butler

Recommendations:

- A. That Cabinet resolve to approve the first six week consultation on the new borough-wide Local Plan, to run for six weeks between October and December 2017.
 - B. That approval for the short consultation leaflet be delegated to the Director of Environment and Regeneration in consultation with the Cabinet Member.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. On 14 September 2016, council resolved to start a new borough-wide Local Plan. In line with government's guidance, this will be a single document replacing both Merton's Core Planning Strategy 2011 and Sites and Policies Plan 2014.
- 1.2. Cabinet is now asked to approve the first statutory borough-wide consultation of 6 weeks, to take place between October and December 2017.

2 DETAILS

- 2.1. On 14 September 2016, council resolved to start a new borough-wide Local Plan. In line with government's guidance, this will be a single document replacing both
 - Merton's Core Planning Strategy 2011 and
 - Sites and Policies Plan 2014.
- 2.2. The new Local Plan won't replace the South London Waste Plan 2012 (as this is a joint document with three other boroughs, dealing with waste management only) or the Estates Local Plan (as this is a site-specific rather than borough-wide Local Plan).
- 2.3. The council has already committed to creating plans for Morden and Wimbledon to ensure that the opportunities presented by Crossrail2 and the Mayor's Housing Zone in Morden can be realised.

- 2.4. Rather than create two separate Local Plans (with two separate sets of research, consultation and costs) the council will create one borough-wide Local Plan.
- 2.5. When the Local Plan is finished, it can cover:
- Borough-wide strategic policies on housing, design, flood risk, open space, etc (a similar approach to that are found in the Core Planning Strategy)
 - Area specific strategic policies covering the town centres and wider surroundings of Colliers Wood, Mitcham, Morden, Raynes Park and Wimbledon (a similar approach to those found in the Core Planning Strategy) These area-based policies can set the direction and allocate the sites for any detailed masterplans that may follow, such as for Morden Housing Zone.
 - Setting land designations: e.g. town centre boundaries, designated open space boundaries, areas for nature conservation, cycle routes etc. (similar to the maps in the Sites and Policies Plan)
 - Allocations of specific sites for development and any statutory site allocations or specific planning policies required for Morden, Wimbledon, or any other part of the borough (similar to the Sites and Policies Plan)
 - Detailed planning policies on retail, business areas, offices in town centres, housing matters, urban design (similar to the Sites and Policies Plan)
- 2.6. For this stage 1 initial consultation, officers will produce a short consultation leaflet (5-10 pages) and web form asking residents, businesses and others to suggest sites to allocate for development, to suggest places that they want to protect or see change and to suggest ideas for new planning policies.

3 ALTERNATIVE OPTIONS

- 3.1. One alternative is not to consult on the first stage of a Local Plan prior to December 2017. This option is not recommended as the current approach co-ordinates with the Mayor's London Plan, Transport Strategy and Environment Strategy timetable (all of which will have been published for consultation by December 2017) and with the council's requirements to produce a Local Implementation Plan (generating funding to the council to deliver the Mayor's Transport Strategy).
- 3.2. Missing this opportunity for consultation before January 2018 would remove the alignment between the Mayor of London's work and the council's work. This Local Plan timetable is also co-ordinated with the delivery of Morden Housing Zone and will de-risk the planning process to help deliver that zone.
- 3.3. The option not to carry out a Local Plan has already been considered and rejected by council at their meeting on 16 September 2017.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. As this is the first consultation stage, it is asking respondents questions (e.g. which sites they would like to see developed? What is important to you with new development?)
- 4.2. Officers are designing a short leaflet (5-10 pages) that will be easily readable online to prompt responses on planning policy matters and potential sites for redevelopment.
- 4.3. Peer to peer promotion of the consultation is usually a more successful approach. The consultation would be promoted by:
 - Sending it to all +2,000 community groups, residents associations, nature conservation bodies, individuals, landowners, developers and others on Merton's Local Plan consultation database. We will be asking community groups and residents associations to help spread the word in their own newsletters, blogs and websites.
 - Having an online form and promoting it on the council's website, Twitter and Facebook
 - Attending community events and encouraging people to respond.
- 4.4. The cross-party Borough Plan Advisory Committee will review progress and advise Cabinet on the progress of the new Local Plan. In addition this report has also been considered by members of the Sustainable Communities Scrutiny Committee on 11 October 2017 and Cabinet members will be updated on any relevant outcome at their meeting on 16 October 2017.

5 TIMETABLE

- 5.1. It is proposed that the consultation takes place for six weeks from around the end of October until the first week of December 2017.
- 5.2. This timetable for considering the council's consultation results is co-ordinated with the publications / projects below:
 - The first consultation on the Mayor's London Plan: due to be published November 2017 for three months
 - The Mayor's draft Transport Strategy and Environment Strategy, currently out for consultation until November 2017
 - Progress on the Morden Housing Zone, de-risking the planning process
 - The new draft of the National Planning Policy Framework, due in March 2018
- 5.3. The consultation results and all of the information will be used to inform Stage 2, a draft of the new Local Plan during 2018.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Funding to support this work will come from existing resources and officers will seek opportunities for funding bids and match funding wherever possible.
- 6.2. For example, the council made a successful funding bid to the Greater London Authority for £20,000 each year for 2017-18 and 2018-19 to support the redevelopment of Morden. Some of this funding (for example, on public engagement and technical expertise) will support the Morden element of the borough-wide Local Plan where this helps to deliver the Housing Zone.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The Planning and Compulsory Purchase Act 2004 (as amended) requires at least two stages of engagement on local plan making. This is the first of the two stages.
- 7.2. With the aim of encouraging more local authorities to have a local plan in place, the Housing and Planning Act 2016, the Act gives the Secretary of State greater powers to intervene in the local plan making process. Specifically it would allow the Secretary of State to intervene if a local authority was failing or omitting to do anything it is necessary for them to do in connection with the preparation, revision or adoption of a local plan.
- 7.3. The Government's Implementation of planning changes: technical consultation proposes to prioritise government intervention where:
 - there is under delivery of housing in areas of high housing pressure;
 - the least progress in plan-making has been made;
 - plans have not been kept up-to-date.
- 7.4. Merton's Core Planning Strategy was adopted in July 2011, just over six months prior to the National Planning Policy Framework publication in March 2012. Although the draft NPPF was considered as part of Merton's Core Planning Strategy and despite Merton producing three Local Plans between 2012 and 2017, technically Merton's strategic policies are not up to date. The preparation of the new Local Plan will enable Merton's strategic policies to be revised.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. Local Plans contain planning policies to improve community cohesion and are subject to Sustainability Appraisal / Strategic Environmental Assessments and Equalities Impact Assessments.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. Local Plans contain planning policies to improve community cohesion and are subject to Sustainability Appraisal / Strategic Environmental Assessments which also consider matters of crime and disorder.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. As set out in the body of this report.

