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Merton Council

Cabinet Agenda

Membership

Councillors:

Stephen Alambritis (Chair)
Mark Allison
Laxmi Attawar
Kelly Braund
Tobin Byers
Caroline Cooper-Marbiah
Edith Macauley MBE
Eleanor Stringer
Martin Whelton

Date: Monday 15 July 2019

Time: 7.15 pm

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

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Cabinet Agenda

15 July 2019

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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 mater 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.

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Committee: Cabinet

Date: 15 July 2019

Wards: All

Subject: Reference from the Sustainable Communities Overview and Scrutiny Panel – Public health, air quality and sustainable transport, a strategic approach to parking charges

Lead officer: Julia Regan, Head of Democracy Services

Lead member: Councillor Natasha Irons, Chair of the Sustainable Communities Overview and Scrutiny Panel

Contact officer: Rosie.McKeever@merton.gov.uk; 0208 545 3864

Recommendations:

-
1. The Sustainable Communities Overview and Scrutiny Panel recommends that Cabinet take into account its reference set out in paragraphs 2.9 to 2.13 below when making decisions on the strategic approach to parking charges.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. At its meeting on 27 June 2019 the Sustainable Communities Overview and Scrutiny Panel received a report on the results of the parking charges public consultation. The Panel was asked to discuss and comment on the report and agree any reference it wished to make back to Cabinet.
- 1.2. The Panel agreed to make a reference to Cabinet, as set out in paragraphs 2.9 to 2.13 below.

2 DETAILS

2.1. Scrutiny process

- 2.2. The Panel received a detailed report setting out the background information, proposed charges and the equality impact assessment.
- 2.3. The Panel heard representations from Merton residents and the LOVE Wimbledon BID. The residents remarked on the unpopularity of the proposals, the need for extra public transport provision and the essential improvements required to walking and cycling paths. The speaker from LOVE Wimbledon questioned the lack of measurable objectives with regards to improving the boroughs air quality, the effect the ULEZ expansion will have and also commented on the impact the parking charges will have on small independent businesses.
- 2.4. Panel Members asked questions and sought responses to concerns raised. Responses were provided by the Director of Environment and Regeneration and the Director of Public Health.
- 2.5. Full details of points made in the discussion will be published in the minutes of the meeting.

2.6. **Scrutiny response**

2.7. The Panel discussed whether to respond to Cabinet. Two motions were debated and subsequently fell;

A motion that the Panel does not believe that the substance of the report has changed substantially or materially since January, therefore recommend that Cabinet scraps their plans to implement the parking tax was defeated. (Three votes for, five against)

A motion that recommends to Cabinet that council officers proactively work with TfL and other partners to clean up the bus fleet as per the February Council motion, and consider an aggressive tree planting strategy to help mitigate emissions in areas with poor air quality, the panel also recommend a more extensive roll out of electric charging points, and that the council undertakes a promotional campaign to encourage residents to switch to electric vehicles. This panel therefore concludes that until these action are under taken it does not recommend the implementation of the parking tax' was defeated. (Three votes for, five against)

2.8. Panel RESOLVED (eight votes for, none against) to make the following reference to Cabinet:

2.9. The Sustainable Communities Overview and Scrutiny Panel welcomes this opportunity to comment on the proposals and on the results of the public consultation. The Panel would like contribute additional thoughts/raise issues for consideration prior to a final decision being made by Cabinet.

2.10. The Panel requested that Cabinet should receive additional evidence to demonstrate how public transport accessibility issues will be addressed and improvements achieved. The EIA action plan relies heavily on the uptake of the blue badge scheme, but with a 10.7% of the Merton population over 65 years of age and a further 1.7% over 85, it is not only the disabled population (10.8%) that will be affected by the increase in charges. How will the elderly population that cannot apply for a blue badge be supported in using sustainable travel/public transport as an alternative to owning a car? Furthermore, in light of the 'Access for All' funding not being granted, a number of Merton's stations remain without step free access. The action plan refers to working with TfL but there are no substantive plans mentioned.

2.11. The Panel also reiterated their original request of 14 January 2019 that Cabinet should receive additional evidence to demonstrate that increasing parking charges results in a decrease in traffic, and on the link between higher costs for high polluting cars and changing the behaviour of drivers. To date, has this evidence been supplied?

2.12. The Panel welcomes the review planned 6-12 months after implementation of the new charges and recommends that the Panel has an opportunity to carry out pre-decision scrutiny of the findings of this review. However, a clearer outline of what measurements will be used to track the success of these proposals are required to determine the true impact. Will the metrics consist of data on; an increase in permits for electric cars, a fall in overall applications for resident permits, increase in public transport usage or air quality monitoring improvements.

- 2.13. The Panel recommends and encourages the Council to investigate alternative options to improve air quality and take a more proactive approach in terms of sustainable travel. For example, Waltham Forest and Kingston, who have upgraded their streets and road networks to help tackle key issues surrounding road safety, air quality, public health and ease the burden on the public transport network.

3 ALTERNATIVE OPTIONS

- 3.1. None – Cabinet is required under the council’s constitution to receive, consider and respond to references from overview and scrutiny.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. Invitations to provide submissions to the Panel were sent to a wide range of residents’ associations and local community organisations.

5 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 5.1. These are included in the reports to Cabinet on 10 December 2018 and 14 January 2019 and the subsequent reports to the Sustainable Communities Overview and Scrutiny Panel on 9 January 2019 and 27 June 2019.

6 LEGAL AND STATUTORY IMPLICATIONS

- 6.1. Cabinet is required under the council’s constitution to receive, consider and respond to references from overview and scrutiny. The Local Government and Public Involvement in Health Act 2007 requires Cabinet to respond to reports and recommendations made by scrutiny committees within two months of written notice being given.

7 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 7.1. These are included in the reports to Cabinet on 10 December 2018 and 14 January 2019 and the subsequent reports to the Sustainable Communities Overview and Scrutiny Panel on 9 January 2019 2019 and 27 June 2019.

8 CRIME AND DISORDER IMPLICATIONS

- 8.1. These are included in the reports to Cabinet on 10 December 2018 and 14 January 2019 and the subsequent reports to the Sustainable Communities Overview and Scrutiny Panel on 9 January 2019 and 27 June 2019.

9 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 9.1. These are included in the reports to Cabinet on 10 December 2018 and 14 January 2019 and the subsequent reports to the Sustainable Communities Overview and Scrutiny Panel on 9 January 2019 and 27 June 2019.

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

- None

11 BACKGROUND PAPERS

- 11.1. None

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Committee: Cabinet

Date: 15 July 2019

Wards: All

Subject: Public health, air quality and sustainable transport - a strategic approach to parking charges 4

Lead officers: Chris Lee, Director of Environment & Regeneration

Dagmar Zeuner, Director of Public Health-Merton

Lead members: Cllr Martin Whelton Regeneration, Housing and Transport

Cllr Tobin Byers (Cabinet member for Adult Social Care, Health and the Environment)

Contact officer: Ben Stephens, Head of Parking Services

1. RECOMMENDATIONS: CABINET

- 1.1. Members consider the responses made during the formal consultation process alongside any further references and considerations raised by the Sustainable Communities Overview and Scrutiny Panel.
- 1.2. Further to the consultation process, Members agree to the proposed charges set out in appendix 7 of this report including the following amendments
 - (i) Controlled Parking Zones: VNE, VNS, VN, VQ, VSW, VSW1, and VSW2, be re-categorised from Tier 1 to Tier 2 (as set out in Appendices 7 d & e)
 - (ii) That off street car parking charges in Queens Road Wimbledon and St Georges car park are reduced from the current £3 flat rate fee from 6.00pm to 11 pm to a £2 flat fee (as set out in Appendix 7 b).
 - (iii) The proposed charges for on street parking in appendix 7 (a) are approved.
 - (iv) The proposed charges for off street parking in appendix 7 (b) are approved.
 - (v) The proposed charges for Permits set out in appendix 7 (c-f) are approved.
- 1.3. Members agree to delegate authority to the Director of Environment and Regeneration, in consultation with the Cabinet Member for Regeneration, Housing and Transport, to finalise any operational matters in relation to the implementation of the proposals set out in the report.
- 1.4. To introduce the changes with effect from 1st September 2019, or as soon as practicable thereafter.

2. OVERVIEW

- 2.1. Merton is not prepared to ignore its responsibilities to deliver cleaner local air at a time when the current situation has been described as a global public health emergency. We are delivering a new Air Quality Action Plan that is ambitious in its aims and already demonstrates that we as an authority will use all of the powers available to us, not only to challenge and tackle this problem; but also to work towards delivering our legal responsibilities to protect the public.
- 2.2. The council recognises the part that it has to play in developing and delivering a framework to tackle air quality, demand for parking, and congestion in the borough. It does not stand alone on these issues. All of the other London boroughs are seeking to implement new parking policies to tackle similar problems.
- 2.3. There are very few direct levers available to stimulate a change in driver behaviour, and the council believes that the rationale for setting the new parking charges is about giving people the right nudge and opportunity to make different choices.
- 2.4. From November 2018 through to January 2019, Cabinet considered and agreed a series of reports setting out its approach to Public Health, air quality and sustainable transport – a strategic approach to parking charges. These reports set out the key strategic drivers that will affect parking policy for the future.
- 2.5. Then, and now, Members are requested to exercise their statutory duty to secure the expeditious, convenient and safe movement of traffic, and the provision of suitable and adequate parking facilities in the context of the public health agenda. This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.
- 2.6. This report supports the previous rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.
- 2.7. The report explains the Public Health vision to protect and improve physical and mental health outcomes for the whole population in Merton, and to reduce health inequalities. At the heart of the strategy is the concept that the environment is a key driver for health. It can be summarised by '**making the healthy choice the easy choice**'.
- 2.8. In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active travel, purchase fewer resident

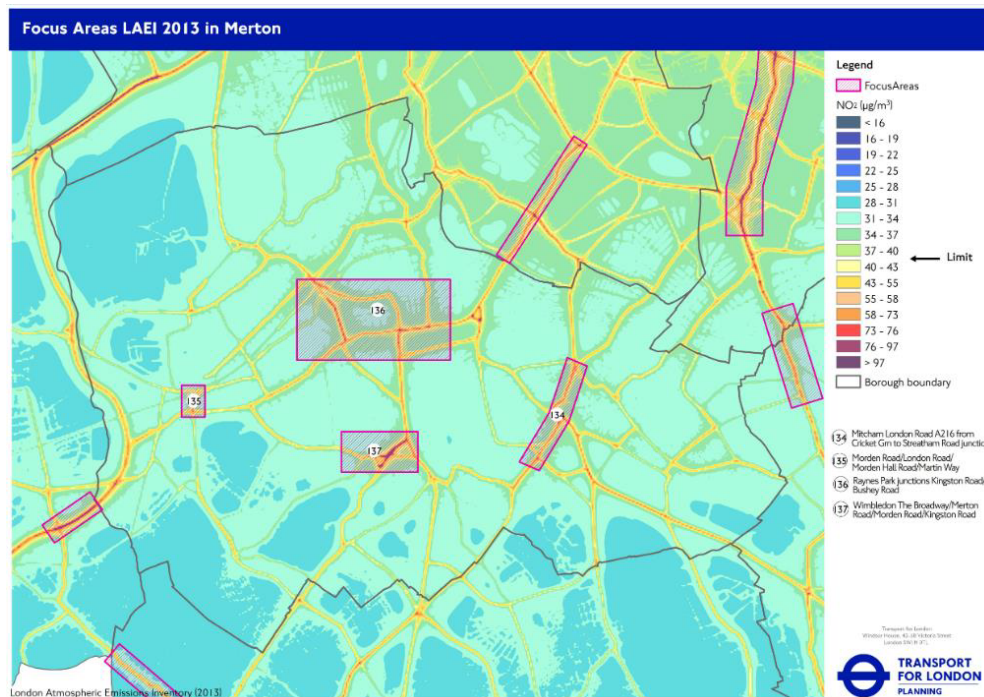
permits and lead to a rebalancing of our streets - to benefit residents and businesses alike.

- 2.9. In January 2019, Cabinet agreed to undertake a borough wide focussed consultation process to seek views on the underlying principles of the review and the proposed new charging structures. The details relating to the consultation process are set out in Section 9 of the report and the comments/detailed responses are set out in Appendices 1, 2, 3.
- 2.10. The purpose of this report is to reiterate the policy framework to support improved public health, air quality and sustainable transport across the Borough. To inform Members of the feedback received from the consultation exercise, to consider the council's rationale for amending its approach to parking charges, and finally to consider any proposed changes for consideration and agreement.
- 2.11. Local authorities are not permitted to use parking charges solely to raise income. When setting charges, we must instead focus on how the charges will contribute to delivering the Council's traffic management and other policy objectives.

3. THE CHALLENGE

- 3.1. We know that over 9,000 Londoners die a premature death through poor air quality. This issue has risen significantly in prominence and importance, where hardly a day goes by without a new article or scheme being proposed. Councils up and down the land are seeking new and bold solutions to what is a huge challenge.
- 3.2. The Mayor for London Sadiq Khan has rightfully placed growth, healthy people and places as the central theme of his adopted Transport Strategy. Merton Council is supportive of the strategy and in particular the adoption of healthy streets indicators when designing public realm improvements to make London's streets healthier places where people can be encouraged to choose walking and cycling as their choice of travel.
- 3.3. The Merton parking service already actively contributes to; and helps deliver the key policies set out in: Merton's Health and Wellbeing Strategy; Merton's Air Quality Action Plan; the Council's Local Implementation Plan; delivering the Governments' carbon reduction targets and the Mayor of London's Transport Strategy.
- 3.4. The London Borough of Merton historically and presently, continues to exceed targets and its legal objectives for local air pollution, including Nitrogen Dioxide (NO₂). The Government, local authorities and policy makers are being continuously challenged around delivering their responsibilities to reduce pollution, and are often criticised for lack of action or being slow to respond.

3.5. Air quality has been identified as a priority both nationally and within London, where pollution levels continue to exceed both EU limit values and UK air quality standards. Pollution concentrations in Merton continue to breach the legally binding air quality limits for both Nitrogen Dioxide (NO₂) and Particulate Matter (PM₁₀). The air quality-monitoring network, run by Merton, has shown that the UK annual mean NO₂ objective (40µg/m³) continues to be breached at a number of locations across the borough including Colliers Wood, Morden, Tooting and South Wimbledon. In some locations, the NO₂ concentration is also in excess of the UK 1-hour air quality objective, which indicates a risk not only to people living in that area but also for those working or visiting the area. Reducing vehicle numbers (car usage) and different types of vehicle has a direct and tangible benefit on air quality.



- 3.6. In Merton, an Air Quality Management Area (AQMA) has been declared for the whole borough with four locations identified as having high levels of pollution and human exposure. These are in the main centres of Mitcham, Morden, Raynes Park and Wimbledon.
- 3.7. Poor air quality in Merton comes from a number of sources, but our legal exceedances are almost entirely due to road transport. Road transport accounts for approximately 60% of emissions of NO₂ in our borough. Simply put, this is due to traffic including the nature of vehicles on our roads, the volume of vehicles and the number of trips that they take.
- 3.8. By widening the difference in charges between electric vehicles and diesel cars, the proposed charges in part assist in the borough's response to climate change mitigation.

- 3.9. The latest evidence from the intergovernmental panel on climate change (IPCC) [1], and the Committee on Climate Change [2] suggests that deeper and faster cuts are needed to avoid irreversible damaging effects of climate change than in carbon dioxide (CO₂) previously thought. The Mayor of London's updated London Environment Strategy [3] already commits London to being a zero-carbon city by 2050, which goes beyond national requirements [4]. Climate groups have asked local authorities to declare a Climate Emergency and commit a target date to become carbon neutral. A number have already set ambitious decarbonisation targets and are developing their action plans.
- 3.10. There are approximately 88,000 vehicles registered in Merton, with 68% of households owning at least one car or van [5]. To achieve carbon neutral transport, Merton's residents would need to nearly eliminate the use of petrol and diesel cars by drastically reducing car journeys and switching to ultra-low emission vehicles such as electric vehicles. Most actions that support the council's aims to reduce air pollution from vehicles in transport and improve public health (e.g. encouraging increased walking and cycling) also reduce greenhouse gas emissions.

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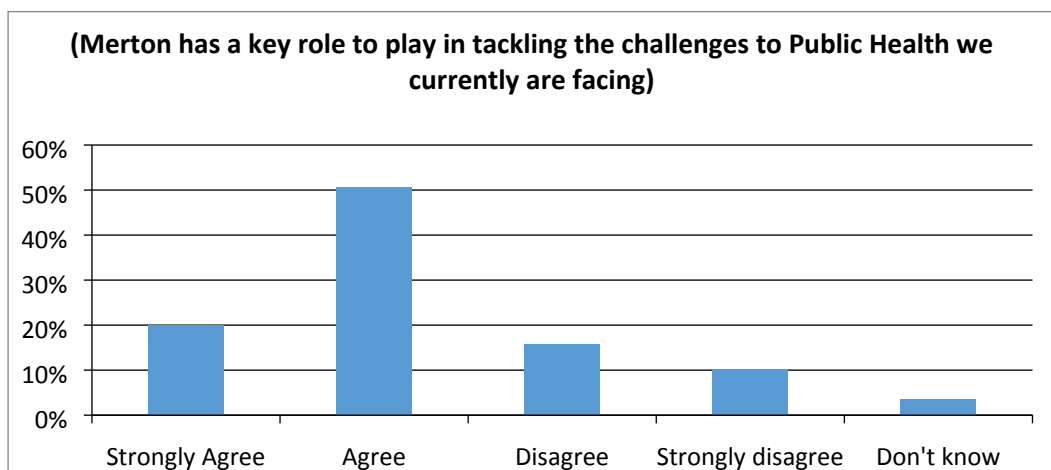
PUBLIC HEALTH

- 3.11. Public Health has a vision to protect and improve physical and mental health outcomes for the whole population in Merton throughout the life course, and to reduce health inequalities
- 3.12. The overall approach to achieving this vision is set out in the Merton Health and Wellbeing Strategy, which is produced by the Merton Health and Wellbeing Board. As explained in the last report to Cabinet, this strategy is being refreshed with a final version of the refreshed strategy expected to be approved by the Health and Wellbeing Board at its meeting on 25 June 2019.

^{1 1} *List of sources*

1. ^[1] Intergovernmental Panel on Climate Change, Global Warming of 1.5 degrees, special report, October 2018 (<https://www.ipcc.ch/sr15/>)
2. Committee on Climate Change, Net-Zero, May 2019 (<https://www.theccc.org.uk/publication/net-zero-the-uks-contribution-to-stopping-global-warming/>)
3. ^[1] London Environment Strategy, May 2018 (<https://www.london.gov.uk/what-we-do/environment/london-environment-strategy>)
4. Climate Change Act, 2008, <https://www.legislation.gov.uk/ukpga/2008/27/contents>)
5. (source: VEH0105: Licensed vehicles by body type and local authority: United Kingdom)

- 3.13. Merton has a diverse and growing population. In 2018, Merton had an estimated resident population of 209,400, which is projected to increase by about 3.9% to 217,500 by 2025. The age profile is predicted to shift over this time, with notable growth in the proportions of older people (65 years and older) and a decline in the 0-4-year-old population.
- 3.14. Although current levels of health in Merton are similar or better to London and national averages, forecasts of current trends suggest, increasing burdens from obesity and diabetes and ongoing concerns about diseases related to poor air quality.
- 3.15. The essence of the public health argument for the proposed changes to parking charges are that they will encourage less car use, which in turn reduces two major risks to health: air pollution and sedentary behaviour.
- 3.16. The benefits to health of these reductions in health risks were detailed in the last report to Cabinet. In summary these are:
- Less air pollution. Poor air quality causes respiratory and cardiovascular disease, and the latest evidence shows effects on the brain hastening dementia and cognitive impairment in children.
 - Less sedentary behaviour. From a public health point of view, there is a strong argument for urgent and substantial action. Diabetes in Merton is increasing by about 2% per year, and it is estimated that 90% of new cases are potentially preventable. One in five children entering reception are currently overweight or obese, a figure which increases to one in three leaving primary school in Year 6. Almost 60% of Merton adults are overweight.
 - Healthy places: The 'healthy streets' approach defines a healthy street as one with things to see and do; places to stop and rest; shade and shelter; clean air; and pedestrians from all walks of life. Parking policy has its part to play alongside changes to the built environment to create healthy streets
- 3.17. The graph below is the response from the recent consultation specifically asking if Merton has a key role to play in tackling the challenges to public health we are currently facing.



- 3.18. It is clear from the response shown that over 70% of respondents agree/strongly agree that the Council has a key role to play in tackling the challenges to public health.
- 3.19. Parking policy has the potential to shape and define public health benefits. Improving air quality is important because 6.5% of mortality in Merton is attributable to poor air quality.
<https://fingertips.phe.org.uk/search/air%20pollution#page/0/gid/1/pat/6/par/E12000007/ati/101/are/E09000002/iid/30101/age/230/sex/4>

SUSTAINABLE ACTIVE TRAVEL

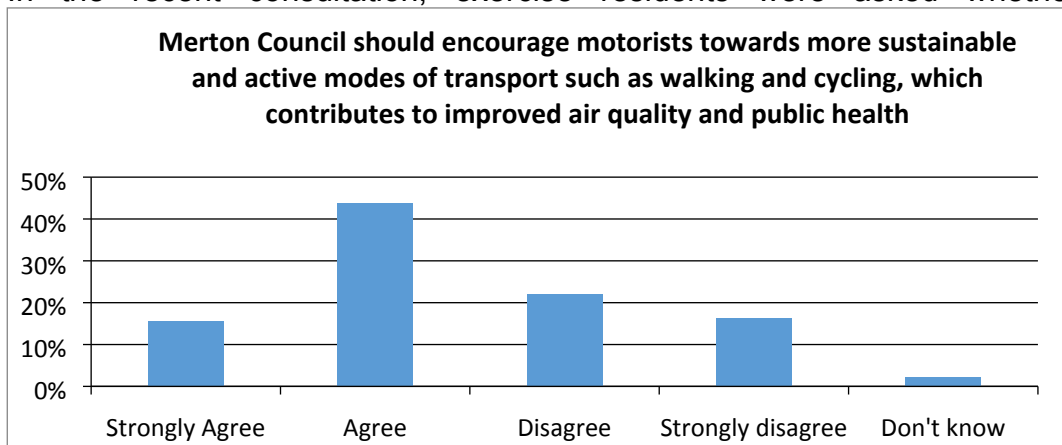
- 3.20. To get more people active, reduce air pollution and to promote healthier lifestyles the council intends to make walking and cycling the easy and preferred choice through the delivery of improved walking and cycling facilities.
- 3.21. In order to meet the Mayors Transport Strategy and to encourage more active travel, each London Borough is required to produce a Local Implementation Plan to focus on delivering tangible walking and cycling improvements. This approach aligns with the London Mayor’s aim that “Londoners do at least the 20 minutes of active travel they need to stay healthy each day” and Transport for London’s (TfL), Healthy Streets approach.
- 3.22. The third Local Implementation Plan (LIP) which is due to be published in the summer, sets out Merton’s Council’s three-year delivery programme for the period 2019/20 to 2020/22.
- 3.23. Over the last 6 years, Merton Council has spent £19.2m on a number of LIP 1 & 2 projects. This includes £4m on cycle related schemes (including cycle training). Approximately 6 km of cycle routes have been delivered alongside 651 additional cycle parking spaces.
- 3.24. The LIP 3 programme is set against a background of predicted employment, population and freight growth and; the demands it places on an increasingly congested transport system and the need to lessen and minimise the impacts on the environment and air quality. The consultation for this document

finished in May 2019 and the findings will be made available in the summer. LIP 3 contains a series of actions through to 2041.

These include:

- Reducing the impacts of climate change and improve local air quality.
- Improving connectivity and whole journey experience to the public transport network, especially for people with restricted mobility to support a more inclusive society.
- Reducing health inequalities
- Making Merton a safer place by reducing the number of collisions on our streets and supporting the Mayor’s Vision Zero objective.
- Supporting good growth, especially around the town centres at Colliers Wood and South Wimbledon, Morden and Wimbledon.
- Redefining the way our streets are laid out and used, to encourage the take-up of more active and healthier lifestyles where people feel confident to walk and cycle safely.

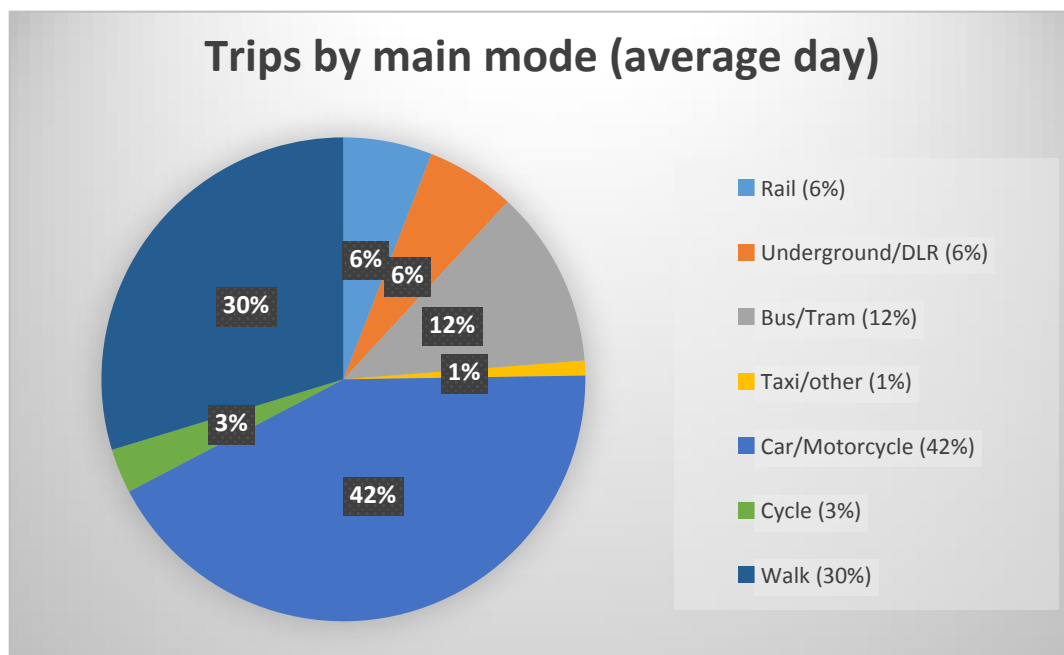
3.25. In the recent consultation, exercise residents were asked whether:



3.26. Just over half (60%) agreed that Merton Council should encourage motorists towards more sustainable and active modes of transport such as walking and cycling, which contributes to improved air quality and public health with (38%) disagreeing. Non-car owners were much more likely to agree (73%).

3.27. In Merton the modal share of walking, cycling and public transport is around 58 percent showing a worrying falling trend compared to previous years (down from 61%) and is just below the London average of 62.1% (source-Travel in London report 10).

3.28. All trips per day by main mode 2014/15 to 2016/17 are shown in the chart below:



- 3.29. In order to meet its share of the Mayor's 80 percent modal target, set at 73 percent for Merton it will be necessary to not only reverse the present trend, but to maintain a year on year increase in sustainable transport modal share. The level of physical activity has also declined in recent years from 38 percent of residents doing at least two x 10 minutes of active travel a day in 2013/14 to 2015/16 to 36 percent in 2014/15 to 2016/17. Furthermore, based on Department for Transport (DfT) statistics for 2016/17 the proportion of adults doing any walking or cycling once a week is 77.9% down from 81.5% for 2015/16.
- 3.30. Over one third of all car trips made by London residents could be walked in up to 25 minutes.
- 3.31. Although the level of cycling is broadly static, there remains significant potential to expand cycling (209,000 cycle trips or one per resident). However, only around 6% of these trips are currently achieved. A significant proportion of these potential cycle trips are undertaken by car, in particular trips to and from town centres, which coincides with the areas of poorest road safety for walking and cycling.
- 3.32. Merton is aiming to ensure that every resident has access to car club vehicles. There are 193,500 car club members in London and around ten car clubs. Transport for London (TfL) has committed to aiming for one million members by 2025. They offer a convenient and affordable service, while at the same time reducing overall car usage.
- 3.33. Car clubs can provide you with an alternative means of accessing a car when you need one, without all the cost or hassle of owning one yourself. You can find car club cars parked on street throughout Merton.

There are three car club companies available to the public in the borough, Bluecity, Zipcar and other TfL operators. There are currently on average over 60 vehicles operating in Merton with over 6,000 members.

- 3.34. The council is also developing its infrastructure for electric vehicles. Merton's ambition by 2021/22 is to facilitate 125 electric charge vehicle points across the borough, including fast, rapid and residential charge points. There are currently 94 in operation.

4. KEY THEMES HIGHLIGHTED IN THE CONSULTATION.

- 4.1. There are a number of key themes that reflect the responses received, following the consultation. This section of the report seeks to address the main points raised. A copy of the detailed consultation results and feedback can be found in Appendices 1-3.

Parking Demand and Supply

- 4.2. A number of comments and feedback suggested that there was no evidence to demonstrate that raising parking charges would reduce car use and lead to improved air quality. The council believes that there is evidence to show that the level of parking charges is likely to stimulate or nudge people into reducing car usage or removing their reliance on needing a car altogether.
- 4.3. The basic law of demand and supply states that more will be demanded at a lower price than that of a higher price. Parking charges have long been used to manage and regulate kerbside activity and provision.
- 4.4. The Canadian Parking Association produced a paper in 2015 titled The Value of Parking that looked at examples from a number of countries. This covers a wide range of points relating to the elasticity of demand for parking and the impact of fees on parking behaviour. The paper is available to read online at <https://canadianparking.ca/the-value-of-parking/>
- 4.5. Key points from the paper include:
- “The importance of parking is widely recognised, but car drivers are reluctant to pay even a small amount of money for parking.”
 - Parking fees are an efficient way of regulating parking. Offering free parking will lead to undesirable effects. The pivotal point in this is the low elasticity of parking demand. Even though parking demand in general is inelastic (meaning that the percentage change in parking demand will be smaller than the percentage change in parking fees) there is still an unequivocal link that increased charges will lead to a reduced demand, even if this is not proportional.
 - Previous reports on price have tended to concentrate on commuter parking only, which has a higher rate of inelasticity. Only a minority of people who use commuter parking facilities would consider alternative forms of transport or not making the trip at all.

- The report goes on to explain that there is also a difference in price elasticity between short and long-term effects. Car owners can adapt their long-term behaviour more easily than changing their habits on short-term notice. Long-term effects then can be more elastic than short time effects.
 - The report demonstrates that price elasticity for parking demand is strongly connected to the value that the car driver puts on certain types of trips (cross-elasticity). Highly valued trips will still take place, even when the price is high (low elasticity). When the value of a trip is considered lower, a driver may sooner skip the trip or find another solution (higher elasticity). Trips for dining out, recreation and unplanned shopping are likely to benefit from the nudge effect of stimulating drivers to change or amend their behaviours. Emergency trips, by their very nature, are unexpected and likely to account for a small number of overall trips made each day.
- 4.6. This latter point is illustrated in the following example where price increases led to a change in behaviour:
- *Congestion charge in central Stockholm – Findings indicate that the congestion tax in central Stockholm reduced ambient air pollution by 5 to 10 percent. This policy-induced change in pollution has been associated with a significant reduction in the rate of urgent care visits for asthma among children 0 to 5 years of age. Our estimates show that permanent reductions in air pollution from automobiles, even in locations, which have average pollution levels well below the current EPA standards, can have significant positive effects on children’s respiratory health.*
- Emilia Simeonova & Janet Currie & Peter Nilsson & Reed Walker, 2018. "Congestion Pricing, Air Pollution and Children’s Health," NBER Working Papers 24410, National Bureau of Economic Research, Inc.*
- 4.7. Further examples of where increased charges has stimulated direct behavioural change include:
- London Congestion Charge – The congestion charge was the first of its kind in the world. There was no evidence to prove it would be effective prior to its introduction, however its value and effectiveness have been scrutinised since. We know that in the first six months of operation of the charge, 60,000 less vehicle movements were recorded.
 - ULEZ – Since February 2017, when the Mayor announced the introduction of the T- charge as a stepping stone for the ULEZ, there has been a reduction in the total number of vehicles seen in the Central London ULEZ Zone (around 11,000 fewer vehicles per day)
- 4.8. Parking Fees an Economic Perspective – A further paper on the impact of parking charges and behaviour

<http://www.sciedu.ca/journal/index.php/ijba/article/viewFile/6626/3948> talks about the complementary relationship between vehicle parking, increases in parking fees and their proportionality in controlling vehicle growth rates and demand.

Key points include:

- Increased parking fees will lead to the desire to reduce private car travel, prompting people to choose alternative forms of travel
- If travellers expect higher parking fees they will change their route, or use other means of transport to reach their destinations.

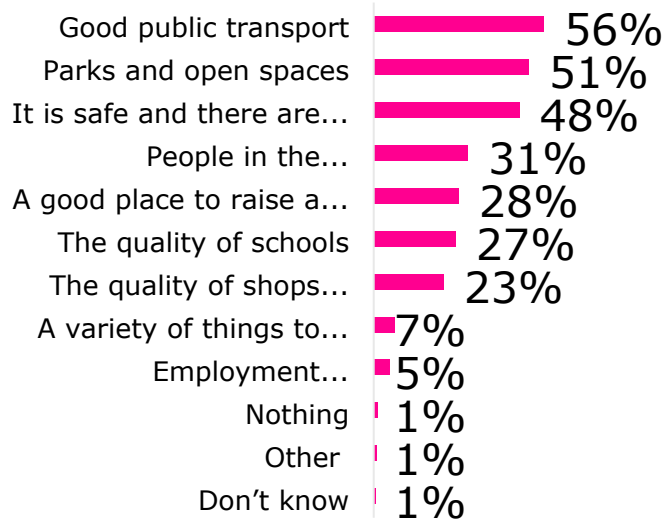
4.9. A comprehensive 2018 policy report by London Councils '**Benefits of Parking Management** in London August 2018' addressed many of these key principles. <https://www.londoncouncils.gov.uk/node/34485> The report stated that:

- Parking management is the only mechanism through which local authorities can ensure stationary vehicles are parked in an amenable and equitable manner, thus solidifying its importance and the benefit it delivers.
- There are many parking management benefits, which include reducing congestion, improving air quality, providing funding for parking and wider transport scheme improvements and ensuring good access and accessibility.
- Of particular significance is the fact that these benefits deliver benefit to everybody, from motorists themselves to the person sat at home, and all road users and non-road users in between.

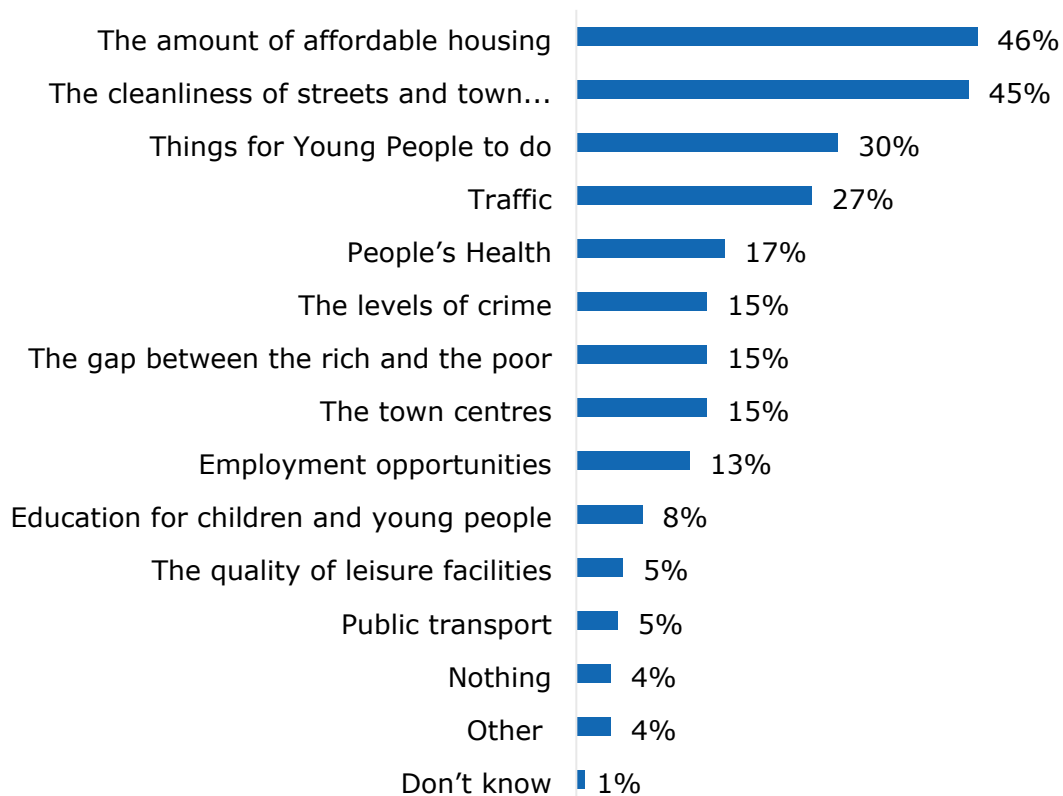
Public Transport Accessibility Levels (PTAL)

- 4.10. In cases where there is a reasonable opportunity to use public transport, or indeed walk or cycle, Merton's aim is to encourage everyone to use these options over the use of a motor vehicle. Generally, charges have been set higher where there is good transport links over less well-served areas. This is applicable to the proposed charges in CPZs, on street and in our car parks.
- 4.11. There is a significant difference in transport infrastructure and accessibility depending on where a resident lives, visits or works within the borough. This is presented in the form of a 'Public Transport Accessibility Levels' (PTAL) as set out by TfL and formed part of the review. TfL have grading's for each area of London – ranging from the highest to the lowest.
- 4.12. It is therefore easier in principle for a person living, visiting or commuting to a high PTAL rated area to use alternative sustainable of transport, compared to residents in low PTAL rated areas.
- 4.13. It should be noted many existing and new developments in high PTAL rated areas, are already car free, and a permit might not be purchased, and this forms part of the current planning process.

- 4.14. A recent residents survey highlighted public transport provision throughout the borough as most valued by residents.
- 4.15. All residents were asked to choose up to three things from a list, that they value the most in the London Borough of Merton. By far the most valued aspect of the borough is its public transport, with 56% choosing this. This is of greater importance to younger residents (61% aged 18-24 and 57% aged 25-44).