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

- None

12 BACKGROUND PAPERS

12.1. Planning and Compulsory Purchase Act 2004 as amended.

12.2. National Planning Policy Guidance

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Committee: Cabinet

Date: 16 October 2017

Wards: All wards

Subject: Award of Contract for Adult Substance Misuse Treatment Service

Lead officer: Dr Dagmar Zeuner, Director of Public Health

Lead member: Cllr Tobin Byers, Cabinet Member for Adult Social Care

Contact officer: Keith Daley, Substance Misuse Commissioning Manager

Recommendation:

- A. That the Cabinet approves the award of a contract for the provision of the Adult Integrated Substance Misuse Service to Organisation A.

The value of the contract over three years is £3,785,219.

The contract will commence on 1 April 2018 and be for a period of three years with the option to extend for a further period of up to 24 months, subject to satisfactory performance, availability of budget and continued need at the sole discretion of the Council. The maximum possible contract period would be no more than five years.

- B. That the Cabinet delegates to the Director of Public Health, in consultation with the Cabinet Member for Adult Social Care and Health, the authority to extend the contract by the further increment of up to 24 months (as above).
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to seek the approval of the Cabinet to award a contract for the provision of the Adult Integrated Drug & Alcohol Service.
- 1.2. This report makes a recommendation that the Cabinet agrees to the award of contract to the organisation A identified in Part Two.
- 1.3. The contract price, over three years will be £3,785,219.

2 SUBSTANCE MISUSE STRATEGIC FRAMEWORK

- 2.1. Following extensive engagement with partners across Merton, the Substance Misuse Strategic Framework (SMSF) was supported and endorsed by the Health and Wellbeing Board in June 2017.
- 2.2. The overall aim of the SMSF is to reduce the significant harm caused by alcohol and drug misuse to individuals, families and communities in Merton.
- 2.3. It takes forward specific objectives of the Health and Wellbeing Strategy 2015/18, Children and Young People's Plan, and CCG Whole Merton Vision & Strategy, and contributes to the implementation of the Safer Stronger Merton priorities (including domestic violence). Tackling alcohol and drug

misuse will also help close the gap in health inequalities between the west and east of the borough.

- 2.4. The SMSF has established priorities for the substance misuse agenda over the coming years and the procurement of the Adult Integrated Substance Misuse Service is an integral part of those plans for substance misuse prevention and treatment.
- 2.5. The award of contract for the Adult Integrated Substance Misuse Service will support the council to deliver on improving positive outcomes for some of our most vulnerable residents as well as improving the life chances of many of the borough's residents.

3 THE ADULT INTEGRATED DRUG & ALCOHOL SERVICE

- 3.1. The Adult Integrated Substance Misuse Service will deliver an appropriate response to meeting the needs of drug & alcohol users and those individuals identified with both substance misuse and mental health needs within tight financial constraints.
- 3.2. This service will have a strong focus on recovery and prevention and will be critical in reducing the impact of problematic drug and/or alcohol use on individuals, families and carers, services and communities in Merton. The service will include:
 - 3.2.1 A single assessment system
 - 3.2.2 Low intensity intervention and assertive outreach (engagement & re-engagement, including links to vulnerable groups such as those at risk of homelessness)
 - 3.2.3 Structured psychological interventions including structured day and group work
 - 3.2.4 Clinical interventions: substitute prescribing and community detox; and interface with mental health services
 - 3.2.5 Harm reduction interventions (including prevention of transmission of blood borne viruses)
 - 3.2.6 Primary and secondary care liaison (including pathway with A&E & acute services)
 - 3.2.7 Criminal justice pathway (including links to courts, probation, prison, and MARC processes)
 - 3.2.8 Volunteering and peer mentoring, and access to mutual aid support
 - 3.2.9 Support for recovery (access to education, training and employment opportunities, housing and benefits).
 - 3.2.10 Opportunities for innovation in service delivery and design through a flexible service framework designed to enable greater responsiveness to the changing needs of the treatment population.
 - 3.2.11 A strong focus on alcohol. It will work with the community, to raise numbers in treatment, to meet and exceed outcomes targets and reduce alcohol-related harm.

- 3.2.12 Better integration with partners across Merton; working with statutory, voluntary and community organisations, building on Merton's existing supportive environment to achieve a holistic platform for recovery and entrench the Better Care Together partnership approach.
- 3.2.13 Work with those opiate users who have become 'stuck' in treatment and break the cycle of dependence on substitute prescription doses, in order to increase successful opiate completions.

4 PROCUREMENT PROCESS

- 4.1. The intention to procure the service was taken to the Council's Procurement Board in January 2017 where approval was given.
- 4.2. The tendering process was carried out strictly in accordance with the council's Contract Standing Orders and in accordance with the Public Contracts Regulations 2015 and the EU Procurement Directive 2014/24/EU, using the open procedure and the following stages.
- 4.3. **Stage 1 (Invitation to Tender):** Potential providers are invited to submit responses to selection questionnaire, detailed solutions, including financial information for evaluation.
- 4.4. **Stage 2 (Clarification Questions):** Those organisations that responded to the Invitation to Tender were sent formal questions of clarification where a written response would suffice, and invited to clarification interview where face to face responses were required.
- 4.5. **Stage 3 (Contract Award):** A preferred bidder is appointed to deliver the Services.
- 4.6. The tender was managed via the council's web based Electronic Tendering System Pro-Contract. The exercise was carried out and supported throughout by the Commercial Services Team and the Council's Legal Services to ensure a robust approach that adopted good practice.

5 ALTERNATIVE OPTIONS

- 5.1. This service was subject to a recent procurement exercise in late 2015. The objectives of that re-procurement were to achieve efficiency savings whilst creating a more integrated substance misuse service model. Unfortunately there were no bids.
- 5.2. Feedback from those providers who had expressed an initial interest in the bid opportunity, stated that the specified activity required, could not be safely achieved within the financial envelope. The specification for this current procurement, has been developed in consultation with the market as well as partnership, stakeholders and service users.
- 5.3. Due to the unsuccessful procurement, Cabinet, on 6th June 2016, approved the extension of the current substance misuse contract from 1st April 2016 to 30th June 2016, and agreed to delegate to the Director of Community and Housing (C&H) (in consultation with the Cabinet Member for Adult Social Care and Health), the authority to negotiate and approve a further contract

extension. This further extension was agreed and covers the period from 1st July 2016 to 31st March 2018. This extension is currently active.

- 5.4. The unsuccessful procurement exercise and the decision to begin the current procurement exercise, has meant that we are now able to complete the preferred option, which is to award a contract to the preferred bidder.
- 5.5. Should the Cabinet decide not to award the contract, those Public Health Outcomes Framework outcomes which relate to substance misuseⁱ and outcomes identified within the Substance Misuse Strategic framework will not be realised.

6 CONSULTATION UNDERTAKEN

- 6.1. The development of the specification for the new service was based on a review process involving extensive engagement with stakeholders (colleagues across community safety, licensing, CCG, police, probation, Children, Schools and Families and specialist providers.
- 6.2. Two successful ‘market warming’ events were held, which were attended by providers from across the sector including providers from within NHS and third sector providers.
- 6.3. Commissioners carried out a ‘soft’ market testing exercise to give a better understanding of the current market and identify and understand market trends.
- 6.4. These activities enabled commissioners to clarify a number of areas with potential bidders and finalise the specification in advance of the formal process.
- 6.5. Extensive Service user engagement was undertaken including consultation at all stages of the process and representation at all market engagement events. Service users were also represented on the evaluation panel.

7 TIMETABLE

- 7.1. The timetable for contract signature (which is subject to democratic procedures) is as follows:

Gateway Two – Procurement Board Decision	19 th September 2017
Community and Housing Divisional Management Team	21 st September 2017
Corporate Management Team	26 th September 2017
Leaders Strategy Group	2 nd October 2017
Cabinet	16 th October 2017
Call in period ends	19 th October 2017
Notification of Preferred Bidder	20 th October 2017

End of 10 day stand still period	30 th October 2017
Contract Signature	January 2018

8 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 8.1. In the financial year 2017/18 £60,000 savings were released from the substance misuse treatment annual contract value which has reduced the envelope for this procurement.
- 8.2. The contract value for the initial Three years is £3,785,219. This will mean a budget saving over three years, of £39,781.
- 8.3. There will be no additional costs to LBM to extend the contract. Bidders were required to submit costs for any potential year 4 or 5 within their pricing schedules. Any extension will not be subject to inflationary uplift.
- 8.4. Overall substance misuse services have a high level of return on investment- off setting costs to the health, social and criminal justice budgets (for example costs relating alcohol related hospital admissions, substance misuse associated with domestic violence cases, and broader alcohol and drugs related crime).
- 8.5. Overall it is estimated that every £1 spent on drug misuse treatment saves £2.50 in costs to society (National Treatment Agency 2012).
- 8.6. TUPE costs including redundancy and pensions, where appropriate, have been identified within the pricing schedule of the preferred bidders.

9 LEGAL AND STATUTORY IMPLICATIONS

- 9.1. As per the main body of this report, the Council is seeking approval to award a contract for the delivery of adult substance misuse services following the conclusion of a procurement process.
- 9.2. The Council in awarding contracts must comply with the provisions of The Public Contracts Regulations (PCR 2015) and its Contract Standing Orders. In addition, there is a duty on the Council to comply with EU Fundamental Treaty Principles of transparency, non-discrimination, and equal treatment.
- 9.3. The procurement process with advice from the Council's Procurement Services and Legal Services at various stages (as per the main body of this report) has been carried out in compliance with the requirements set out in the Council's Contract Standing Orders, PCR 2015, the Fundamental Treaty Principles and current procurement Best Practice.
- 9.4. Legal Services has been consulted in respect of the proposed award and invited to input in this report as necessary. Having reviewed the procurement process set out in the main body of this report, we are satisfied that the procurement process followed presents little or no risk of challenge should a contract be awarded to the successful tenderer as recommended by this report.
- 9.5. The Council must ensure that once approval to award has been obtained, it publishes a contract award notice in accordance with Regulation 50 of PCR

2015 and ensure also that it maintains an audit trail of the procurement process in accordance with Regulation 84 of PCR 2015.

- 9.6. Legal Services will upon receipt of instructions from the Council (assuming that there is no challenge to the procurement process) prepare hard copies of the services contract for execution by the Council and the successful tenderer.

10 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 10.1. There are not expected to be any human rights issues from the programme.
- 10.2. It is expected that the service will make a positive contribution towards the reduction of health inequalities through the effective prevention of substance misuse related harm.
- 10.3. The implementation of the proposed service will be subject to an Equalities Impact Assessment. Any negative impact identified will be subject to a mitigation action plan.
- 10.4. Although a borough wide service, the specification highlights a need for the service to proactively engage with those currently under represented within treatment services and those in 'hard to reach' communities.

11 CRIME AND DISORDER IMPLICATIONS

- 11.1. The delivery of an Integrated Adult Substance Misuse Service is an aim of the Substance Misuse Strategic Framework. The Strategic Framework objectives and desired outcomes cover issues of community safety and crime reduction.
- 11.2. Substance misuse and its associated issues have a disproportionate impact on individuals, families and communities imposing significant economic and social costs to society reflected in the cost of healthcare the provision of public services and the cost of crime. A reduction in crime and offending in those that access the service is a measured and monitored deliverable of the new service.

12 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 12.1. Risks associated with the mobilisation of this contract are:
- 12.1.1 **The continuity of care of service users.**
- The continuity of care of service users is managed both through the provider's implementation plan and Risk/Contingency management plan.
 - Commissioners will actively monitor the safe transfer of care.
- 12.1.2 **TUPE-** The expectation is that TUPE will apply. There is the possibility of a selection process as the staff structure in the new service may be different from the existing staff structure.
- Consideration of timescales linked to the TUPE process has been accommodated within the implementation plan.
 - LBM would not be responsible for any redundancy costs. The bidders were required to identify TUPE costs within their Pricing schedule.

12.1.3 Premises-

- The tenderers were required to outline plans for acquiring premise within their method statements.

12.2. Legal Challenge

- In any procurement exercise, there is a risk of legal challenge. This has been mitigated through the commissioners being guided by legal and procurement advice throughout the process and by ensuring that all bidders received fair treatment with all bids being evaluated using consistent methodology.

12.3. All other risks, assumptions, issues and dependencies are being actively managed as part of the programme.

12.4. There are not expected to be any Health and Safety implications.

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

13.1. A. Organisation to whom it is recommended to award the contract

13.2. B. Evaluation of Integrated Service Bids.

13.3. C. Financial Implications.

14 **BACKGROUND PAPERS**

14.1. The following documents have been relied on in drawing up this report but do not form part of the report

- The Council's Contract Standing Orders
- Merton's Joint Strategic Framework for prevention of substance misuse & related harm 2017-2021 (LBM & MCCG).

ⁱ 2.15i - Successful completion of drug treatment - opiate users

2.15ii - Successful completion of drug treatment - non-opiate users

2.16 - People entering prison with substance dependence issues who are previously not known to community treatment

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Committee: Cabinet

Date: 16 October 2017

Wards: All Wards

Subject: Tackling Loneliness in Merton – Final report and recommendations of the scrutiny task group review.

Lead officer: Stella Akintan, Scrutiny Officer

Lead member: Councillor Sally Kenny, Task Group Chair.

Contact Officer: Stella Akintan; stella.akintan@merton.gov.uk; 020 8545 3390

Recommendations:

- A. That Cabinet considers the report and recommendations (attached in Appendix A) arising from the scrutiny review of Tackling Loneliness in Merton.
- B. That Cabinet 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. That Cabinet decides whether it wishes to formally approve this action plan prior to it being submitted to the Healthier Communities and Older People Overview and Scrutiny Panel.