- 4.16. Following on from this, all residents were presented with another list and asked to specify which three they felt needed most improvement in the borough. It is encouraging to see that while public transport is the most valued aspect of the borough, only 5% of residents feel this is in need of improvement



- 4.17. Merton is very well connected to the public transport network with 10 mainline rail stations served by Thameslink (Wimbledon Loop), South Western Railway and Southern Rail services. A network of 28 bus routes also serves the borough; including 7 night buses, several of which run 24hrs a day.
- 4.18. Wimbledon Station serves as a sub-regional transport hub and is served by National Rail train services (South Western mainline), London Underground (District Line), London Trams and bus services. The suburban station at Mitcham Eastfields puts the east of the borough within 25 minutes of central London (Victoria and Blackfriars).
- 4.19. The Northern London Underground line also runs through the borough and terminates at Morden, (including a night-time service, which runs on Fridays and Saturdays every 8 minutes between Morden and Camden Town and approximately every 15 minutes from Camden Town to High Barnet/Edgware.
- 4.20. Following the consultation process the council has reviewed the PTAL rating for each CPZ and walking distances to main line, tram and underground stations access, and it is recommended that controlled parking zones VNE, VNS, VN, VQ, VSW, VSW1, VSW2, be re-categorised as Tier 2 from Tier 1. as shown in Appendices 7d - 7f.

Parked Cars

- 4.21. A number of respondents stated that parked cars do not pollute. No car is bought just to be parked; it is bought to be driven. How often and how far does vary, but it will be driven. The principle of charging based on location to public transport and local amenities is that it is easier to travel without the car on a day-to-day basis, than from locations with poorer access to amenities and public transport.

Through Traffic & Congestion

- 4.22. A number of representations highlighted a range of traffic and road safety issues/ concerns, often with a link to the likelihood of individuals choosing cycling and walking over the use of a car. The point was also made that through traffic as opposed to parked cars were the primary contributor to poor air quality. There were also comments about HGVs, Taxi's, buses and other transport being a contributor to the problem, and that the council should look to address these issues.
- 4.23. The council acknowledges there is no one simple solution to the growing problem of poor air quality and other transport related matters caused by increased car ownership and general traffic with the borough and London more widely. The council has a duty and we are addressing the many concerns in respect of 'other factors', which contribute to poor air quality and congestion.
- 4.24. The council will continue to lobby Government and work with TfL to reduce HGV emissions. The Mayor of London is taking action with the new Ultra Low Emission Zones, which has the ambition to push the change towards cleaner and less polluting vehicles as quickly as possible.
- 4.25. In order to nudge people towards active transport we must ensure our streets are safe. We will therefore embrace the Vision Zero targets to eliminate fatal and serious casualties by 2041 and are currently rolling out borough-wide 20 mph speed limit zones.

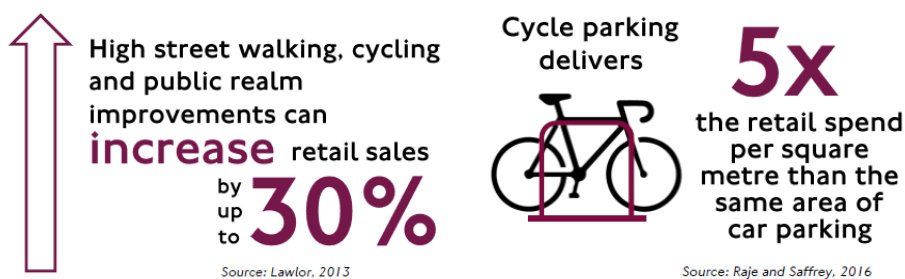
What is the income from parking charges used for?

- 4.26. The council can only spend the money it receives from parking charges in the manner set out in the Road Traffic Regulation Act 1984 (RTRA) which directs that income can be used for certain purposes only.
- 4.27. A number of the responses received questioned what parking revenue is spent on. The RTRA allows authorities to spend income on the day-to-day management of the parking service, to fund Freedom passes, transport related expenditure, environmental improvements, and maintenance and upgrades to carriageways and footpaths within the borough.
- 4.28. The Freedom Pass is London's concessionary travel scheme, which allows free travel for older and disabled people across London's entire public transport network and on local bus services across England during off-peak hours.

- 4.29. The benefit of the Freedom Pass is that it enables older and disabled people right across London to lead more active, happier and healthier lives, facilitating social inclusion and ensuring their continued participation in society. Parking management therefore plays a fundamentally important role in enabling this service to exist.
- 4.30. In 2016/17, the Freedom Pass cost London boroughs £355million. This cost is raised from parking revenue – both charges and penalties. This means that motorists are effectively subsidising the provisions that allow older and disabled people to get about London.
- 4.31. Over the last 3 years Merton has spent approximately £27m on freedom passes.

High street, business and town centre considerations

- 4.32. Further closures of familiar chains and primary department stores continue to be a concern for our high streets. Even with no significant increase in charges for approximately 10 years, alongside the introduction of 20-minute free bays, the impact of online shopping has changed the dynamics of the high street. This has also affected the night-time economy.
- 4.33. The council is mindful of these challenges and received written submissions from the business sector, including the Wimbledon Society and Love Wimbledon BID.
- 4.34. In order to assist businesses and support the night-time economy, the Council recommends a reduction in charges in the underused car parks of St Georges and Queens Road to a flat fee of £2 between 6pm and 11pm.
- 4.35. The council will also continue its commitment to the free twenty-minute parking bays.
- 4.36. Although there is a perceived risk that a reduction in cars to high streets will have a detrimental effect, a recent report by TfL (November 2018) demonstrates the economic benefits of walking and cycling.

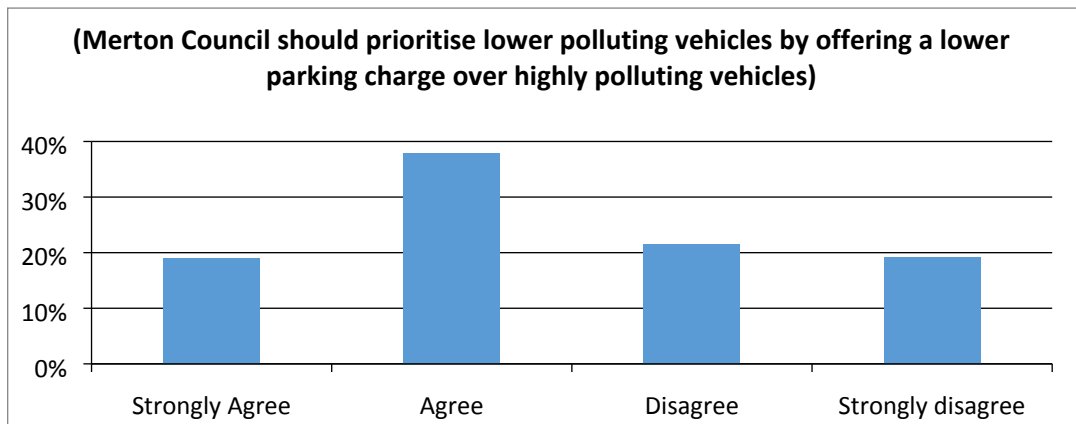


Emissions and Diesel Levy

- 4.37. The council has committed to reviewing the impact of the existing diesel levy and the potential for future emissions based charging within Merton. The report will be presented to Cabinet later this year and all of the comments received in the consultation will be considered in the future review.

- 4.38. Although emissions based charging is not being dealt with in this report, the Council notes the result from the consultation survey set out below.

Data from online survey results



Disabled and carer permits/drivers

- 4.39. Merton is committed to supporting its residents that have mobility issues, and there are a number of ways we currently support this objective.
- 4.40. Merton is a member of the national Blue Badge scheme. The Blue Badge provides a range of parking and other motoring concessions for people who are registered blind or have severe mobility problems. Blue Badge holders can park free of charge in any Merton disabled parking bay, pay & display and shared use bay or permit holder bay.
- 4.41. Later this year the Blue Badge eligibility scheme will be extended to those with a wide range of mental health issues that affect their mobility. This will extend our current provision to support additional residents within the Borough.
- 4.42. A Blue Badge holder in Merton is entitled to apply for a free carer permit under certain conditions. This is to further support those residents with mobility issues and in need of regular support and care. The carer permit eligibility is based on being a Blue Badge holder.

Charging Levels

- 4.43. Charges have been considered and set at levels, which will challenge driver behaviour and choices with the aim of reducing car use and ownership. The council is mindful of economic challenges facing many residents and visitors to the borough, but also needs to meet obligations to reduce poor levels of air quality and improve public health, increase cycling, walking and use of public transport. There have been no increases to parking charges for several years.
- 4.44. A large number of respondents felt that the proposed increased charges were too high. In addition, they were concerned that the charges when the CPZ was set up were initially just to cover costs but now appeared to be an

additional tax. A large number of respondents also highlighted that the proposed increased charges would have a big financial impact on them and that they could not afford to change their vehicle.

- 4.45. The new charges are considered a reasonable amount to nudge residents and visitors to consider their car use and alternative travel choices. For example, in the highest proposed CPZ permit charge area (£150) this equates to 41 pence per day. Over 70% of on street spaces are priced at £3 or under per hour.

5. PROPOSED NEW CHARGES

- 5.1. Like many outer London boroughs, the private car continues to take a leading role in meeting travel demand with around 43% of daily trips by car. There are currently around 88,000 vehicles in Merton or just over one vehicle per household. Car ownership has increased consistently over previous years.
- 5.2. Approximately 31.4% of households have no car (2014/15 -2016/17). Many roads are overcrowded during peak periods adding to air quality, noise and road safety concerns. In addition, annual vehicle kilometres travelled is also increasing.
- 5.3. A number of parking charges have evolved over the years and have met the needs for specific areas and schemes at a particular point in time. There were minor adjustments in 2015, but no significant review has been undertaken since before 2010. However, in this review the opportunity to further simplify the charges has been taken. Likewise, the proposals seek to further strengthen and develop the links between Public Health, air quality and how future charges can moderate parking behaviour.
- 5.4. Over the last 10 years where car parking and permit prices have been frozen the number of cars registered in Merton rose from 69,500 to 71,900. Whilst car ownership in the borough has started to decline over the last 12 months' overall car ownership has risen by approximately 3.3% over the last 10 years.
- 5.5. Future charging levels, that are too low, will not meet our future strategic objectives to improve public health and air quality, increase active travel and see the level of car ownership decrease.
- 5.6. The previous reports set out four basic principles, which set out the rationale that underpin the proposed charging structure:-
 - (i). Ease of access to public transport
 - (ii). Air Quality indicators
 - (iii). Parking demand and space availability
 - (iv). Enforcement requirements

(i) Ease of access to public transport:

5.7. In proposing the grouping and charge levels of each CPZ. Each CPZ was assessed against PTAL levels and as a guide, the criteria set out below:

- CPZs within 20 minutes' walk of an (1) underground **and** (2) mainline station and tram stop are in Tier 1.
- CPZs within 20-minute walk of (1) an underground **or** (2) mainline station are Tier 2.
- CPZs with no access to a mainline or an underground station within an approx. 20-minute walk are Tier 3.
- There are buses in many cases which complement access to train and tram provision within the borough.

(ii) Air Quality:

5.8. Merton's air quality levels are poor. A charging structure, that helps to change habits and car ownership throughout the borough, will have a beneficial medium to long-term effect. A number of hotspots coincide with areas of high parking demand and traffic movement. e.g. Wimbledon Town Centre. These focus areas align themselves with some of the more congested areas of the borough, and support the recommendations, which aim to address air quality issues.

(iii) Areas of high parking demand

5.9. Parking demand varies within the borough. Higher Charges are being proposed in areas of high demand to encourage the journey to be made either by walking, cycling or public transport, rather than by the use of a car.

(iv) Enforcement requirements

5.10. It is recommended to align charges with the hours of operation of the permit bays. For example, permits for a CPZ that are controlled for a shorter period, should cost less than permits for zones that are controlled for a longer period. There is a direct cost of enforcement, dependant on the length of time a scheme is operational. This is reflected in the proposed cost of a permit.

Proposed On Street charging structure

5.11. Based on the above criteria the summary table below shows the proposed charging structure. It is therefore recommended that on street parking be categorised into four broad zones as set out below.

Zone No.	No. of on Street Bays	Description	Air Quality focus area	PTAL level. Access to transport.	Parking demand
Zone 1	255	Wimbledon Town Centre – Primary Shopping zone, Broadway and Wimbledon Bridge & Hill	137	6b, a & 5	High >100
Zone1 a	120	Roads near/off High Street Wimbledon Village to serve as a reduced cost parking area, including The Causeway, South Side Common,		2 & 1	Medium/ High 71%-100%
Zone 2	2547	North of the Borough. Including Wimbledon Village, Wimbledon Park, South Wimbledon, Raynes Park. Colliers Wood,	Part 137	5, 4 & 3	Medium/ High 71%-100%
Zone 3	722	South including, Mitcham, Morden and other areas not specified.	Part 134, 135.	Morden Centre 5, Mitcham 4, Other areas, 3, 2, & 1	0-70% Lower demand

Zone 1 – On Street Parking

5.12. Wimbledon Town Centre has the highest demand for on-street parking in the borough, and greater stimulus will be necessary to manage this compared to on-street locations elsewhere within the Borough. A key issue has been identified at peak times, where vehicles wait for on-street spaces to be freed up, adding to congestion problems. Existing periods of maximum stay would be retained to further help manage turnover of spaces and reduce congestion. In this area, there are 255 bays where the higher charge of £4.50 per hour is applicable. This is in comparison to 3389 pay and display bays across the borough prices at £3 or below.

Zone 1 a – On Street Parking

5.13. There are no car parks in Wimbledon Village and therefore no obvious alternatives for customers to park anywhere other than at the kerbside. To facilitate parking in the vicinity, but off the high street itself, a lower charge is recommended for the bays in The Causeway and South Side Common, to provide an obvious alternative to parking on the congested High Street, and

help maintain the vitality of the area. Of course, the use of sustainable transport or active transport is always preferred, but it is recognised that some car use must be catered for. There are approximately 120 spaces in this area, for which it is proposed to set the lower charge level of £1.50 per hour to encourage parking away from the High Street.

Zone 2 & 3 – On Street Parking

- 5.14. The same principles apply as in Zone 1, but demand and capacity are not as high. Charges are proposed in Zone 2 at £3.00 & Zone 3, at £1.50. It is believed that this charge achieves a regular turnover of spaces, and nudges drivers towards considering alternative more sustainable forms of transport. Many of the shops and businesses in this area serve local residents, which can be visited in many cases by a short walk.
- 5.15. Members are reminded there are a high number of locations within the borough that offer 20 minutes free parking to help with the vitality of local shopping parades. The council subsidises these bays at a cost of circa £300k per year. Many of these bays are in fact the most congested bays in the borough causing significant ‘cruising’ and related congestion.
- 5.16. Notwithstanding the above, the council will continue to support this provision to assist local businesses.
- 5.17. In order to provide further support for local businesses and to support the night time economy, the council recommends a reduction in charges in the underused car parks of St Georges Road and Queens Road to a flat fee of £2 between 6pm and 11pm.

Table of proposed charges.

On-street pay & display	Per Hour
Zone 1 255 bays in Wimbledon town centre	£4.50
Zone 2 Wimbledon Village, Wimbledon Park, South Wimbledon Rayne’s Park. Colliers Wood,	£3.00
Zone 3 Mitcham, Morden and other areas not specified.	£1.50
Zone 1a Wimbledon Common	£1.50

Note: Areas shown are general description.

On Street Benchmarking Data

- 5.18. Only 255 bays (or 7% of all available bays in Merton are in Zone 1 Wimbledon Town Centre) at a charge of £4.50 per hour, which ranks Merton 9th against other London boroughs.

Ranking in order of cost	Borough	Most expensive on-street tariff (per hour)
1	Camden	£7.20
2	Southwark	£6.50
3	Islington	£6.20
4	Lambeth	£5.40
5	Kensington & Chelsea	£5.10
6	Hackney	£5.00
6	Tower Hamlets	£5.00
8	Westminster	£4.90
9	Merton Zone 1	£4.50
10	Bromley	£4.00
11	Wandsworth	£3.40
12	Haringey	£3.30
13	Hammersmith & Fulham	£3.20
14	Richmond	£3.00
14	Greenwich	£3.00
14	Ealing	£3.00
14	Sutton	£3.00
18	Croydon	£2.60
18	Redbridge	£2.60
20	Brent	£2.50
21	Kingston upon Thames	£2.40
21	Harrow	£2.40
21	Hillingdon	£2.40
24	Enfield	£2.00
24	Waltham Forest	£2.00
24	Newham	£2.00
27	Barking & Dagenham	£1.50
28	Bexley	£1.40
29	Havering	£1.00

No available data for Lewisham, Hounslow, Barnet.

OFF STREET (CAR PARK) CHARGES

- 5.19. Existing hourly charges in the borough's car parks vary from 30p to £1.50 per hour. The review has considered these charges and made recommendations, which link, to the geographic area, and transport accessibility and congestion at each car park.
- 5.20. The charge set reflects the level of PTAL rating and level of congestion. If customers have a genuine and easy choice to use public transport, or active transport, this should be encouraged. A higher charge is set at a level, which requires the 'customer to consider' their mode of transport. This is a proven and appropriate transport management tool.
- 5.21. To ensure the usage of the car parks are maximised, lower charges have been set off street than on street, by geographical area. This incentive will help prevent congestion on high streets and busy town centres, resulting in reduced roadside emissions, and addressing key air quality issues in the borough.

Table of proposed charges. - car parks

CAR PARK (Inclusive of VAT).	Current hourly rate/flat fee	Proposed hourly rate/flat fee per day	Amendments Following consultation
WIMBLEDON			
Broadway	£1.00	£2.00	
Hartfield Road	£1.50	£2.00	
Queens Road	£1.00	£1.50	£2 <u>flat</u> fee between 6pm and 11pm.
St Georges Road	£1.40	£1.50	£2 <u>flat</u> fee between 6pm and 11pm.
MORDEN			
Kenley Road (flat fee per day)	£3.50	£7.00	
Morden Park (hourly)	£0.40	£0.60	
Morden Park (flat fee per day)	£5.00	£7.00	
Peel House Lower	£0.40	£0.60	
Peel House Upper (flat fee per day)	£5.00	£7.00	
Peel House Upper (hourly)	£0.50	£0.60	
York Close (flat fee per day)	£5.00	£7.00	
York Close (hourly)	£1.00	£1.20	
MITCHAM			
Elm Nursery	£0.50	£0.60	
Raleigh Gardens	£0.50	£0.60	
St Marks Road	£0.40	£0.60	
Sibthorpe Road	£0.70	£0.90	

Benchmarking Off Street Charges

- 5.22. We aim to have charges that encourage motorists to use car parks rather than on street locations. The table below shows Merton to be competitive when comparing each boroughs highest published charge. We will keep this under review so that it is commensurate with our objectives.

Ranking in order of cost	Borough	Most expensive off-street tariff (per hour)
1	Kensington & Chelsea	£5.10
2	Lambeth	£3.00
2	Greenwich	£3.00
4	Tower Hamlets	£2.40
5	Richmond	£2.35
6	Kingston upon Thames	£2.30
7	Hammersmith & Fulham	£2.20
8	Sutton	£2.00
8	Waltham Forest	£2.00
8	Newham	£2.00
8	Merton (proposed)	£2.00
12	Hackney	£1.60
12	Harrow	£1.60
14	Ealing	£1.50
14	Redbridge	£1.50
14	Brent	£1.50
17	Enfield	£1.40
17	Lewisham	£1.40
19	Croydon	£1.30
20	Haringey	£1.25
21	Bromley	£1.20
21	Bexley	£1.20
23	Southwark	£1.00
23	Hillingdon	£1.00
25	Havering	£0.75

Note: other boroughs either do not own or manage car parks directly or no data is available including: Camden, Islington, Westminster, Wandsworth, Barking & Dagenham

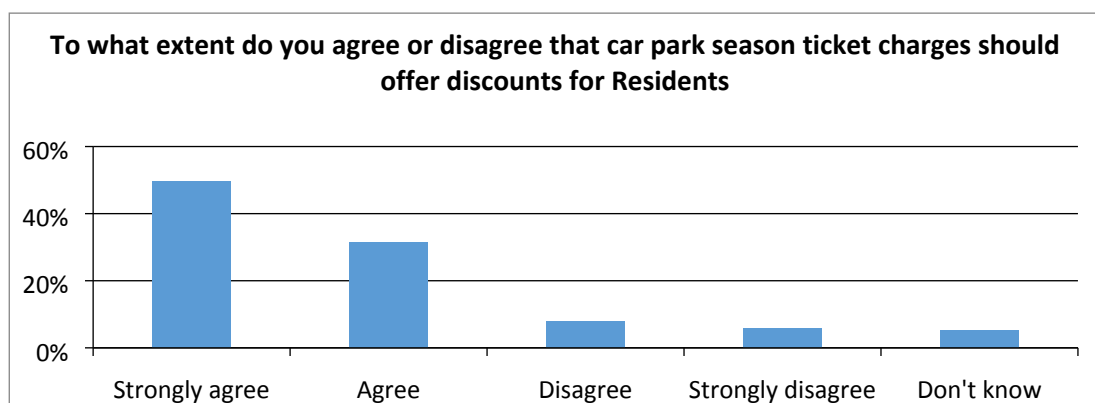
CAR PARK SEASON TICKETS

- 5.23. The cost of a car park season ticket has been frozen for 14 years.
- 5.24. In real terms, there has been a significant reduction in the cost of season tickets. The review considered an appropriate charge to be one that is comparable with other authority charges, and challenges motorists to consider other more sustainable forms of transport.
- 5.25. The current charge for a 12-month season ticket in a Morden car Park is £445. This equates to £1.78 per full days parking, (based on 250 working days per year), a price which does not support our aspirations of active travel and modal shift.
- 5.26. It is proposed to offer a significantly reduced charge of £20 total fee, in our car parks, to 'fully electric vehicles' (for season ticket sales) as a direct incentive to change the nature of vehicle ownership. This offer could provide users with a saving of up to approximately £1,300 per year.
- 5.27. The diesel surcharge on parking permits is not currently applied to car park season tickets. It is recommended that the diesel surcharge of £150 should be applied to customers applying for a season ticket in the same way as a resident purchasing a permit for a CPZ.

Season ticket charges

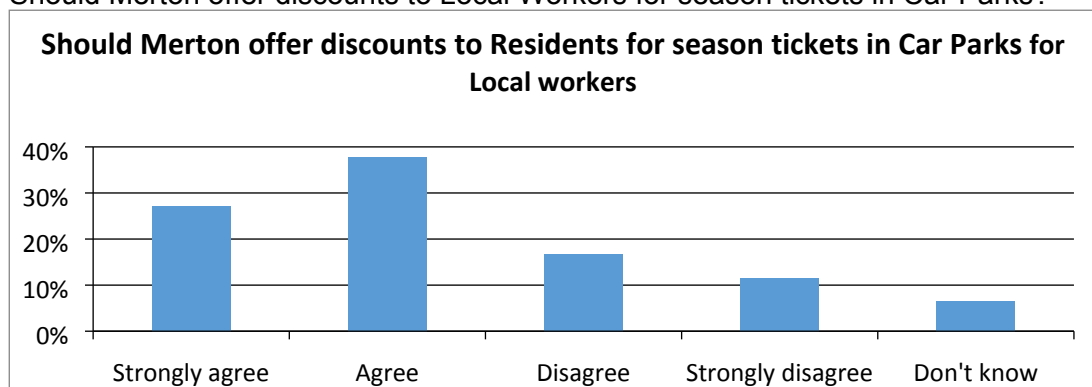
- 5.28. The principle of a discount for purchasing a season ticket already exists. It recognises that not all employees work every day at their office or place of work for various reasons e.g. annual leave. Without a discount, there would be no incentive for customers to buy season tickets, which is a convenience for them, and assists the council with not having to bank and collect cash on a regular basis.
- 5.29. Results from the online survey show that there was clear agreement that car park season tickets should offer discounts to residents,

Should Merton offer discounts to residents for season tickets in car parks?



- 5.30. In addition, there was further agreement that discounts should be offered to local workers for the purchase of season tickets in car parks. The proposals for a differential between commuters with and onward journey and parkers who either worked locally or are residents of the borough were set out in earlier reports and it is recommended these principles should be approved along with the proposed charges set out in the tables below.

Should Merton offer discounts to Local Workers for season tickets in Car Parks?



Mitcham Car Parks

- 5.31. Car parks in Mitcham are currently underutilised and do not have the same over use and capacity issues as many other car parks in the borough. Charges have therefore been proposed to reflect the current situation.

Mitcham Car Park	1 Month	+ 1 Month Diesel Surcharge £12.50	6 Months	6 month Diesel Surcharge £75	12 Months	12 Month Diesel Surcharge £150
Current charge	£25	N/A	£150	N/A	£300	N/A
Proposed local worker/ resident	£62.50	£75	£225	£300	£300	£450
Proposed commuter	£62.50	£75	£300	£375	£525	£675

Morden Car Parks

- 5.32. The charges in the table below show a minor adjustment downwards to the original proposed charges. The charges set out in the table offer a 10% discount for a commuter buying a 3-month season ticket, 20% for a 6-month season ticket and 30% for a 12-month season ticket.
- 5.33. In the case of a local worker or resident, a discount of 20% for a 3-month season ticket, 40% for a 6-month season ticket, and 60% for a 12-month season ticket will be offered.

Morden	3 Months	3 Month Diesel Surcharge £37.50	6 Months	6 month Diesel Surcharge £75	12 Months	12 Month Diesel Surcharge £150
Current charge	£1111	n/a	£223	n/a	£445	n/a
Proposed local worker/ resident	£350	£387.50	£525	£600	£700	£850
Proposed commuter	£393.75	£431.25	£700	£775	£1,225	£1,375

Queens Road Car Park Wimbledon

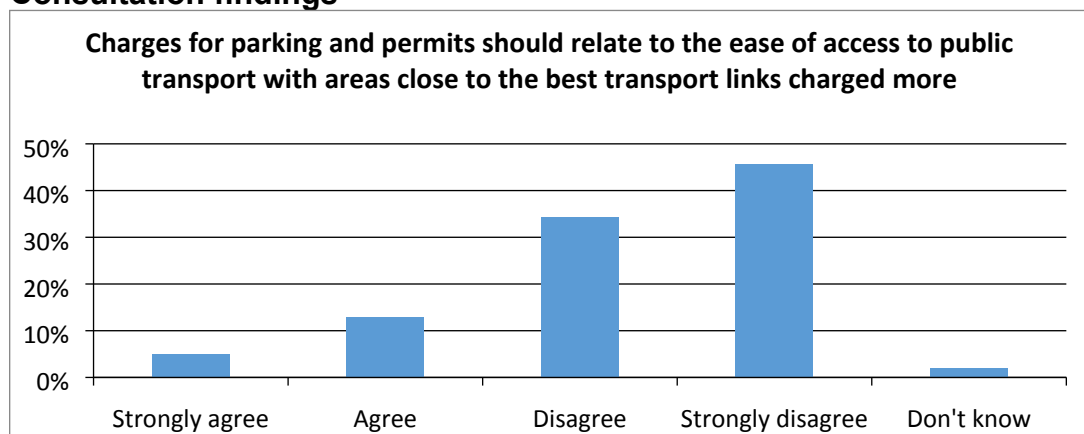
- 5.34. A mixture of commuters and local shoppers uses this car park. Demand varies throughout the year and at different times of the week. Given the nature and use of this car park, the following charges are proposed.

Queens Road -Wimbledon	3 Months	3 Month Diesel Surcharge £37.50	6 Months	6 month Diesel Surcharge £75	12 months	12 Month Diesel Surcharge £150
Current	£240	N/A	£480	N/A	N/A	N/A
Proposed local worker/ resident	£300	£337.50	£600	£675	N/A	N/A
Proposed commuter	£337.50	£375	£675	£750	N/A	N/A

RESIDENTIAL PARKING PERMITS

- 5.35. Resident permit charges have been frozen since 2009, which means in real terms they have reduced in price for 10 years.
- 5.36. The review considered an appropriate price to be one that challenges motorists to consider the use of other more sustainable forms of transport.
- 5.37. The sale and price of permits is another way the council can influence car/vehicle use within the borough and directly contribute to the MTP, LIP and AQAP objectives.

Consultation findings



- 5.38. A number of residents highlighted the lack of public transport in specific areas of the borough. Representation highlighted that in some CPZs there could be more than 20-minute walk to reach a main line station or underground station. Although buses may provide alternative transport, it is accepted that access to public transport did vary within each area of the borough. The recent Residents survey referred to the provision of public transport within the borough, as being the most highly valued.
- 5.39. In reviewing the PTAL rating for each CPZ and further analysing walking distances to main line, tram and underground stations access, it is recommended that Controlled Parking Zones VNE, VNS, VN, VQ, VSW, VSW1, VSW2, be re-categorised as Tier 2 from Tier 1 as shown in Appendices 7d – 7f.
- 5.40. A high percentage of respondents did state that they considered the charges too high. Proposed charges took into consideration charge levels in other boroughs and general affordability. Although this increase may not be significant enough to have a direct and dramatic effect in the short term, it is an action the council consider very important in meeting its legal obligations to affect driver behaviour and car ownership for the reasons set out in detail throughout this and previous reports.
- 5.41. The principle of charges based on access to public transport had limited support as shown in the graph above at 6.37. However, some respondents agreed that certain areas are well served by public transport and supported the PTAL approach. The consultation responses did not identify any evidence or argument to undermine the case for charges linked to PTAL.

Zone duration	Tier 1 zones Wimbledon Town Centre	Tier 2 zones Part Colliers Wood/ South Wimbledon/ Rayne's Park/ Morden	Tier 3 zones Mitcham/ Part Colliers Wood	*100% electric vehicles All zones
Long (12 to 14.5 hrs)	£150	£130	£90	£20
Medium (6 to 10 hrs)	£120	£110	£80	£20
Short (1 to 4 hrs)	£110	£100	£70	£20

*The £20 fee is a reduction of £5 on the existing charge.

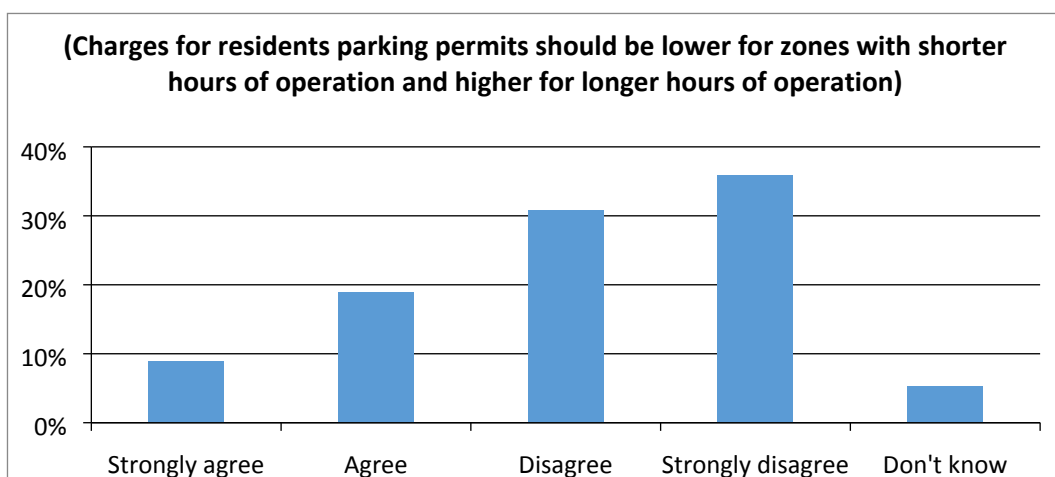
- 5.42. The Council is keen to continue to promote the use of electric vehicles and the new recommended charge for a permit for an electric vehicle is £20.
- 5.43. Note: A surcharge of £150 will continue to apply for diesel vehicles.

Houses with multiple permits.

- 5.44. The proposed charge for a second permit at the same property should incur a £50 surcharge, a third permit a £100 surcharge and a fourth permit at £150 surcharge.
- 5.45. Note: A further surcharge of £150 will continue to apply for diesel vehicles and will be applied to the cost of the original permit and the surcharges listed in 6.44 above.
- 5.46. The purpose of this charging scheme is to discourage multiple cars at one address. In the case of houses with multiple vehicles/permits, it is considered reasonable that those sharing the property could consider some form of car sharing. It is recommended this principle remains and details of the individual charges can be found in appendices 7d – 7f.

Hours of operation/enforcement

- 5.47. It is recommended to align charges with the hours of operation of the permit bays. For example, a CPZ that is controlled for a shorter period should cost less than CPZs that are controlled for a longer period. There is a direct cost of enforcement depending on the length of time a scheme is operational, and it is recommended this should be reflected in the cost of a permit.
- 5.48. Should this be agreed then there will need to be a process of considering amendments to CPZ operating hours. Officers will develop appropriate arrangements allowing residents to petition for changes and for them to be considered appropriately. It should be noted though that hours of operation generally reflect residents' demands, and the prevailing environment and demand. The maximum variable between short and long zones is between £20 & £40 per annum.



Benchmarking Residential Permits:

5.49. The tables below provide a comparison with different London boroughs showing the proposed Merton charges in relation to resident permits.

Cost	Highest priced residential permit by council (2019/20)
£250 - £500	Islington £490, Lambeth £306, Camden £296, Haringey £289, Hackney £264,
£151 - £250	Brent, £241 Kensington & Chelsea £236, Tower Hamlets 186, Wandsworth £183, Enfield, £165,
£0 - £150	Bexley £150, Sutton £150, Merton £150 tier 1 , Westminster £145, Barking and Dagenham £140, Waltham Forest £140, Ealing £125, Lewisham £120, Hammersmith and Fulham £119, Richmond £114, Bromley 100, Greenwich 100, Kinston £90, Croydon £80, Hounslow £80, Harrow £79, Havering £35, Redbridge £20.

Visitor Voucher Charges

5.50. The proposed charges are:

Tier	Half day	Full day
Tier 1 zones	£3.50	£5
Tier 2 zones	£3	£4
Tier 3 zones	£2	£3

Visitor Voucher Charges Benchmarking Data

Cost	Highest priced visitor voucher by council (2019/20)
£5 plus	Hammersmith £18, Islington £15.20, Richmond £8.40, Camden £7.23, Tower Hamlets £5.80, Wandsworth £7.70, Hounslow £7.50, Lambeth £5.37, Lewisham £5.60,
£2 - £5.	Newham £5, Waltham Forest £5, Merton £5 Tier 1 , Brent £4.50. Hackney £4, Croydon £4, Bromley £3.66,

Annual Visitor Permits

5.51. The proposed charges are set out in Appendices 7d – 7f.

6. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Any increase in parking charges will inevitably have an effect on parking income. This is difficult to accurately predict since we are seeking to change motorists' behaviour and reduce car usage. As such, the current Medium Term Financial Strategy (MTFS) savings of £1.9m in 2019/20 and a further £1.9m in 2020/21 reflect assumptions on estimated decreases in demand across each income stream e.g. resident permits, visitor permits, pay etc. These assumptions will continue to be monitored and updated taking into account any agreed changes in fees and in motorists' behaviour.
- 6.2. The estimated 2019/20 income of £1.9m was based on an implementation Date of 1st October 2019. The overall level of income that will be achieved will be dependent on the actual implementation date and level of charges agreed following due process and consideration. It is important to note that the raising of income is not a contributing factor to any decision making process.
- 6.3. Local authorities are not permitted to use parking charges solely to raise income. When setting charges the focus must be on how the charges will contribute to delivering the Council's traffic management and key sustainability objectives.

7. ALTERNATIVE OPTIONS

- 7.1. This report is to inform Members of the key existing strategic drivers that will affect parking policy for the future. The public health agenda, the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality and

demand for kerbside space form the backdrop of the policy direction set out in this report.

- 7.2. Key strategic Council plans such as the Health and Wellbeing Strategy, Merton's Air Quality Action Plan, Merton's Local Implementation Plan include visions and interventions, which will help to achieve Key Council goals of improving population health, reducing inequalities between east and west Merton, improving air quality and shifting to more sustainable modes of transport. However, they will have limited impact without concurrent changes to parking provision for the future.
- 7.3. This review has looked at a wide range of options to support the above strategic drivers as well as a series of charging options for the future, A lower level of increases, or a 'do nothing' approach would not make any significant contribution towards the Councils strategic objectives. A higher level of increases would, in the view of officers, show insufficient regard for countervailing considerations (such as the need to make provision for those for whom, now, car use remains the only realistic option).
- 7.4. A further option is not to increase charges and accept car ownership and car use will continue to increase the consequent negative impact on air quality and public health. If we do nothing then this will have serious negative consequences on the general health of the local population. Doing nothing is not a recommended option as congestion will increase, we will continue to fail to meet the EU air quality standards and we will not be able to maximise sustainable active travel within the borough.

8. LEGAL AND STATUTORY IMPLICATIONS

Legal and regulatory requirements of Parking and transport management.

Statutory Provisions

- 8.1. The Road Traffic Regulation Act 1984 (s.122) specifies that the functions conferred on local authorities under the Act should be exercised:
"to secure the expeditious, convenient and safe movement of vehicular and other traffic (including pedestrians) and the provision of suitable and adequate parking facilities on and off the highway".
- 8.2. This includes (in s.122(1) of the Act)
 - a) The desirability of securing and maintaining reasonable access to premises;
 - b) The effect on the amenities of any locality affected and (without prejudice to the generality of this paragraph) the importance of regulating and restricting the use of roads by heavy commercial

- vehicles, so as to preserve or improve the amenities of the areas through which the roads run;
- c) The strategy prepared under Section 80 of the Environment Act 1995 [National Air Quality Strategy]
 - d) The importance of facilitating the passage of public service vehicles and of securing the safety and convenience of persons using or desiring to use such vehicles.
 - e) Any other matters appearing to the local authority to be relevant.
- 8.3. Under Section 45 of the Road Traffic Regulation Act 1984 (RTRA 1984) local authorities may designate parking places and may make charges for vehicles left in a parking place so designated. In exercising its functions under the RTRA 1984, including the setting of charges for parking places, the Council must do so in accordance with Section 122 of the RTRA 1984 above.
- 8.4. In addition s.45(3) of the Act provides that in determining what parking places are to be designated under this section [45] the local authority shall consider both the interests of traffic and those of the owners and occupiers of adjoining property, and in particular the matters to which that authority shall have regard include—
- (a) The need for maintaining the free movement of traffic;
 - (b) The need for maintaining reasonable access to premises; and
 - (c) The extent to which off-street parking accommodation, whether in the open or under cover, is available in the neighbourhood or the provision of such parking accommodation is likely to be encouraged there by the designation of parking places under this section.
- 8.5. In accordance with the council's statutory responsibility under Section 122, the Council must have regard to these relevant considerations in the setting of charges. Setting pricing levels on the basis set out in this Report appears to be consistent with the requirements of the Act (provided that countervailing factors are also taken into consideration, as they have been in the present proposals).

Procedure

- 8.6. Under Section 35C and 46A of the Road Traffic Regulation Act 1984, a Local Authority has powers to vary off and on-street parking charges respectively. The Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996 contains the order making procedures as well as those to be followed when varying charges by way of a 'notice of variation'.
- 8.7. In this case, the Council decided to undertake a full TMO amendment procedure (rather than a Variation procedure) to enable a comprehensive and

detailed consultation process, as described in the article published by the Council in 'MyMerton'

8.8. Regulation 25 (in addition to requiring the publication in local newspaper) also requires the following:

- (a) For off-street parking, the local authority is required to display in the parking place a copy of the 'notice of variation' and take all reasonable steps to ensure it continues to be displayed in a legible condition (from the date of giving notice until it comes into force); and, if appropriate additional copies are to be displayed within the parking place and in roads giving access to the parking place; and
- (b) For on-street parking, the local authority may, if it thinks fit, display copies of the notice of variation in prominent positions in the road affected.