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

To present the scrutiny review report on Tackling Loneliness in Merton for endorsement and seek approval to implement the review recommendations through an action plan being drawn up.

2. DETAILS

- 2.1 In June 2016 the Healthier Communities and Older People Overview and Scrutiny Panel agreed to undertake a scrutiny review of Tackling Loneliness in Merton in response to concerns from the local community including school ambassadors from Abbotsbury Primary School. The Panel decided to focus on loneliness amongst older people as it is found to be higher amongst this group.
- 2.2 The findings and recommendations of the review are set out in Appendix A.

3. ALTERNATIVE OPTIONS

- 3.1 The Healthier Communities and Older People Overview and Scrutiny Panel can select topics for scrutiny review and for other scrutiny work as it sees fit, taking into account views and suggestions from officers, partner organisations and the public.
- 3.2 Cabinet is constitutionally required to receive, consider and respond to scrutiny recommendations within two months of receiving them at a meeting.

3.3 Cabinet is not, however, required to agree and implement recommendations from Overview and Scrutiny. Cabinet could agree to implement some, or none, of the recommendations made in the scrutiny review final report.

4. CONSULTATION UNDERTAKEN OR PROPOSED

4.1 In carrying out its review, the task group questioned senior council officers as well as visiting other local authorities

4.2 TIMETABLE

4.3 The final report was approved by the Panel on 06 September 2017 where it was agreed to present the report to Cabinet.

5. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

5.1 None for the purposes of this covering report. It is envisaged that the recommendations in the attached report will not have any major resource implications. However, any specific resource implications will be identified and presented to Cabinet prior to agreeing an action plan for implementing the report's recommendations.

7. LEGAL AND STATUTORY IMPLICATIONS

7.1 None for the purposes of this report. Scrutiny work involves consideration of the legal and statutory implications of the topic being scrutinised.

8. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1 It is a fundamental aim of the scrutiny process to ensure that there is full and equal access to the democratic process through public involvement and engaging with local partners in scrutiny reviews. Furthermore, the outcomes of reviews are intended to benefit all sections of the local community.

9. CRIME AND DISORDER IMPLICATIONS

9.1 None for the purposes of this report. Scrutiny work involves consideration of the crime and disorder implications of the topic being scrutinised.

10. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1 None for the purposes of this report.

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

11.1 Appendix 1 – Task group report on “Tackling Loneliness in Merton”

12. BACKGROUND PAPERS

Tackling loneliness in Merton

Task Group members:

Councillor Sally Kenny (Chair)

Councillor Laxmi Attawar

Councillor Mary Curtin

Councillor Joan Henry

Councillor Brian Lewis Lavender

Recommendations

1. To ensure loneliness is included within other strategies such as Falls Strategy, Hoarding Protocol and Volunteering Strategy.
2. Merton Health and Wellbeing Strategy and the East Merton Model of health to make reference to current work connecting communities which will address loneliness.
3. Public Health and Merton Clinical Commissioning Group (utilising existing infrastructure e.g. social prescribing and directories) develop an agreed list of voluntary and community sector groups who provide services to tackle loneliness and provide community activities for older people.
4. Merton Clinical Commissioning Group to use the Practice Manager's forum to have a session to highlight the issues around loneliness
5. Public Health Team to lead discussions with partners such as the Chamber of Commerce on innovative ways to connect local communities to reduce loneliness. These discussions could draw on examples set out in this report. New approaches could use existing resources such as training material from Making Every Contact Count initiative and the Campaign to End Loneliness.
6. An Article in My Merton to profile the agreed list of community activities and services that lead to greater connectivity for older people with case studies from people who have benefitted from them.
7. Public Health to host lunchtime seminar for councillors on 'connecting communities with the aim of tackling loneliness' highlighting key issues and good practice.



Chair's Foreword

The Task Group considering how to alleviate loneliness in later years involved Councillors; Joan Henry, Laxmi Attawar, Mary Curtin and Brain Lewis Lavender. We wanted to achieve the best understanding of approaches to alleviate this, as well as what was already being undertaken in Merton. We liaised with various groups including Age UK, Merton & Wimbledon Guilds, Street Pastors and The British Red Cross. It was especially good to liaise with Abbotsbury Primary School and hear their excellent contributions. To have young school children so interested and full of ideas was invigorating. The meetings involved reaching out to groups as well as inviting them to the Civic Centre.

The group met over a period of about eight months. Interesting strategies were presented and thoughtful ideas put forward. We heard about approaches that highlighted the role of volunteers. We also gave some thought to safeguarding as a vital aspect of this work. The group appreciates the involvement, contribution and effort of all the groups involved, in particular the organisation arranged and administered by Stella Akintan, who collated and recorded the work.

Councillor Sally Kenny

Chair Loneliness Task Group.

Introduction

Merton is fortunate to have a vibrant voluntary and community sector which provides a wide range of services and support to those affected by loneliness. Councillors on this task group also work on the frontline within their local communities to make a difference in the lives of those who are experiencing this issue.

The topic was put forward by the school council at Abbotsbury Primary School. Pupils had seen the impact of loneliness within their community and wanted to take action to tackle it. Merton Councillors went to meet with them to discuss the issue and were highly impressed by their concern for wellbeing amongst senior citizens and for the well thought out and practical suggestions they put forward.

Loneliness is a wide ranging and complex area in terms of its definition, who it affects and most importantly how to tackle it.

Loneliness has been defined as a negative experience that involves painful feelings of not belonging and disconnectedness from others. It occurs when there is a discrepancy between the quantity and quality of social relationships that we want, and those that we have. ¹

Therefore the challenge for professionals is more than simply increasing the number of daily social interactions. It involves helping people to build meaningful relationships and social connections. This alleviates loneliness and contributes to an overall sense of happiness and contentment with life. ²

The impact of loneliness is also a major public issue. It is known to have a detrimental impact on health and wellbeing causing depression and increasing the risk of premature death. It can exacerbate existing mental health issues and lead to additional ones such as anxiety and depression. Lonely adults are more likely to be overweight and less likely to take exercise. Feeling lonely has been shown to increase blood pressure and risk of cardiovascular diseases. Overall loneliness can increase the risk of premature death by 30 per cent. ³

This review will focus on loneliness amongst older people and specifically ways to identify 'hidden citizens'; those who are lonely but not connected or known to services in their community. Loneliness is a personal and stigmatised experience therefore it can be difficult to identify people suffering from it. This group may face a number of barriers that may prevent regular contacts within their local communities including a lack of confidence in unfamiliar surroundings.

¹ Hidden citizens: How can we identify the most lonely older adults. Campaign to End Loneliness, .2015.

² Trapped in a bubble: An investigation into triggers for loneliness in the UK, Co-op British Red Cross, December 2016.

³ Loneliness and Social Isolation in older people Policy Briefing, Local Government Information Unit.

Those who provide services for older people agreed that attracting people to services, especially those who may not come through a traditional referral process, is an important area to review. With an ageing population it is important that councillors with their knowledge of local communities review this issue and put forward suggestions for change.

Why the task group chose to focus on older people

Loneliness is an experience that can be exacerbated by different life events such as being a young parent, having health or mobility issues. Loneliness can occur at different critical junctures across the age ranges and may only persist for a short period. This report will focus on loneliness amongst older people for whom it is thought to be the most acute.

Risk factors for loneliness amongst the over 80s includes those on low income, poor physical or mental health, living alone or in or in poor rural isolated areas or deprived urban areas.

Research by Age UK has highlighted the extent of loneliness. Over a million older people say that they always or often feel lonely – with those over 80 almost twice as likely to report feeling lonely most of the time compared to their younger counterparts (14.8% of 16-64s report this, compared to 29.2% over the over 80s) Around a fifth of older people (17%) are in touch with family, friends and neighbours less than once a week. Around 2 million people over 75 live alone and 1.5 million of these are women.⁷ 12% of older people report feeling trapped in their own homes, 6% leave their homes less than once a week. ⁴

As the population continues to age, so too will these particular sub-groups most at risk of feeling lonely. For example, increasing numbers of older people will be living longer with multiple health conditions, whilst people living into their 80s and 90s (the “older old”) is set to increase dramatically, with the number of people over 85 projected to double within the next 23 years, to more than 3.4 million by 2040.

Reasons for the rise in loneliness

A number of reasons have been put forward for the rise of acute loneliness which affects health. Some research has found that British society has become more geographically and demographically segregated since the 1960s, and as a result, people are experiencing stronger feelings of isolation and weaker feelings of “belonging”. The UK has also experienced greater prosperity and better access to transport, which has made it easier for people to move for employment, retirement, and a better quality of life. The decline in marriage, increasing divorce, immigration and a growing student population were also cited as having contributed to the segregation.

⁴ DEMOS: Building Companionship: how better design can combat loneliness in later life, April 2016.

There has also been a deterioration of old-style communities where local services such as the post office and local pub provided a focus point for the area. The loss of these services is thought to contribute to the decline in the community spirit. ⁵

The role of the local authority to tackle loneliness

The LGA working with Age UK and the Campaign to End Loneliness produced guidance for local authorities on how to tackle loneliness⁶. It recognises that no organisation can deal with this challenge alone, but calls on councils to lead a co-ordinated strategy involving other local partners such as health and voluntary sectors, those experiencing or at risk of loneliness. Councils are encouraged to adopt clear mechanisms to identify and address loneliness in their services.

The report highlights that measures to tackle loneliness are cost effective in comparison to the potential costs of providing health, social care services to lonely people.

The Joint Strategic Needs Assessment is identified as an important tool to understand the nature and extent of loneliness in the local area, as it can identify those at risk and include outcome measures for the Joint Health and Wellbeing Strategy.

The report has set out a framework for tackling loneliness, this identifies key points of intervention:

Foundation Services: reach out to lonely individuals and connect them to existing services.

Gateway Services: provide the mechanisms to bring people together such as transport and technology and social media platforms.

Direct Interventions: these are the local services in place to support lonely people. This can be the lunch clubs and activities provided by voluntary and community sector organisations, or it can be informal gatherings taking place in communities for example a local councillor setting up a domino club to engage potentially lonely older men in the area.

Structural Enablers: create the right environment to reduce loneliness. This includes neighbourhood approaches, volunteering and positive ageing programmes.

Loneliness in Merton

Merton Public Health Team estimates there are at least 8,000 lonely people in the borough. London's older people population has been identified as having one of highest levels of loneliness in the country, reporting that more than four out of five (87%) felt lonely at least some of the time. London and the North West also score

⁵ DEMOS: Building Companionship: how better design can combat loneliness in later life, April 2016.

⁶ Combatting loneliness: A guide for local authorities. Local Government Association, Age UK

poorly for having adequate opportunities to socialise and having adequate social events for the over 55s, which may be a contributing factor in their high loneliness scores.⁷ Age UK Merton said there are particular problems in tackling loneliness amongst older men and some ethnic minority groups. Although the task group are aware that local groups provide services for ethnic minority groups and Merton's diverse population.

Social class can be an influencing factor in levels of loneliness as wealthier people are seen as able to alleviate loneliness through using their financial resources to participate in a wide range of activities. However, the Age UK heat map (attached at Appendix A) for Merton shows that there are hot spots across Merton's wealthy west of the borough as well as the more deprived east. Colleagues from Merton and Morden Guild told the task group that they believe there are high levels of loneliness in the Merton Park area. The task group felt this is likely to be a common thread and there will be pockets of loneliness throughout the borough.

Current services to address loneliness in Merton.

The task group spoke to a wide range of local organisations supporting people who may have otherwise been lonely. These evidence gathering sessions helped to build a comprehensive picture of the services available in Merton and the main issues and challenges they are facing in tackling this issue.

Merton Councillors

Merton councillors play an important role in building strong cohesive communities and connecting vulnerable people to local activities. Within the task group members have:

- Set up and facilitated lunch clubs and activity groups for older people
- Set up domino clubs for local residents
- worked with community groups and faith organisations to provide services
- Developing a local park with flowers and shrubs to attract the local community to use it.

Merton Public Health Team

The Public Health team conducted research in 2016 to look at the range of evidence based interventions available to tackle loneliness. As a result they invested in a befriending pilot. The service ran in collaboration with Age UK Merton, Wimbledon Guild, Positive Network, and Carers Support. This pilot was completed in February 2017. The project sought to identify the most isolated and establish telephone or face to face contact.

Age UK Merton

All services provided by Age UK Merton tackle loneliness. They serve 2,500 clients a year. Services are available to residents across the the whole of the borough,

⁷ DEMOS: Building Companionship: how better design can combat loneliness in later life, April 2016.

however clients usually come from the more deprived east because this is where most activities are located. The age range of clients is between 65-100 years old. Activities include; holistic massage, art and craft, exercise classes, information and advice, befriending and continence services.

Merton Clinical Commissioning Group

Merton Clinical Commissioning Group (MCCG) recognises the important role of primary care in identifying loneliness and signposting people to the appropriate services. They informed the task group that they are moving towards a new model of supported self care as GPs only spend a limited time with patients and they are not aware of the breath of non medical services available in the community. Therefore MCCG is running a social prescribing pilot in four practices.

Social prescribing presents the most exciting opportunity for tackling the loneliness agenda. It enables GPs to consider patients needs in a holistic way and rather than dispense medication they can refer people to activities in the voluntary and community sector. There is currently a pilot in two GP surgeries in East Merton. If people meet the criteria for social prescribing which includes loneliness and social isolation, their GP will link them to a community co-ordinator, who find more appropriate services in the voluntary and community sector.