Fiscal Implications

8.9. The Road Traffic Regulation Act 1984 is not a fiscal or revenue-raising statute. In *Djanogly v Westminster City Council* [2011] RTR 9, Lord Justice Pitchford, in the Administrative Court, held that:

"In my view, when designating and charging for parking places the authority should be governed solely by the s.122 purpose. There is in s.45 no statutory purpose specifically identified for charging. Charging may be justified provided it is aimed at the fulfilment of the statutory purposes which are identified in s.122 (compendiously referred to by the parties as "traffic management purposes"). Such purposes may include but are not limited to, the cost of provision of on-street and off-street parking, the cost of enforcement, the need to "restrain" competition for on-street parking, encouraging vehicles off-street, securing an appropriate balance between different classes of vehicles and users, and selecting charges which reflect periods of high demand. What the authority may not do is introduce charging and charging levels for the purpose, primary or secondary, of raising s.55(4) revenue."

8.10. This was in accordance with the previous Court decision in *Cran v Camden LBC* [1995] RTR 346, and was subsequently approved by the High Court (Mrs Justice Lang DBE) in the case of *R (Attfield) v London Borough of Barnet* [2013] EWHC 2089 (Admin).

Application of Revenue

8.11. In terms of any income that may be generated by the increased charges, the Traffic Management Act 2004 amends section 55 (4) of the Road Traffic Regulation Act 1984 and directs that income should be used:

- (a) To make good any payment used for parking places,
- (b) For the provision of or maintenance of off street parking (whether in the

Open or not) and

(c) Where off street parking provision is unnecessary or undesirable:

(i) To meet the costs of provision of or operation of public passenger transport services, or

(ii) For highway or road improvement projects within the borough, or

(iii) For meeting costs incurred by the authority in respect of the maintenance of roads maintained at the public expense by them,

Or

(iv) For the purposes of environmental improvement in the local authority's area, or

(v) Any other purposes for which the authority may lawfully incur expenditure.

8.12. In addition, for London authorities, this includes the costs of doing anything “which facilitates the implementation of the London transport strategy”

8.13. However, for the reasons set out above Members must disregard any benefit in terms of the revenue that may be generated by these proposals when making the decision as to whether to proceed or not.

Decision-making: Public Sector Equality Duty (PSED)

8.14. In considering this Report and coming to their Decision, Members should have due regard to the need to:

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this act;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant characteristic and persons who do not share it.

(Public Sector Equality Duty (s.149 Equality Act 2010))

8.15. The characteristics protected by the Act are:

a. age;

b. disability;

- c. gender reassignment;
- d. marriage and civil partnership;
- e. pregnancy and maternity;
- f. race;
- g. religion and belief;
- h. sex; and
- i. sexual orientation

- 8.16. Due regard means that the duty has been considered 'substance, with rigour, and with an open mind' and requires a proper and conscientious focus on the statutory criteria.
- 8.17. The PSED is a duty to have due regard to the specified issues, and not to achieve a particular outcome.
- 8.18. Members should have due regard to the Council's Equality Impact Assessment which accompanies this Report.

Decision-making - General Principles of Public Law

- 8.19. In considering his Report and coming to their decision, Members should ensure that the decision is one which is rational in public law terms.
- 8.20. This requires that Members carefully consider all relevant information, and disregard any information which is irrelevant, and so the proposed policy, the reasons for the proposed charging scheme and pricing should be considered with regard to the statutory purposes of the Road Traffic Regulation Act set out above.

Duty to give conscientious consideration to the consultation results

- 8.21. The Courts have held that a consultation should meet the following standards:
- Consultation must be at a formative stage
 - Sufficient information should have been provided to ensure consultees are able to provide a full response
 - Sufficient time for response should be allowed, and
 - Members should conscientiously take the consultation responses into account

Modifications and Post-decision process for making the proposed Orders

- 8.22. The draft Cabinet report recommends that the TMOs be made with the following modifications:-
- 8.22.1. the permit increase for certain permits in controlled parking zones VNE, VNS, VN, VQ, VSW, VSW1 and VSW2 will be lower than that first proposed and are modified by:-
- (a) For example reducing the cost of the annual visitor permits in VSW1 from £360 to £320; which is a percentage reduction of 11.1%;
 - (b) For example reducing the cost of annual resident permits in VN from £120 to £110, which is a percentage reduction of 9.1%.
- 8.23. For example the overnight parking charges in the Queens Road and St Georges Road Car Park will be amended to a flat fee of £2, instead of £3.
- 8.24. For example the price for season tickets at the Morden Car Parks will be reduced by 6.7% or less.
- 8.25. Before the TMOs are made with modifications the Council is required to consider whether or not the modifications amount to a substantial change in the orders.
- 8.26. If the modifications are regarded as making a substantial change in the orders the Council is required to take the following steps:
- (a) inform persons likely to be affected by the modifications;
 - (b) give those persons an opportunity to make representations; and
 - (c) ensure any such representations are duly considered.
- 8.27. It is considered that these reductions in parking charges are not substantial either in themselves nor having regard to the entire scope of the proposed TMOs.
- 8.28. If Cabinet agree with the officer recommendation that the proposed modifications do not appear to make a substantial change in the TMOs, the orders can be made without further consultation described in paragraph 9.26 above.
- 8.29. The process would be as follows:-
- (a) choose a date to make the TMOs and an operational date for the Orders.
Orders once made are subject to a statutory 6 week judicial review period during which applications can be made to the High Court by persons wishing to question the validity of the Orders on the grounds that they are not within the powers of the Road Traffic Regulation Act 1984 or that the appropriate statutory procedures have not been complied with.
It would be prudent that the new charges come into force after this 6 week period has expired to avoid unnecessary costs that might be

incurred delaying the implementation of the TMOs should a legal challenge be made against the Orders in the High Court.

Please note that the publication of the notice of making the TMOs is not an invitation to make further representations.

- (b) e-mail or write to all Cllrs and associations confirming that the Orders are to be made.
 - (c) within 14 days of making the Orders publish a notice of making in the local press and write to/email all persons/organisations who have made representations to notify them of the making of the Order and where persons have objected to the proposals and the objection(s) have not been wholly acceded to, include the reasons for the decision to make the Order.
 - (d) remove the notices of proposal displayed on site and replace with notices of making.
 - (e) deposit the notice of making and the made Orders at the Civic Centre and at all local libraries for a period of 6 weeks.
 - (f) the Orders would come into force after the 6 weeks legal challenge period.
 - (g) remove the on-site notices of making.
- 8.30. The process of making and implementing the TMOs will likely take up to 8 weeks from the date of final decision.

9. CONSULTATION PROCESS

- 9.1. Merton is committed to undertaking comprehensive consultation to gain the views of residents and stakeholders. This enables the Council to make informed decisions and to develop our policies.
- 9.2. The Parking Charges consultation commenced on Friday 29th March and ended Sunday 5th May 2019. As this consultation formed part of a statutory consultation process, there were a number of legal obligations, as well as a commitment to bringing the proposals to as wide an audience as possible.
- 9.3. To ensure the council could generate as much feedback as possible, representations were invited in writing via the web page, or by email to a dedicated email box.
- 9.4. In addition, an online survey was available which asked prescribed questions and tick box responses, which were recorded. The response options to each question were Strongly Agree, Agree, or disagree, disagree and strongly disagree and do not know. The questions asked along with the responses are shown in Appendices 1, 2 & 3.
- 9.5. Circa 3,000 representations were received.

- 9.6. The Council published a 2-page feature article in My Merton, which was delivered to every household within the borough in March/April 2019 to align with the consultation period.

As well as the online consultation and the My Merton article the council also:

- Attended Community Forum meetings during the period of the consultation
 - Followed the statutory TMO process of displaying notices in roads within all of the CPZ areas, on pay, display machines, and in all council owned car parks.
 - A statutory notice placed in the newspaper
 - Copies of all proposals and background papers were made available on deposit at all libraries and at the Civic Centre for public inspection/reference.
 - Consulted with statutory and non-statutory consultees
 - On the council's home page, we displayed a link to the consultation web pages. The web pages gave full details of the proposal along with background papers and reports. The pages also included a section, which aimed to address frequently asked questions.
- 9.7. A number of statutory bodies were consulted as part of the Traffic Management Order making process. The only response received was from the Metropolitan Police who raised no objections.
- 9.8. Due to the number of responses received, the council extended its review period to the 18th June 2019. This ensured that full consideration was given to all representations, and to allow any further comments from the resident and business associations to be included.

10. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

The original equalities impact assessment has been updated following the recent consultation process. The revised EIA is attached as Appendix 9

11. CRIME AND DISORDER IMPLICATIONS

None

12. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

There are no health and safety implications associated with this report at present.

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

Appendix 1	Online survey - Consultation Results
Appendix 1a	Online survey – Geographic image
Appendix 2	Responses from Residents association and organisations
Appendix 3	Council response to representations.
Appendix 4	Street Charges Map
Appendix 4a	Plan of On street charging zones for Wimbledon Town Centre
Appendix 5	Public Transport Accessibility Levels. (PTAL)
Appendix 6	Map of CPZ zones
Appendix 7a – 7f	Revised parking charges schedule.
Appendix 8	Benefits of walking and cycling.
Appendix 9	Equalities Impact Assessment.

BACKGROUND PAPERS

- **London Borough of Merton’s Air Quality Action Plan 2018-2023**, available here: <https://www2.merton.gov.uk/Merton%20AQAP%2020182023.pdf>
- **Annual Public Health Report 2017-18**, available here: <https://www2.merton.gov.uk/health-social-care/publichealth/annualpublichealthreport.htm>
- **Merton’s Health and Wellbeing Strategy 2015-2018** (please note this is currently being refreshed), available here: <https://www2.merton.gov.uk/merton-health-and-wellbeing-strategy-web.pdf>
- **Mayor’s Transport Strategy 2018**, available here: <https://www.london.gov.uk/sites/default/files/mayors-transport-strategy-2018.pdf>
- **Mayor’s Health Inequalities Strategy 2018**, available here: https://www.london.gov.uk/sites/default/files/health_strategy_2018_low_res_fa1.pdf
- **‘Benefits of Parking Management in London August 2018’**. <https://www.londoncouncils.gov.uk/node/34485>
- **Commission on Climate Change Report. May 2109** <https://www.theccc.org.uk/publication/net-zero-the-uks-contribution-to-stopping-global-warming/>

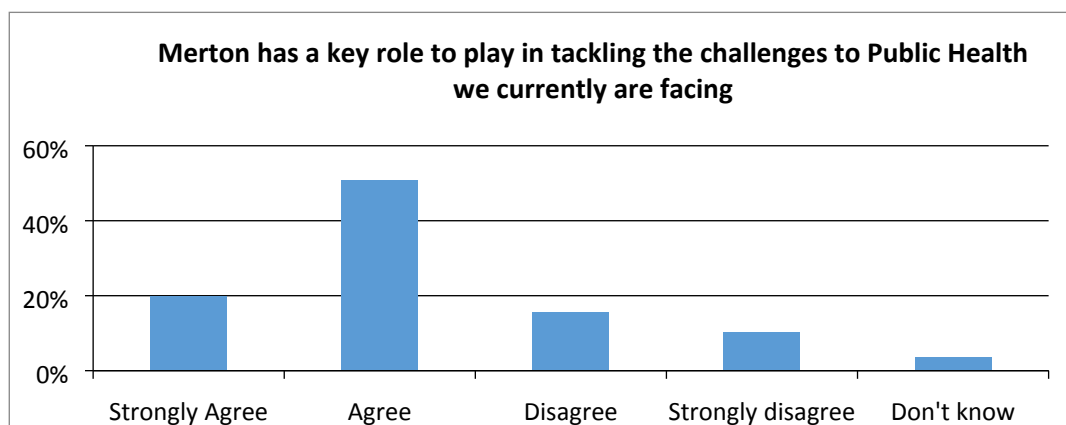
Parking charges survey detailed analysis

The sections below summarise the findings associated with each question and provide a graph for convenience. In all cases where it is stated respondents agreed, the figure given includes those that agreed and strongly agreed. Likewise, in the cases where we have stated respondents disagreed, this figure includes those who have either disagreed or strongly disagreed.

In some cases, we have drawn out a comparison from different ‘groups’. This is to show if for example car owners answered the same question differently to non-car owners, the same principle applies for individuals with a disability who responded, and various age groups, etc.

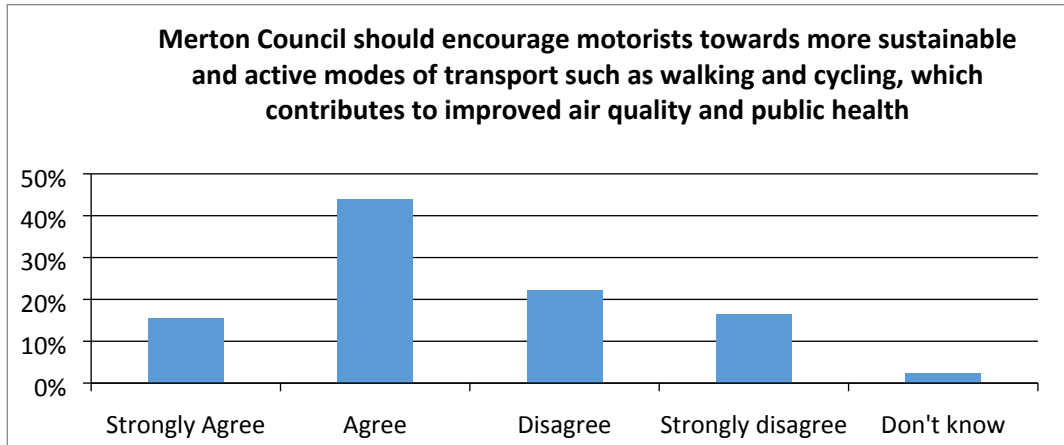
Q1 PUBLIC HEALTH & AIR QUALITY

Nearly three quarters (71%) of respondents agreed with the statement that Merton has a key role to play in tackling the challenges to public health we currently are facing with 26% disagreeing and 4% do not know. Non-car owners were more likely to agree (76%), whilst disabled respondents were less likely to agree (57%).



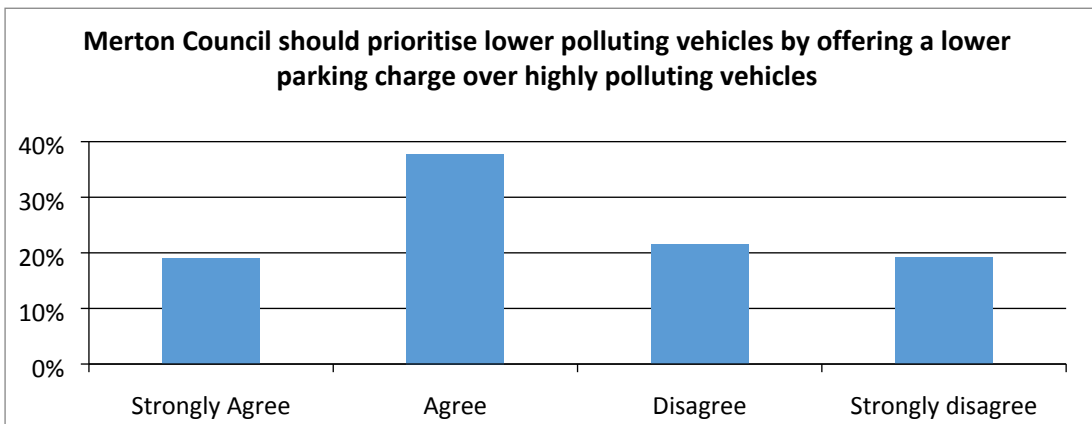
Should Merton encourage active travel and use of public transport?

Just over half (60%) agreed that Merton Council should encourage motorists towards more sustainable and active modes of transport such as walking and cycling, which contributes to improved air quality and public health with 38% disagreeing. Non-car owners were much more likely to agree (73%) as were Asian respondents (70%). Disabled respondents were less likely to agree (49%).



Prioritising vehicle type.

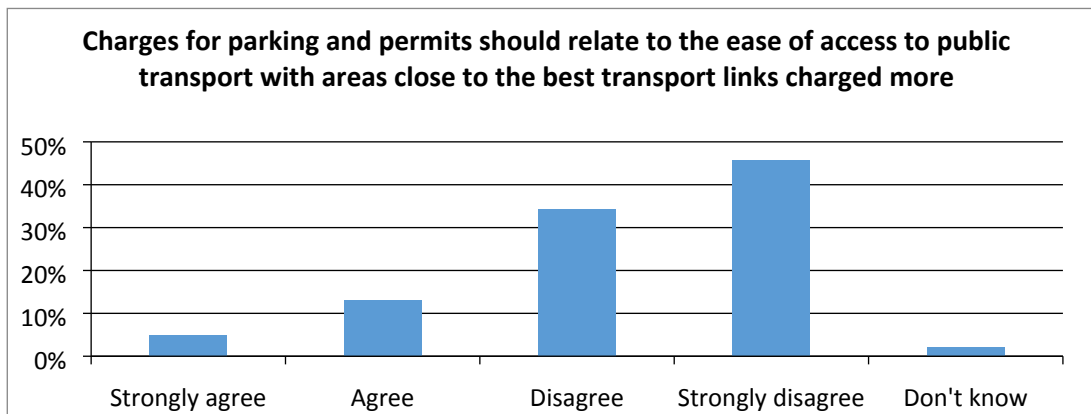
A similar proportion (57%) agreed that Merton Council should prioritise lower polluting vehicles by offering a lower parking charge over highly polluting vehicles. Again non-car owners were much more likely to agree (72%) as were older people with 61% of 66-75 year olds and 80% of over 76 year olds agreeing.



Q2 TRANSPORT MANAGEMENT

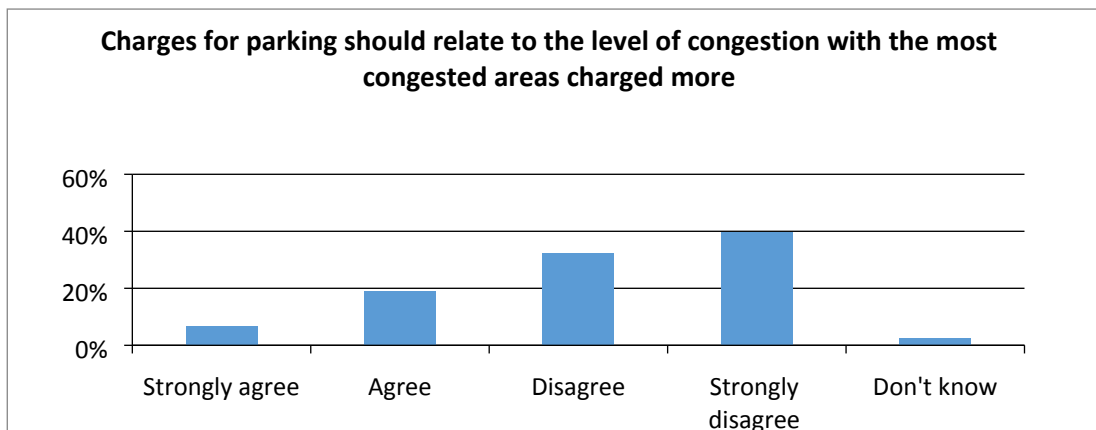
PTAL rationale for Permits and On Street Parking

Four-fifths (80%) disagreed that charges for parking and permits should relate to the ease of access to public transport with only 18% agreeing. Non-car owners were less likely to disagree (64%) and more likely to agree (34%). 36-35 year olds were more likely to disagree (85%) include 54% who strongly disagreed.



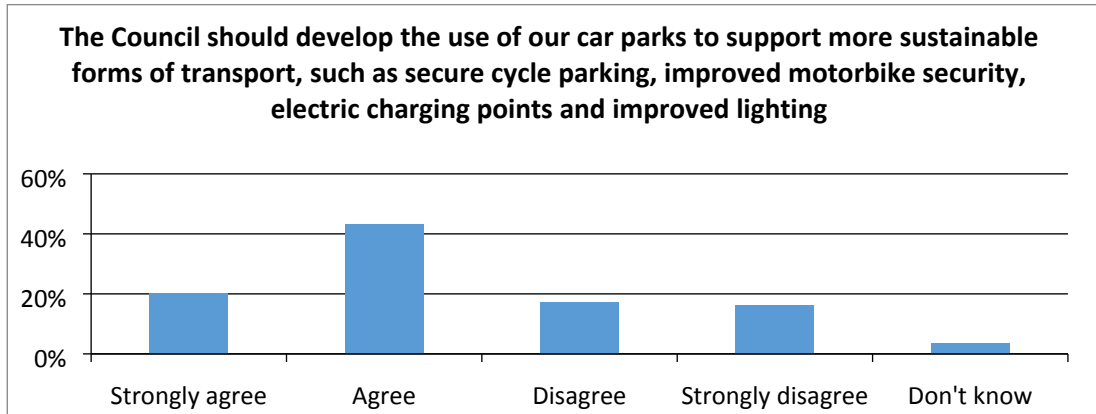
Charges relating to levels of congestion

Nearly three-quarters (72%) of respondents disagreed that charges for parking should relate to the level of congestion with the most congested areas charged more whilst a quarter (26%) agreed. Non-car owners were less likely to disagree (52%) and more likely to agree (45%). Those who work in Merton were more likely to disagree (77%).



Should Merton develop the use of car parks?

Nearly two-thirds (63%) agreed that the Council should develop the use of our car parks to support more sustainable forms of transport with 33% disagreeing. Non-car owners were more likely to agree (72%), where as those who work in Merton were less likely to agree 57% as were disabled respondents (47%).



Q3 CAR PARK SEASON TICKETS

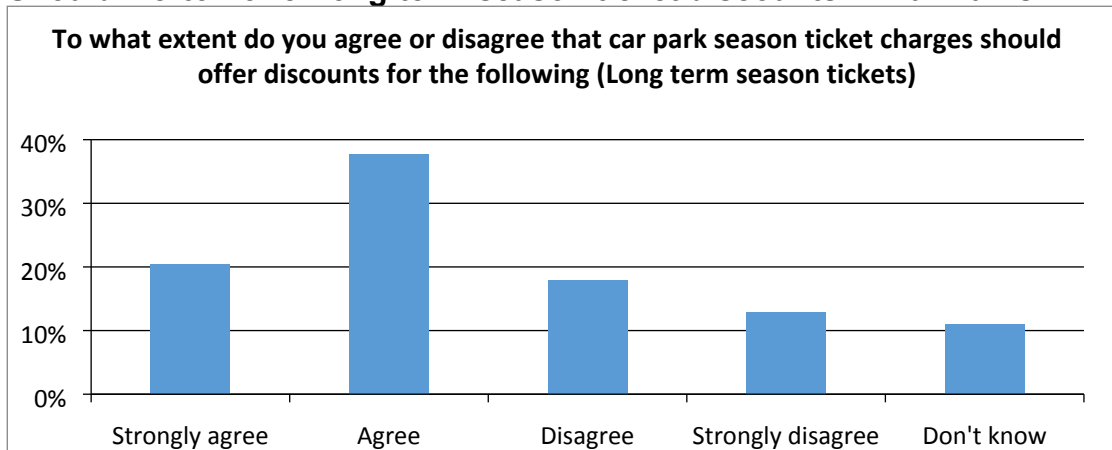
Responders were asked if they agreed that discounts for car park season tickets should be available to the following groups:

- Longer term season tickets
- Electric vehicles
- Residents

Local workers

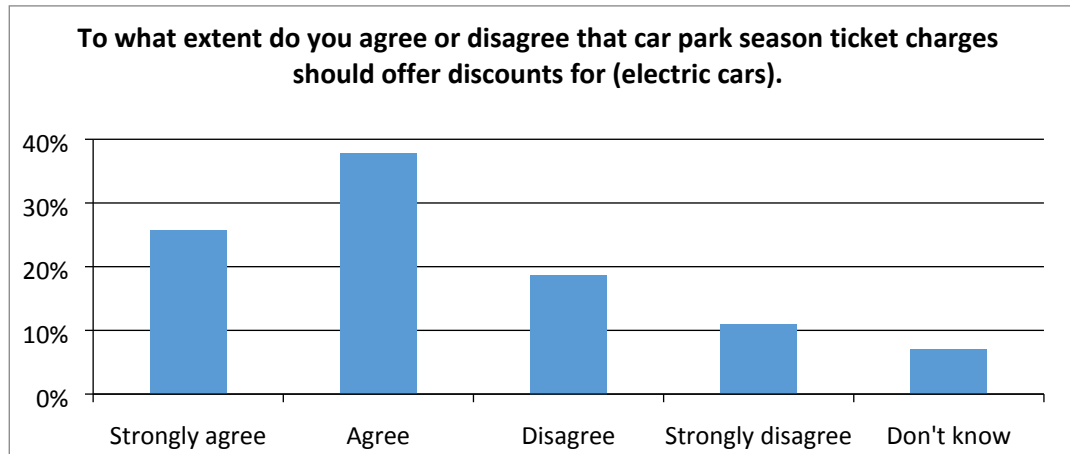
Over half (58%) agreed that discounts should be given to longer-term season tickets with 31% disagreeing. Non-car owners were less likely to agree (48%) and more likely to disagree (42%). Those who working in Merton were more likely to agree (62%), whereas disabled respondents were less likely to agree (52%).

Should Merton offer long-term season ticket discounts in Car Parks?



Should Merton offer discounts to Electric vehicles in Car Parks?

Nearly two thirds of respondents (64%) agreed that electric vehicles should receive a discount on season tickets with 30% disagreeing. Non-car owners were more likely to agree (69%).



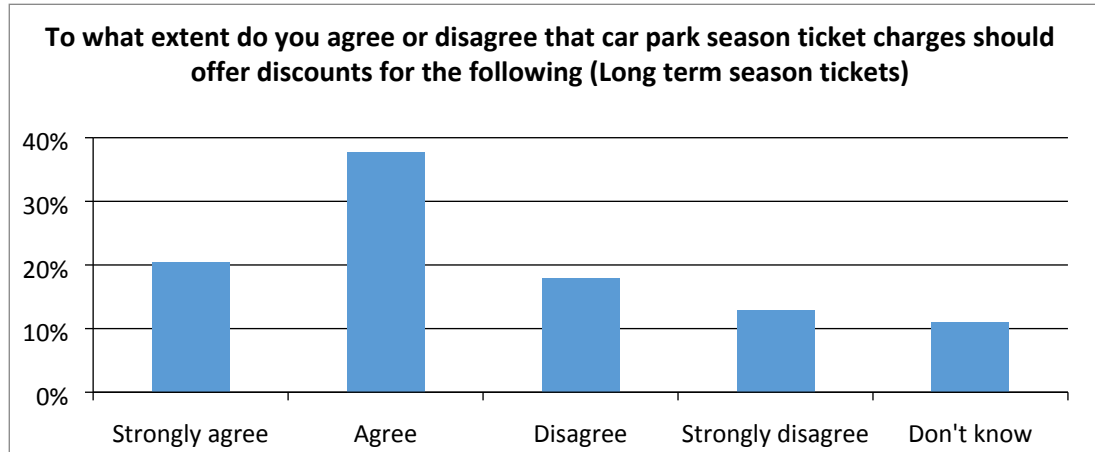
To what extent do you agree or disagree that car park season ticket charges should offer discounts for residents?

More than three-quarters of respondents (81%) agreed that residents should receive a discount on season tickets. Non-car owners were less likely to agree (76%).

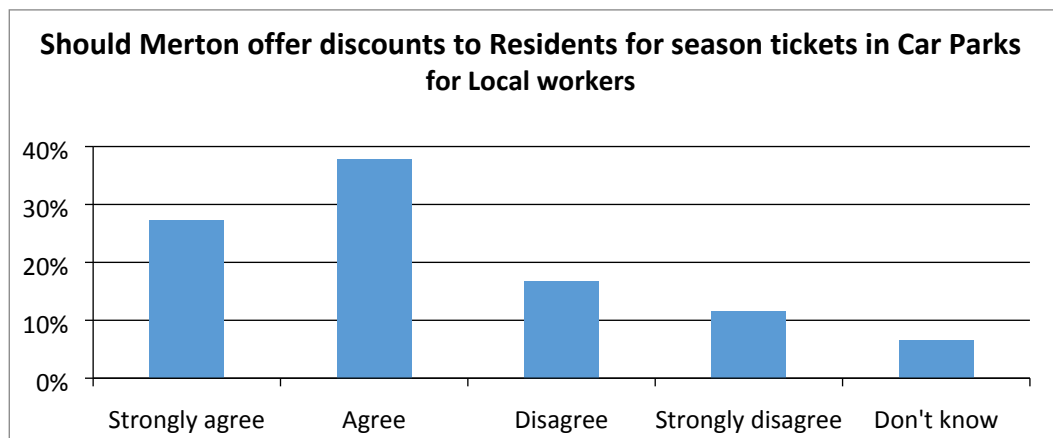


To what extent do you agree or disagree that car park season ticket charges should offer discounts for the following (Long term season tickets)?

Nearly two thirds of respondents (68%) agreed that local workers should receive a discount on season tickets with 31% disagreeing. Non-car owners were less likely to agree (51%) whereas those who worked in Merton were more likely to agree (71%).



Should Merton offer discounts to Local Workers for season tickets in car parks?

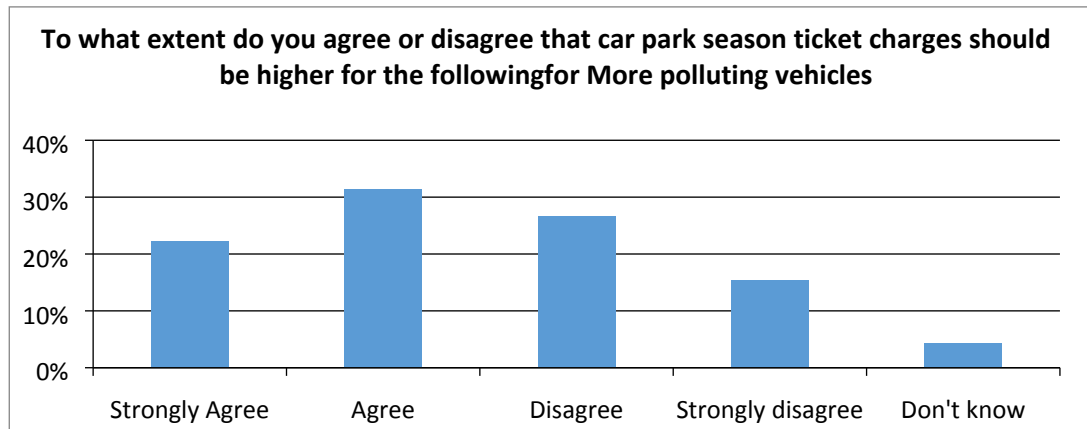


Season ticket holders should be charged more for more polluting vehicles.

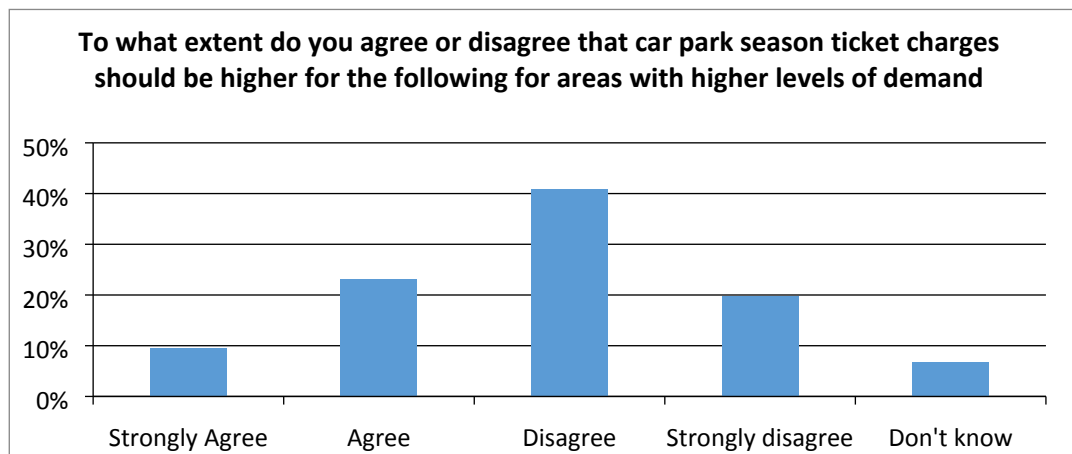
Respondents were asked if they agreed that car park season tickets should be higher for the following groups:

- More polluting vehicles
- Rail heading (those driving into Merton to join the rail network)
- In areas with higher levels of demand

Over half of respondents (53%) agreed that more polluting vehicles should pay more for car park season tickets whilst 42% disagreed. Non-car owners were more likely to agree (68%), whilst those who work in Merton were less likely to agree (48%).



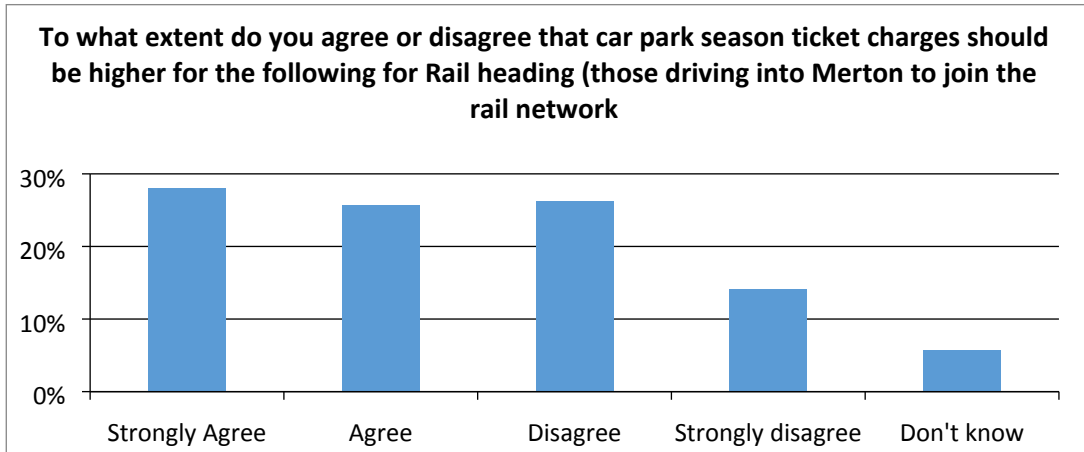
Higher charges for areas with higher levels of demand.



Higher charges for commuter parking

Over half of respondents (54%) agreed that those Rail heading should pay more for car park season tickets whilst 40% disagreed. Those who work in Merton were less likely to disagree (49%) as were those aged 25-36 (47%) and disabled respondents (50%).

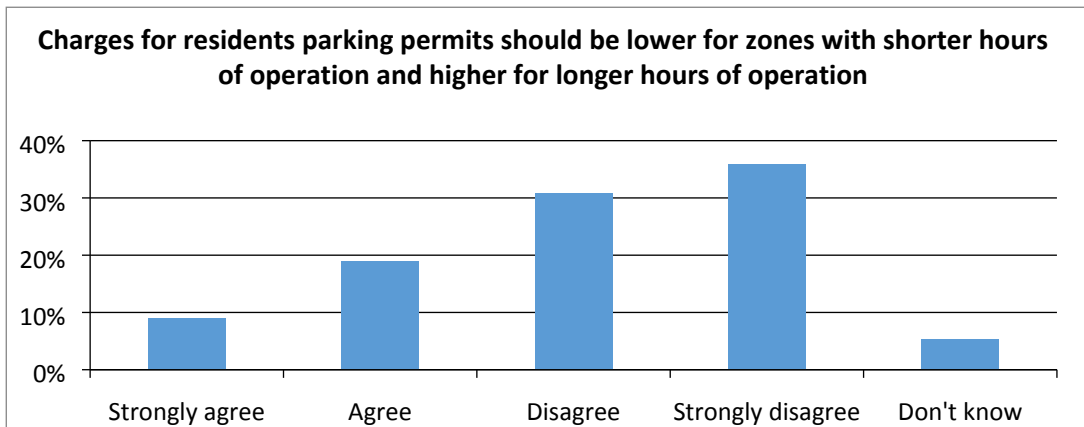
Nearly two-thirds (61%) disagreed that car park season tickets should be higher in areas with higher levels of demand with 33% agreeing. Non-car owners were more likely to agree (40%) and less likely to disagree (50%). Those who work in Merton were more likely to disagree (66%) and disabled respondents were less likely to agree (28%).



Q4 RESIDENT PARKING PERMITS

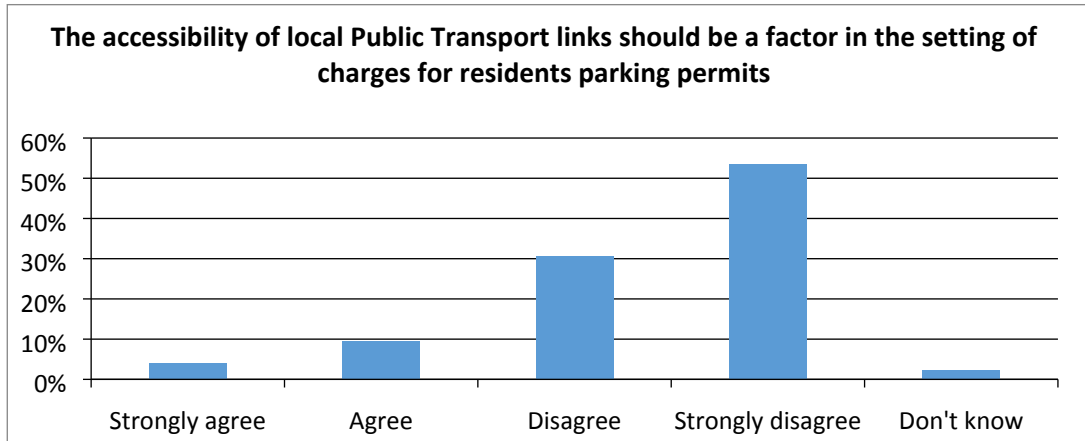
Hours of operation

Two-thirds (67%) of respondents disagreed that charges for residents parking permits should be lower for zones with shorter hours of operation. The level of disagreement was slightly higher (71%) for those who live in controlled parking zones and for those aged 26-35 (72%). Those aged 66-75 (63%) and over 75 (47%) were less likely to disagree.