Community Co-ordinators hold expertise on a statutory, community and voluntary services across the borough. They sign post and act as advocates for local people. Frontline workers such as social workers can seek advice from Community Co-ordinators to refer people to appropriate services. Community Co-ordinators can also spend some time working in the community

Libraries

Libraries are accessible open spaces and attract a diverse range of people. Library staff come into contact with a wide range of issues including people who have not had any conversations, human contact with anyone that week, homelessness, depression and other mental health issues. They provide a range of training for library staff to help signpost people informally and refer them to agencies. Merton library service has the most successful volunteering scheme in England.

Adult Social Care

The council has a good understanding of the impact of loneliness on physical and mental health and recognises its important role in referring people to appropriate services within partner organisations. Two members of staff from the adult social care team work in the Merton Civic Centre reception Link in a weekly session to signpost and navigate people to appropriate services. This started in July 2017 and at least 300 people have been supported. The services refer people to activities and helps with transport costs.

The department commissioned an ageing well grants programme. Four local organisations were selected to run specific projects; Friends of St Helier, Age UK, Wimbledon Guild, Merton and Morden Guild. It is recognised that there are a

plethora of local organisations across Merton running services, many with little or no external funding.

Carers Support Merton has been commissioned to run a carers hub; this began on the 1st July 2016 and had referred 200 people by February 2016.

Wimbledon Guild

Wimbledon Guild (WG) run a wide range of services focussing on ageing well. They give small grants, offer counselling, chiropody, befriending, holistic therapy service. They have a person centred approach and meet with clients to identify their needs. WG have a charity shop in Mitcham Green. Referrals come from hospitals, adult social care, faith groups, families and word of mouth. WG refer people to other local services.

Merton and Morden Guild

Merton and Morden Guild (MMG) run a wide range of services in the community including a falls prevention course. The exercise programme is very popular and is attractive to those who may be lonely. As these activities do not have specific funding streams they remain under the threat of closure. MMG also work with Raynes Park High School providing intergenerational work helping older people set up their devices so they can Skype their families. Fire, Ambulance, PCSO services attend MMG to speak to service users and provide information and advice.

Street Pastors

Street pastors patrol the Wimbledon area late at night to provide reassurance and support to local residents. They hand out flip-flops to prevent accidents caused by wearing high heels when intoxicated, blankets for rough sleepers, help people who have collapsed on the street, help people to get transport home and offer a listening ear. Street Pastors maintain an up to date list of local services and have a referral list. Sometimes they engage in further follow up and attend agencies with people. They also work closely with the police and the council.

British Red Cross

British Red Cross are not currently providing Independent services in Merton⁸ but met with the task group to provide an overview of their work. BRC are working with the Co-op on a project to tackle loneliness, this started in May 2017. It recognises all types of loneliness. The project will use community connectors who will be recruited to work for 3 days. Their role will include recruitment and training of volunteers in the

⁸ BRC do have a Memorandum of Understanding with Merton Council Emergency Planning Team which means BRC will provide emergency support to vulnerable people in crisis if called upon by the Council. This supports people during things like UK Power Networks power outages, floods and in any instance a humanitarian assistance centre needs to be opened within the community.

community. Volunteers will go into local areas to identify people and re-connect them to their communities so they don't feel isolated. The aim is to connect people to existing services or community groups that help to reduce feelings of isolation. If a community group does not exist already, BRC will work with councils partners and community groups to establish new ones. The current funding will last for two years. The aim is to move away from traditional methods and not just signpost people into services.

Feedback from Abbotsbury Primary School

Some of the task group met with a group of school ambassadors who were working on a project looking at how to make improvements in their local community. The school ambassadors came up with ideas on how to tackle loneliness and shared them with councillors during the visit.



Task group members reflected on the responses from the school ambassadors throughout the review. Some of the suggestion which were particularly pertinent included:

The pupils highlighted that impact of low self esteem on older people and suggested that a pampering service which would help to build their confidence. The task group found that pampering sessions which are provided by Age UK Merton and Wimbledon Guild.

A pupil said....

“maybe it’s possible to make elderly people feel good about themselves and have days where they go out and meet new people and get their nails done and hair done and maybe some massage but not only for women but with men too. Some people need encouragement to eat healthily and feel good about themselves and get out of the house.”

They highlighted the benefit of social activities such as eating meals in a group. This is beneficial for both social activity to alleviate loneliness and can also encourage healthy eating. This is a core provision within many services such as Asian Elderly, Friends of St Helier and Wimbledon Guild, which has its own café.

Transport and financial issues were also raised as barriers to tackling loneliness.

“ some elderly people cannot afford cars because they might have financial issues or something so we could provide special transport for those elderly people who can’t drive.”

The school ambassadors also offered to do some fund raising to resolve the financial issues.

Findings of the task group

The task group spent a considerable amount of time deliberating on how to tackle loneliness. They found that a new landscape is emerging with the council increasingly taking on the role of an enabler rather than provider of non statutory services. For example the Adult Social Care team explained that they do not specifically provide services to people who are lonely. Therefore they refer people to appropriate partner organisations in the voluntary sector.

The task group also found that the future shape of health services has a stronger focus on connecting communities and tackling the wider determinants of health and wellbeing and moving away from the medical model of health. For example the East Merton Model of health and the new Wilson health facility which is in the early stage of development will be a health and wellbeing campus, with involvement from the community. It will be a dementia friendly environment and the needs of older people will be central.

A holistic approach

The task group are keen to see a holistic approach to tackling loneliness rather it being looked at in isolation. It is important that our understanding of loneliness is reflected and embedded within in all the relevant strategies. The Public Health Team highlighted that there is a link between dementia, loneliness and falls. All these impact upon each other as dementia and being at risk of falling can cause isolate and make it difficult to maintain relationships.

The task group believes that we must recognise that loneliness is not only about providing services to people. Many people who are lonely would benefit from opportunities to volunteer. Building resilience is an important tool in tackling loneliness, therefore it is important to promote independence and look at existing resources within communities to support the vulnerable. The review of Loneliness from the City of London which highlights that it is important not to see communities as a repository of needs but rather a source of opportunity and strength. People are not only seen as recipients of services but rather those who something to offer and capacity to develop their own potential. ⁹

Task Group members would also like the Health and Wellbeing Strategy to make reference to loneliness, highlighting the important work taking place and their aspirations to tackle this issue.

Recommendation

- 1 To ensure loneliness is linked to other strategies such as Falls Strategy, Hoarding Protocol and Volunteering Strategy.
- 2 Merton Health and Wellbeing Strategy and the East Merton Model of Health to make reference to current work on connecting communities which will address loneliness.