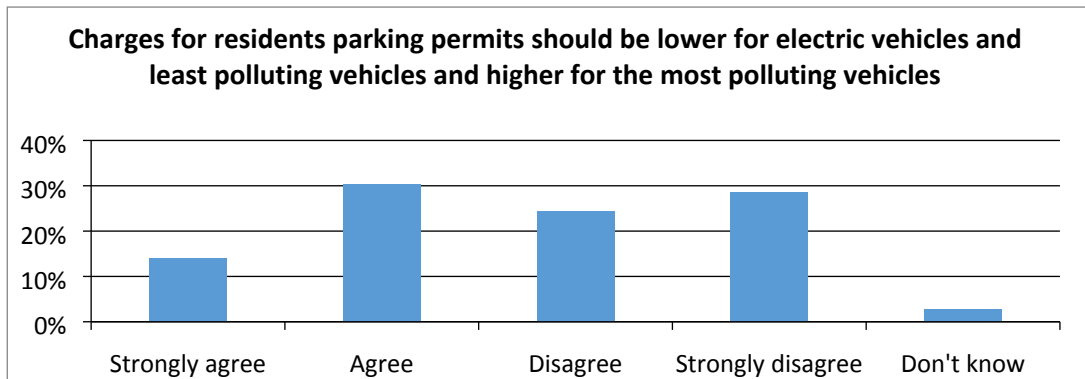
PTAL (Transport accessibility)

The vast majority of respondents (85%) disagreed that the accessibility of local Public Transport links should be a factor in the setting of charges for residents parking permits, with just over half (54%) strongly disagreeing. 14% agreed with the statement. Non-car owners were less likely to disagree (70%) and more likely to agree (28%). Those who live in a controlled parking zone were more likely to disagree (88%) and strongly disagree (58%). Those aged 25-36 were more likely to disagree (88%) whilst those aged over 75 were less likely to do so (63%).



Car Fuel Type

Just over half of respondents (52%) disagreed that charges for residents parking permits should be lower for electric vehicles and least polluting vehicles and higher for the most polluting vehicles whilst 44% agreed with the statement. Non-car owners were more likely to agree (58%) and less likely to disagree (38%). Residents aged 26-35 were more likely to agree (50%) as were those aged over 75 (58%)

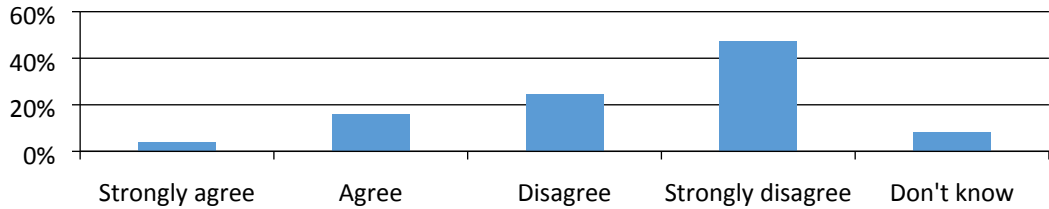


Q5 PROPOSED CHARGES

On Street Parking

Just under three quarters (71%) of respondents disagreed with the proposed charges for on-street parking with 20% agreeing. Non-car owners were more likely to agree (28%) and less likely to disagree (63%). Those who work in Merton were slightly more likely to disagree (74%) as were disabled respondents (78%).

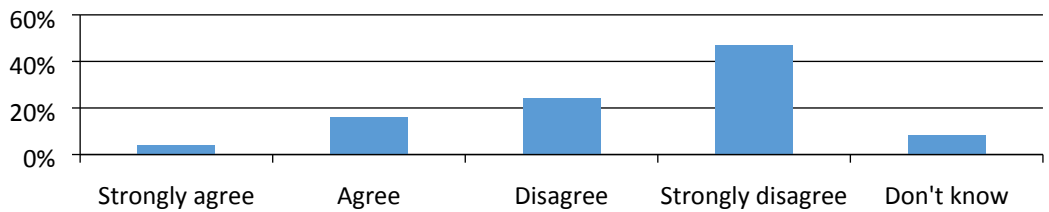
To what extent do you agree or disagree that the proposed charges have been set at a level which will help achieve the objectives to encourage active travel and sustainable transport, and help reduce congestion and air pollution (On Street Parking).



Car Parks

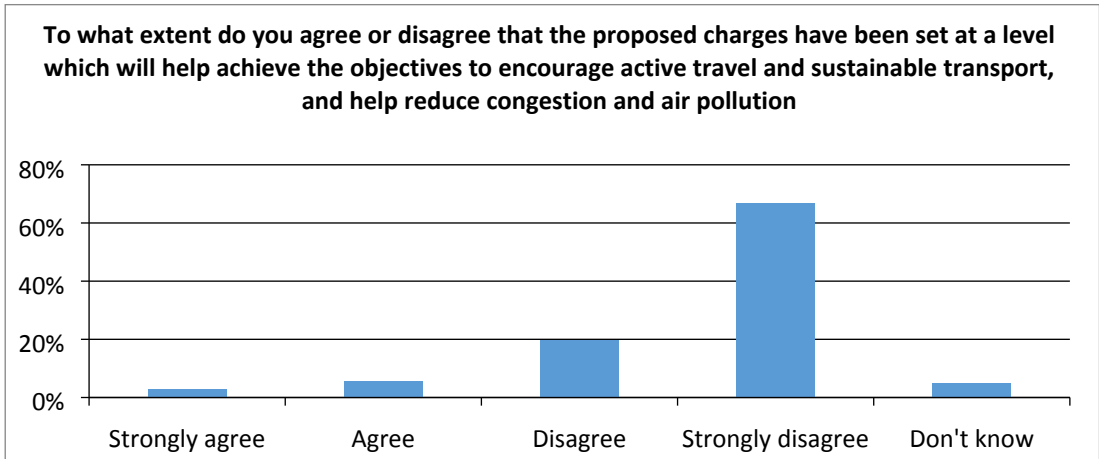
Over half of respondents (56%) disagreed with proposed charges in car parks charges, with 28% agreeing. Those who work in Merton were more likely to disagree (60%) as were disabled respondents (67%).

To what extent do you agree or disagree that the proposed charges have been set at a level which will help achieve the objectives to encourage active travel and sustainable transport, and help reduce congestion and air pollution (On Street Parking).



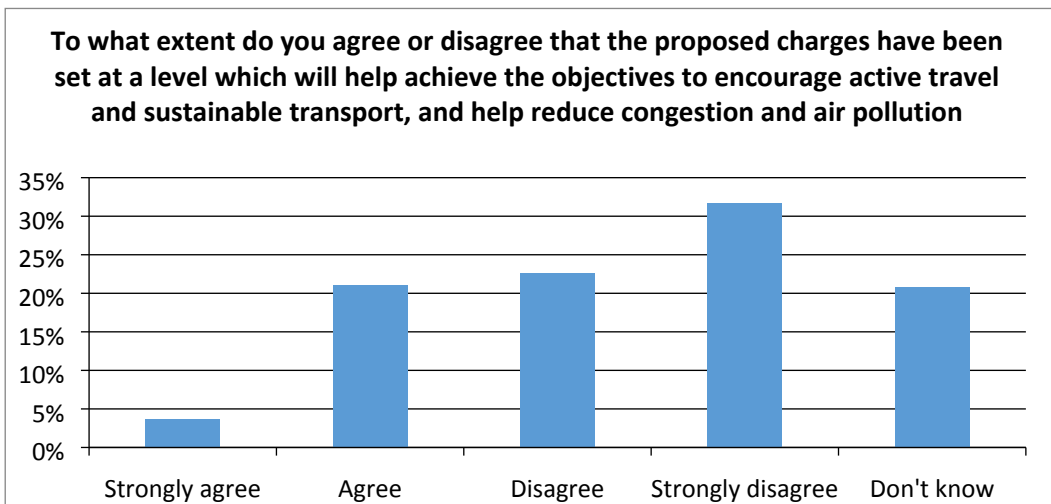
Residents Permits

A large majority (87%) disagreed with proposed charges for resident's permits with two-thirds (67%) strongly disagreeing and only 9% agreeing. Non-car owners were more likely to agree (19%) or disagree (73%). Those who live in controlled parking zones were more likely to disagree (90%) whereas those who work in Merton were less likely to disagree (81%).

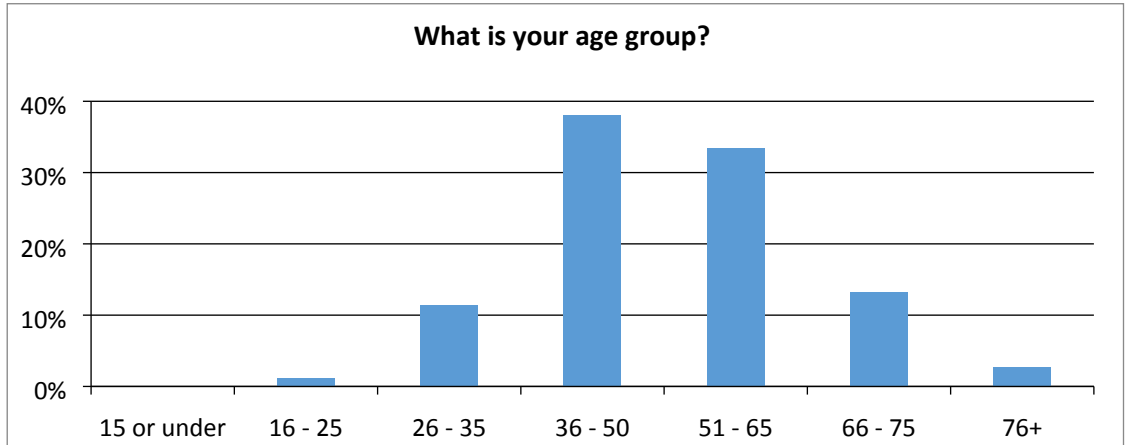
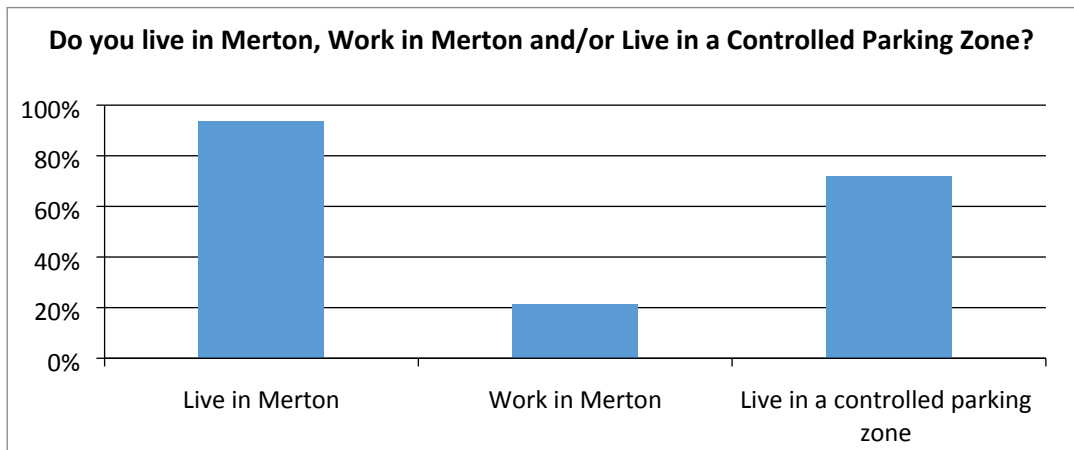
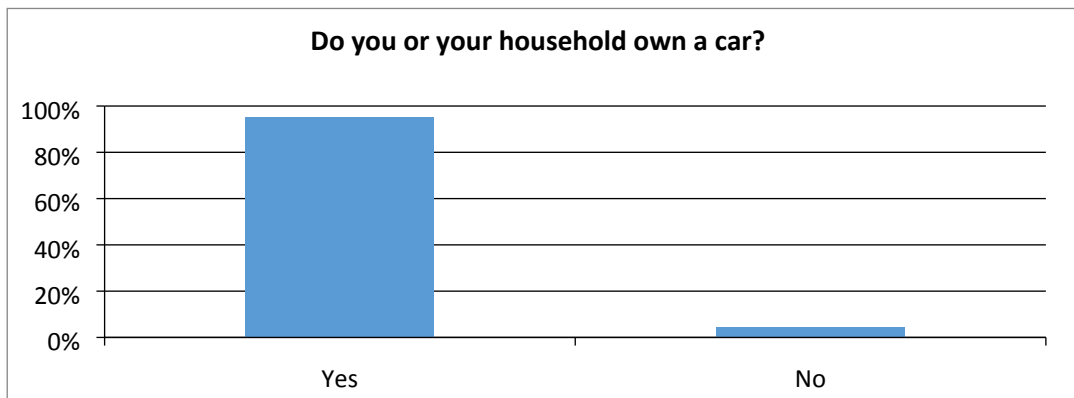


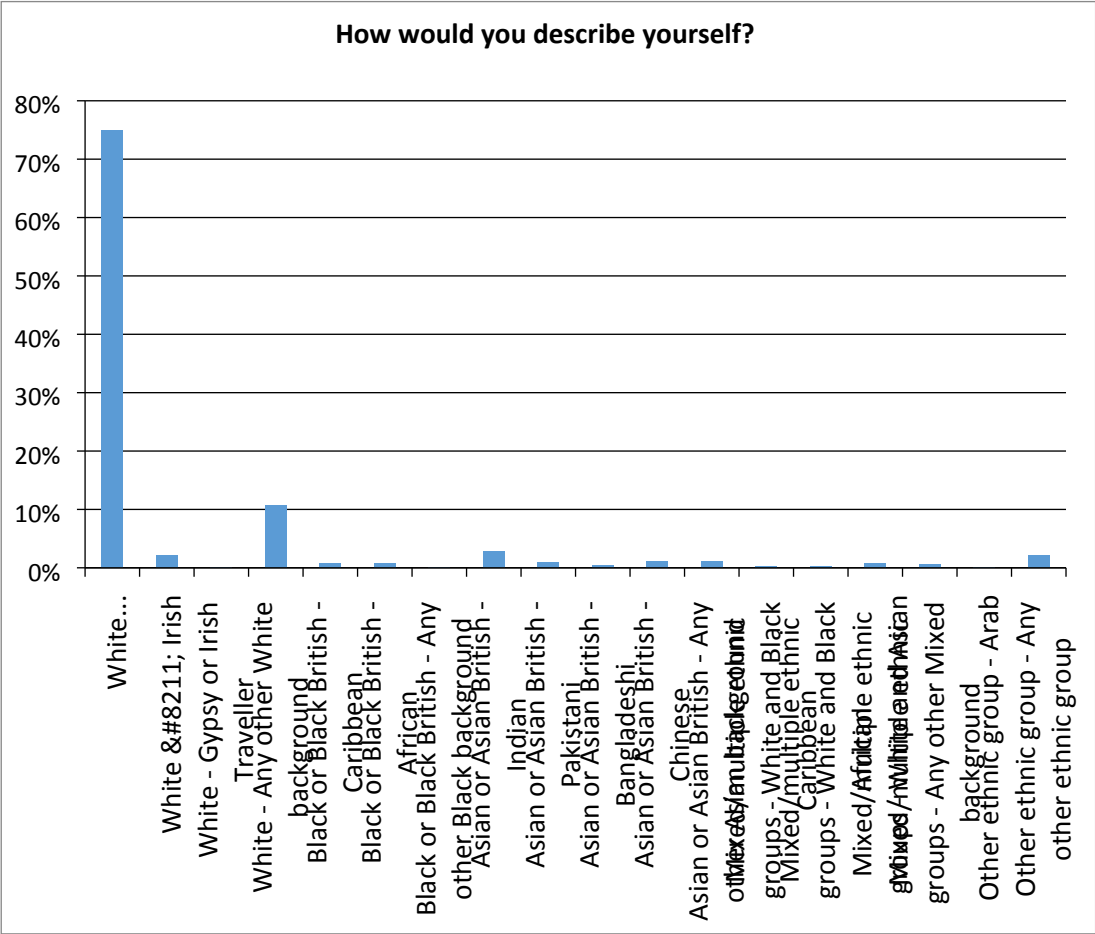
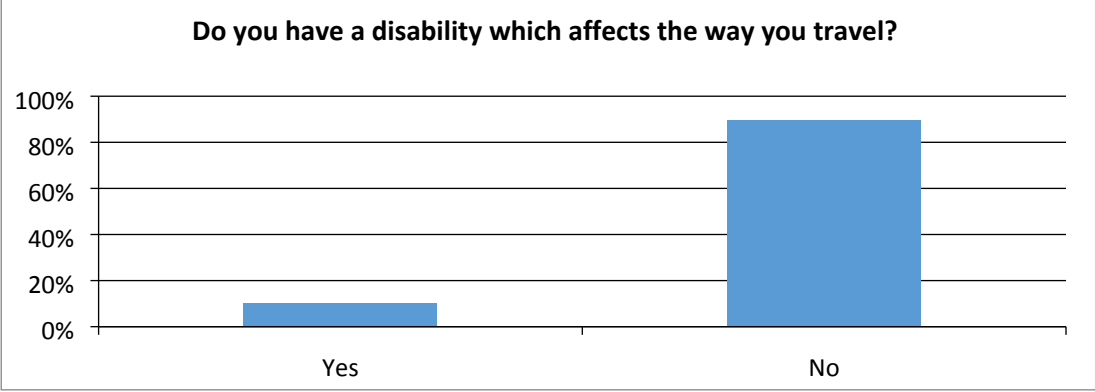
Season Tickets

Just over half of respondents (55%) disagreed with proposed charges for car park season tickets with 25% agreeing and 21% saying they do not know. Those who work in Merton were more likely to disagree (59%), as were disabled respondents (63%).

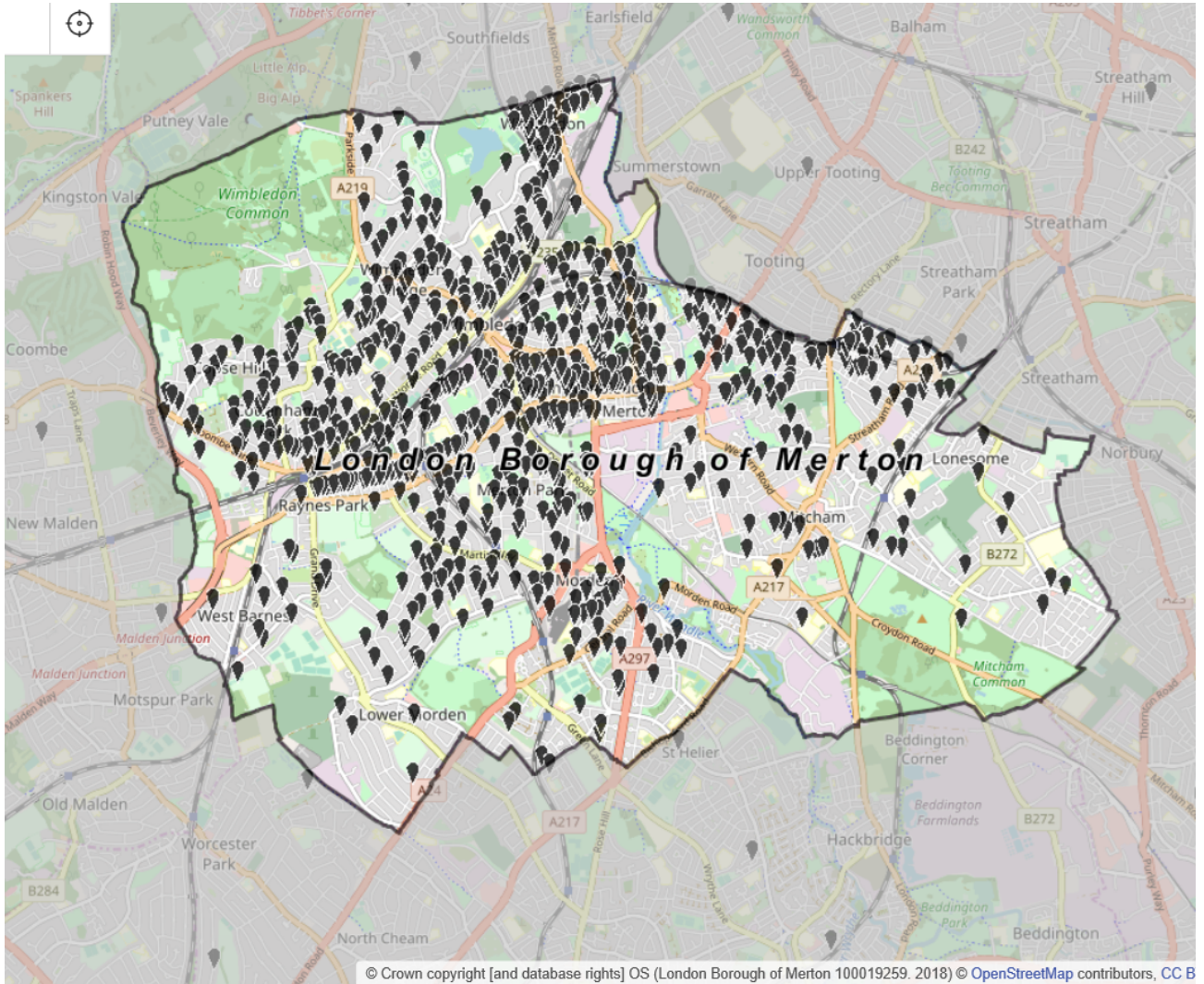


Details of Online Summary - Information about who responded.





The image below shows gives a geographic image of representations received via the online consultation survey.



REPRESENTATIONS FROM STATUTORY BODIES, ORGANISATIONS AND PETITIONS.

MERTON LIBERAL DEMOCRATS

The Liberal Democrats submitted a petition of 1,092 signatures opposing the proposal to increase parking charges. A detailed Representation was also submitted addressing each of the questions within the online survey.

There was agreement that Merton has a key role to play in improving public health, air quality and reducing congestion. Concerns were raised that the policy should be mindful of people who may not easily be able to use public transport / walk / cycle, such as those with mobility issues or young children. They further suggested that support to make the desired change in behaviour, such as scrappage deals, or only applying emissions charges to new permits or renewals, would be more effective.

They questioned the council's approach to the use of PTAL ratings, and believe that the introduction of emissions based charging, a more appropriate policy.

The submission challenges some of the academic findings in the earlier report. They suggested that the council also looked at its own staff parking policies and how parking is provided for their work force.

LOVE WIMBLEDON (BUSINESS IMPROVEMENT DISTRICT)

Fully support improving air quality in Merton and are actively working to assist this objective. They believe there are four key issues that are causing poor air quality such as through traffic, number of diesel buses and taxis often left idling and school traffic.

They are concerned about the impact on our high streets and town centres believing the increased charges will have a negative impact. Car park charges are already high enough and they would like to see evidence of the frequency of cars circling for car parking spaces. They have highlighted that the current car parks require improvements.

In addition, they highlight that the comparative data may be misleading as for example Merton is one of the few boroughs that have restrictions until 11pm, most end at 6.30pm.

Love Wimbledon are very happy to work with Merton and have suggested a number of initiatives where we could work together on in order to improve air quality.

LOCAL FAITH GROUP

A petition has been presented with 184 signatures. The petition stated 'This is going to affect many of our congregation who attend for prayers.

THE WIMBLEDON SOCIETY

The Wimbledon Society supports the objective of improving air quality, particularly in highly populated areas. They believe the objectives could also be achieved by environmental improvements, pedestrian high streets, and reducing traffic from key congested areas.

They are concerned that CPZs were originally set up with a charging scheme that covered all costs associated with the CPZ. Any excess (if produced) would be reinvested for improvements. If there is increased revenue in the future then this must be transparent to residents and accounted for.

Further concerns raised were in relation to the impact on front gardens and shopping areas, particularly small parades etc. They believe that more front gardens will be paved over and suggest that this should be restricted. In addition, to secure no reduction to customers to shops and small parades there should be free 30 minute parking options in order to reduce the impact on local retail establishments.

ST JOHNS AREA RESIDENTS ASSOCIATION.

The Association objects to the proposals because the increased charges are significantly above inflation and are not borough wide. They will have a detrimental financial effect on certain residents/visitors and they believe there is no level of assurance that they offer value for money. In addition, the association would like information regarding how the additional revenue will be spent.

THE WIMBLEDON EAST HILLSIDE RESIDENT ASSOCIATION (WEHRA)

WEHRA fully support the objective of improving air quality. However, they would like more evidence of the problem in order to have a level of reassurance that the proposals adequately address the issues raised.

They are concerned about the number of HGVs around Wimbledon because of a concrete facility in Weir Road. They would also like to be provided with further information about the council's response to the proposed expansion at Heathrow.

They suggest that Merton could help to meet their objectives by improving cycling opportunities in the borough, reviewing planning applications that adversely affect air quality, and by improvements to public transport.

NORTH WEST WIMBLEDON RESIDENTS ASSOCIATION (NWWRA)

NWWRA fully support the objective of improving air quality. However, in order to have a level of reassurance that the proposals address the issues, they have asked for evidence that higher permit charges lead to a reduction in car ownership.

They felt that residents in CPZs with no off street parking, would be unfairly burdened, those in a CPZ for less than a year should not be subject to these increases and some CPZs should be in different PTAL zones. In addition, hybrid vehicles should be recognised and awarded discounts similar to those offered to electric vehicles.

They suggest that Merton Council could help to meet their objectives by stopping idling cars, campaigns to promote alternative transport methods, improvements in public transport and interventions that reduce the number of highly polluting vehicles on the roads in Merton.

SOUTH RIDGWAY RESIDENTS ASSOCIATION

The Association felt that the proposed charges were too high, unfair, did not affect those with a drive or garage and unduly disadvantaged those in a CPZ despite the fact that all motorists contributed to air quality and pollution. In addition, they were concerned that when the original CPZ charges were introduced, they were initially just to cover costs. The new proposals appear to be an additional tax.

They were also concerned about the impact on the high street and retail generally. In conclusion, they felt that charges should be kept as low as possible and were therefore opposed to the proposed increases.

APOSTLES RESIDENT ASSOCIATION

The Association were opposed to the proposed increases as they are too high, did not affect those with a drive or garage and unduly disadvantaged those in a CPZ zone. As such, they feel that the rationale to reduce pollution was not supported. They also raised concerns that the charges when the CPZ was set up; were initially just to cover costs but now appeared to be an additional tax.

Finally, if the proposed charges were to be approved and implemented, then any additional funds generated should be spent on road improvements.

RAYNES PARK RESIDENTS ASSOCIATION

The Association were opposed to the proposed increases as they are too high, did not impact on those with a drive or garage unduly disadvantaged those in a CPZ, despite the fact that all motorists contributed to air quality and pollution. In addition, they were concerned that the charges when the CPZ was set up were initially just to cover costs but now appeared to be an additional tax.

The Association was opposed to the proposed increases with regard to on street parking, because of the impact felt by the retail outlets in the Town Centre.

The Association had requested more free 20-minute parking bays in certain areas within Raynes Park. They felt that the shopping experience within Merton should be supported, rather than being hindered, by increased parking charges.

THE RESIDENTS ASSOCIATION OF WEST WIMBLEDON RAWW

RAWW stated that the proposed increases are not fair for three main reasons:

- The negative impact on local shopkeepers and businesses.
- Housebound residents
- Residents who do not have off street parking, particularly those employed in essential services.

STOP PARKING CHARGES INCREASES!

An anonymous petition with approximately 200 signatures. The text reads. *'The council are proposing to increase the hourly parking charge from £1.20 to £3.00 per hour. This will have a devastating effect on our business, so we are asking you if you will support us opposing these increased charges.'*

STATUTORY CONSULTEES

There was only one response, from the Metropolitan Police, who raised no objections.

PERMIT CHARGES

The sections below addresses the points raised in the consultation.

<p>Permit charge too high & ability to pay</p>	<p>Respondents stated that the proposed permit charges are too high. There were a wide range of reasons recorded, the following are the key reasons:</p> <ul style="list-style-type: none"> - too high an increase - charges being used as a tax - proposed charges are well above inflation - the council tax has already increased significantly so the impact of increased car parking charges is a further financial blow - the proposed increase would not change driver behaviours and car ownership. <p>Many respondents stated that for a variety of reasons, they needed a vehicle and consequently the proposed charges would have a significant impact on their budget.</p> <p>Council response: The proposed charges are seeking to achieve the key policy objectives set out in the report.</p> <p>The council has to strike a balance in achieving its obligation to improve air quality, public health outcomes, management of the highway and sustainable active travel.</p> <p>The council is proposing a range of charges, which will challenge driver choice of travel across the borough, but also make it easier to use public transport and waling/cycling instead of the car.</p> <p>There are very few direct levers available to stimulate driver behaviour, and the council believes the rationale for setting the new parking charges is about giving people the right nudge and opportunity to make the right choices.</p> <p>In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active travel, purchase fewer resident permits and lead to a rebalancing of our streets – to benefit residents and businesses alike.</p> <p>Local authorities are not permitted to use parking charges solely to raise income. When setting charges, we must instead focus on how the charges will contribute to delivering the councils traffic management and other policy objectives.</p>
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<p>Permit charge emission based</p>	<p>We received a high number of comments from respondents suggesting charges should be emission based and reflecting the size of the vehicle. The comments regarding this subject were wide ranging and included the following:</p> <ul style="list-style-type: none"> - There should be direct links made between the vehicle and the contribution to pollution etc. based on their emission. - A number of comments related to the size of the vehicle as there are large disparities and this can be significant re parking bay usage. <p>Overall respondents felt that the owners of vehicles contributing the most to pollution should pay the most, rather than a standard charge for all diesel or petrol resident permits.</p> <p>Council response: The council acknowledges these views and is currently undertaking a review of emission based charging. The report will be presented to Cabinet later in the year and all the comments received in this consultation will be considered as part of this review.</p>
<p>Cheaper first permit</p>	<p>A small number of respondents stated that they felt the first permit in each household should be free or a lot cheaper.</p> <p>Council response: Charges have been considered and set at levels, that will challenge driver behaviour and choice with the aim of reducing car use and ownership. The council is mindful of economic challenges facing many residents and visitors to the borough, but also needs to meet obligations to reduce poor levels of air quality and improve public health, increase cycling, walking and use of public transport. There have been no increases to parking charges for several years.</p> <p>The new charges are considered a reasonable amount to nudge residents and visitors to consider their car use and alternative travel choices.</p>
<p>Permit charge should be a borough wide charge</p> <p>Only penalising those in CPZs</p>	<p>A number of respondents stated that the charges should be borough wide. Respondents felt that all CPZ residents permit charges should be the same, rather than the charges based on location/CPZ and the period of the controlled parking.</p> <p>A number of respondents commented that the proposals are only penalising those that reside within CPZs although all motorists within the borough contribute to the poor air quality, congestion etc.</p> <p>Council response: The council acknowledges that there are differences in the proposed charges. The PTAL ratings and the period of the controlled parking is the basis for the proposed permit charges with the objective of encouraging motorists to use alternatives such as public transport. The charge reflects the ease of the option to use for example, public transport and/or the demand within the CPZ for parking.</p>
<p>PTAL supported</p>	<p>We received a limited number of comments supporting the PTAL basis of our proposal. Respondents agreed that certain areas in Merton are well served by public transport and understood/supported PTAL. Because of other comments,</p>

	<p>received regarding PTAL we have reviewed the proposed tiers based on PTAL CPZs to reflect the ratings.</p> <p>Council response: The Council acknowledges this support by a number of respondents.</p>
<p>PTAL not supported</p>	<p>There were a number of respondents stating that they did not support PTAL. The main reasons for not supporting PTAL are as follows:</p> <ul style="list-style-type: none"> - Public transport is not a substitute for all vehicle journeys - Residents stated they already pay a premium to live near good transport links and use them as much as the can but public transport does not meet every journey need. - Living near public transport does not mean it is easily accessible for all – lack of lifts, escalators, etc. not user friendly for families, those needing to carry goods/buggies or with mobility problems. <p>A key theme was those that live near public transport use their cars less because of the links; but still need a car for those journeys that public transport does not cover.</p> <p>Council response: There is a significant difference in transport infrastructure and accessibility dependent on where a resident lives, visits or works within the Borough. This is presented in the form of a ‘Public Transport Accessibility Levels’ (PTAL) as set out by TfL and formed part of the review. TfL have grading’s for each area of London – ranging from the highest to the lowest.</p> <p>It is therefore easier in principle for a person living, visiting or commuting to a high PTAL rated area to use alternative sustainable of transport, compared to residents in low PTAL rated areas.</p> <p>It should be noted many existing and new developments in high PTAL rated areas are already car free and a Permit might not be purchased, and this forms part of the current planning process.</p> <p>A recent Residents Survey highlighted public transport provision throughout the borough as most valued by residents.</p> <p>Merton is very well connected to the public transport network with 10 mainline rail stations served by Thameslink (Wimbledon Loop), South Western Railway and Southern Rail services. A network of 28 bus routes also serves the borough; including 7 night buses, several of which run 24hrs a day.</p> <p>Wimbledon Station serves as a sub-regional transport hub and is served by National Rail train services (South Western mainline), London Underground (District Line), London Trams and bus services. The suburban station at Mitcham Eastfields puts the east of the borough within 25 minutes of central London (Victoria and Blackfriars).</p> <p>The Northern London Underground line also runs through the borough and terminates at Morden, (including night-time service, which runs on Fridays and Saturdays every 8 minutes between Morden and Camden Town and</p>

	<p>approximately every 15 minutes from Camden Town to High Barnet and Edgware).</p> <p>Following the consultation process, the council has reviewed the PTAL rating for each CPZ and walking distances to main line, tram and underground stations access, and it is recommended that Controlled Parking Zones VNE, VNS, VN, VQ, VSW, VSW1, VSW2, be re-categorised as Tier 2 from Tier 1. as shown in Appendices 7, 7a, 7b and 7c.</p>
2nd & 3rd Higher charge	<p>We received a number of comments in relation to the cost/charge for the 2nd, 3rd, plus, resident permit. The respondents felt that one vehicle per address was reasonable but multiple vehicle ownership had a significant impact on all residents at a given area/CPZ. Multiple vehicle ownership creates a higher demand on the supply of available parking bays within a given address/CPZ often causing difficulties in finding a parking bay near to where the vehicle owner resides. Consequently, the respondents felt that if the second third fourth etc. resident permit significantly increased in cost this would deter multiple vehicle ownership unless essential.</p> <p>Council response: The council has reviewed the above response, notes the support and has decided to progress with the current proposed charges for second, third and fourth resident permits.</p>
Too low	<p>There were a number of comments received from respondents recording their views that they felt the cost of resident permits were too low. These respondents felt that the resident permits despite the increases, were still too low in order to achieve the objectives in the proposed policy.</p> <p>Council response: The council notes the support for its proposed charges. Once they are implemented, the council will monitor their effectiveness.</p>
Annual Visitor Permit	<p>We received comments regarding the annual visitor proposal. The comments raised concerns about the proposed increase to the annual visitor permit.</p> <p>The respondents indicated that they have currently purchased the permit for their use (particularly if they own or have access to a variety of vehicles), personal visitors, visiting tradespeople and on occasion staff such as nannies, carers etc. The respondents felt that the proposed increase is too high.</p> <p>Council response: The proposed annual visitor permit is charged at a premium because of the flexibility it offers by not being vehicle specific hence the limit of one per address. It should be noted that the council acknowledges that for certain residents this permit is not the ideal permit and they have options as part of the amendments following consultation as follows:</p> <ul style="list-style-type: none"> - Where the current annual visitor permit is used for and by carers; they will be able (if eligibility met) to apply for a Blue Badge. - In certain cases, it may be more financially feasible for residents with current annual visitor permits to move to visitor permits (half day or full

	day) if used for ad hoc visitor or tradespeople.
Limit the number of permits per address	<p>A number of respondents stated the issue of resident permits should be limited. The respondents felt that one vehicle per address was reasonable but multiple vehicle ownership had a significant impact on all residents at a given address. Multiple vehicle ownership creates a higher demand on the supply of available parking bays within a given address/CPZ often causing difficulties in finding a parking bay near to where the vehicle owner resides. Consequently, restricting the number of permits issued to any address would reduce the demand on parking bays.</p> <p>Council response: The current proposal does not include limiting the number of resident permits per address, but does include charging more for each resident permit purchased.</p>

Charging Rationale

<p>Does not address the issue of air quality</p>	<p>A number of Respondents stated that they felt the proposals would not address the issue of improving air quality. They made a variety of suggestions as to other factors that had an impact on air quality opposed to car use.</p> <p>Council response:</p> <p>The London Borough of Merton historically and presently, continues to exceed targets and its legal objectives for local air pollution, including Nitrogen Dioxide (NO₂). The Government, local authorities and policy makers are being continuously challenged around delivering their responsibilities to reduce pollution, and are often criticised for lack of action or being slow to respond.</p> <p>Air quality has been identified as a priority both nationally and within London, where pollution levels continue to exceed both EU limit values and UK air quality standards. Pollution concentrations in Merton continue to breach the legally binding air quality limits for both Nitrogen Dioxide (NO₂) and Particulate Matter (PM₁₀). The air quality-monitoring network, run by Merton, has shown that the UK annual mean NO₂ objective (40µg/m³) continues to be breached at a number of locations across the borough including Colliers Wood, Morden, Tooting and South Wimbledon. In some locations, the NO₂ concentration is also in excess of the UK 1-hour air quality objective, which indicates a risk not only to people living in that area but also for those working or visiting the area. Reducing vehicle numbers (car usage) and different types of vehicle has a direct and tangible benefit on air quality.</p> <p>In Merton, an Air Quality Management Area (AQMA) has been declared for the whole Borough with four locations identified as having high levels of pollution and human exposure. These are in the main centres of Mitcham, Morden, Raynes Park and Wimbledon.</p> <p>Poor air quality in Merton comes from a number of sources, but our legal exceedances are almost entirely due to road transport. Road transport accounts for approximately 60% of emissions of NO₂ in our Borough. Simply put, this is due to traffic including the nature of vehicles on our roads, the volume of vehicles and the number of trips that they take.</p>
<p>Dropped kerb properties unaffected</p>	<p>There were a number of comments received highlighting that residents who have dropped kerbs were not affected by the current system or the proposed changes. Respondents felt that it was unfair that those properties with dropped kerbs and/or other available off street parking such as garages, despite having one or more vehicles would not have to purchase any permits. Consequently, these residents will not be subject to the proposals thereby contributing to the objectives of the proposals.</p>

	<p>Council response: The council notes these points and wishes to address the reliance and use of vehicles across the borough, not just within CPZs. A key reason, why on street and car park charges are also being proposed at the same time, is to deliver a cohesive policy to encourage a change in driver behaviour.</p> <p>Unfortunately, we have very limited powers but do use them when we can. One example is, many existing and new developments in areas close to good public transport provision are already 'car free' and a permit may not be purchased, and this forms part of the current planning process.</p> <p>CPZs are traditionally areas where there are good transport links and have been implemented because of congestion and demand for spaces, often from vehicles from outside the area to access transport. The proposed charges are also calculated on enforcement cost and higher charges have been set to unforce CPZs that have longer hours of operation.</p>
Tier structure / not fair	<p>We received comments stating that the tier structure in the proposal is unfair. The respondents felt that the current proposal was unfair for a number of reasons. The reasons ranged from for example, disparity based on geographical, vehicle, financial, whether in CPZ or not and PTAL ratings. Most respondents felt that the charges should be equal across the borough and not dependent on any particular disparity because all vehicles add to pollution, congestion and therefore air quality.</p> <p>Council response: The council's proposal is based on a number of key factors in order to ensure that the greatest impact is achieved on behaviour where the resident has the best alternatives available. For example, where a resident has access to the best transport links in the borough the permit is more expensive. If the council charged all residents the same price, we would have less leverage on changing behaviour in those areas where there are alternatives available.</p> <p>The council has a duty and responsibility to protect and promote good living conditions throughout the borough they also need to tackle the poor air quality.</p>
Parked cars do no pollute	<p>We received comments stating that parked cars do not pollute. The council understands this view, but vehicles are not purchased to never be used; hence, all vehicles are used to varying degrees. It could be argued that the less a vehicle is used the greater the scope to use alternative options such as car club, public transport etc.</p> <p>Council response: No car is bought just to be parked; it is bought to be driven. How often and how far does vary, but it will be driven. The principle of charging based on location to public transport and local amenities is that it is easier to travel without the car on a day-to-day basis, than from locations with poorer access to amenities and public transport.</p>

<p>Negative impact on business</p>	<p>Respondents were concerned about how the proposed charges will affect the high street and retail generally within Merton. In particular, the sole trader running a small retail shop. There is concern that the increased 'on street charges' will result in less visitors to certain areas and as a consequence a reduction in their income.</p> <p>Council response: The council is mindful of these challenges and received written submissions from the business sector, including the Wimbledon Society and Love Wimbledon BID.</p> <p>Merton actively supports all businesses in the borough and works with a number of businesses and organisations in development initiatives.</p> <p>In order to assist businesses and support the nighttime economy, the Council recommends a reduction in charges in the underused car parks of St Georges Road and Queens Road to a flat fee of £2 between 6pm and 11pm.</p> <p>The Council will also continue to continue its commitment to the free twenty-minute bay parking.</p> <p>Research shows that when streets are improved, retail values increase, more retail space is filled and there is a 93% in people walking in the streets, compared to locations that have been improved. The research has also found that people walking, cycling and using public transport spend the most in their local shops, 40 per cent more each month than car drivers do.</p>
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Through Traffic

<p>Congestion traffic flow / traffic management 20mph</p> <p>Through traffic</p> <p>ULEZ (extended congestion charge)</p>	<p>Respondents raised issues regarding the impact of traffic flow, traffic management schemes within the borough including the 20 mile per hour initiative and ULEZ (extended congestion charge). All of these issues the respondents believed also had an impact on air quality within the borough.</p> <p>Council response: Merton Council's transport policies are focused towards mitigating against congestion, car use and road safety through a range of physical and educational measures with a strong emphasis on road safety and encouraging sustainable transport alternatives for short trips.</p> <p>The council will continue to adopt initiatives that will continue to address congestion, air quality and road safety.</p> <p>The Mayor for London has rightly placed growth, healthy people and places as the central theme of his adopted transport strategy. Merton Council is supportive of this strategy and in particular the adoption of healthy street indicators when designing public realm improvements.</p> <p>The Mayor of London's ambition is to make London a zero carbon city by 2050. As a local authority Merton will be following this lead in improving air quality and consider initiatives such as the ULEZ charge which targets older and higher polluting diesel and petrol vehicles. Processes are in place to</p>
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	<p>phase out purchasing of diesel buses; introduce hybrids and electric buses; Retrofit scheme outside central London. As of 2018, all new black taxis must be zero emission capable and given that these vehicles cannot be older than 8 years, the phasing of existing air polluters is inevitable. We are also working with TfL to identify suitable sites Rapid Charging points for taxis.</p> <p>The London Mayor is committed to making London's bus fleet cleaner with all TfL buses expected to be electric or hydrogen by 2037. The council believes that TfL's bus replacement does not go far enough and should be accelerated so that the whole of greater London can enjoy the benefits of cleaner buses much sooner. It will continue to lobby TfL to make buses in Merton cleaner</p>
Address rat runs	<p>Some respondents felt that the 'rat runs' within the borough that added to the congestion issues should be addressed.</p> <p>Council response: There are areas across the borough where motorists rat-run through local streets or cruise streets looking for parking spaces. The council will work with residents to investigate and implement measures to reduce through traffic on local roads, including measures, such as filtered permeability schemes where access is restricted to cyclists only as part of a wider healthy neighbourhood proposal.</p>
ULEZ	<p>Respondents suggested that Merton should implement ULEZ within the borough.</p> <p>Council response: We are currently undertaking a project to consider the use of Clean Air Zones in the borough to tackle through traffic. This commitment forms a part of our Air Quality Action Plan and shows that we are committed to using all the powers we have available to us to tackle transport pollution.</p>

Public Transport

Public transport infrastructure weakness	<p>Respondents recorded comments regarding the public transport infrastructure. There were a wide range of reasons recorded, such as reliability, buses are full in peak hours, and the number of closures over the weekend in particular, strike action, lack of links between key routes and general accessibility issues.</p> <p>Council response: The Council will continue to lobby TfL to improve bus services in areas currently poorly served by public transport to provide a reliable alternative to car ownership and increase access to employment and services. The cost of bus travel in London has been frozen and the Mayor has introduced 'Hopper' tickets allowing passengers to use more than one bus to complete their journey.</p> <p>Transport for London continues to explore options for increasing public transport capacity across the capital, including potential extension to the</p>
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	<p>tram network in Merton (Sutton Link) and other capacity enhancements to the underground network, all of which are supported by the council.</p> <p>The council works closely with TfL and Network Rail in ensuring that the highway infrastructure accommodates the efficiency of the public transport services. This include accessibility; bus stops, bus shelters; countdowns etc.</p> <p>The council has recently supported South Western Railways in its “Access for All bid” to the Department of Transport for step free access at Rayne’s Park and Motspur Park Stations. The council is also pushing for step free access at Wimbledon Chase Station through the planning process and delivery of a westbound access ramp for Haydon’s Road Station. Opportunity is also available to provide a second step free access for Morden Road Tram Stop.</p> <p>Improving connectivity in areas with a low Public Transport Accessibility Level (PTAL) score, especially by bus or other demand lead services offers an effective approach to support growth, access to employment and services as well as reducing reliance on private cars.</p>
<p>Electric buses/ taxi/ tram and hybrids.</p>	<p>A number of respondents stated that certain vehicle types are a major cause of air pollution and other environmental concerns.</p> <p>Council response: The London Mayor is committed to making London’s bus fleet cleaner with all TfL buses expected to be electric or hydrogen by 2037. The council believes that TfL’s bus replacement does not go far enough and should be accelerated so that the whole of greater London can enjoy the benefits of cleaner buses much sooner. We will continue to lobby TfL to make buses in Merton cleaner.</p> <p>The Council will lobby TfL, GLA and London Mayor to significantly accelerate the roll out of electric and hydrogen buses in outer London.</p>
<p>Public space air quality</p>	<p>Representations were made specifically in respect of the improvement made in Putney High Street and air quality. The information below shows the range of actions required to make a difference. All are action Merton would possibly consider and take appropriate action.</p> <ul style="list-style-type: none"> - Marked reduction in air pollutant levels along Putney High Street – this is particularly over the last 2-3 years and followed a study carried out some 5-6 years ago which showed that the bus fleet was responsible for many of the pollution issues in the local area. - This was not helped by the canyon layout of the street, which restricted dispersal of pollutants. The council and local groups successfully lobbied TfL to trial a fleet of low emission buses. This is now a permanent feature of Putney High Street and TfL has since introduced low emission bus zones in a few other select spots including near Clapham Junction also in Wandsworth Borough. - Last year, TfL also piloted new smart technology, which improved traffic flows along Putney High Street and reduced the numbers of

	<p>vehicles tailing back on the high street. Whilst this does not reduce the volume of vehicles, it does prevent the build of pollutants in a high pollution area as vehicles are generally held elsewhere and the flow along Putney High Street is relatively free.</p> <ul style="list-style-type: none"> - This pilot is also now a permanent feature on Putney High Street. The figures for pollutant levels have noticeably reduced and while still over recommended guidance levels, it is much closer to compliance and it is anticipated that this will continue as these new measures continue to have an effect. - Loading and unloading restrictions were also introduced in Putney High Street. This also has been the first of its kind for a London borough.
Cost of public transport	<p>Respondents highlighted that they currently did not use public transport due to the cost.</p> <p>Council response: The Council does not have any jurisdiction over the cost of public transport although the Council does work with TfL to lobby for value for money transport solutions for its residents.</p>

Sustainable Transport

More electric vehicles and charging bays	<p>Respondents highlighted that there were reasons why they had not to date seriously considered or purchased an electric vehicle. The two main reasons was the cost of electric vehicles and that concerned about limited electric charging stations.</p> <p>Council response: The council is also developing its infrastructure for electric vehicles. Merton's ambition by 2021/22 is to facilitate 125 electric charge vehicle points across the borough, including fast, rapid and residential charge points. There are currently 94 in operation.</p> <p>To encourage the uptake of electric vehicles, Merton Council is working with Source London, London Councils and Transport for London to put in place a mix of electric vehicle charging solutions. The London Plan and Merton's own Local Plan also requires that developers install a percentage of electric vehicle charging points within any new development with off-street parking.</p> <p>The council is working toward a target of 85% of all households being within 10-minute walk or 800m of a charge point by 2020/2021. To date there are around 94 active electric vehicle charge points in the borough, including 3 rapid charge stations.</p>
More car sharing, including Car Clubs	<p>Respondents stated that they would be likely to use car clubs if there were more car club bays, pick up/drop off points and charges were less. They felt that the car club availability would directly influence them to use a car club option rather than owning a personal vehicle.</p> <p>Council response: Merton is aiming to ensure that every resident has access to car club vehicles. There are 193,500 car club members in London and around ten car clubs. Transport for London (TfL) has committed to aiming for one million</p>

	<p>members by 2025. They offer a convenient and affordable service, while at the same time reducing overall car usage.</p> <p>Car clubs can provide you with an alternative means of accessing a car when you need one, without all the cost or hassle of owning one yourself. You can find car club cars parked on street throughout Merton.</p> <p>There are three car club companies available to the public in the borough, Bluecity, Zipcar and other TfL operators. There are currently on average over 60 vehicles operating in Merton with over 6,000 members.</p> <p>Providers will also be encouraged to adopt a greater proportion of all electric vehicles and move towards common access approaches e.g. single booking apps and sharing of data to boroughs and TfL.</p>
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Representations stating a need to own/access a car

<p>Disabled / elderly/ family/ work/ shopping/ weekend / visits to recycle centres / occasional use</p>	<p>Many respondents recorded that for a variety of reasons they required a car or access to a car:</p> <ul style="list-style-type: none"> - work purposes; often tradespeople/workers that had equipment for example required for their work that they would not be able to carry on public transport. - required access to a vehicle in order to transport family members, disabled relatives/friends, to meet carer needs, and undertake journeys that were not possible on public transport. - required access to a car so that they could undertake long journeys often at weekends. <p>Council response: The council accepts current life styles are often based around the convenient use of the car. This is an issue, which has evolved over many years, and the car is part of day-to-day life. However, current car use and numbers along with associated emissions are no longer sustainable; car use in London simply has to reduce. The council will continue to work with partners to help make the move away from car ownership easier. The council will however identify groups and individuals where the need to have easy and convenient access is high and ownership is still required.</p> <p>Improving connectivity in areas with a low Public Transport Accessibility Level (PTAL) score, especially by bus or other demand lead services offers an effective approach to support growth, access to employment and services as well as reducing reliance on private cars.</p> <p>Those residents who only require a car at the weekends could use the car club facilities in Merton.</p>
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Cycling

<p>Cycle lane improvement & promotion</p>	<p>A number of respondents stated that they would consider cycling as an alternative source of transport if there were more cycle lanes available, cycle lanes were segregated and the existing cycle lanes were improved. Segregated cycle lanes would encourage greater use by a wider range of cyclists.</p> <p>A number of respondents felt that Merton could encourage more motorists to cycle by promotion campaigns highlighting the cycle lanes in Merton and the advantages of cycling.</p> <p>Council response: Over the last 6 years, Merton Council has spent £19.2m on a number of LIP 1 & 2 projects. This includes £4m on cycle related schemes (including cycle training). Approximately 6 km of cycle routes have been delivered alongside 651 additional cycle parking spaces.</p> <p>The Council has limited annual funding to improve cycle provisions throughout the borough. This includes improvements to existing cycle lane; new cycle lanes; Quietways; cycle parking; road safety and cycle training.</p> <p>The Council will continue to be committed to promoting cycling.</p> <p>We offer training sessions to teaching staff and parents, supplying training bikes if necessary and have supported the Met Police with the Changing Places Programme showing HGV drivers and cyclist sight line dangers when cycling on road. Dr Bike Maintenance days are provided at 2 town centres to enable more cycling in the borough. We provide information on the Recycle A Cycle Scheme, which advises victims of bike theft to obtain a recycled bike.</p>
<p>Cycle safety</p>	<p>A number of respondents raised concerns about safe cycling within the borough.</p> <p>Council response: The council will continue to undertake reviews of cycle safety, invest in cycling infrastructure, closely monitor accident statistics and take steps to continually improve cycle safety, which includes training as mentioned above.</p>
<p>Better cycle parking facilities</p>	<p>Respondents highlighted that increasing the number of parking opportunities in Merton and access to bikes would encourage them to cycle within the borough.</p> <p>Council response: Cycling - as part of an integrated transport solution and to contribute to modal shift. Working with colleagues in Future Merton a number of options and costings are being considered including covered cycle parking areas with improved security and lighting in each of or car parks, again with the view to increasing the provision in the future.</p> <p>Approximately 6 km of additional cycle lanes have been delivered as well as 651 new cycle parking spaces.</p>
<p>Hire</p>	<p>Respondents stated that it would encourage them to cycle if they were able to hire bikes within Merton.</p> <p>Council response: There is significant potential to encourage residents to cycle more, especially for short commuter and leisure trips. The council is therefore working with TfL and neighbouring boroughs to facilitate a dock-</p>

	<p>less cycle hire scheme in Merton. This will enable residents to collect a hire bike from a number of designated cycle collection/drop off points across the borough and cycle to their destination.</p> <p>It is likely that a future Merton cycle hire scheme will operate from dedicated, predominately on-street collection/drop off bays. The council would particularly welcome operators that include electric bikes within their offer to help reach a wider mix of users, who might not otherwise cycle.</p>
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Environmental Considerations

<p>Idling/engine running</p> <p>More environmental/trees and green spaces</p> <p>Will encourage more dropped kerbs/ Less front gardens with greenery</p> <p>Road humps</p> <p>Car free/ pedestrianisation</p> <p>Heathrow</p> <p>Wimbledon Taxi</p> <p>Planning</p>	<p>Respondents raised a number of concerns regarding vehicles in relation to the environment within Merton. For example, their concerns ranged from vehicles with their engines idling, residents paving over front gardens thereby reducing the green spaces, they would like to see more trees and green spaces and a review of the number of road humps. There were some specific concerns regarding Merton’s response to the possible expansion to Heathrow, the number of Taxis in Wimbledon and the possibility of increasing the number of car free or pedestrian only areas.</p> <p>Council response: Merton has a clear commitment to tackle anti-idling and have installed 100 signs at locations in the borough with a further 100 planned. We are organising anti-idling events throughout the borough and will be formalising the enforcement process this year.</p> <p>Through its spatial policies contained in the London Plan and the Council’s own emerging Local Plan the council proactively encourages permit free development, especially around town centre locations and where access to public transport is good or could be improved through funded investment. The council is looking to rebalance the way streets are used so that they become places where people choose to walk or cycle and are not dominated by private cars and service vehicles. This could include the provision of small parklets or public spaces where people can sit and socialise.</p> <p>The provision of a third runway and expansion of Heathrow Airport recently cleared a major legal hurdle, which increases the likelihood that the plans will proceed. Whilst the council does not support this expansion. Should proposal pass the planning stage the council will work with neighbouring boroughs to ensure that transport impacts are mitigated as far as possible.</p> <p>The Mayor of London’s ambition is to make London a zero carbon city by 2050. As a local authority Merton will be following the Mayor of London’s lead in improving air quality and consider initiatives, such as the future expansion of the Ultra-Low Emission Zone, London-wide Low Emission Zone and Clean Air Zones, which target older and higher polluting diesel and petrol vehicles.</p>
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	<p>TfL is phasing diesel buses in favour of hybrids, electric and hydrogen buses. The Council will continue to lobby TfL to accelerate the pace of transition to these cleaner vehicles.</p> <p>As of 2018, all new black taxis must be zero emission capable and these vehicles cannot be older than 8 years. The Mayor for London has put in place incentives to speed up this transition.</p> <p>We are also working with TfL and Source London to identify suitable sites for rapid charge stations for taxis and other high usage vehicles. The council will work with the London Taxi Office to try to reduce the amount of engine idling.</p> <p>Where applications for residential crossovers meet the required access and design criteria the council cannot unreasonably refuse requests.</p> <p>The council's broader approach to off-street parking places is to encourage the retention of planting and the use of permeable surface materials.</p> <p>Road Humps - Historically area wide traffic calming measures in the form of horizontal and vertical deflections were introduced to reduce speed and rat running. With the borough wide 20mph speed limit, existing traffic calming features will ensure that motorists travel at lower speed.</p> <p>New development can allow us to establish sustainable travel patterns at the outset by helping to deliver better supporting infrastructure through financial or in-kind contributions, such as wider footways and land dedication to provide new facilities or linkages. The council will encourage developers to look beyond their site boundaries when seeking to mitigate the impacts of their proposals.</p> <p>The council is keen to promote more cycling and to optimise cycling potential in the borough, especially around town centres and other areas with good connectivity by public transport. This means ensuring that new development provides good quality cycle parking integral within the proposals, including ensure that visits are also confident in cycling to a location by installing secure short stay cycle parking.</p>
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Vehicles

<p>Government said buy diesel</p>	<p>A number of respondents highlighted that they were encouraged by the government to purchase diesel vehicles.</p> <p>Council response: In 2001, a vehicle excise duty (VED) system was introduced which made road tax charges cheaper for vehicles, which emitted less CO2 emissions. Typically, diesel vehicles emit less carbon dioxide (CO2) emissions than petrol cars, which saw more people, opt for diesels because they were cheaper to tax and perceived to be better for the environment.</p>
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	<p>However, despite diesel cars emitting less CO2, they do produce disproportionately high emissions of nitrogen dioxides (NOx) and particulates, both of which contribute greatly to local pollution levels and poor air quality.</p> <p>Merton Council accepts that previous governments encouraged the uptake of diesel vehicles to help reduce carbon emissions. That position has now reversed.</p>
EURO 6 Rating	<p>A number of respondents stated that they felt Euro 6 accredited vehicles should be acknowledged and reflected in the proposed parking charges. Effectively the respondents felt that despite buying a more efficient vehicle there was no benefit in the permit tariffs.</p> <p>Council response: It is widely known that diesel vehicles produce disproportionately high emissions of local air quality pollutants such as nitrogen dioxides and particulates. Under Euro classifications, certain newer diesel vehicles were purported to be less polluting.</p> <p>The council acknowledges these views and is currently undertaking a review of emission based charging. The report will be presented to Cabinet later in the year and all the comments received in this consultation will be considered as part of this review.</p>
HGV	<p>A number of respondents highlighted that there were a large number of HGV vehicles travelling within the borough. Some specific areas in the borough attract more HGV vehicles on a regular basis. The respondents felt that they were adding significantly to the poor air quality.</p> <p>Council response: We accept that HGV's contribute to poor air quality. There are existing controls to regulate these vehicles through a London wide Low Emission Zone which is currently being tightened by the GLA.</p>

Car parks

More car parks and improvements	<p>A number of respondents felt that Merton should increase the number of car parks available throughout the borough and the current car parks should be improved.</p> <p>Council response Merton is committed to continue improving its car parks and one of our objectives is to secure an accreditation for our car parks. This accreditation will deliver improvements such as; improved lighting in car parks, access, security, increased cycle spaces and more signage.</p>
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Schools

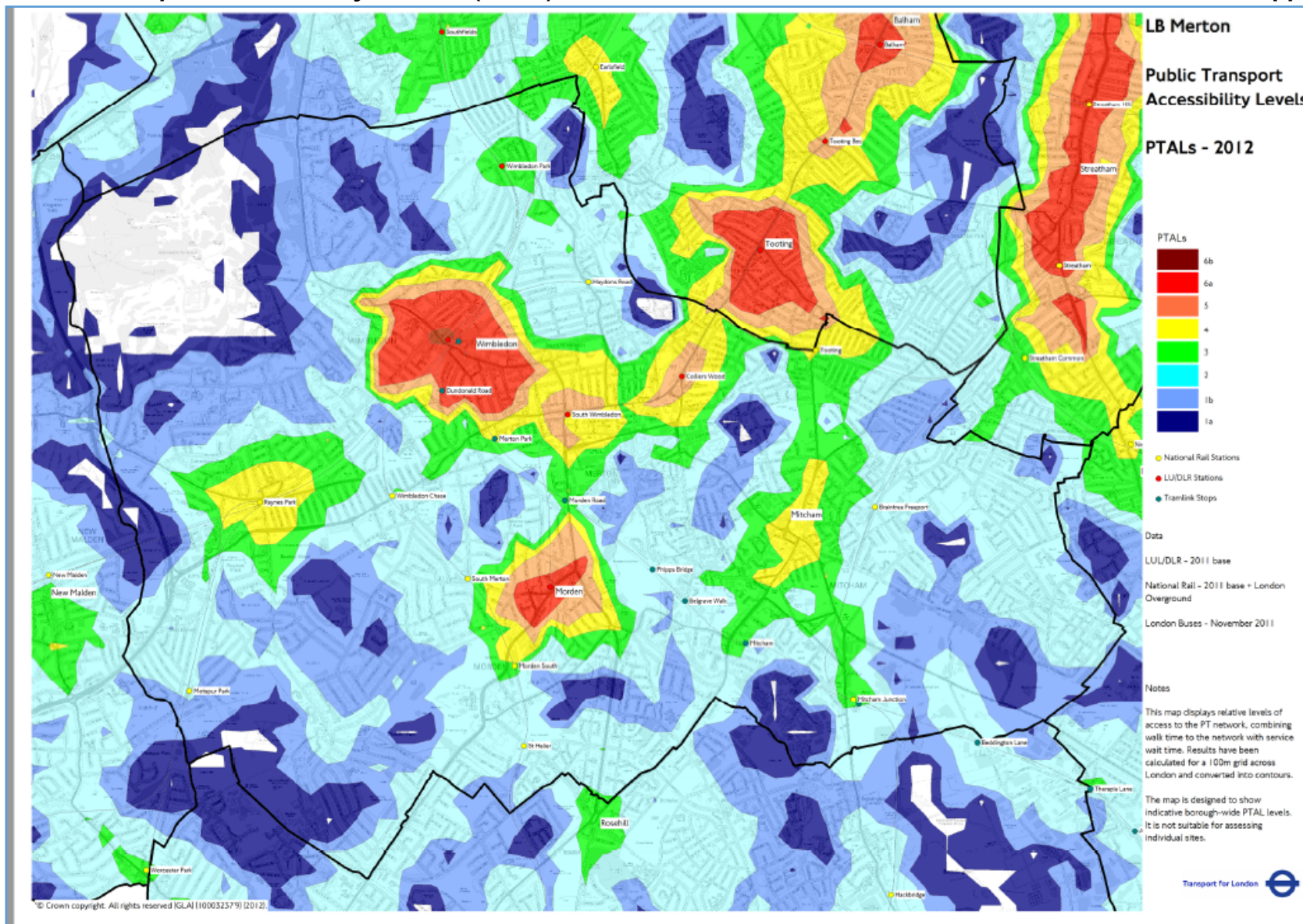
Car Free School Zones	<p>A number of respondents included comments on schools, including:</p> <ul style="list-style-type: none"> - increased traffic with children being driven to school - during the school holidays the roads were significantly less congested - imposing car free zones around schools would be beneficial. - a number of respondents recommended that children should be encouraged to walk or travel to school by public transport.
Catchment area/ walk to school	<p>Council response: The Council has identified four areas to trial temporary road closures outside schools during morning and afternoon peak periods.</p> <p>The council in partnership with the Police, Transport for London and schools themselves, work to improve road safety near schools.</p> <p>The management of road safety is in line with the Mayor of London’s strategy for healthy streets. The council has a rolling programme of works with individual schools that includes engineering measures:</p> <ul style="list-style-type: none"> - including localised 20mph speed limits to make the area outside the school safer; - support the school with their travel plans - provide soft measures such as cycles and scooter training as well as Kerbcraft. <p>All initiatives are designed to encourage a reduction on congestion generated by school traffic.</p> <p>Too many parents still choose to take their children to school by car increasing congestion on the road network and in close proximity to the school, especially during the morning and evening peak. At school home time, parents frequently arrive early to obtain nearby parking spaces and then sit waiting in their cars with engines running (or idling), all of which contributes to poor air pollution in Merton and across London.</p> <p>Merton also has a number of schools, that tend to have wider catchment areas across borough boundaries. This results in higher numbers of parents choosing to drive their children to school. By complementing school travel plans with a mix of physical and enforcement interventions, more of these trips could be made by foot for some or the entire journey. Improving the reliability and capacity of bus services could also support modal change.</p> <p>The council will proactively engage with public, private and special educational needs school’s to promote sustainable modes to work towards obtaining STARS school travel accreditation and that where schools are already engaged to push for a minimum Silver level accreditation.</p> <p>When development proposals for new educational facilities or school are submitted to the council, there will be a planning condition requirement for the new development to achieve a minimum bronze standard (STARS).</p> <p>The council will facilitate a programme of behaviour, road safety and educational initiatives, such as Junior Travel Ambassadors, scooter/cycle and kerb craft will continue to be offered. The council will support existing schools</p>

	wishing to expand on-site cycle and scooter parking facilities for pupils and staff through their travel plans.
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Walking

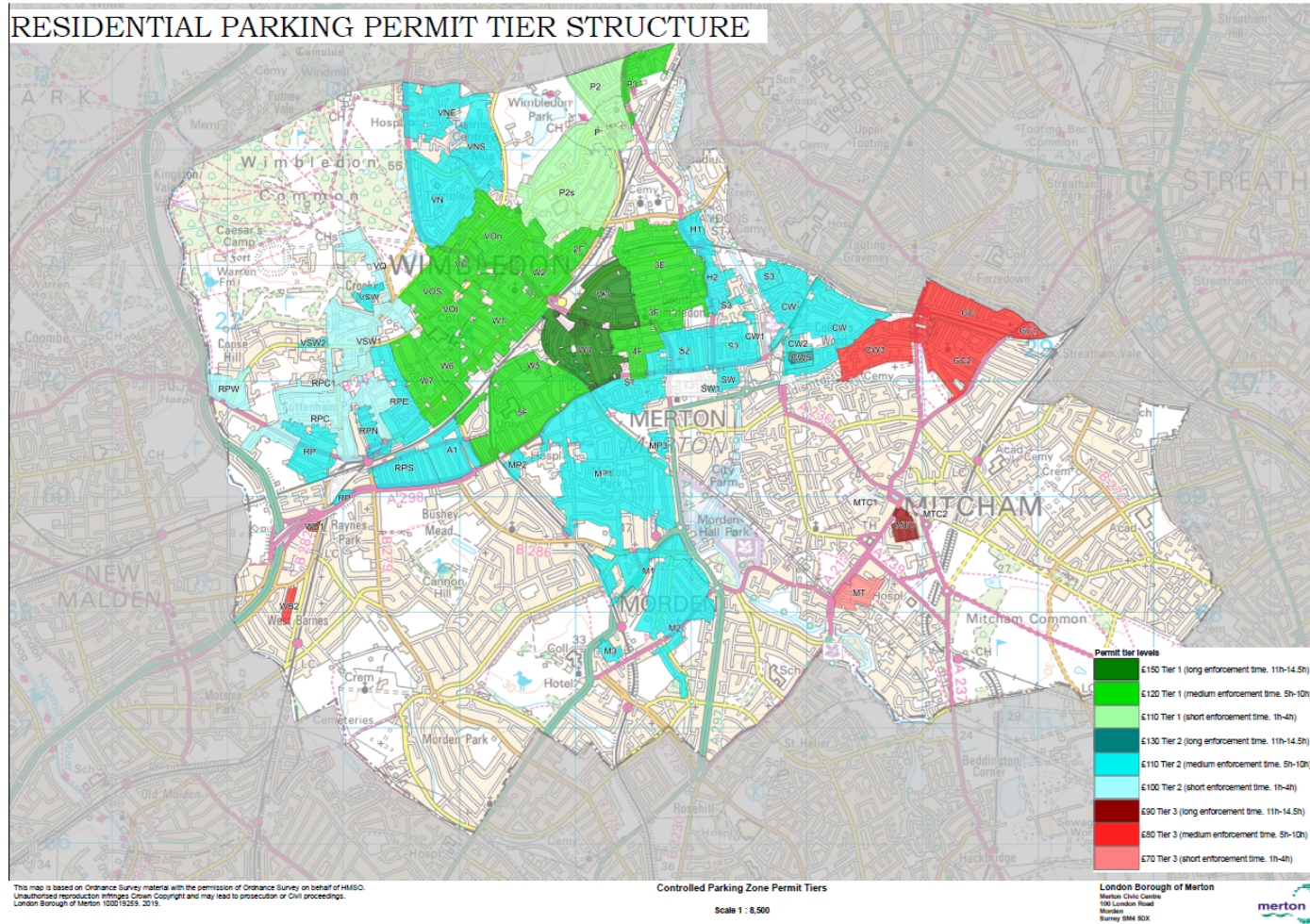
Walking in the borough	<p>Some respondents stated that walking in Merton, particularly in some areas was not pleasant. There were a variety of reasons such as volume of traffic, roadworks (limiting kerb space), poor signage, densely populated, poor street lighting and rubbish in the roads.</p> <p>Council response: The most direct and convenient walking routes between town centres and key attractors are often along difficult to cross, busy, traffic dominated connector streets and junctions. Focusing on some of these barriers and improving the wider journey experience should encourage more journeys by foot.</p> <p>Another disincentive to walking and cycling is the perceived dominance and speed of road traffic and lack of safe crossing places. Reducing traffic speed can reduce the severity of collisions and make streets more appealing places to walk and cycle especially for more vulnerable people who might otherwise be discouraged</p>
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Map of Residential CPZs

Appendix 6



Appendix 7a

Proposed Charges, On Street, Car Parks and residential Permits.

On Street Pay and Display.

On-street pay & display	Per Hour
Zone 1 255 bays in Wimbledon Town Centre	£4.50
Zone 2 Wimbledon Village, Wimbledon Park, South Wimbledon Rayne's Park. Colliers Wood,	£3.00
Zone 3 Mitcham, Morden and other areas not specified.	£1.50
Zone 1a Wimbledon Common	£1.50

Table of proposed charges. - Car Parks

Appendix 7b

CAR PARK (Inclusive of VAT).	Current hourly rate/flat fee	Proposed hourly rate/flat fee	Amendments Following consultation
WIMBLEDON			
Broadway	£1.00	£2.00	
Hartfield Road	£1.50	£2.00	
Queens Road	£1.00	£1.50	£2 flat fee between 6.00pm and 11pm
St Georges Road	£1.40	£1.50	£2 flat fee between 6.00pm and 11pm
MORDEN			
Kenley Road (flat fee)	£3.50	£7.00	
Morden Park (hourly)	£0.40	£0.60	
Morden Park (flat fee)	£5.00	£7.00	
Peel House Lower	£0.40	£0.60	
Peel House Upper (flat fee)	£5.00	£7.00	
Peel House Upper (hourly)	£0.50	£0.60	
York Close (flat fee)	£5.00	£7.00	
York Close (hourly)	£1.00	£1.20	
MITCHAM			
Elm Nursery	£0.50	£0.60	
Raleigh Gardens	£0.50	£0.60	
St Marks Road	£0.40	£0.60	
Sibthorpe Road	£0.70	£0.90	

Season Tickets

Mitcham Car Parks.

Mitcham Car Park	1 Month	+ 1 Month Diesel Surcharge £12.50	6 Months	6 month Diesel Surcharge £75	12 Months	12 Month Diesel Surcharge £150
Current charge	£25	N/A	£150	N/A	£300	N/A
Proposed local worker/ resident	£62.50	£75	£225	£300	£300	£450
Proposed commuter	£62.50	£75	£300	£375	£525	£675

Morden Car Parks

Morden	3 Months	3 Month Diesel Surcharge £37.50	6 Months	6 month Diesel Surcharge £75	12 Months	12 Month Diesel Surcharge £150
Current charge	£111	n/a	£223	n/a	£445	n/a
Proposed local worker/ resident	£350	£387.50	£525	£600	£700	£850
Proposed commuter	£393.75	£431.25	£700	£775	£1,225	£1,375

Queens Road Car Park Wimbledon

Queens Road - Wimbledon	3 Months	3 Month Diesel Surcharge £37.50	6 Months	6 month Diesel Surcharge £75	12 months	12 Month Diesel Surcharge £150
Current	£240	N/A	£480	N/A	N/A	N/A
Proposed local worker/ resident	£300	£337.50	£600	£675	N/A	N/A
Proposed commuter	£337.50	£375	£675	£750	N/A	N/A

RESIDENTIAL PARKING PERMITS

Zone duration	Tier 1 zones Wimbledon Town Centre	Tier 2 zones Part Colliers Wood/ South Wimbledon/ Rayne's Park/ Morden	Tier 3 zones Mitcham/ Part Colliers Wood	*100% electric vehicles All zones
Long (12 to 14.5 hrs)	£150	£130	£90	£20
Medium (6 to 10 hrs)	£120	£110	£80	£20
Short (1 to 4 hrs)	£110	£100	£70	£20

*The £20 fee is a reduction of £5 on the existing charge.

Note: A surcharge of £150 will continue to apply for all diesel vehicles.

Houses with multiple permits.

A second permit at the same property should incur a £50 surcharge, a third property a £100 surcharge, a 4th permit at £150.

Note: A surcharge of £150 will continue to apply for all diesel vehicles.

Visitor Voucher Charges

Tier	Half day	Full day
Tier 1 zones	£3.50	£5
Tier 2 zones	£3	£4
Tier 3 zones	£2	£3

Zone	Area	Tier 1	Time	Permit	New	Hours per	Annual
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			Group	price	Charge	weekday	visitor charge
W3	Wimbledon	Tier 1	Long	£65	£150	14.50	£400
W4	Wimbledon	Tier 1	Long	£65	£150	14.50	£400
2F	Wimbledon	Tier 1	Medium	£65	£120	10	£370
3E	Wimbledon	Tier 1	Medium	£65	£120	10	£370
3F	Wimbledon	Tier 1	Medium	£65	£120	10	£370
4F	Wimbledon	Tier 1	Medium	£65	£120	10	£370
5F	Wimbledon	Tier 1	Medium	£65	£120	10	£370
VC	Wimbledon Village	Tier 1	Medium	£65	£120	10	£370
VN*	Wimbledon	Tier 1	Medium	£65	£120	10	£370
Von	Wimbledon Village	Tier 1	Medium	£65	£120	10	£370
VOs	Wimbledon Village	Tier 1	Medium	£65	£120	10	£370
VOt	Wimbledon Village	Tier 1	Medium	£65	£120	10	£370
VSW*	Wimbledon	Tier 1	Medium	£65	£120	10	£370
VSW2*	Wimbledon	Tier 1	Medium	£65	£120	10	£370
W1	Wimbledon	Tier 1	Medium	£65	£120	10	£370
W2	Wimbledon	Tier 1	Medium	£65	£120	10	£370
W5	Wimbledon	Tier 1	Medium	£65	£120	10	£370
W6	Wimbledon	Tier 1	Medium	£65	£120	10	£370
W7	Wimbledon	Tier 1	Medium	£65	£120	10	£370
P3	Wimbledon Park	Tier 1	Medium	£65	£120	7	£370
VNe*	Wimbledon	Tier 1	Medium	£65	£120	6	£370
VNs*	Wimbledon	Tier 1	Medium	£65	£120	6	£370
		Tier 1					
P1	Wimbledon Park	Tier 1	Short	£65	£110	4	£360
P2	Wimbledon Park	Tier 1	Short	£65	£110	4	£360
P2S	Wimbledon Park	Tier 1	Short	£65	£110	4	£360
VSW1*	Wimbledon	Tier 1	Short	£65	£110	4	£360
VQ*	Wimbledon	Tier 1	Short	£65	£110	3	£350

Controlled Parking Zone charges Tier 1

Appendix 7d

* Moved to tier 2.

Controlled Parking Zone charges Tier 2

Appendix 7e

Zone	Area	Level	Time Group	Permit price	New Charge	Hours per weekday	Annual visitor charge
CW5	Colliers Wood	Tier 2	Long	£65	£130	12.5	£380
CW	Colliers Wood	Tier 2	Medium	£65	£110	10	£360
CW1	Colliers Wood	Tier 2	Medium	£65	£110	10	£360
CW2	Colliers Wood	Tier 2	Medium	£65	£110	10	£360
CW4	Colliers Wood	Tier 2	Medium	£65	£110	10	£360
M1	Morden	Tier 2	Medium	£65	£110	6	£360
M2	Morden	Tier 2	Medium	£65	£110	6	£360
M3	Morden	Tier 2	Medium	£65	£110	10	£360
MP2	Merton Park	Tier 2	Medium	£65	£110	10	£360
MP3	Merton Park	Tier 2	Medium	£65	£110	10	£360
S1	South Wimbledon	Tier 2	Medium	£65	£110	10	£360
S2	South Wimbledon	Tier 2	Medium	£65	£110	10	£360
S3	South Wimbledon	Tier 2	Medium	£65	£110	10	£360
SW	South Wimbledon	Tier 2	Medium	£65	£110	10	£360
MP1	Merton Park	Tier 2	Medium	£65	£110	6	£360
A1	Rayne's park	Tier 2	Medium	£65	£110	10	£360
RP	Rayne's Park	Tier 2	Medium	£65	£110	10	£360
RPE	Rayne's Park	Tier 2	Medium	£65	£110	10	£360
RPN	Rayne's Park	Tier 2	Medium	£65	£110	10	£360
RPS	Rayne's Park	Tier 2	Medium	£65	£110	10	£360
H1	Haydon Road SW19	Tier 2	Medium	£65	£110	10	£360
H2	Haydon Road SW20	Tier 2	Medium	£65	£110	10	£360
VN*	Wimbledon	Tier 2	Medium	£65	£110	10	£330
VSW2*	Wimbledon	Tier 2	Medium	£65	£110	10	£330
VSW*	Wimbledon	Tier 2	Medium	£65	£110	10	£330
VNe*	Wimbledon	Tier 2	Medium	£65	£110	6	£330
VNs*	Wimbledon	Tier 2	Medium	£65	£110	6	£330
RPW	Rayne's Park	Tier 2	Short	£65	£100	4	£320
RPC	Rayne's Park	Tier 2	Short	£65	£100	1	£320
RPC1	Rayne's Park	Tier 2	Short	£65	£100	1	£320
MT	Mitcham	Tier 2	Short	£65	£100	4	£320
VSW1*	Wimbledon	Tier 2	Short	£65	£100	4	£320
VQ*	Wimbledon	Tier 2	Short	£65	£100	3	£320

*Denotes was previously in Tier 1 now recommended as Tier 2.