Relationship between the Community and Voluntary and statutory medical sectors

The task group welcome the new social prescribing pilot; it addresses many of the challenges that were highlighted during the review. A major concern was relationship between the voluntary sector and GPs. Witnesses told task group members that GP's can be reluctant to refer people to voluntary services. When the voluntary sector had the opportunity to discuss this with GPs they found that their hesitancy stemmed from their lack of knowledge about the credibility of these organisations. This came as a surprise to the task group particularly given that nationally recognised organisations such as Age UK Merton said they experienced the same problem.

There are similar concerns in relation to information material as surgeries can be hesitant to display voluntary sector leaflets in their surgeries. Merton Clinical Commissioning Group told councillors that the practice managers have a responsibility to act as gate keepers regarding the information on display to protect patients. It was highlighted that the surgeries are very busy and receive many requests to display information. MCCG told the task group that they hold a regular

⁹ Improving Social Wellbeing in the City of London. Reducing loneliness and building communities. City of London

forum with Practice Managers and they could have a session to discuss all the issues surrounding loneliness in this setting.

It is clear to the task group that there is a necessity to build a relationship between the medical professions and the voluntary sector. One based on trust and mutual appreciation of their important contributions to health and wellbeing. The Health and Wellbeing Board is already playing an important role in this regard, as will the social prescribing pilot. It is also important to build relationships on the ground. The task group believes MCCG and the Public Health team should work together to develop an agreed list of voluntary and community sector organisations who are recognised for their work on tackling loneliness. These recommended groups can then receive referrals from GP's and Community co-ordinators and can build stronger relationships with GP Surgeries.

Recommendation

- 3 Public Health and Merton Clinical Commissioning Group (utilising existing infrastructure e.g. social prescribing and directories) develop an agreed list of voluntary and community sector groups who provide services to tackle loneliness and provide community activities for older people.
- 4 Merton Clinical Commissioning Group to use the Practice Manager's forum to have a session to highlight the issues around loneliness.

Increased role for front line organisations

The task group considered how front line organisations can contribute to the loneliness agenda. These organisations work directly within neighbourhoods; therefore they tend to know the local residents well and could potentially, with training and support, refer people to appropriate services or professionals.

Street pastors have regular contact with vulnerable members of the community and may be able to help identify lonely people and refer them to appropriate services. However, to perform this role they will need further training on recognising signs of loneliness. They can also add recommended groups to their list of referral services.

The task group also spoke to colleagues who support neighbourhood watch and local high street businesses. Both officers informed the task group that these groups could be well placed to refer people who may be lonely, as they have a good links with the community.

The task group understand that Neighbourhood Watch Co-ordinators are very active and know who is vulnerable in the local area; they have good local knowledge as well as sit on ward panels.

The task group would like there to be more collaboration between different agencies in identifying and referring people to loneliness services. Some of whom have not

traditionally had tackling loneliness within their remit. We need to develop or use existing tools to recognise loneliness.

Both Wimbledon and Merton and Morden Guilds suggested that there could be an important role for supermarkets and local shops in signposting local people to existing services. The task group met with the British Red Cross who reported that the Co-op worked with BRC to fundraise for the social isolation work the charity was now delivering and have continued to support with promotion of the services in the community the service was operating in.

Again the task group found that there are structures in place that can be utilised to make links with supermarket managers to display information and identity. There are town centre officers in Mitcham and Colliers Wood ward shops. There is a business improvement district in Wimbledon Park that has a town centre forum managed through the chamber of commerce. The task group also believes the borough would benefit from the services provided by the British Red Cross.

The Campaign to End Loneliness has produced a number of resources that could be helpful with training and awareness raising:

<https://www.campaigntoendloneliness.org/wp-content/uploads/The-Missing-Million-report-FINAL.pdf>

https://www.campaigntoendloneliness.org/wp-content/uploads/CEL-Missing-Millions-Guide_final.pdf

Recommendation

- 5 Public Health Team to lead discussions with partners such as the Chamber of Commerce on innovative ways to connect local communities to reduce loneliness. These discussions could draw on the examples set out in this report. New approaches could use existing resources such as training material from Making Every Contact Count initiative and the Campaign to End Loneliness.

New and Innovative ways to identify hidden citizens

All witnesses informed the task group that identifying lonely people is one of the most challenging aspects of their work. Although there are many people in the communities who may be experiencing loneliness a number of barriers will mean that many will not access services that can support them. Given the stigma attached to loneliness and potential embarrassment they may feel in admitting they have a problem, many people may not wish to approach organisations directly. They may

also lack confidence in doing so. This is also coupled with the fact that many lonely older people may not be known to other services such as social care, or their loneliness may not have been identified by professionals.

A strong theme emerging from the evidence on how to reach hidden citizens is to adopt the NHS approach to make every contact count. This means making the right information available where people will visit on a periodic basis such as doctors, dentist and hairdressers, local supermarkets.

Adult Social Care is well placed to pick up the trigger points; such as bereavement, they could provide information to the registrar. They could also provide information and support to carers when they lose the person they are looking after.

The Hidden Citizens report¹⁰ states that council funded magazines could be a good source of information because they go to every household. Special features could be run on special events such as international older people day. The task group considered the resources available within the council to identify hidden citizens and believe that My Merton, which goes to every household in the borough could highlighted those organisations which are tackling loneliness.

Evidence within the Hidden Citizens report argues that mailings and leaflets can be a good way to reach people; the task group found that some organisations found mass mailings to have mixed results. Age UK Merton found that mass mailings were not always successful. The public health team felt that more sustainable ways to reach people should be used. Mass mailings and campaigns are only successful while they are running.

Although the task group are aware that word of mouth, leafleting could exclude the most isolated who are least likely to engage with these methods due to complex barriers such as lack of confidence, discomfort in an unfamiliar environment.

The task group also found that organisations working together can be exacerbated by data protection regulations which mean that information about various groups or individuals cannot be shared between agencies.

Also Merton councillors already play an important role in the community and have a good knowledge of their local wards, therefore highlighting the issues around loneliness, especially for the new cohort of councillors after May 2018, could assist them in this role.

¹⁰ Hidden citizens: How can we identify the most lonely older adults. Campaign to End Loneliness, .2015

Recommendation:

6. An Article in My Merton to profile the agreed list of community activities and services that lead to greater connectivity for older people with case studies from people who have benefitted from them.
7. Public Health to host a lunchtime seminar for councillors on 'connecting communities' with the aim of tackling loneliness highlighting key issues and good practice.

Use of religious venues

A report by the City of London Corporation¹¹ looking at loneliness and social isolation found that faith venues can help to tackle loneliness. Faith venues foster a strong sense of belonging it is a familiar environment where people can often meet trusted friends or others with a similar viewpoint or share their faith.

A wide range of coffee mornings and outreach activities are happening within faith groups on a regular basis which could offer support to those experiencing loneliness.

This task group were told many faith groups in Merton provide services that support those who are lonely. However, this service may not be widely advertised and may only be attractive to people of that faith group. The task group believes there could be opportunities to harness these resources for the benefit of the wider community but is beyond the scope of this review. Therefore, councillors suggest that the relationship between the council and faith organisations could potentially be a future topic for scrutiny.