Zone	Area	Level	Time Group	Permit price	New Charge	Hours per weekday	Annual visitor charge
MTC	Mitcham	Tier 3	Long	£65	£90	14.5	£340
CH	Cannon Hill	Tier 3	Long	£65	£90	12	£340
WB1	West Barnes	Tier 3	Long	£65	£90	12	£340
CW3	Colliers Wood	Tier 3	Medium	£65	£80	10	£330
GC	Mitcham	Tier 3	Medium	£65	£80	10	£330
GC1	Mitcham	Tier 3	Medium	£65	£80	10	£330
GC2	Mitcham	Tier 3	Medium	£65	£80	10	£330
WB2	West Barnes	Tier 3	Medium	£65	£80	6	£330
MT	Mitcham	Tier 3	Short	£65	£70	4	£320

Benefits of walking and cycling

Please see attached document.

Appendix 8

Walking & cycling: the economic benefits

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What is this pack?

This pack outlines the economic benefits of encouraging more walking and cycling in cities. It sets out the strongest evidence from London and elsewhere, grouped into six major topic areas.

It is aimed at policy makers, local communities, officers in local and national government, business networks and everyone else who is interested in how investment in walking and cycling can create more prosperous cities.

This pack has been produced by Transport for London (TfL) as part of an ongoing collaboration with partners across London, and has been published as part of TfL's online hub for the economic benefits of walking and cycling. We are particularly grateful to representatives from the Department for Transport, the University of Westminster, GlaxoSmithKline, the London Boroughs of Enfield, Hackney and Southwark, the Bicycle Association, Sustrans, the London Cycling Campaign, Cycling UK and Living Streets for their support in developing this evidence base.

OVERVIEW

Investment in walking and cycling helps encourage more Londoners to travel in a greener and healthier way. It also brings significant benefits for the economy:

Boosting the high street and local town centres:

walking and cycling improvements can increase retail spend by up to 30%.

Page 95

Reducing absences and increasing productivity:

People who are physically active take 27% fewer sick days each year than their colleagues.

Attracting employees and businesses:

Businesses see walking and cycling as key to attracting and retaining the staff the need to thrive

Keeping the city moving for business:

New cycle lanes in London have helped some streets carry up to 5% more people at the busiest times.

Wider Economic Benefits:

Investing in walking and cycling and can prevent billions of pounds worth of health and environmental damage.

Helping everyone share the benefits:

Active travel is accessible and inclusive. Making it easier to walk and cycle means that more Londoners can enjoy the benefits

Walking & cycling is good for the high street

Page 96

People walking and cycling visit high streets more frequently and spend more money there compared to people in cars

High streets that are nice places to walk, cycle and spend time in attract more shops, making the high street more economically viable and vibrant

HIGHER SPENDS



High street walking, cycling and public realm improvements can

increase retail sales
by up to **30%**

Source: Lawlor, 2013

Cycle parking delivers



5x

the retail spend per square metre than the same area of car parking

Source: Raje and Saffrey, 2016

People who walk and cycle take more trips to the high street over the course of a month

Average number of visits to local town centre each month, by mode



16 visits



12 visits



8 visits

Source: TfL, 2014

Over a month, people who walk to the high street spend up to

40% more



than people who drive to the high street

Source: TfL, 2013

Walking and cycling helps create
thriving high streets



As well as more customers, this brings benefits to the local community



Making it easy to walk and cycle to high streets means that more Londoners can enjoy these opportunities

SOCIAL VALUE

45%

of visitors to London high streets visit for **social and community** reasons



Source: Hall et al, 2017

Improving London high streets for walking and cycling led to a

216%

increase in people **stopping, sitting or socialising**



Source: Carmona et al, 2018

THRIVING HIGH STREETS

Retail vacancy was **17% lower** after high street and town centre improvements...



...and retail rental values **rose by 7.5%**

Source: Carmona et al, 2018

Businesses may overestimate their customers' car use

Page 99

Businesses on Lea Bridge Road think their customers travel to the area:

However, visitors said they travelled:



Source: London Borough of Waltham Forest

What do BIDs say?

9 in 10

say walking and cycling creates vibrant areas

83%

say it attracts more customers

Source: Aldred & Sharkey, 2017



GLOBAL EVIDENCE

A study of businesses in **Portland** found people walking and cycling spent more in a month than drivers.

Source: Clifton et al., 2012

Streets with dedicated cycle lanes in **New York** saw a larger rise in retail sales compared to the surrounding area.

Source: New York DOT, 2014

Businesses on two **Dublin** shopping streets overestimated how many customers travel by car and underestimated how many cycle.

Source: O'Connor et al., 2011

People who walk and cycle in **San Francisco** visit shops more often and spend more in a month than drivers.

Source: Bent and Singa, 2009

In **Los Angeles** sales tax revenue rose by two thirds after cycle lanes were built – 14% higher than unimproved areas.

Source: McCormick, 2012

For every square metre of parking space in **Bern**, customers who cycled generated 7,500 EUR compared to 6,625 EUR from car drivers.

Source: [Fahrradportal](#) (online)

People who cycle to shops and supermarkets in **Copenhagen** spend more each year than people who drive. Two thirds of shopping trips and half the total revenue comes from customers on foot and cycle.

Source: Copenhagen Bicycle Account, 2012

Walking & cycling boosts productivity

Page 101

People who walk and cycle regularly have been shown to take less sick days, be more productive at work and enjoy their job more

Encouraging more people to walk and cycle more can help give London's economy a big productivity boost

REDUCED ABSENTEEISM

Employees who are physically active take

27%



fewer sick days

than their colleagues

Source: National Institute for Health and Care Excellence, 2012

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Employees who cycle regularly take



fewer sick days each year than those who don't...

... this is worth

£128m

every year to the national economy

Source: Hendriksen, et al, 2010

Source: Grous, 2011

INCREASED PRODUCTIVITY



73% of employees who cycle felt it makes them **more productive** at work

Page 103

Source: The Prince's Responsible Business Network, 2011

54%



of people who cycle to work

feel **happy**

& **energised**

during their commute - more than any other mode

Source: CycleScheme, 2015

People who walk to work report



greater job satisfaction

and wellbeing – which in turn leads to increased employee retention and reduced costs to businesses.

Source: Chatterjee, 2017

Businesses see real value in walking & cycling

Page 104

People want to live and work in areas that offer a high quality of life. For many, this means places where they can walk and cycle

Creating great places for walking and cycling strengthens London's talent pool and give businesses a competitive advantage

More and more businesses around the capital are voicing their support for walking and cycling

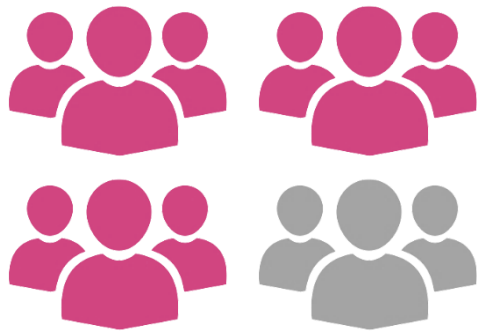
ATTRACTING AND RETAINING STAFF

“ Our network of offices will be knitted together by Cycle Superhighways. We look forward to using the protected routes to help us attract and retain the people we need to thrive ”

Michael van der Bel, former CEO of Microsoft UK

Source: Cycling Works, 2014

By 2025 3 in 4 workers will be **millennials**



Millennials are more focussed on the **environment** and **use cars less**

Source: Deloitte, 2014

73% of London BIDs say **walking and cycling** are important for **attracting and retaining staff**

Source: Aldred & Sharkey, 2017

BUSINESS BENEFITS

85%



think that cycling is important

Business Improvement Districts agree that active travel is important for their business performance

95%



think that walking is important

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Why do BIDs think walking and cycling is important for business?



Attracting more customers



Creating vibrant areas



Attracting and retaining staff

Businesses are **prioritising** offices with high-quality cycling facilities

Source: British Council of Offices, 2017



BUSINESS SUPPORT

“Cycling is a fundamental part of the future city and has been a critical factor in Google’s decision to invest in King’s Cross and London. Cycling has an important role to play in attracting and retaining talent”

Dan Cobley, former CEO of Google UK

“Businesses in London Bridge are keen to make it a safe and attractive place to walk and cycle. With continued growth in the area, creating a street environment that makes cycling convenient, safe and attractive is more pressing than ever”

Nadia Broccado, CEO of Team London Bridge BID

BUSINESS SUPPORT

In 2014 over

180

major London employers
came together to support plans
for new protected cycle routes

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“ *The proposed north-east and east-west routes will help us **attract and retain the employees our business needs to thrive**. They will also make London a **more attractive city** in which to build and run our business* ”

John Ridding, CEO of Financial Times

Walking & cycling keeps London moving

Page 109

Congestion costs London's economy £9.5bn each year, and the challenge will grow as the city's population grows and travel increases

Walking and cycling, along with public transport, are the most efficient uses of limited road space. By encouraging walking and cycling we can move more people on our streets. This keeps the city moving for everyone

KEEPING STREETS MOVING

London is growing by...

6 new residents
every hour

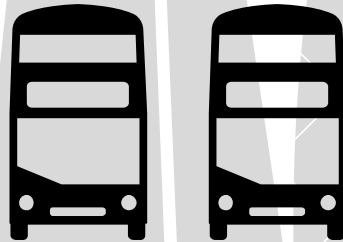


That's a car load
every 40 minutes



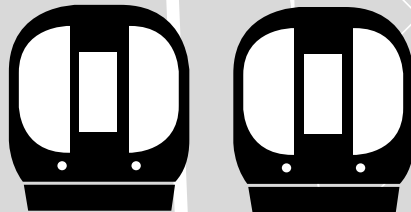
or

2 Buses
every day



or

2 Tube trains
every week



Today the population is

8,800,000

and by 2030, it will be

10,000,000

Congestion
costs London's
economy



£9.5bn
every year

Source: INRIX, 2017

KEEPING STREETS MOVING

One car takes up the same space as...



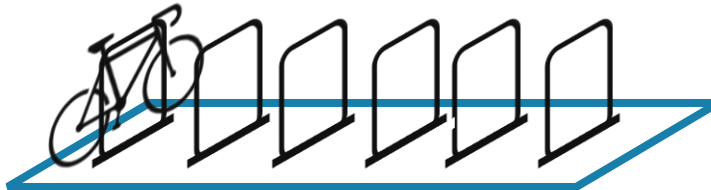
5 people cycling

or



20 people walking

or



12 cycle parking spaces

The average car in London carries:



1.56 people

KEEPING STREETS MOVING

Segregated cycle lanes on Blackfriars Bridge help the street move

5% more people

in the am peak than before

Page 12

Source: TfL analysis

Businesses using **cycle freight save** between

39 and **64%**
on **delivery costs**

Source: Raje and Saffrey, 2016

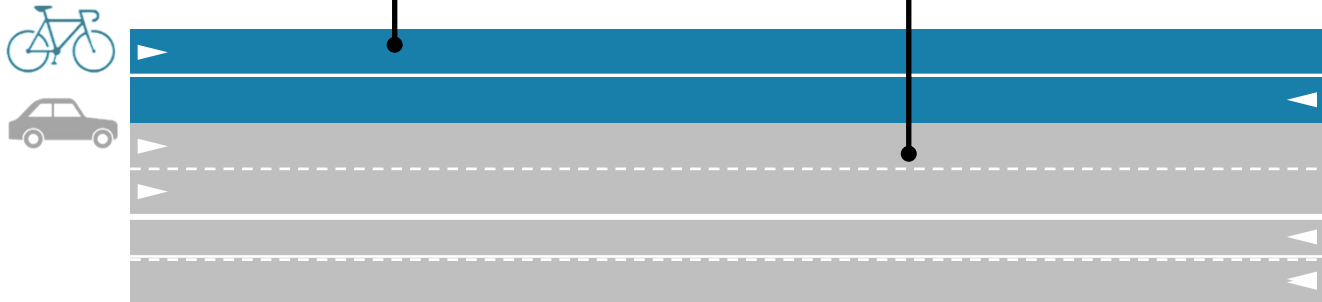


Cycle lane north:

1,938 people per hr

Vehicle lanes north:

1,542 people per hr



BLACKFRIARS BRIDGE, AM PEAK 08:00 – 09:00

Walking & cycling helps the wider economy

Page 113

Walking and cycling already make an important contribution to Britain's economy, and encouraging more people to walk and cycle will provide a further boost

Investment in walking and cycling is a cost-effective way to unlock these benefits, including significant savings to the NHS

VALUE FOR THE ECONOMY

13:1 is the average 'Benefit Cost Ratio' for walking and cycling projects

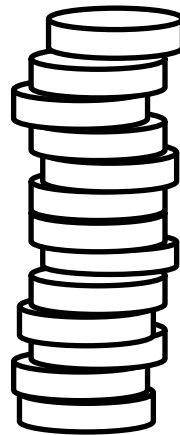
this means for every

Page 114

£1 spent on walking and cycling,



£13 of benefits are returned to the economy



“
Based on the BCRs reported ... one can confidently conclude that sustainable travel and cycling and walking in particular regularly offer

high and very high value for money



Source: Department for Transport, 2015

Cycling contributes

£5.4bn



each year to the UK economy

...more than

3x



the contribution of the UK steel industry

Source: Newson and Sloman, 2018

SUPPORTING THE NHS

If every Londoner walked or cycled for 20 minutes each day, this would save the NHS

£1.7bn

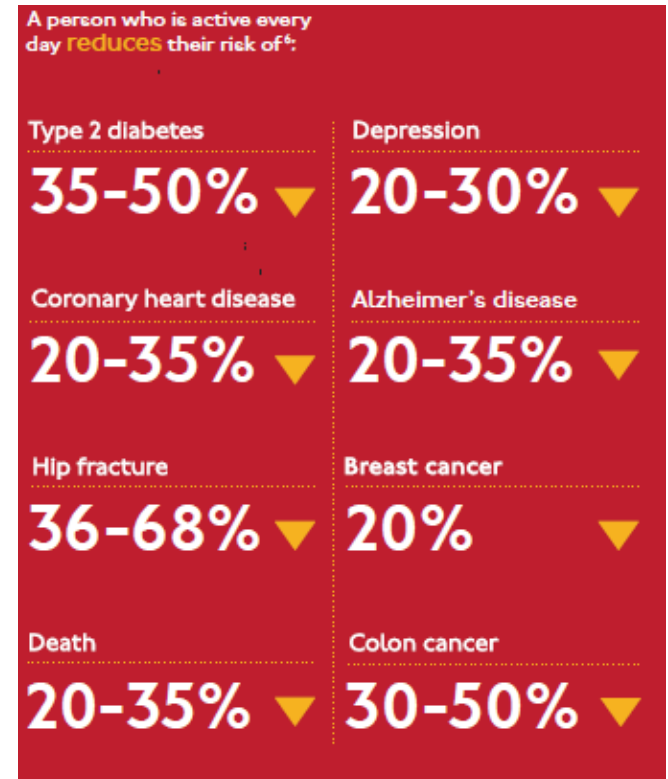
in treatment costs over 25 years

Page 1 of 5

If as a nation we keep piling on the pounds around the waistline, we'll be piling on the pounds in terms of future taxes needed just to keep the NHS afloat.

I don't think it's any exaggeration to say that the health of millions of our fellow citizens, the sustainability of the NHS, and the economic prosperity of Britain now depends on a radical upgrade in prevention and public health. ”

Simon Stevens, NHS Chief Executive



Source: Department of Health, 2011

SUPPORTING NEW DEVELOPMENT

As the Cycle Hire scheme has expanded outside of central London and into areas that are a lengthy walk from the Tube, we have seen a dramatic increase in tenant enquiries for those areas ”

Marc von Grundherr, Director, Benham & Reeves Residential Lettings

Source: Steer, 2017



The fact that buyers expect cycle storage in new developments affects saleability and desirability of the property ... if we did not provide cycle parking, desirability of the properties would be negatively affected ”

Linden Homes

Source: Steer, 2017

Everyone shares the benefits

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Everyone should be able to benefit from London's economic success

Walking and cycling are inclusive ways to travel that can help people access employment and opportunities easily and cheaply

The economic benefits of walking and cycling are not constrained to central London: businesses in all parts of the Capital can benefit from making it easier to walk and cycle

ACCESSIBILITY AND AFFORDABILITY

The economic benefits of walking and cycling can be enjoyed by everyone in London



81% of Londoners say they can cycle, including...

3 in 4 older people (aged 65+)

76% of disabled people

Source: TfL customer research, 2017

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Active travel is more affordable
Average cost of travel each year:



£0



£250

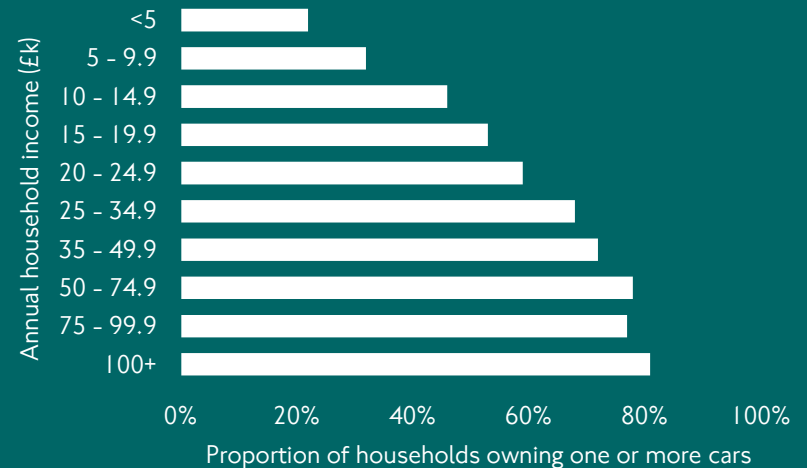
Cost of a quality cycle, lights and lock



£7,300

Yearly cost of running a car in London

Car ownership in London increases with household income



Source: TfL analysis, 2010, figures adjusted for inflation

Source: London Travel Demand Survey, 2013/14

SUPPORTING BUSINESSES ACROSS LONDON

The economic benefits of walking and cycling can be enjoyed everywhere in London

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Over



99%

of London employers are **small and medium-sized enterprises**

SMEs provide

1/2

London's jobs

2 in 3

 London jobs are outside central London

Every Londoner

lives within a 10 minute walk of a high street



SUMMARY

The evidence in the pack shows that investment in walking and cycling has the potential to bring significant benefits across a number of facets of the economy.

In London, TfL and boroughs are working to make walking and cycling easier for everyone by investing in initiatives to address the barriers to walking and cycling, including improved streets and community grants. The evidence in this pack can be used to support this investment by:

- Making the case for overall investment in walking and cycling to decision makers;
- Informing the strategic narrative for walking and cycling business cases;
- Supporting consultation and engagement around specific schemes and projects.

The pack can be used in its entirety, or specific content can be extracted to contribute to presentations or other documents. A full reference list is provided, and further information can be found on the economic benefits of walking and cycling [online hub](#).

We would like to keep the pack regularly updated with the latest research, evidence and case studies on the economic impacts of walking and cycling.

Please email activetravel@tfl.gov.uk with any suggestions or additional evidence.

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Equality Analysis



Please refer to the guidance for carrying out Equality Impact Assessments is available on the intranet
Text in blue is intended to provide guidance – you can delete this from your final version.

What are the proposals being assessed?	A review of the proposed charges by Parking Services for on street pay and display, off street pay and display and permit to help deliver key strategic council priorities including public health, air quality and sustainable transport
Which Department/ Division has the responsibility for this?	Parking Services, Environment and Regeneration

Stage 1: Overview	
Name and job title of lead officer	Ben Stephens, Head of Parking
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>Merton wishes to ensure that the highest priority is given, to its responsibilities to deliver cleaner local air at a time when the current situation has been described as a global public health emergency. We are delivering a new Air Quality Action Plan that is ambitious in its aims and already demonstrates that we as an authority will use all of the powers available to us, not only to challenge and tackle this problem; but also to work towards delivering our legal responsibilities to protect the public.</p> <p>The council recognises the part that it has to play, in developing and delivering a framework to tackle air quality, demand for parking, and congestion in the borough. It does not stand alone on these issues. All of the other London boroughs are seeking to implement new parking policies to tackle similar problems.</p>

	<p>There are very few direct levers available to stimulate a change in driver behaviour, and the council believes that the rationale for setting the new parking charges is about giving people the right nudge and opportunity to make different choices.</p> <p>From November 2018 through to January 2019, Cabinet considered and agreed a series of reports setting out its approach to Public Health, air quality and sustainable transport – a strategic approach to parking charges. These reports set out the key strategic drivers that will affect parking policy for the future.</p> <p>Then, and now, Members are requested to exercise their statutory duty to secure the expeditious, convenient and safe movement of traffic, and the provision of suitable and adequate parking facilities in the context of the public health agenda. This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p>This report supports the previous rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.</p> <p>The report explains the Public Health vision to protect and improve physical and mental health outcomes for the whole population in Merton, and to reduce health inequalities. At the heart of the strategy is the concept that the environment is a key driver for health. It can be summarised by ‘making the healthy choice the easy choice’.</p> <p>In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active travel, purchase fewer resident permits and lead to a rebalancing of our streets - to benefit residents and businesses alike.</p> <p>Local authorities are not permitted to use parking charges solely to raise income. When setting charges, we must instead focus on how the charges will contribute to delivering the Council’s traffic management and other policy objectives.</p>
<p>2. How does this contribute to the council’s corporate priorities?</p>	<p>It contributes in the following ways:</p> <ol style="list-style-type: none"> 1. Reduce congestion

2. Improve road safety
3. Improve air quality and meet EU quality standards
4. To meet the actions set out in the Merton Health and Wellbeing Strategy 2019
5. Less sedentary behaviour
6. Improve physical and mental health outcomes
7. Reduce health inequalities
8. Adopt a healthy street approach
9. Promote healthier life styles and encourage more active travel
10. To ensure good parking management
11. To support the local economy
12. Providing funding for parking and wider transport scheme improvements

Merton's Health and Wellbeing Strategy 2019-24

A key theme within the Health and Wellbeing Strategy is Healthy Place. A recent Healthy Places Survey led by the Council's Environment and Regeneration department¹ revealed the top priorities identified by residents for creating healthy places which includes air quality, green infrastructure and open spaces including parks, good cycling and walking routes, paths and lanes.

Better air quality: Improving air quality is important because 6.5% of mortality in Merton is attributable to poor air quality. ²

By helping to reduce vehicle emissions and supporting the shift to sustainable and active modes of transport, parking policy can improve air quality, which in turn will have positive benefits for people's health.

¹ Survey data available here: <https://www.merton.gov.uk/assets/Documents/Healthy%20Places%20survey%20responses%20Jan18.pdf>

² Data available here:

<https://fingertips.phe.org.uk/search/air%20pollution#page/0/gid/1/pat/6/par/E12000007/ati/101/are/E09000002/iid/30101/age/230/sex/4>

There is ample evidence on the impact of air quality on health. Over time, poor air quality is associated with a range of mortality and morbidity outcomes. Exposure to poor air quality is associated with a range of cardiovascular, respiratory and cerebrovascular health effects³ and recent evidence suggests there may be a link between air pollution and a person being at increased risk of developing dementia.⁴ Evidence suggests a link between exposure to air pollution and cognitive performance.^{5 6} In Scotland, a recent study found spikes in poor air quality to be associated with increased hospital admissions and GP surgery visits.⁷

Safer, less congested roads:

In 2016, there were 579 people slightly injured and 44 people killed or seriously injured due to road traffic accidents in Merton.⁸ By reducing congestion, incentivising people to use sustainable modes of transport, and using the revenue raised through parking charges to improve transport infrastructure, parking charges can help to reduce the number of road traffic accidents in Merton, leading to fewer deaths from road traffic accidents and a reduction in hospital-related admissions from road traffic injuries.

The INRIX 2017 Global Traffic Scorecard ranked the UK as the 10th most congested country in the world and the 3rd most congested in Europe. London has remained the UK's most congested city for the 10th year in a row, ranked second in Europe after Moscow.⁹ Demand-based parking

³ WHO, *Health risks of air pollution in Europe-HRAPIE project. New emerging risks to health from air pollution-results from the survey of experts*. 2013. Available here: http://www.euro.who.int/__data/assets/pdf_file/0017/234026/e96933.pdf?ua=1

⁴ Carey IM, Anderson HR, Atkinson RW, et al. *Are noise and air pollution related to the incidence of dementia? A cohort study in London, England*. *BMJ Open* 2018;8:e022404. doi: 10.1136/bmjopen-2018-022404. Available here: <https://bmjopen.bmj.com/content/8/9/e022404>

⁵ Zhang et al. *The impact of air pollution on cognitive performance*. *Proceedings of the National Academy of Sciences* Sep 2018, 115 (37). Available here: <http://www.pnas.org/content/115/37/9193>

⁶ Cipriani. G et al. *Danger in the Air: Air Pollution and Cognitive Dysfunction*. *American Journal of Alzheimer's Disease and other Dementias*. Volume: 33 issue: 6, page(s): 333-341 . Sept 2018. Available here: https://journals.sagepub.com/doi/full/10.1177/1533317518777859?url_ver=Z39.88-2003&rfr_id=ori%3Arid%3Acrossref.org&rfr_dat=cr_pub%3Dpubmed

⁷ Goeminne. P et al. *The impact of acute air pollution fluctuations on bronchiectasis pulmonary exacerbation: a case-crossover analysis*. *European Respiratory Journal* Jul 2018, 52 (1) 1702557; DOI: 10.1183/13993003.02557-2017. Available here: <http://erj.ersjournals.com/content/52/1/1702557>

⁸ Travel in London 10 supplementary Information

⁹ <http://inrix.com/scorecard/>

charges for on street parking can help reduce the congestion caused by drivers cruising the streets in search of a place to park. This is also good for the economy- it has been estimated that motorists in London spend around 74 hours per year in congestion at peak times, costing them individually £2, 430 per year, or £9.5 billion across the city.¹⁰

Improved physical and mental health of Merton residents:

In Merton, levels of physical activity has dropped by two percentage points in two years.¹¹ Furthermore based on Department for Transport statistics for 2016/17 the proportion of adults doing any walking or cycling once a week is 77.9% down from 81.5% for 2015/16.

By supporting the shift to more sustainable and active modes of transport, improving air quality and generally making streets more pleasant places for Merton residents to spend their time, parking policy can help increase the physical and mental health of Merton residents. This can help reduce levels of childhood and adult overweight and obesity. In Merton, one in five children entering reception are overweight or obese and this increases to one in three children leaving primary school in Year 6 who are overweight or obese.

Healthy places:

The 'healthy streets' approach defines a healthy street as one with: things to see and do; places to stop and rest; shade and shelter; clean air; and pedestrians from all walks of life. It must be easy to cross; and feel safe, relaxing and not too noisy. Put simply, it needs to be an environment in which people choose to walk and cycle. Action against these indicators ultimately improves health, and parking policy has a role to play for example, by helping improve air quality, and incentivising people to walk, cycle and use public transport.

Merton Air Quality Action Plan 2018-2023

Merton's Air Quality Action Plan 2018-2023 strongly supported by Members is a key policy document, which clearly sets out the links between vehicle use and air quality in the Borough. Air

¹⁰ <http://inrix.com/press-releases/scorecard-2017-uk/>

¹¹ Levels of physical activity has dropped from 38 percent of residents doing at least two x 10 minutes of active travel a day in 2013/14 to 2015/16 to 36 percent in 2014/15 to 2016/17.

	<p>pollution is recognised, as a major contributor to poor health with more than 9000 premature deaths attributed to poor air quality in London Air pollution is associated with a number of adverse health impacts: it is recognised as a contributing factor in the onset of heart disease and cancer. Additionally, air pollution particularly affects the most vulnerable in society: children and older people, and those with heart and lung conditions. There is also often a strong correlation with equalities issues, because areas with poor air quality are often less affluent.</p> <p>Air quality has been identified as a priority both nationally and within London, where pollution levels continue to exceed both EU limit values and UK air quality standards. Pollution concentrations in Merton have historically and continue to breach the legally binding air quality limits for both Nitrogen Dioxide (NO₂) and Particulate Matter (PM₁₀). The air quality-monitoring network run by Merton has shown that the UK annual mean NO₂ objective (40µg/m³) continues to be breached at a number of locations across the borough. In some locations the NO₂ concentration is also in excess of the UK 1-hour air quality objective (60µg/m³) which indicates a risk not only to people living in that area but also for those working or visiting the area.</p> <p>In Merton an Air Quality Management Area (AQMA) has been declared for the whole borough. The AQMA has been declared for the following pollutants: Nitrogen Dioxide: we are failing to meet the EU annual average limit for this pollutant at some of our monitoring stations and modelling indicates it is being breached at a number of other locations. We may also be breaching the UK 1-hour Air Quality Objective based on measured concentration for NO₂ being in excess of 60µg/m³ at some locations within the borough. There are four focus areas in the borough. These are in the main centres of Mitcham, Morden, Raynes Park and Wimbledon.</p> <p>Parking and Traffic Management This proposed Parking Charges report sets out the important role Parking and transport policy has in managing the roads and wider travel needs of the public. Merton's policy links closely with the local Implementation Plan and the Mayors Transport Strategy, which sets out objectives in detail.</p>
<p>3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.</p>	<p>The proposal will affect all residents, businesses, workers and visitors to the borough, across all socio-economic groups. In order to set the context for the proposal the following profile has been used.</p> <p>Merton's profile</p>

Merton has a diverse and growing population. In 2018, Merton has an estimated resident population of 209,400, which is projected to increase by about 3.9% to 217,500 by 2025. The age profile is predicted to shift over this time, with notable growth in the proportions of older people (65 years and older) and a decline in the 0-4 year old population.

Age	Percentage of total population
0-4	7.4%
5-17	15.7%
18-64	64.5%
65-84	10.7%
85+	1.7%

Source: GLA Housing led projection, data from 2016 SHLAA

Sex

Age	Female	Male
0-4	106,045 (51%)	103,370 (49%)
5-17	16,077 (49%)	16,733 (51%)
18-64	68,266 (50.5%)	66,914 (49.5%)
65-84	11,840 (53%)	10,500 (47%)
85+	2,287 (63%)	1,343 (37%)

Source: The 9 Protected Characteristics, Merton. Available from:
<https://www2.merton.gov.uk/9%20PC%20July%202018%20Final.pdf>

In 2018, east Merton has an estimated resident population of 110,200 which is projected to increase to 113,900 by 2025 (a 3.3% increase) compared to west Merton, which has an estimated resident population of 99,200 which is projected to increase to 103,600 by 2025 (a 4.5% increase). East Merton generally has a larger younger population of 0-29 year olds compared to west Merton, which generally has a larger population of people, aged 35 and over.

In 2018, Merton has an estimated 135,200 working age population (18-64 year olds), which make up 64.5% of the total population. By 2025 this is predicted to increase in numbers to almost 140,000 (although decrease slightly as a proportion of the total population, to 64.3%). Almost 72,000 of this age group currently reside in east Merton compared to 63,200 in west Merton. There is expected to be an increase by 2025 to 73,800 in east Merton and 66,200 in west Merton.

Merton has 22,350 people aged 65-84 years old (10.7% of the total population). By 2025, this is predicted to increase to 24,350 (11.2%). 10,350 live in east Merton compared to 12,000 in west Merton. By 2025 there is expected to be an increase to 11,550 in east Merton and almost 12,800 in west Merton.

An estimated 3,650 people aged 85 years and over (1.7% of the total population) currently live in Merton. By 2025, this is predicted to increase to almost 3,950 (1.8%). In 2018, 1,450 live in east Merton compared to almost 2,200 in west Merton. By 2025 there is expected to be an increase to 1,550 in the east compared to 2,400 in the west of Merton.

Currently, 77,740 people (37% of Merton's population) are from a Black, Asian, or Minority Ethnic (BAME) group; by 2025, this is predicted to increase to 84,250 people (38% of Merton's population). English, Polish and Tamil are the most commonly spoken languages in Merton.

Race and ethnicity

The 2011 Census identified that:

- 48.4% of the population are white British, compared to 64% in 2001.
- 35% of Merton's population is from a Black, Asian and Minority Ethnic (BAME) groups (this includes non-white British).

The findings of the 2011 when compared to 2001 Census identified:

- -10% decrease in the overall White population
- -6% increase in the Asian,
- -3% increase in the Black population
- -2% increase in Mixed groups

According to the Greater London Authority (GLA): 2015 round ethnic group projections there are currently 77,740 people (37% of Merton's population) from a BAME group. This is projected to increase by 2025 to 84,250 people (+1%).

The health of people in Merton is generally better than the London and England average. Life expectancy is higher than average and rates of death considered preventable are low. This is largely linked to the lower than average levels of deprivation in Merton.

Significant social inequalities exist within Merton. The eastern half has a younger, less affluent and more ethnically mixed population. The western half is less ethnically mixed, older and more affluent. Largely as a result, people in East Merton have worse health and shorter lives.

Life Expectancy at birth in Merton is 80.4 years for males and 84.2 years for females.¹⁰ In east Merton, life expectancy in men is 78.9 years compared to 82.1 years in west Merton. Women's life expectancy is 83.3 years in the east compared to 85.0 years in west Merton. There is a gap of 6.2 years in life expectancy for men between the 30% most deprived and 30% least deprived areas in Merton, and the gap is 3.4 years for women.

Healthy life expectancy at birth in males is 65.4 years and 66.3 years in females, therefore many residents are living a considerable proportion of their lives with ill health. The gap between the 30% most and 30% least deprived areas is also significant: 9.4 years for men, 9.3 for women so someone living in a deprived ward in the east of the borough is likely to spend more than 9 years more of their life in poor health than someone in a more affluent part of the borough, which will impact on the last years of working life, on family life and on a healthy and fulfilling retirement.

Economic factors are highly correlated with health outcomes, and socio-economic status is a major determinant of both life expectancy and healthy life expectancy. The 2015 IMD (Index of Multiple Deprivation) score shows that Merton as a whole is less deprived (14.9) compared to London (23.9) and England (21.8). However, east Merton has an average IMD score of 21.1 compared to west Merton which is 8.2.

Socio-economic status

The 2015 IMD (Index of Multiple Deprivation) score shows that Merton as a whole is less deprived (14.9) compared to London (23.9) and England (21.8). However, east Merton has an average IMD score of 21.1 compared to west Merton which is 8.2.

Wards in Merton split by deprivation decile

The table below shows the wards in Merton split by deprivation decile, based on the 2015 IMD deciles.

Decile	Ward name	Locality
1	-	-
2	-	-
3	Cricket Green	East
4	Figge's Marsh	East
	Lavender Fields	East
	Pollards Hill	East
	Ravensbury	East
	St Helier	East
5	Longthornton	East
6	Colliers Wood	East
	Graveney	East
7	Abbey	East
8	Lower Morden	West
	Raynes Park	West
	Trinity	West
	West Barnes	West
9	Cannon Hill	West
	Dundonald	West
	Hillside	West
	Merton Park	West
	Wimbledon Park	West
10	Village	West

} 30% Most Deprived

} 30% Least Deprived

Lower incomes and lower employment are bad for health. Being in work is generally good for health, although good working environments are important. In 2017, 3.4% of the working age population (16-64) claimed out of work benefits in Merton, which equates to 140,000 people; however rates are significantly higher in the east of the borough (4.7%), compared to west Merton (1.9%), and although the Merton average is lower than London (4%) and England (3.7%), these east Merton rates are higher than the regional and national figures. In 2015 in Merton, the employment rate was 78.8%, which is higher than London (72.9%), England (73.9%) and all statistical and geographical neighbours with the exception of Richmond and equal to Wandsworth.⁸ Between 2010 and 2016 there has been a 28.2% rise in the number of jobs available in Merton, from 78,000 to 100,000 jobs. Job density – the number of jobs available per

resident of working age – is also rising in Merton; however residents can and do travel out of Merton for work. A number of disabled working age Merton residents receive benefit support. In November 2016, 900 disabled Merton residents claimed benefits. This equates to 0.7%, which is the same as London.

Merton along with most London Boroughs is currently failing its annual legal air quality targets for both NO₂ and Particulates (PMs); this problem is most severe around the major transport routes. There is emerging evidence that schools in London which are worst affected by air pollution are in the most deprived areas, meaning that poor children and their families are exposed to multiple health risks.

Around 17.3% of adults, aged 19+ are doing less than 30 minutes of moderate intensity physical activity a week (2016/17). This is a lower proportion than London (22.9%) and England (22.2%), but still equates to around 28,000 people. The latest figures include adults from the age of 19 whereas previous data included those from the age of 16, therefore it is not possible to compare the two to identify trend. A worrying proportion (56.7%) of adults in Merton aged 18 and over are overweight or obese (2016/17). This has fallen slightly from 2015/16, but equates to over 90,000 people, and is a higher proportion of the population than London (55.2%) but lower than England (61.3%).

4,500 primary school children (aged 4-11) are estimated to be overweight or obese (excess weight). One in 5 children entering reception are overweight or obese and this increases to 1 in 3 children leaving primary school in Year 6 who are overweight or obese. The gap in levels of obesity between the east and the west of the borough is currently 10% (2013/14-2015/16), and increasing. This significant health inequality affects children's health and potentially their life chances. There are also ethnic variations in obesity prevalence; nationally, evidence indicates that a child is more likely to have excess weight if they are from a BAME background. However, there is no straightforward relationship between obesity and ethnicity, with a complex interplay of factors.

In terms of Merton residents living with a disability, an estimated 10.8% of people in Merton were diagnosed with a long-term illness, disability or medical condition in 2014/15. This is lower than London (12.6%) and England (14.1%). In 2015, 13.5% of Merton 16-64 year olds were recorded as Equalities Act core disabled or work limiting disabled, which is lower than England (19.2%) but more similar to London (16.1%) and comparators. It is estimated that 10.1% of Merton's working

age population (16-64 years) population have a physical disability (14,000 people) which is slightly higher than London (9.9%) but lower than England (11.1%). There are just over 400 adults in Merton recorded with a learning disability in 2016/17, 313 of whom live in stable and appropriate accommodation. This is three quarters (75.2%) of Merton's population with a learning disability and is higher than London (71.3%) but slightly lower than England (76.2%).¹⁰ There are a variety of factors that affect people's ability to live independently with a disability, such as access to education, employment and community; including planning, accessibility and transport.

Physical disability

Level of disability	Age	2018	2025	Percentage change
Moderate	18-64	10,120 (7.3%)	10,960 (7.5%)	8% increase
Serious	18-64	2,870 (2.1%)	3,181 (2.2%)	11% increase

Visual impairment

Level of disability	Age	2018	2025	Percentage change
Moderate or severe	65+	2,290 (8.7%)	2,648 (8.9%)	16% increase
Serious	18-64	90 (0.1%)	95 (-.1%)	6% increase

Hearing loss

Level of disability	Age	2018	2025	Percentage change
Some hearing loss	18-64	11,540 (8.3%)	12,970 (8.9%)	12% increase
Severe hearing loss	18-64	761 (0.5%)	837 (0.6%)	10% increase
Some hearing loss	65+	15,760 (60.2%)	18,080 (60.7%)	15% increase
Severe hearing loss	65+	2,073 (7.9%)	2,372 (8.0%)	14% increase

Learning disability Age	2018	2025	Percentage change
18-64	3,390 (0.4%)	3,550 (0.4%)	5% increase
65+	545 (2.1%)	621 (2.1%)	14% increase

Daily activities, 65 and over

Over half of people in Merton aged 65 and over are not limited in daily activities. Merton shows a higher score for daily activities not limited than London (48%) and England (48%).

Level of limitation (daily activities, 65 years and over))	Percentage
Not limited	50%
Limited a little	27%
Limited a lot	23%

Source: The 9 Protected Characteristics, Merton. Available from: <https://www2.merton.gov.uk/9%20PC%20July%202018%20Final.pdf>

Religion or belief

Religion or belief	% of total population
Christian	56.1
Muslim	8.1

Hindu	6.1
Buddhists	0.9
Jewish	0.4
Sikh	0.2
Not religious	20.6

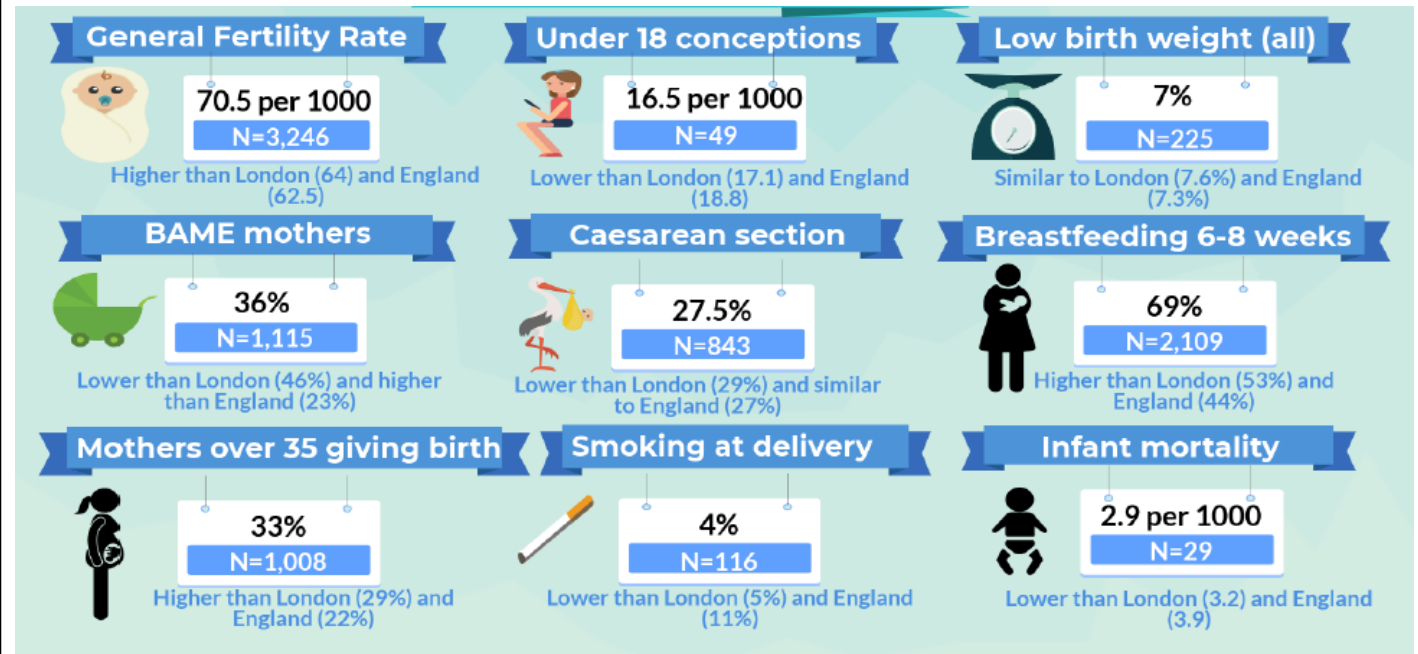
Source: GLA 2016-based demographic projections round, housing led model

Sexual orientation

From the 2014 Integrated Household Survey, 2.6% of London's population answered Lesbian, Gay, Bisexual or Transgender as their sexual identity. This would equate to approximately 5500 people in Merton.

Pregnancy and maternity

The following infographics show data on pregnancy and maternity in Merton.



	<p>Source: The 9 Protected Characteristics, Merton. Available from: https://www2.merton.gov.uk/9%20PC%20July%202018%20Final.pdf</p> <p>Marriage and civil partnership</p> <p>2011 Census data shows us that a majority of Merton's population were either single (40%, lower than London at 44%) or married (45%, higher than London at 40%). By 2018, the number of Civil Partnerships is expected to have risen considerably, however the exact numbers will not be shown until the 2021 Census.</p> <table border="1" data-bbox="716 459 1982 821"> <thead> <tr> <th>Status</th> <th>Number</th> <th>Percentage of total population</th> </tr> </thead> <tbody> <tr> <td>Married</td> <td>72,157</td> <td>45%</td> </tr> <tr> <td>Single</td> <td>64,689</td> <td>40%</td> </tr> <tr> <td>Divorced</td> <td>11,083</td> <td>7%</td> </tr> <tr> <td>Widowed</td> <td>8,187</td> <td>5%</td> </tr> <tr> <td>Separated</td> <td>4,173</td> <td>2%</td> </tr> <tr> <td>Civil Partnership</td> <td>551</td> <td>1%</td> </tr> </tbody> </table>	Status	Number	Percentage of total population	Married	72,157	45%	Single	64,689	40%	Divorced	11,083	7%	Widowed	8,187	5%	Separated	4,173	2%	Civil Partnership	551	1%
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Separated	4,173	2%																				
Civil Partnership	551	1%																				
<p>4. Is the responsibility shared with another department, authority or organisation? If so, who are the partners and who has overall responsibility?</p>	<p>Yes. Responsibility is shared with the following departments, organisations and partners. Public Health, NHS, Future Merton, Highways and Transportation, Planning, Mayor of London, TfL, transport operators, Parking Services, Environmental Health.</p> <p>The council has a duty under the Local Government Act 2000 to promote the social economic and environmental wellbeing of its residents. The proposals meet a number of these duties. We are mindful that whilst other partners have similar duties to work with us on our objectives, Merton Council has overall responsibility for setting parking charges within its jurisdiction.</p>																					

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).

The Council acknowledges that convenient parking should be provided for residents to enable them to park near their homes, where practicable, and parking provision is also necessary to meet the needs of people who have no other alternative other than to use their vehicle e.g. individuals with disabilities.

The November 2018, December 2018, January 2019 and June 2019 Cabinet reports set out the Public Health, Air Quality and sustainable Transport – a strategic approach to parking charges which set out the proposals in detail, specifically the contribution appropriate tariffs can make in contributing to the objectives.

The key evidence can be found at:

January 2019

<https://democracy.merton.gov.uk/documents/s26251/Reference%20from%20scrutiny%20-%20strategic%20approach%20to%20parking%20charges.pdf>

December 2018,

<https://democracy.merton.gov.uk/documents/s25841/Emmissions%20public%20health%20and%20air%20quality%20a%20review%20of%20parking%20charges%202%20002.pdf>

November 2018,

<https://democracy.merton.gov.uk/documents/s25352/Emmissions%20public%20health%20and%20air%20quality%20a%20review%20of%20parking%20charges%20v6.pdf>

A number of key factors were considered in the review of on and off-street parking and permits, which included:

- (i) Ease of access to public transport (PTAL)
- (ii) Air Quality hotspots
- (iii) Areas of high congestion
- (iv) Enforcement requirements

This evidence was considered in light of the Merton profile detailed in section 3 above.

In order to fully understand how the proposals would affect users and residents, the Council undertook a comprehensive consultation exercise to gain the views of residents and stakeholders. This enabled the Council to make informed decisions and to develop the proposed policies.

Merton is committed to undertaking comprehensive consultation to gain the views of residents and stakeholders. This enables the Council to make informed decisions and to develop our policies.

The Parking Charges consultation commenced on Friday 29th March and ended Sunday 5th May 2019. As this consultation formed part of a statutory consultation process, there were a number of legal obligations, as well as a commitment to bringing the proposals to as wide an audience as possible.

To ensure the council could generate as much feedback as possible, representations were invited in writing via the web page, or by email to a dedicated email box. In addition, an online survey was available which asked prescribed questions and tick box responses, which were recorded. Circa 3,000 representations were received. Due to the number of responses received, the council extended its review period to the 18th June 2019. This ensured that full consideration was given to all representations, and to allow any further comments from the resident and business associations to be included.

The Council published a 2-page feature article in My Merton, which was delivered to every household within the borough in March/April 2019 to align with the consultation period. As well as the online consultation and the My Merton article the council also attended Community Forum meetings during the period of the consultation; followed the statutory Traffic Management Order process of displaying notices in roads within all of the CPZ areas, on pay, display machines, and in all council owned car parks, in addition a statutory notice was placed in the newspaper.

Copies of all proposals and background papers were made available on deposit at all libraries and at the Civic Centre for public inspection/reference. We consulted with statutory and non-statutory consultees. On the council's home page, we displayed a link to the consultation web pages. The web pages gave full details of the proposal along with background papers and reports. The pages also included a section, which aimed to address frequently asked questions.

A number of statutory bodies were consulted as part of the Traffic Management Order making process. The only response received was from the Metropolitan Police who raised no objections.

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	<p><u>Positive Impact</u></p> <p>The proposals support the previous rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.</p> <p>The proposals support the Public Health vision to protect and improve physical and mental health outcomes for the whole population in Merton, and to reduce health inequalities. At the heart of the strategy is the concept that the environment is a key driver for health. It can be summarised by ‘making the healthy choice the easy choice’.</p> <p>In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active</p>

				<p>travel, purchase fewer resident permits and lead to a rebalancing of our streets - to benefit residents and businesses alike.</p> <p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>None identified. However please refer to ‘Disability’ below, as there is an acceptance that elderly people are more likely to be infirm, have mobility problems or have a disability than younger people.</p>
Disability	X		X	<p><u>Positive Impact</u></p> <p>The proposals support the previous rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.</p> <p>The proposals support the Public Health vision to protect and improve physical and mental health outcomes for the whole population in Merton, and to reduce health inequalities. At the heart of the strategy is the concept that the environment is a key driver for health. It can be summarised by ‘making the healthy choice the easy choice’.</p> <p>In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active travel, purchase fewer resident permits and lead to a rebalancing of our streets - to benefit residents and businesses alike.</p>

					<p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>Negative Impact: Any increase in parking charges has the potential to negatively impact on those with a disability.</p> <p>Note. There is an acceptance that elderly people are more likely to be infirm, have mobility problems, but may not be considered disabled. For the purpose of this EIA the mitigation for problems commonly caused by age such as being infirm or mobility problems have been addressed under disability.</p>
Gender Reassignment	X			X	<p><u>Positive Impact</u></p> <p>The proposals support the previous rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.</p> <p>The proposals support the Public Health vision to protect and improve physical and mental health outcomes for the whole population in Merton, and to reduce health inequalities. At the heart of the strategy is the concept that the environment is a key driver for health. It can be summarised by ‘making the healthy choice the easy choice’.</p> <p>In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active travel, purchase fewer resident permits and lead to a rebalancing of our streets - to benefit residents and businesses alike.</p>

					<p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>None identified</p>
Marriage and Civil Partnership	X			X	<p><u>Positive Impact</u></p> <p>The proposals support the previous rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.</p> <p>The proposals support the Public Health vision to protect and improve physical and mental health outcomes for the whole population in Merton, and to reduce health inequalities. At the heart of the strategy is the concept that the environment is a key driver for health. It can be summarised by ‘making the healthy choice the easy choice’.</p> <p>In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active travel, purchase fewer resident permits and lead to a rebalancing of our streets - to benefit residents and businesses alike.</p> <p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p>

					None identified
Pregnancy and Maternity	X		X		<p><u>Positive Impact</u></p> <p>The proposals support the previous rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.</p> <p>The proposals support the Public Health vision to protect and improve physical and mental health outcomes for the whole population in Merton, and to reduce health inequalities. At the heart of the strategy is the concept that the environment is a key driver for health. It can be summarised by 'making the healthy choice the easy choice'.</p> <p>In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active travel, purchase fewer resident permits and lead to a rebalancing of our streets - to benefit residents and businesses alike.</p> <p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>A number of respondents stated that living near public transport does not mean it is easily accessible for all e.g. lack of lifts or escalators, not user friendly for families, or those needing to carry buggies.</p>
Race	X			X	Positive Impact

					<p>The proposals support the previous rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.</p> <p>The proposals support the Public Health vision to protect and improve physical and mental health outcomes for the whole population in Merton, and to reduce health inequalities. At the heart of the strategy is the concept that the environment is a key driver for health. It can be summarised by 'making the healthy choice the easy choice'.</p> <p>In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active travel, purchase fewer resident permits and lead to a rebalancing of our streets - to benefit residents and businesses alike.</p> <p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>None identified</p>
Religion/ belief	X			X	<p><u>Positive Impact</u></p> <p>The proposals support the previous rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern,</p>

				<p>efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.</p> <p>The proposals support the Public Health vision to protect and improve physical and mental health outcomes for the whole population in Merton, and to reduce health inequalities. At the heart of the strategy is the concept that the environment is a key driver for health. It can be summarised by ‘making the healthy choice the easy choice’.</p> <p>In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active travel, purchase fewer resident permits and lead to a rebalancing of our streets - to benefit residents and businesses alike.</p> <p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>None identified</p> <p>During the course of the consultation, a local faith group submitted a petition and stated that the proposed new charges will affect a number of people attending their prayers. Whilst the council notes this position it does not feel that the proposals disproportionately affect the protected characteristic of religion under these circumstances.</p> <p>The council considers that the impact is proportionate to the legitimate aim sought to be achieved through the policy.</p>
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Sex (Gender)	X			<p>X</p> <p><u>Positive Impact</u></p> <p>The proposals support the previous rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.</p> <p>The proposals support the Public Health vision to protect and improve physical and mental health outcomes for the whole population in Merton, and to reduce health inequalities. At the heart of the strategy is the concept that the environment is a key driver for health. It can be summarised by ‘making the healthy choice the easy choice’.</p> <p>In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active travel, purchase fewer resident permits and lead to a rebalancing of our streets - to benefit residents and businesses alike.</p> <p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>None identified</p>
Sexual orientation	X			<p>X</p> <p><u>Positive Impact</u></p> <p>The proposals support the previous rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.</p>

				<p>The proposals support the Public Health vision to protect and improve physical and mental health outcomes for the whole population in Merton, and to reduce health inequalities. At the heart of the strategy is the concept that the environment is a key driver for health. It can be summarised by ‘making the healthy choice the easy choice’.</p> <p>In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active travel, purchase fewer resident permits and lead to a rebalancing of our streets - to benefit residents and businesses alike.</p> <p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>None identified</p>
Socio-economic status	X		X	<p><u>Positive Impact</u></p> <p>The proposals support the previous rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.</p> <p>The proposals support the Public Health vision to protect and improve physical and mental health outcomes for the whole population in Merton, and to reduce health inequalities. At the heart of the strategy is the concept that the environment is a key driver for</p>

				<p>health. It can be summarised by 'making the healthy choice the easy choice'.</p> <p>In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active travel, purchase fewer resident permits and lead to a rebalancing of our streets - to benefit residents and businesses alike.</p> <p>This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.</p> <p><u>Potential Negative Impact</u></p> <p>Any increase in parking charges has the potential to negatively impact on those from certain socio economic backgrounds.</p> <p>Significant social inequalities exist within Merton. The eastern half has a younger, less affluent and more ethnically mixed population. The western half is less ethnically mixed, older and more affluent. Largely as a result, people in East Merton have worse health and shorter lives.</p> <p>The improvement action plan below sets out a number of mitigations to address the above points.</p> <p>The council considers that the impact is proportionate to the legitimate aim sought to be achieved through the policy.</p>
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7. If you have identified a negative impact, how do you plan to mitigate it?

The mitigations for disability, pregnancy & maternity and socio-economic status are set out in the Action Plan below.

Stage 4: Conclusion of the Equality Analysis

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 – The EA has not identified any potential for discrimination or negative impact and all opportunities to promote equality are being addressed.

Outcome 2 – The EA has identified adjustments to remove negative impact or to better promote equality.

Outcome 3 – The EA has identified some potential for negative impact or some missed opportunities to promote equality and it may not be possible to mitigate this fully.

Outcome 4 – The EA shows actual or potential unlawful discrimination.

Stage 5: Improvement Action Pan

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

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?
<p>Pregnancy & Maternity</p>	<p>A number of respondents stated that living near public transport does not mean it is easily accessible for all e.g. lack of lifts or escalators, not user friendly for families, or those needing to carry buggies. The Council works closely with TfL and Network Rail to ensure that the Highway infrastructure accommodates the efficiency of public transport services. This includes accessibility. Merton is aiming to ensure that every resident has access to car club vehicles. There are 193,500 car club members in London and around ten car clubs. Transport for London (TfL) has committed to aiming for one million members by 2025. They offer a convenient and affordable service, while at the same time reducing overall car usage. Car clubs can provide you with an alternative means of accessing a car when you need one, without all the cost or hassle of owning one yourself. You can find car club cars parked on street throughout Merton. There are three car club companies available to the public in the borough, Bluecity, Zipcar and other TfL operators.</p>	<p>Access improvements to public transport infrastructure</p> <p>Increased number of car club members</p> <p>Reduction in individual car ownership</p>	<p>Sept 2019</p>	<p>Existing</p>	<p>Ben Stephens</p>	<p>Yes</p>

<p>Socio Economic</p>	<p>Significant social inequalities exist within Merton. The eastern half has a younger, less affluent and more ethnically mixed population. The western half is less ethnically mixed, older and more affluent. Largely as a result, people in East Merton have worse health and shorter lives.</p> <p>Healthy life expectancy at birth in males is 65.4 years and 66.3 years in females, therefore many residents are living a considerable proportion of their lives with ill health. The gap between the 30% most and 30% least deprived areas is also significant: 9.4 years for men, 9.3 for women so someone living in a deprived ward in the east of the borough is likely to spend more than 9 years more of their life in poor health than someone in a more affluent part of the borough, which will impact on the last years of working life, on family life and on a healthy and fulfilling retirement.</p> <p>Economic factors are highly correlated with health outcomes, and socio-economic status is a major determinant of both life expectancy and healthy life expectancy. The 2015 IMD (Index of Multiple Deprivation) score shows that Merton as a whole is less deprived (14.9) compared to London (23.9) and England (21.8). However, East Merton has an average IMD score of 21.1 compared to West Merton which is 8.2.</p> <p>Any increase in parking charges has the potential to negatively impact those on lower incomes, however in mitigation, it is recognised that the poorer areas of the borough do not have as good transport links as the more affluent areas of the borough, and in recognition of this, any increases in these areas would be less. For example, Wimbledon has a wider range of transport options than Colliers Wood and South Wimbledon, which in turn have more transport options than for example Mitcham. This is presented in the form of 'Public Transport Accessibility Levels' as set out by TfL and formed part of the review.</p>	<p>Customer Feedback</p> <p>Increased Number of new car club members</p> <p>Reduction in number of permits</p> <p>Number of bikes hired & cycle journeys made</p> <p>We are reviewing the introduction of 1 and/or 3 monthly payment options, to assist those who cannot afford a 6 or 12 month permit in one payment</p>	<p>Sept 2019</p>	<p>Existing</p>	<p>Ben Stephens</p>	<p>Yes</p>
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It is therefore easier in principle for a person living in Wimbledon Town Centre to use alternative sustainable or active modes of transport, compared to residents in the east of the borough, where the 'need' to own a car could be argued as being higher.

Merton is aiming to ensure that every resident has access to car club vehicles. There are 193,500 car club members in London and around ten car clubs. Transport for London (TfL) has committed to aiming for one million members by 2025. They offer a convenient and affordable service, while at the same time reducing overall car usage.

Car clubs can provide you with an alternative means of accessing a car when you need one, without all the cost or hassle of owning one yourself. You can find car club cars parked on street throughout Merton.

There are three car club companies available to the public in the borough, Bluecity, Zipcar and other TfL operators.

For example, research commissioned by Zipcar in 2016 indicated that the average annual cost of owning and running a car in London is approximately £3,500. The proposed increase in permit prices would be equivalent to around 0.14% - 2.5% of that average annual cost of owning/running a car in London, dependent on the location of the CPZ.

There are a number of instances where charges have been reduced, particularly in respect of Electric Vehicles, which have a positive impact on health.

Season tickets for local residents and workers have also been subjected to greater reductions.

An alternative cheaper, healthier form of transportation and one that a number of respondents highlighted was that more people would cycle if they were able to hire bikes in Merton.

There is significant potential to encourage residents to cycle more, especially for short commuter and leisure trips. The council is therefore working with

	<p>TfL and neighbouring boroughs to facilitate a dockless cycle hire scheme in Merton. This will enable residents to collect a hire bike from a number of designated cycle collection/drop off points across the borough and cycle to their destination.</p> <p>It is likely that a future Merton cycle hire scheme will operate from dedicated, predominately on-street collection/drop off bays. The council would particularly welcome operators that include electric bikes within their offer to help reach a wider mix of users, who might not otherwise cycle.</p> <p>Officers have reviewed the equity of the proposals and accept that there will be some residents who may be negatively impacted. However, in light of the mitigation set out above the level of impact is assessed as likely to be low. The council considers that the impact is proportionate to the legitimate aim sought to be achieved through the policy.</p>					
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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.

Stage 6: Reporting outcomes

10. Summary of the equality analysis

This section can also be used in your decision-making reports (CMT/Cabinet/etc.) but you must also attach the assessment to the report, or provide a hyperlink

This Equality Analysis has resulted in an Outcome **2** Assessment

Please include here a summary of the key findings of your assessment.

A review of the proposed charges by Parking Services for on street pay and display, off street pay and display and permit to help deliver key strategic council priorities including public health, air quality and sustainable transport

There are both negative and positive impacts identified by the EIA.

Positive Impact

The proposals support the previous rationale of seeking to adjust driver behaviour and to ensure that we can provide a modern, efficient and environmentally sustainable transport policy for residents, visitors and businesses, now and in the future.

The proposals support the Public Health vision to protect and improve physical and mental health outcomes for the whole population in Merton, and to reduce health inequalities. At the heart of the strategy is the concept that the environment is a key driver for health. It can be summarised by 'making the healthy choice the easy choice'.

In setting out its measures of success, the new charging policy aims to deliver reduced car ownership and usage across the borough, encourage more people to undertake alternative forms of active travel, purchase fewer resident permits and lead to a rebalancing of our streets - to benefit residents and businesses alike.

This includes the shift to more active and sustainable transport modes (such as walking, cycling and public transport) the impact of vehicle emissions and congestion on air quality, and demand for kerbside space, which form the backdrop of the policy direction.

We have also identified a number of negative impacts, these include;

- Disability - Any increase in parking charges has the potential to negatively impact on those with a disability.
- Note. There is an acceptance that elderly people are more likely to be infirm, have mobility problems, but may not be considered disabled. For the purpose of this EIA the mitigation for problems commonly caused by age such as being infirm or mobility problems have been addressed under disability. Age – referenced with disability, as there is an acceptance that elderly people are more likely to be infirm, have mobility problems or have a disability than younger people.
- Pregnancy and maternity - A number of respondents stated that living near public transport does not mean it is easily accessible for all e.g. lack of lifts or escalators, not user friendly for families, or those needing to carry buggies.
- Socio economic status - Any increase in parking charges has the potential to negatively impact on those from certain socio economic backgrounds.

Significant social inequalities exist within Merton. The eastern half has a younger, less affluent and more ethnically mixed population. The western half is less ethnically mixed, older and more affluent. Largely as a result, people in East Merton have worse health and shorter lives.

During the course of the consultation, a local faith group submitted a petition and stated that the proposed new charges will affect a number of people attending their prayers. Whilst the council notes this position it does not feel that the proposals disproportionately affect the protected characteristic of religion under these circumstances.

Officers have reviewed the equity of the proposals and accept that there will be some residents who may be negatively impacted. However, in light of the mitigations set out above the level of impact is assessed as likely to be low. The council considers that the impact is proportionate to the legitimate aim sought to be achieved through the policy.

What course of action are you advising as a result of this assessment?

Section 5 – Improvement Action Plan sets out the actions and timescales proposed to be undertaken.

Stage 7: Sign off by Director/ Head of Service

Assessment completed by	Add name/ job title	Signature:	Date:
Improvement action plan signed off by Director/ Head of Service	Add name/ job title	Signature:	Date:

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Committee: Cabinet

Date: 15 July 2019

Wards: All

Subject: Scrutiny review of road safety around schools in Merton

Lead officer: Julia Regan, Head of Democracy Services

Lead member: Councillor Peter Southgate, Chair, Overview and Scrutiny Commission

Contact officer: Julia.regan@merton.gov.uk 0208 545 3864

Recommendations:

-
1. That Cabinet considers the report and recommendations (attached in Appendix 1) arising from the scrutiny review of road safety around schools in Merton undertaken by the Overview and Scrutiny Commission;
 2. That Cabinet decides how it wishes to respond to the recommendations of the task group. In particular whether it wishes to accept the recommendations and to respond to these through an action plan to be drawn up by officers in consultation with the lead Cabinet Member(s) to be designated by Cabinet;
 3. That Cabinet decides whether it wishes to formally approve this action plan prior to it being submitted to the Overview and Scrutiny Commission.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. To present the scrutiny review report on road safety around schools in Merton and to seek approval to implement the review recommendations through an action plan drawn up by officers in consultation with a lead Cabinet Member to be designated by Cabinet

2 DETAILS

- 2.1. The task group was established by the Commission at its meeting on 17 July 2018 in response to suggestions made during the scrutiny topic suggestion process in spring 2018, whereby two school governors and a resident asked scrutiny to review the safety of pupils crossing roads whilst walking to and from school.
- 2.2. The task group's terms of reference were:
 - To scrutinise the road safety measures that are already in place in the vicinity of local schools and receive information about the alternatives that are available;
 - To identify existing best practice in Merton and elsewhere that could inform the council's future approach to road safety around schools;
 - To consider how road safety measures impact on wider environmental and public health issues, including air quality and childhood obesity;
 - To make recommendations that will help create a safer walking environment in the vicinity of Merton schools during school run periods.

- 2.3. The task group's findings and recommendations are set out in a report for Cabinet's consideration, attached at Appendix 1.

3 ALTERNATIVE OPTIONS

- 3.1. The Overview and Scrutiny Commission 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 task group's report.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. In carrying out its review, the task group consulted local parents and residents, headteachers and school governors and questioned council officers. Appendix 1 lists the written evidence received by the task group and Appendix 2 contains a list of witnesses at each meeting.

5 TIMETABLE

- 5.1. The report was approved by the Commission at its meeting on 4 July 2019 and it was agreed to present the report to Cabinet.
- 5.2. Cabinet is asked to provide a formal response to the Commission at meeting on 11 September 2019.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. None for the purposes of this covering report. 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.

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

- Appendix 1 – task group review report on road safety around schools in Merton

12 BACKGROUND PAPERS

- 12.1. Notes of task group meetings



London Borough of Merton

Report and recommendations arising from the scrutiny task group review of road safety around schools in Merton

Overview and Scrutiny Commission

June 2018

Task group membership

Helen Forbes, Parent Governor Representative (Chair)
Councillor Joan Henry
Councillor Daniel Holden
Councillor Rebecca Lanning
Councillor Peter Southgate

Scrutiny support:

Julia Regan, Head of Democracy Services
For further information relating to the review, please contact:

Democracy Services Team
Corporate Services Department
London Borough of Merton
Merton Civic Centre
London Road
Morden
Surrey SM4 5DX

Tel: 020 8545 3864
E-mail: scrutiny@merton.gov.uk

Acknowledgements

The task group would particularly like to thank the local residents, parents, headteachers, chairs of governors and council officers who shared their views and experiences with us.

All contributors are listed in Appendices 1 and 2 of this report.

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Chair's foreword

Thousands of children make the journey to and from Merton's schools daily.

As a Council, Merton has existing road safety measures in place to facilitate those journeys.

This review aimed to scrutinise those measures and to look at information on best practice and alternative measures used elsewhere that could inform the Council's future approach to road safety around schools.

Road safety is one important aspect of the school journey. Our review also considered the impact of school journeys and road safety in the context of wider environmental and public health issues.

The Task Group heard from schools, parents and local residents as well as Council Officers and Members. Information from other authorities was considered together with background policy documents.

Thank you to all those who participated in our research and informed our recommendations. We are indebted to Julia Regan our Scrutiny Officer for all she has done.

I hope that our recommendations add to the existing move towards improving the school journey for the pupils of Merton.

Helen Forbes
Parent Governor Representative, Overview and Scrutiny Commission

Executive Summary

The task group was set up in order to review the safety of pupils crossing roads whilst walking to and from school. It has investigated the aspects of road design, personal behaviour and enforcement activities that are currently affecting road safety in the vicinity of schools.

The report is evidence based, drawing on and reflecting the wide range of written and oral evidence received. In particular, the task group has taken into account the experiences and views of more than 750 local parents and residents as well as headteachers and school governors. Task group members also visited two schools, spoke to council officers and received information from other councils.

The task group found that the council already undertakes a lot of activities to improve road safety, promote sustainable travel and enforce parking regulations. The consultation undertaken by the task group highlighted the necessity of a two-pronged approach to improving road safety around schools through encouraging a greater number of parents and children to walk or cycle rather than using the car, and to ensure there is effective traffic calming measures and enforcement of parking regulations. This has been reflected in the task group's recommendations.

In carrying out this task group review, the task group has been mindful of the wider policy context of public health concern about child and adult obesity and air quality, to which the recommendations of this task group will also contribute.

In making its recommendations, the task group has tried to strike a balance between individual choices and the wellbeing of the community as a whole. The task group has also made every effort to ensure that its recommendations will not lead to an increase in the number of car journeys on the school run. The task group has also made recommendations intended to support schools to develop and maintain STARS travel plans within existing resources and for the council to provide schools with an information sheet for parents rather than expecting each school to produce its own.

The task group's recommendations run throughout the report and are listed in full overleaf.

List of task group's recommendations

	Responsible decision making body
Recommendation 1 (paragraph 15)	
We recommend that the Sustainable Communities Overview and Scrutiny Panel should receive progress updates on the Local Implementation Plan at key points so that members can champion this work.	Sustainable Communities Overview and Scrutiny Panel
Recommendation 2 (paragraph 48)	
We recommend that Cabinet agree to continued work by the Traffic and Highways team to provide road safety training to pupils, support schools to join the Transport for London STARS accreditation programme and to develop STARS travel plans.	Cabinet
Recommendation 3 (paragraph 49)	
We strongly recommend that all schools should have up-to-date STARS travel plans and that where possible, these should include the provision of space for the safe storage of pupils' bicycles and scooters.	Schools
Recommendation 4 (paragraph 50)	
We recommend that Cabinet ask the Traffic and Highways team to: 1) investigate an initiative taken by a school in Hillingdon whereby the STARS accreditation data collection is led by pupils, which has made the process less onerous for school; 2) discuss with the Head of Parking Services the feasibility of using parking enforcement officers to assist with a light touch data collection method that would complement their role when they are working in the vicinity of a school.	Cabinet
Recommendation 5 (paragraph 51)	
We recommend that Cabinet investigate the most effective way to enable one or two council officers to work directly with schools on setting up, implementing and monitoring the STARS accreditation scheme. This may be possible within existing resources or it may be through the use of some of the monies raised from the new parking charges scheme.	Cabinet

	Responsible decision making body
Recommendation 6 (paragraph 54)	
<p>We recommend that that Cabinet should produce an information sheet for parents to encourage a reduction in the use of cars for the school run. This sheet should be no longer than two sides of A4 and should be sent to all schools in the borough (including private schools). The information provided should include:</p> <ul style="list-style-type: none"> • Context – admissions data shows that 80% of primary school pupils live within a 20 minute walk to school; research on the impact on air quality of leaving the engine idling; health benefits of walking and cycling • Safer walking and cycling routes – links to websites and Apps that help parents identify walking route away from main roads that is less busy and less polluted • Being visible – advice on high visibility clothing and other safety equipment for pedestrians and cyclists • Other options– links to websites on local public transport to and Apps such as “lift angel” to promote car sharing 	Cabinet
Recommendation 7 (paragraph 61)	
<p>We recommend that Cabinet should provide advice to schools on:</p> <ol style="list-style-type: none"> a) how to set up a walking bus, including information on the legal situation in the event of an accident b) what steps the school could take to “employ” a school crossing patrol (lollipop man/woman). 	Cabinet
Recommendation 8 (paragraph 73)	
<p>We recommend that Cabinet ask the Traffic and Highways Team to give careful consideration on a school by school basis of the feasibility and benefits of creating or enlarging a “drop and go“ area to decrease traffic congestion and enable pupils to dismount from cars safely. Drop and go areas should be viewed as a last resort when all other options for that school have been considered and this has been identified by the Traffic and Highways team to be the best solution to reduce traffic congestion and promote road safety for that school.</p>	Cabinet

	Responsible decision making body
Recommendation 9 (paragraph 77)	
We recommend that Cabinet ensure that the effectiveness of the “remote officer observed camera enforcement” project is closely evaluated to identify the locations at which it is most beneficial; the safety, environmental and financial outcomes at each location and whether there is a sound business case for the purchase of additional cameras.	Cabinet
Recommendation 10 (paragraph 78)	
We recommend that Cabinet provide a report to the Sustainable Communities Overview and Scrutiny Panel on the “remote officer observed camera enforcement” project outcomes. (recommendation 10)	Cabinet Sustainable Communities Overview and Scrutiny Panel
Recommendation 11 (paragraph 81)	
We recommend that Cabinet undertake publicity to draw local residents’ attention to the steps they can take to request enforcement action when a car is parked across their dropped kerb.	Cabinet
Recommendation 12 (paragraph 84)	
We recommend that Cabinet should ensure that the existing arrangements for the temporary suspension of resident parking permit bays within the vicinity of the school to facilitate drop off and pick up should be publicised to councillors.	Cabinet
Recommendation 13 (paragraph 94)	
We recommend that the report on the evaluation of school super zone pilot should be received by the Overview and Scrutiny Commission in due course.	Overview and Scrutiny Commission
Recommendation 14 (paragraph 105)	
We recommend that Cabinet should ensure that any temporary road restrictions around schools should be piloted in the first instance and should then be carefully evaluated. Consideration should be given to the likely impact on nearby roads and other local schools. If a decision is then taken to extend to other schools, we recommend that a borough wide strategic approach should be developed.	Cabinet

	Responsible decision making body
Recommendation 15 (paragraph 106)	
We recommend that Cabinet should give consideration to alternative approaches to temporary road restrictions, such as designated one way streets at peak times.	Cabinet
Recommendation 16 (paragraph 107)	
We recommend that, where there are a number of schools in close proximity, they should give consideration to staggering the school start and finish times in order to improve road safety in the vicinity of their schools	Schools

Report of the Scrutiny Task Group Review of Road Safety Around Schools in Merton

Introduction

Purpose

1. During the scrutiny topic suggestion process in spring 2018, two school governors and a resident asked scrutiny to review the safety of pupils crossing roads whilst walking to and from school. Specific concerns were raised in relation to individual schools and a 20mph borough wide scheme was suggested as a means of addressing this issue.
2. The Commission, at its meeting on 17 July 2018, agreed to set up a task group to consider the aspects of road design, personal behaviour and enforcement activities that were currently affecting road safety in the vicinity of schools and to make recommendations that would help to create a safer walking environment during school run periods and a change in behaviour.
3. The task group's terms of reference were:
 - To scrutinise the road safety measures that are already in place in the vicinity of local schools and receive information about the alternatives that are available;
 - To identify existing best practice in Merton and elsewhere that could inform the council's future approach to road safety around schools;
 - To consider how road safety measures impact on wider environmental and public health issues, including air quality and childhood obesity;
 - To make recommendations that will help create a safer walking environment in the vicinity of Merton schools during school run periods.
4. The task group agreed to expand its terms of reference to include consideration of recommendations that would help to create a safer cycling environment in the vicinity of Merton's schools. This was in response to points made by parents and headteachers during the course of consultation by the task group. Cycling has therefore been taken into consideration as a more sustainable mode of transport than driving and the task group has examined suggested measures to encourage the take-up of cycling.

What the task group did

5. The task group has had five formal meetings, including discussion of emerging results and recommendations with the Director and Cabinet Member. Task group members also sent a questionnaire to headteachers, attended a meeting of primary headteachers and visited one primary and one secondary school to see the issues from the schools' perspective.

6. The task group sought the views of local residents and parents through an online questionnaire that was publicised through the council's website, social media and via schools. 754 responses were received. Those who indicated interest in attending a meeting with the task group to discuss their views were invited to a consultation event which 14 people attended. This enabled the task group to better understand the complexity and range of views expressed and to discuss what the school, council and parents could do to improve road safety around local schools. Task group members were clear that this meeting would not discuss specific locations.
7. The task group has received information from other boroughs plus a number of background policy documents.
8. Appendix 1 lists the written evidence received by the task group and Appendix 2 contains a list of witnesses at each meeting.
9. This report sets out the task group's findings, conclusions and recommendations. The task group's recommendations run throughout the report and are set out in full in the executive summary at the front of this document.

The national and London policy context

10. In carrying out this review, we have been very aware of the wider policy context of public health concern about child and adult obesity and air quality. Nationally, in London and locally there are numerous policy initiatives designed to improve air quality and to encourage increased use of sustainable transport methods such as cycling and walking. All of these will contribute in some way to improving road safety around schools. This task group review is therefore particularly timely and in many ways we have found ourselves pushing at an open door in terms of policy direction.
11. Healthy Streets for London, part of the Mayor of London's Transport Strategy, sets out how the Mayor and TfL will help Londoners to use their cars less and walk, cycle and use public transport more. It outlines some practical steps to achieve this, including:
 - improving local environments by providing more space for walking and cycling, and better public spaces where people can interact;
 - prioritising better and more affordable public transport and safer and more appealing routes for walking and cycling;
 - planning new developments so people can walk or cycle to local shops, schools and workplaces, and have good public transport links for longer journeys.
12. Furthermore, Transport for London's Liveable Neighbourhoods programme gives boroughs the opportunity to bid for funding for long-term schemes that encourage walking, cycling and the use of public transport. The programme supports the aims of the Mayor's Transport Strategy by funding local schemes to reduce car trips and improve neighbourhoods for walking, cycling and public transport. Grants of between £1m and £10m will be provided for a wide range of community-supported projects. These could include creating green spaces and cycling infrastructure and redesigning junctions. The programme can also fund the widening of walking routes to improve access to local shops, businesses and public transport.
13. The Liveable Neighbourhoods programme will continue until 2021/22 and boroughs can submit bids at any time. The winning bids for 2018/19 were announced in February 2019. The closing date for bids in the 2019/20 funding round will be announced later in 2019.
14. We were pleased to hear that the council's Traffic and Highways team are planning to meet with TfL to discuss the bidding process. The team will seek views and commitment to the programme from councillors and residents. This work will be aligned to the Merton Local Implementation Plan and will require a commitment for change that will support more sustainable methods of travel, for example by reducing the number of

parking spaces in order to design in more space for cyclists and pedestrians.