Conclusion

Although the task group came across a wide range of innovative and high quality services to tackle loneliness, some challenges still remain. The voluntary and community sector has experienced a significant loss of funding in recent years. Age UK told the task group that the centre used to be for traditional day services but this has now been changed to a social centre, this means that people pay for services. Also both Age UK Merton and Merton and Morden Guild no longer have a dedicated bus service and people either make their own way or use Dial a Ride. This can create a challenging environment when the voluntary and community sector are increasingly being called upon to provide services while their funding is in decline.

However many promising changes are being implemented such as social prescribing and East Merton Model of Health. The Healthier Communities and Older People Overview and Scrutiny Panel will take a keen interest in how these services help to reduce levels of loneliness in the borough.

¹¹ Improving Social Wellbeing in the City of London. Reducing loneliness and building communities. City of London

The Director of Public Health also highlighted that we should not be on seeking to address loneliness by providing more services. We need to be more holistic and look at connecting communities and creating an environment for people from all walks of life to come together and enjoy mutual support. We must create spaces for people to interact. This is a long term goal and should be a central feature within regeneration and the re-design of local areas.

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Committee: Cabinet

Date: 16 October 2017

Wards: Borough wide implications

Subject:

Lead officer: **Reference from the Sustainable Communities Overview and Scrutiny Panel – consideration of care leaver accommodation**

Lead member: Councillor Abigail Jones, Chair of the Sustainable Communities Overview and Scrutiny Panel

Contact officer: Annette Wiles, Scrutiny Officer, 0208 545 4035

Recommendations:

That Cabinet takes account of comments made by the Sustainable Communities Overview and Scrutiny Panel (set out in paragraph 2.3 below).

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1. To inform Cabinet of the recommendations and comments resulting from the scrutiny of issues relating to accommodation for care leavers that took place at the Panel meeting held on 5 September 2017.

2 DETAILS

2.1. Members received a background briefing report on care leaver and young people accommodation that was jointly authored by officers from the Community & Housing and Children, Schools and Families Departments.

2.2. Acknowledging that accommodation for care leavers is also an issue relevant to the Children & Young People Overview and Scrutiny Panel, its members were in attendance at the meeting. To support members in their examination of the issues the Panel invited a number of external guests with relevant experience. These were 1) Paul Chadwick, a previous Director of Children Services at the London Borough of Croydon; this has a far greater number of care leavers than Merton, requiring creative approaches to meet accommodation needs and 2) Representatives from Evolve Housing and Support and Grenfell Housing and Training; organisations that work with care leavers in semi-independent accommodation and young people at risk of homelessness.

2.3. As a result of their discussions, members made the following comments and recommendations:

2.3.1 As reflected in the recent Ofsted combined inspection judgement and report, Merton has a good track record in making appropriate accommodation available for care leavers for which we congratulate officers.

2.3.2 Proactive accommodation planning is critical as part of the young person's pathway plan for independence. We want to endorse the approach of Children's Services of engaging young people in care to understand their

aspirations, to continue to meet their needs and prepare them for independence.

2.3.3 Through our exploration of the issues, we learnt that whilst there is sufficient semi-independent accommodation for care leavers, there is not enough nor a sufficient range of independent accommodation options as the next step on from semi-independent arrangements. Additionally, the recent change in requirements means the Council is now retaining its corporate parenting responsibilities for longer potentially through to the age of 25. This means provision of sufficient accommodation of all types is likely to be stretched and there is a need to increase the volume and supply of semi-independent and independent accommodation for care leavers. We are keen that a range of options be explored to meet this growing demand including:

(i) Houses of Multiple Occupation (HMOs) at their best can offer care leavers the opportunity of accommodation supported by their peers, the Council and its partners. We ask the Council's Housing, *futureMerton* and Children, Schools and Families departments to continue working with private landlords and partners like Evolve to offer more HMO opportunities to care leavers. We have identified that there is potential to work in partnership with Evolve and its portfolio of HMO landlords. We recommend that a pilot project with Evolve is explored;

(ii) The 'lead tenant model' has been found to be successful and should also be considered. This is where a more experienced tenant (potentially themselves a former care leaver) takes the responsibility for managing key aspects of the tenancy and to model this for other less experienced tenants (care leavers new to independent living). Typically this is offered in exchange for a discounted rental cost;

(iii) Children's Services, working with Adult Social Care, explores the potential for extending suitable Shared Lives accommodation to young people with more complex needs leaving care; and

(iv) Other options that we identified and that we recommend are explored as longer term opportunities are Housing First (provision of accommodation first supported by long-term, open-ended support), co-operative building schemes (allowing care leavers the opportunity to take responsibility for the refurbishment of their own property) and Merton developing additional accommodation itself for example on a Y-Cube model.

2.3.4 The recent combined Ofsted inspection additionally identified that care leavers in Merton receive good support in developing the skills and knowledge that they need to live independently and to manage their own affairs. We congratulate officers on this achievement but want to encourage exploration of what else might be done. We recommend the following are specifically considered:

(i) The implications of developing more 'staying put' arrangements as a transition to full independence, (this is a new policy allowing those in care to remain with their foster carers for longer);

(ii) Maintaining our good work and focus on working with young people whilst still in foster care with the aim of achieving better engagement when they enter semi-independent provision;

(iii) Maintaining our good work and integration of pre-tenancy help into ESOL provision to provide support for care leavers that speak English as an additional language;

(iv) Continue to encourage care leavers who have successfully transitioned into independent accommodation to become peer mentors to offer support for those that are yet to successfully achieve this transition. We suggest looking at the good practice established by Kensington and Chelsea; and

(v) The Council explore how to encourage and support young people prior to leaving care to understand the benefit of saving to build up a rent deposit/property maintenance fund. Care leavers have themselves identified this need.

2.3.5 The recent Ofsted inspection report states that the Council's 'staying put' offer is "underdeveloped". We recognise that Children's Services is working to improve the opportunities for young people to stay with their foster careers. However, we also note that arrangements for staying put have the potential to reduce the pool of available foster families. Therefore we ask Cabinet to prioritise that all teams and all departments across the Council work together to support and increase the recruitment of new/additional foster careers.

3 ALTERNATIVE OPTIONS

3.1. Cabinet is required under the terms of the constitution to receive, consider and respond to recommendations from Overview and Scrutiny.

4 CONSULTATION UNDERTAKEN OR PROPOSED

4.1. None for the purposes of this report.

5 TIMETABLE

5.1. None for the purposes of this report.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1. None for the purposes of this report.

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. None for the purposes of this report.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. None for the purposes of this report.

9 CRIME AND DISORDER IMPLICATIONS

9.1. None for the purposes of this report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. None for the purposes of this report.

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

11.1. None

12 BACKGROUND PAPERS

12.1. None

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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