15. **We recommend that the Sustainable Communities Overview and Scrutiny Panel should receive progress updates on the Local Implementation Plan at key points so that members can champion this work. (recommendation 1)**
16. In March 2019 Public Health England (PHE) published a report calling for cars to be banned around schools and for congestion charges to be introduced in cities across the country as well as tough measures to get polluting vehicles off the road to improve child health. Other measures proposed by PHE to tackle air pollution include car pool lanes, more deliveries at night, lorry bans in city centres and priority parking for electric cars. The PHE report says public transport should be more heavily subsidised and commuters should be encouraged to work from home, alongside national and local road pricing.

Views of parents and local residents

17. 754 responses to the questionnaire were received from residents and parents of nursery, primary and secondary aged children. The results are summarised below and are provided in full in Appendix 3.
18. 95% of respondents were parents of primary school aged children. 80% of respondents live within a 20 minute walk to school. 75% of respondents have children who walk to school, 20% travel by car, 3% take a bus and 2% cycle.
19. The finding that 80% live within a 20 minute walk to school is in line with data provided to us by the council's school admissions team on the distances from home to school for pupils allocated to start Reception and Year 7 in September 2018. The data showed that 79% of Reception pupils lived within 1km of their primary school. For secondary schools, the data showed that 21% of Year 7 pupils lived within 1km of their secondary school, a further 28% lived between 1 and 2km and 19% lived between 2 and 3km from the school.
20. Respondents indicated the following order of traffic problems affecting drivers, cyclists and pedestrians in the school drop off and pick up area:

• Inconsiderate Parking	19%
• Congestion	16%
• Illegal Parking	16%
• Children crossing road to cars on opposite side	15%
• Lack of parking in areas around the school	13%
• Other issues*	12%

(* these included speeding cars, lack of regulation or enforcement, cars mounting the pavement and lack of safe crossing areas. 9% of respondents identified U-turns in front of the school as a problem)

21. Additional measures that respondents said they would like to see put in place are;

- Enforcement 36%
- Zebra crossing, speed cameras, traffic wardens 30%
- More parking spaces available 10%
- Lollipop ladies 8%
- One way system 7%
- 20 mph zone 5%
- Speed bumps 4%

22. Further comments and suggestions to help create a safer walking environment for pupils during school run periods were made by 101 of the respondents:

- Parents attitudes are a problem 39%
- Idling cars need to be addressed 19%
- Road closures around the school would help 17%
- More safety signage is needed 14%
- Supervised drop off point 12%

23. These views were discussed more fully at the public consultation event and the views and suggestions provided have informed the recommendations that we have made in later sections of this report.

Views of headteachers and chairs of governors

24. Headteachers were consulted through a questionnaire sent to all maintained primary, secondary and special schools and through a subsequent discussion with primary headteachers. One private school requested and completed the questionnaire and attended a meeting of the task group.

25. The Head of Democracy Services attended a meeting with the chairs of governors on behalf of the task group. The chairs of governors were interested in and supportive of the work of the task group and expressed concern regarding the impact of traffic pollution on health. They also expressed concern about the knock on effect of road closures around schools and said that a borough wide strategy would be needed rather than looking at each school separately.

26. Questionnaire responses were received from 9 primary, 2 secondary and 1 special school. The level of concern about road safety around their

school was reported to be medium for primary heads, low for secondary heads and high for the special school (all ages).

27. Headteachers reported that a variety of traffic calming measures were already in place and they made a number of specific requests for further traffic calming measures which will be passed on to the council's traffic and highways team.
28. Headteachers cited traffic, parking and parental behaviour as the main challenges to improving road safety around schools. 7 of the 12 schools had school travel plans in place and the headteachers said that these had had some impact on road safety. Headteachers also agreed that the road safety programmes provided by the council were useful.
29. We attended a meeting of primary headteachers to discuss the questionnaire results with a larger number of headteachers. They agreed that the questionnaire findings accurately reflected their concerns but that the extent of the impact would depend on the location of the school.
30. In particular they were concerned about inconsiderate parking and the impact this has on road safety and the inconvenience caused to local residents (which occasionally leads to confrontation). One headteacher said that residents had leafleted parked cars – headteachers agreed that it would be difficult for the school or pupils to do this.
31. Headteachers stressed the importance of educating parents (as well as pupils) on safe parking and on crossing the road safely. One suggested that they could produce a poster and/or flyers to give out at parents evening. Another suggested that the school could show children how to cross the road safely so they could influence their parents.
32. We heard that finance was an issue of concern for headteachers – one said that the school would like to be able to afford a “green screen” to filter some of the pollutants. Another headteacher said they used to have a walking bus but can no longer afford to staff it. Another said they'd like to be able to afford a school crossing patrol (lollipop man/lady). They asked whether volunteers could assist with this.
33. There was a consensus that enforcement through fining and use of the CCTV car has made a difference. There were concerns that temporary road closures at the start and end of the school day might displace the problem and wouldn't be suitable for all locations, particularly for schools on main roads. A borough wide strategy would be required. Headteachers also suggested that a boroughwide project to co-ordinate walking buses would be helpful.
34. We visited two schools - Raynes Park High and Joseph Hood Primary – at the request of the Chair of Governors. Although we could not take action in relation to an individual school's circumstances, these visits

were helpful in bringing the issues to life and illustrating the problems faced.

35. The visit to Joseph Hood Primary School demonstrated the extent to which a narrow residential street becomes over-crowded with cars during school drop off and pick up times. We observed extensive pavement parking and parking on both sides of the road so that there was space for just one car to get through. Alarming, children were seen getting out of two cars directly into the road rather than on to the pavement. Some of the cars were parked for a lengthy period and other parked cars were clearly not associated with the school – the area does not have a CPZ and is in walking distance of Wimbledon Chase Station.
36. Raynes Park High School has two entrances. The main entrance is on Bushey Road which is a busy and noisy dual carriageway with a 40mph speed limit and complicated pedestrian crossing arrangements that do not lend themselves to road safety. The other entrance is on West Barnes Lane which was quieter but with a steady flow of traffic when the task group visited mid-afternoon. The bus stop is at some distance on the other side of the road and there were no pedestrian barriers between the narrow pavement and the road. We were told that staff are on duty at both entrances before and after school to assist with road safety.
37. The task group's discussion with the Bursar at Willington School highlighted the congestion that arises around private schools due to the larger catchment area which results in a higher proportion of pupils being driven to school. The school communicates regularly with parents to encourage them to walk, cycle or scoot instead of driving, and also promotes car sharing and public transport. The school timetable is currently being reviewed to see if the end of the school day could be staggered for different year groups to ease congestion
38. Willington School is not on a main road and although it is not a through road, lots of drivers think the road is a potential "rat run" and then have to turn around when they can't get through at the end. Clear signage at the start of the road would be helpful. It would also be helpful to identify a safe drop-off point for pupils.

Merton council's role in relation to road safety

39. The 1988 Road Traffic Act, Section 39 states that: "each local authority must prepare and carry out a programme of measures designed to promote road safety including the dissemination of information and advice relating to the use of the roads, the giving of practical training to road users.....and consider other measures taken in the exercise of their powers for controlling, protecting or assisting the movement of traffic on roads."
40. Case law provides that all road users have a responsibility for their own safety and the safety of others by acting safely and complying with the restrictions - the law and road users must use the road as they find it.
41. The council already provides a number of services that contribute to road safety around schools – road safety training, school travel plans, physical design, adaptation to roads and signage, enforcement of parking, plans to gradually roll out a borough wide 20mph speed limit.

Sustainable travel

42. Merton council is committed to road safety and the promotion of sustainable travel, which includes walking, cycling and the use of public transport on the school journey. This is being done through the development of STARS school travel plans, highway improvements for pedestrians and cyclists and in the school curriculum through pedestrian training and cycle training as well as walking buses and participation in "walk to school" promotions.
43. At the public consultation event we discussed the respective roles of the council, parents and schools in relation to travelling to school sustainably and safely. Participants made a number of helpful suggestions that we have captured in our recommendations.
44. There was general agreement amongst participants at the consultation event on the desirability of children walking, cycling or scooting to school rather than travelling by car whenever possible. However, it was also recognised that there are circumstances in which driving is the best option for an individual family, for example when a parent is pressed for time and has to continue to work, when the walk is greater than 20 minutes or when a parent or child has mobility or other difficulties, and there was concern to respect individual decisions and not to demonise people for choosing to travel by car. We noted that parents are more likely to drive to private schools as they tend to be further away.
45. The council encourages schools to develop STARS school travel plans for pupils and staff. The STARS accreditation scheme was developed by Transport for London. The aim is to inspire young Londoners to travel to school sustainably, actively, responsibly and safely by championing walking, scooting and cycling. In Merton, STARS participation is a pre-

condition for the issue of teacher parking permits and parents' use of a 10 minute dispensation to park in a CPZ bay.

46. We were informed that the council's Traffic and Highways team approach each school every year to encourage them to join the STARS accreditation scheme. We were disappointed to learn that 43 of our schools have chosen not to participate in the scheme.
47. We heard that the main reason given by schools for not participating is an overall lack of resources and the many other competing demands on the schools' budget. We also understand that participation in the STARS scheme can be time consuming for schools, particularly in relation to collecting the required evidential data about modes of transport, and that this is a factor in schools choosing not to participate or having to withdraw from the scheme.
48. **We recommend that Cabinet agree to continued work by the Traffic and Highways team to provide road safety training to pupils, support schools to join the Transport for London STARS accreditation programme and to develop STARS travel plans. (recommendation 2)**
49. **We strongly recommend that all schools should have up-to-date STARS travel plans and that where possible, these should include the provision of space for the safe storage of pupils' bicycles and scooters. (recommendation 3)**
50. **We further recommend that Cabinet ask the Traffic and Highways team to: 1) investigate an initiative taken by a school in Hillingdon whereby the STARS accreditation data collection is led by pupils, which has made the process less onerous for school; 2) discuss with the Head of Parking Services the feasibility of using parking enforcement officers to assist with a light touch data collection method that would complement their role when they are working in the vicinity of a school. (recommendation 4)**
51. **We also recommend that Cabinet investigate the most effective way to enable one or two council officers to work directly with schools on setting up, implementing and monitoring the STARS accreditation scheme. This may be possible within existing resources or it may be through the use of some of the monies raised from the new parking charges scheme. (recommendation 5)**
52. It is clear that many schools are working very hard to improve road safety in the vicinity of their school and have used a wide range of approaches to promote road safety. The head teachers who replied to our questionnaire cited examples including holding road safety and public transport safety sessions, travel surveys, encouraging children to walk, newsletters to parents and the appointment of junior travel ambassadors. Many schools deploy teachers outside the school at the

start and finish of the school day in order to assist pupils to enter and exit safely.

53. We believe that the council could take further steps to support schools to improve road safety and to encourage walking and cycling to school. One way to do this would be to produce a template that schools can easily use to communicate with parents on these issues rather than relying on each school to develop its own.
54. **We recommend that that Cabinet should produce an information sheet for parents to encourage a reduction in the use of cars for the school run. This sheet should be no longer than two sides of A4 and should be sent to all schools in the borough (including private schools). The information provided should include:**
- **Context – admissions data shows that 80% of primary school pupils live within a 20 minute walk to school; research on the impact on air quality of leaving the engine idling; health benefits of walking and cycling**
 - **Safer walking and cycling routes – links to websites and Apps that help parents identify walking route away from main roads that is less busy and less polluted**
 - **Being visible – advice on high visibility clothing and other safety equipment for pedestrians and cyclists**
 - **Other options– links to websites on local public transport to and Apps such as “lift angel” to promote car sharing (recommendation 6)**

School Crossing Patrols

55. School Crossing Patrols, or Lollipop Men/Ladies as they are affectionately called, have designated power to cross children and adults safely across roads. Merton Council took over this service from the Met Police in 2000, at which time 22 Patrols were employed. Over the years, due to natural wastage and controlled crossings installed, the number has dropped to just 6 Patrols (currently 4 in post and 2 vacancies which it is hoped to fill in September. We were informed that Merton and other London boroughs have found it difficult to successfully recruit new Patrols, reasons may be that the few hours of employment do not generate a high income.
56. Patrols operate outside one or more school premises. Merton has Patrols at The Priory, Hatfeild, Malmesbury and Dundonald Schools, crossing pedestrians from these and other nearby schools. The council occasionally receives requests from schools for a Patrol to operate at their site, but employing a Patrol has to meet criteria such as traffic and pedestrian numbers. The council also has to ensure the site is safe for the Patrol to operate effectively.
57. Patrol sites are formally risk assessed twice yearly but regular contact between Patrols and the Road Safety Officer means any traffic or

parking issues or concerns about aggressive drivers can be promptly dealt with. Patrols have the opportunity to attend training courses and are included in the council's appraisal process.

58. London Boroughs such as Brent and Lambeth no longer employ Patrols as part of their structure. Instead school clusters share one Patrol, paying their wage and that of the Road Safety Officer who manages this service. Patrol rates of pay vary slightly between boroughs but it is around £4,000 per annum to employ a Patrol. It seems to work well as Councils can continue to provide a duty of care to children and ensure safe working conditions for the Patrol.
59. Volunteers are not designated Patrols or traffic officers, so they do not have the power to stop traffic. There is a duty of care to ensure they are operating safely and that they receive the appropriate training. A volunteer injured on site could bring manslaughter charges against an organisation culpable of neglect. Training and risk assessments are the most basic steps to take if a volunteer is used.
60. If a school wished to employ its own Patrol they would need to work with the Traffic and Highways team to seek advice. The council would continue to manage, train and monitor the Patrol, with the school paying associated costs such as uniforms, training courses etc. The council would need to be remunerated for supplying this service to the school.
61. **We further recommend that Cabinet should provide advice to schools on:**
 - a) **how to set up a walking bus, including information on the legal situation in the event of an accident**
 - b) **what steps the school could take to “employ” a school crossing patrol (lollipop man/woman).
(recommendation 7)**

Highway improvements

62. The council's Future Merton (Traffic and Highways) Team, in partnership with Transport for London and schools work to improve road safety in the vicinity of schools. The management of road safety is in line with the Mayor of London's strategy for healthy streets. The team has a rolling programme of works with individual schools that includes engineering measures as well as localised 20mph speed limits to make the area outside the school safer; support the school with their travel plans; and to provide soft measures such as cycles and scooter training.
63. Some of the landscaping and design measures outside / on route to schools are:
 - Localised 20mph speed limits with associated traffic calming such as speed tables
 - School Keep Clear Zig Zag Markings

- Other parking restrictions
 - Flashing signs to show speed of car
 - Street furniture such as bollards and guard railings
 - Planting trees
 - Footway widening / build outs
 - Formal and informal crossings
64. The council has a number of other initiatives that facilitate walking and cycling as well as the use of public transport. These include provision of cycle lanes, cycle parking facilities, better footways, improved public realm; decluttered footways; safe pedestrian and cycle crossing facilities; cycle training; improved street lighting, crossing facilities, localised 20mph speed limits and overall environmental improvements.
65. The council receives a small amount of funding through the Local Implementation Plan which is fully committed for 2018/19. Work must be in line with the Mayor of London's Transport Strategy and, given the limited available funding, is prioritised according to the number and severity of personal injury accidents, areas outside schools, areas where the highway may not be fully accessible to people with disabilities, and in areas with high footfall.
66. We were told that accident information is analysed to identify contributory factors when someone has been injured and physical changes are made to the location when appropriate. We have requested sight of the accident data but this has not been provided to date.
67. Schools, parents and residents have urged us to consider increased use of road markings and physical traffic calming measures in the vicinity of schools to make crossing the road easier and safer for pupils.
68. We saw evidence of the improvements that have already been made outside some schools but it was clear from our discussion with headteachers and parents that there are several schools that would benefit from a review from the Traffic and Highways Team. We will pass on all the site-specific information that we have received from schools and the public so that the team can follow these up in a timely manner, bearing in mind the financial and workload constraints.
69. Drop and Go
70. A "drop and go" area is a safe space that has been designated so that cars can stop briefly to let school children get out. A responsible adult (teacher or volunteer parent) will then walk the children into the school. Depending on the location of the drop and go area and the level of usage, several adults will be required to ensure that there is always someone in place to receive the children.
71. We recognise the policy tension inherent in creating drop and go areas. On the one hand they promote road safety through reducing traffic

congestion and dangerous parking outside schools thus enabling parents and children to cross the road safely. On the other hand they may also provide an incentive for parents to continue to drive their children to school!

72. We therefore would only wish to see drop and go areas created or enlarged as a last resort when all other options for that school have been considered and this has been identified by the Traffic and Highways team as the best solution to reduce traffic congestion and promote road safety for that school.
73. **We recommend that Cabinet ask the Traffic and Highways Team to give careful consideration on a school by school basis of the feasibility and benefits of creating or enlarging a “drop and go “ area to decrease traffic congestion and enable pupils to dismount from cars safely. Drop and go areas should be viewed as a last resort when all other options for that school have been considered and this has been identified by the Traffic and Highways team to be the best solution to reduce traffic congestion and promote road safety for that school. (recommendation 8)**
74. Enforcement
75. The Head of Parking Services provided us with an update on the automatic number plate recognition (ANPR) project that is aimed to increase the council’s ability to enforce “keep clear” markings outside schools at the start and end of the school day. A rolling programme of foot patrols and ANPR camera vehicles has commenced that will provide coverage for each school for at least two weeks during the school year.
76. During the first school year the cameras will be deployed to every primary school in the borough following the planned rotation schedule. This will help the council to determine which schools have the lowest compliance and then to focus enforcement of those areas during the second year of the scheme.
77. **We welcome the “remote officer observed camera enforcement” project and recommend that Cabinet ensure that its effectiveness is closely evaluated to identify the locations at which it is most beneficial; the safety, environmental and financial outcomes at each location and whether there is a sound business case for the purchase of additional cameras. (recommendation 9)**
78. **We further recommend that Cabinet provide a report to the Sustainable Communities Overview and Scrutiny Panel on the project outcomes. (recommendation 10)**
79. Participants at the public consultation event were in favour of enforcement to deter illegal and inconsiderate parking. We also considered the viability of school staff, parents or pupils leafleting badly

parked cars. We have not made a recommendation on this as there is potential for such action to create or inflame conflict between parents or between parents and local residents.

80. We heard from the Head of Parking Services that there are two ways in which residents can get enforcement assistance when a car is parked across their dropped kerb. The first is to phone the Parking Services team to report the parking incident. The second is to register the dropped kerb with the council so that there will be an automatic enforcement action taken if a Civil Enforcement Officer is in the area. We had previously been unaware of these provisions and believe that this would be useful information to share with councillors and local residents.
81. **We recommend that Cabinet undertake publicity to draw local residents' attention to the steps they can take to request enforcement action when a car is parked across their dropped kerb. (recommendation 11)**
82. We were informed that there is a dispensation to park in a parking bay in 19 of the borough's CPZ zones for 10 minutes for the purposes of dropping children off at school. This affects a total of 22 schools and is only provided if the school has a STARS travel plan. Parents must apply to the school for a "permission to park" letter that can be displayed in their car.
83. We discussed whether this provision should be more widely advertised because, as with the drop and go bays, this would be counterproductive in terms of discouraging parents from driving their children to school. We were however mindful that during our discussions with parents, they asked us to be aware that there are circumstances in which some parents have no choice but to use their car for the school run.
84. **We therefore recommend that Cabinet should ensure that the existing arrangements in some controlled parking zones for the temporary suspension of resident parking permit bays within the vicinity of the school to facilitate drop off and pick up should be publicised to councillors. (recommendation 12)**

Borough wide 20mph speed limit

85. To improve the general road safety environment and in line with the Mayor of London's transport priorities which has been adopted within the Borough's Local Implementation Programme, it is proposed to introduce a borough wide 20mph speed limit. It is hoped this will impact not only on road safety but also on air quality and pollution. This is currently being implemented gradually and there are already a number of areas subject to a 20mph speed limit across the borough.
86. The objective is to change behaviour – that is to say to encourage drivers to travel at a consistent lower speed not just throughout the borough but from borough to borough as the borough limit will work

alongside neighbouring boroughs' 20mph speed limits. This is expected to bring about a culture change so that it will become socially unacceptable to drive over 20mph in London.

87. The council has started its programme for rolling out a borough wide 20mph speed limit and has provisionally secured funding through its Local Implementation Programme for next financial year which will be utilised to continue the roll out of the borough wide 20mph speed limit.
88. Given the limited available funding this financial year, the council has started the introduction of 20mph limits from the borough boundaries where neighbouring boroughs have already introduced this. Also, due to the extremely limited funding, we were informed that the council currently does not intend to introduce any physical measures such as traffic calming.
89. A research study by Atkins, AECOM and University College London in 2018 evaluated the impact that the introduction of 20mph zones had on traffic speed, public perception and accidents. The study found that median speed decreased by 0.7mph in residential areas and 0.9mph in city centre areas and that the overall decrease was greatest in areas where speeds were faster before the introduction of the 20mph limit. Overall, 20mph limits were perceived to be beneficial for cyclists and pedestrians and there was a small increase in walking and cycling. There was insufficient evidence to draw conclusions about collision and casualty rates, except in Brighton where there were significant reductions.

School super zones (school neighbourhood approach pilot)

90. The "school super zones pilot" is the name used for the London-wide pilot being co-ordinated by Public Health England. This project is working with local authorities to test out new approaches to improving the urban environment around schools. Merton is one of 13 pilot boroughs. Locally, Merton has renamed its pilot project the "School Neighbourhood Approach Pilot".
91. The programme will be piloted at Merton Abbey Primary School. The school was chosen because it topped the list of schools on an index of indicators including air pollution, child obesity and level of deprivation in the local area.
92. The pilot phase will run from March to June 2019 and will be evaluated in June and July. It will be evidence based and the data captured will help to identify outcomes over the short, medium and long term. It is hoped that the pilot will also identify barriers faced that could not be addressed at a local level.
93. There will be 5 workstreams - the food around us; places and spaces; moving around; feeling safe; communications and enablers. This pilot work will not include any road restrictions but these may be considered

in future as part of the development of an action plan to improve the environment around the school.

- 94. We were very interested to hear about the school neighbourhood approach pilot and recommend that the review report is received by the Overview and Scrutiny Commission in due course. (recommendation 13)**

Temporary road restrictions outside schools

95. We received information from other London boroughs who have started to introduce temporary road restrictions outside schools during the peak pre and post school periods. During the restricted period non-resident motorists are prohibited from entering the affected roads. Residents are provided with a special permit that will enable them to enter and exit. Enforcement is usually carried out by a camera.
96. The temporary restriction operates during school days only and the hours are generally no more than one hour in the morning and one hour in the afternoon. The aim is to improve air quality and the environment whilst improving safety, prevent illegal and obstructive parking and encourage more active transport.
97. Croydon's School Streets Programme started with a three school pilot. Subsequently the council contacted all of the 93 primary schools in Croydon and from this they received 31 requests for road restriction schemes.
98. Croydon council then applied selection criteria to rank these schools. Key criteria included risk to children and public order; no impact on public transport routes; local catchment area; air quality and obesity. Twelve schools were selected for the first phase of road restrictions.
99. Consultation with local residents in Croydon found that objections were primarily received from residents immediately outside the zone, who feared the displacement. Several objectors from outside the proposed zone stated they would support the scheme if the zone was extended to also include their address. Residents want less traffic/pollution and wish the best for the children, as long it doesn't affect access to their own driveway. Concerns of those inside the proposed zones are associated with receiving visitors and home deliveries – although many acknowledge this is also practically impossible under present conditions, with the road being inaccessible due to the school run traffic.
100. Hackney Council has taken a leading role in sharing their learning with other London boroughs through the production of a soon-to-be-released toolkit. They have also organised workshops for officers from other boroughs to exchange knowledge as they start to implement their own School Streets Schemes.

101. Islington Council now has eight schools with road restrictions and have estimated that costs for a scheme would be in the region of £60,000 – for two cameras, installation costs, signage, TMO costs, consultation costs and other stakeholder engagement. Bollards cost £10-20k.
102. Camden Council has three 3 'school street closures' – two managed by ANPR and one with retractable bollards. Schools were selected through suggestions from councillors, previous concerns raised regarding road safety and STARS status. Participating schools have to already have STARS accreditation or agree to sign up that academic year.
103. We understand that Merton council is considering trialling a temporary road restriction scheme around three or four schools from September 2019.
104. We discussed temporary road restrictions with participants at the public consultation event and with the primary school headteachers. The idea was cautiously welcomed in principle but there were concerns that traffic and parking problems might just be displaced to neighbouring streets and that there may be other unintended adverse consequences. It was felt that solutions should be identified on a school by school basis but with impact on the wider area taken into account, particularly if restrictions were to include a number of schools. We have also suggested that restriction schemes should be trialled before permanent decisions are made.
- 105. We recommend that Cabinet should ensure that any temporary road restrictions around schools should be piloted in the first instance and should then be carefully evaluated. Consideration should be given to the likely impact on nearby roads and other local schools. If a decision is then taken to extend to other schools, we recommend that a borough wide strategic approach should be developed. (recommendation 14)**
- 106. We also recommend that Cabinet should give consideration to alternative approaches to temporary road restrictions, such as designated one way streets at peak times. (recommendation 15)**
- 107. We further recommend that, where there are a number of schools in close proximity, they should give consideration to staggering the school start and finish times in order to improve road safety in the vicinity of their schools. (recommendation 16)**

Concluding remarks

108. In the absence of road accident data we have been unable to uncover factual evidence on whether there is a road safety issue in Merton. Instead we have taken evidence from parents, local residents and headteachers to hear their views on factors such as poor driver behaviour and inconsiderate parking that impacts on road safety. We have also listened carefully to suggestions for action that would improve road safety around schools.
109. We heard that the perception of parents and schools is that there is inconsiderate parking by a minority of drivers and this needs to be addressed through nudges to change behaviour plus enforcement.
110. We know that parents have good intentions and want to keep their own and other children safe. However fears for road safety and stranger danger coupled with pressures on time and the practicalities of taking children to school and continuing to their workplace can combine to make the car the easiest option. Our key challenge is therefore to help to make other transport options equally desirable.
111. Each school is unique so it would not be appropriate for us to make generalised recommendations on cameras, crossing patrol officers and so on. Instead, we have drafted recommendations that will provide a framework but will also assist the council and its partners to determine the right approach for each school.
112. The Merton Health and Wellbeing Strategy, led and owned by Merton Health and Wellbeing Board, seeks to create a healthy place that enables people to start well, live well and age well. Whilst health and care services are a partner in this strategy, it focuses on making significant improvements to those things that create good health and wellbeing such as the built environment, green spaces, and supporting healthy lifestyles. This over-arching strategy is mirrored and complemented by many other Council, Merton Partnership and NHS strategies.
113. In carrying out this task group review, we have been mindful that the measures that we have considered to improve road safety around schools will also impact positively on work being carried out to address wider public health issues, in particular air quality and child obesity.
114. Improving road safety around schools will hopefully encourage more parents and children to walk, cycle or scoot to and from school rather than travelling by car. Given that Transport for London found that 25% of traffic in the morning peak in London is the school run, this should ease traffic congestion which in turn will improve road safety and air quality.

115. We wish to ensure that the council has a clear vision for where it wishes to be in 10 years' time in relation to these issues. A number of policy developments that are already planned will have a positive effect on road safety – for example, we expect that 20mph limits will become the norm and engines idling in stationary cars will become unacceptable across London before long. We also expect that enforcement is likely to have the biggest impact in the same way as the smoking ban did in reducing the number of smokers.
116. Finally, it is crucial that different parts of the council work together on these issues – in particular that traffic and highways, parking and public health will work holistically with schools. We were pleased that the Director of Environment and Regeneration has confirmed that he will be the Corporate Management Team's lead to facilitate this work.

What happens next?

117. This task group was established by the Council's Overview and Scrutiny Commission and so this report will be presented to its meeting on 4 July 2019 for the Commission's approval.
118. The Commission will then send the report to the Council's Cabinet on 15 July 2019 for initial discussion.
119. Once Cabinet has received the task group report, it will be asked to provide a formal response to the Commission within two months.
120. The Cabinet will be asked to respond to each of the task group's recommendations, setting out whether the recommendation is accepted and how and when it will be implemented. If the Cabinet is unable to support and implement some of the recommendations, then it is expected that clearly stated reasons will be provided for each.
121. The lead Cabinet Member (or officer to whom this work is delegated) should ensure that other organisations to whom recommendations have been directed are contacted and that their response to those recommendations is included in the report.
122. A further report will be sought by the Commission six months after the Cabinet response has been received, giving an update on progress with implementation of the recommendations.

Appendices

Appendix 1: written evidence

20mph Research Study, November 2018, Atkins, AECOM and Professor Mike Maher (UCL)

Road safety and schools – a briefing note from Chris Lee, Director of Environment and Regeneration, 20 November 2018

Merton School Neighbourhood Approach Pilot, presentation from Philip Williams and Natalie Lovell, Merton Public Health

Emails from local residents October – March 2019.

Questionnaires received from headteachers of 10 primary, 1 special school, 2 secondary and 1 private schools in Merton

Questionnaires received from 754 local residents and parents.

Information received from Islington, Camden, Croydon and Hackney councils

Catchment area data provided by Merton School Admissions team, November 2018

Presentations to the London Road Safety Council – Croydon, Hounslow, Islington, Hillingdon, Junior Roadwatch

Desktop research – BRAKE, Public Health England, Healthy Streets for London, Liveable Neighbourhoods

Appendix 2: list of oral evidence

Public consultation event, 11 March 2019

Visit to Joseph Hood School, 15 March 2019

Discussion with primary headteachers, 19 March 2019

Visit to Raynes Park High School, 20 March 2019

Ben Stephens, Head of Parking Services, 20 November 2018, 11 March, 9 April and 4 June 2019

Mitra Dubet, Commissioning Manager, Future Merton, 20 November 2018 and 9 April 2019

Natalie Lovell and Phil Williams, Public Health Merton, 5 February 2019

Peter Luard, Bursar, Willington School, 9 April 2019

Chris Lee, Director of Environment and Regeneration, 4 June 2019

Councillor Martin Whelton, Cabinet Member for Regeneration, Environment and Housing, 4 June 2019

Carol Douet, Healthy Places Officer, 4 June 2019

Appendix 3: analysis of public consultation responses

1. School				
			Response Percent	Response Total
1	Primary		94.8%	640
2	Secondary		5.2%	35
			100.0%	675

2. Are you a parent of a child/children at that school?				
			Response Percent	Response Total
1	Yes		85.3%	616
2	No		14.7%	106
			100.0%	722

Q3. Age/s of children				
			Response Percent	Response Total
1	Primary (5 to 11)		92.7%	772
2	Nursery (2 to 4)		5.9%	49
3	Secondary (12 to 16)		1.4%	12
			100.0%	833

3a. How do they travel?				
			Response Percent	Response Total
1	Walk		75.0%	462
2	Car		19.8%	122
3	Bus		3.4%	21
4	Cycle		1.8%	11
			100.0%	616

4. Do you live in the same street as the school?				
			Response Percent	Response Total
1	No		13.7%	623
2	Yes		86.3%	99
			100.0%	722

5. If you answered no, how long would it take you to walk to the school?

			Response Percent	Response Total
1	5-9 minutes		22.1%	179
2	Less than 5 minutes		27.9%	142
3	10-14 minutes		21.2%	136
4	30+ minutes		8.6%	69
5	20-29 minutes		9.5%	61
6	15-19 minutes		10.8%	55
			100.0%	642

6. Are there any traffic problems affecting drivers, cyclists and pedestrians in the school drop off/pick up area? (tick as many as apply)

			Response Percent	Response Total
1	Inconsiderate parking		19.1%	523
2	Congestion		16.3%	447
3	Illegal parking		15.9%	436
4	Children crossing road to cars parked on opposite side of road		14.9%	407
5	Lack of parking in the area around the school		13.0%	356
6	Other (please specify): Speeding cars. No regulation or enforcement, Cars mounting the pavement, Lack of safe crossing areas		11.9%	325
7	U turns in front of the school		8.9%	243
			100.0%	2737

7. What traffic calming or other measures are currently in place in the vicinity of the school?

			Response Percent	Response Total
1	None		54.0%	299
2	Speed bumps		18.4%	102
3	Zig zags		16.6%	92

4	20mph zone		11.0%	61
			100.0%	554

8. Have you previously raised any road safety concerns with the school or with the council?

			Response Percent	Response Total
1	No		66.8%	340
2	Yes		33.2%	169
			100.0%	509

9. What additional measures would you like to see put in place?

			Response Percent	Response Total
1	Enforcement		36.1%	137
2	Zebra crossing	(Speed Cameras/Traffic Wardens etc)	30.5%	116
3	More parking spaces available		9.7%	37
4	Lollipop Lady		7.6%	29
5	One way system		6.8%	26
6	20mph zone		5.5%	21
7	Speed bumps		3.7%	14
			100.0%	380

10. Please use the space below for any other comments you wish to make or any suggestions that will help create a safer walking environment for pupils during school run periods?

			Response Percent	Response Total
1	Parent attitudes are a problem		38.6%	39
2	Idling cars needs to be addressed		18.8%	19
3	Road closures around the school would help		16.8%	17
4	More safety signage is needed		13.9%	14
5	Supervised drop off point		11.9%	12
			100.0%	101

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Committee: Cabinet

Date: 3rd June 2019

Agenda item:

Wards: All Wards

Subject: Transitions from children's to adult services for children with special educational needs and disability

Lead member: Councillor Rebecca Lanning, 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 Transitions from children's to adult services for children with special educational needs and disability
- 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

- D. To present the scrutiny review report on "Transitions from children's to adult services for children with special educational needs and disability" for endorsement and seek approval to implement the review recommendations through an action plan being drawn up.

2. DETAILS

- 2.1 In June 2018 the Healthier Communities and Older People Overview and Scrutiny Panel agreed to undertake a scrutiny review of Transitions from children's to adult services for children with special educational needs and disability .
- 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 local partners and parents affected by this issue.

4.2 TIMETABLE

4.3 The final report was approved by the Panel on 17 June 2019 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

E. Appendix 1 – Task group report on “Transitions from children’s to adult services for children with special educational needs and disability”

12. BACKGROUND PAPERS

Transitions from children's to adult services for children with special educational needs and disability

Final report and recommendations

Healthier communities and older people overview and scrutiny panel

Task group membership

Councillor Anthony Fairclough
Diane Griffin, co-opted member
Councillor Natasha Irons
Councillor Rebecca Lanning (Chair)
Councillor Dickie Wilkinson

Scrutiny support:

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Acknowledgments

The task group would particularly like to thank the parents, voluntary and not-for-profit organisations and council officers who shared their views and experiences with us.

All contributors and are listed in appendix one of this report

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Foreword by the Task Group Chair, Councillor Rebecca Lanning.

Navigating the transition from childhood to adulthood – while often an inspiring and exciting period in one’s life – can be challenging. But not all challenges are equal.

For young people with special educational needs and disability (SEND), the journey to adulthood is more complex. And too often the challenges outweigh, and in some cases, extinguish any initial optimism. These young people, who represent 15% of children in England, are: three times more likely to lack a close friend, seven times more likely to be excluded, twice as likely to experience persistent bullying most days at school and four times more likely to experience mental health problems than their non-SEND peers. By the time they reach adulthood, they are nearly twice as likely to see friends only once a year, twice as likely to be living in poverty, four times as likely to be single^{1,2} and, while far less likely to be employed, if they do have a job, it will likely be part-time and poorly paid³.

This is not the future that we in Merton want for our young people. Indeed, our aspiration for young people with SEND is no different to the aspirations we hold for any of the children and young people across our borough: to lead happy and fulfilled lives. As such, we hope that through our review and recommendations, we will continue to empower young people with SEND to play a central role in determining what they want to achieve. To equip them with the information and skills they need to realise life-transforming outcomes through greater independence, access to employment and community inclusion.

I would like to take this opportunity to thank the task group members who committed and contributed to this review of a complex, challenging and critically important area. I would also like to share my gratitude to Stella Akintan, scrutiny officer, who supported each of us in our first task group review as new councillors.

This review wouldn’t have been possible without the time and expertise afforded to us by: Linda Jordan who shared the complex national landscape with us; council officers who explored their local insights and experience; Andrew Whittington, Chief

¹ Special Educational Needs, House of Commons Hansard 20 March 2019, Volume 656

² Why are so Many SEN Children excluded from school: Because we are failing them. The Guardian Online 27 October, 2016.

³ Evidence submitted by Mencap to the Work and Pensions Select committee. The Work Programme, Experience of different user groups. 2012-2013

Executive, Merton Mencap who shared the voluntary sector perspective, and the parents of young people who have experienced transition in Merton – those who we most earnestly hope our recommendations will support.

List of task group's recommendations

Recommendation	Responsible decision-maker(s)	Pages
1. Simplifying the transitions process for young people and their families		
Recommendation one: Continue to embed the Preparing for Adulthood recommendations within the EHCP framework, in collaboration with parents, service users and voluntary organisations	Cabinet Children, Schools and Families Department	Page 16
<p>Recommendation two: Develop a visual pathway for Merton's process for transition to children social care to Adult social care. to inform parents and young people on what they should expect from transition. This should provide clear, comprehensive and accessible information and support advice about the opportunities that are available.</p> <p>Ideally these would be separated into themes that young people and carers can identify with, such as the four pathways suggested by PfA: Employment, Independent Living, Community Inclusion and Health. This could also be represented in an infographic style, as developed by the BMJ (This is based on NICE Guidance NG43: Supporting Young People in their transition to adults services.)</p>	Cabinet Community and Housing and Children, Schools and Families Departments	Page 16
Recommendation three: Clarify the role of local authority officers in relation to the London Borough of Merton's statutory functions and ensure clear staff communication on handovers, in the event of different workers working with a family	Cabinet Children, Schools and Families Departments	Pages 16-17
2. Clear, comprehensive and accessible information: The Local Offer		
<p>Recommendation four:</p> <p>a) Conduct a wholesale review of the local offer, in consultation with service users, parents and groups such as Merton's Learning Disability Forum, Kids First and Adults First. This review should improve the quality of information published on the website, and ensure the language used is appropriate, simple and sets out easy-to-</p>	Cabinet Community and Housing and Children, Schools and Families Departments	Pages 17-18

<p>navigate information on provision available for children, young people and their families</p> <p>b) Improve the visibility of services available for young people with SEND on the local offer, aligned with the visual pathway above for continuity. Include brief details on eligibility, price, whether there is a waiting list and whether services form part of a universal, targeted or specialist offer</p> <p>c) Include a contact telephone number and / or email address on the local offer website for general information and advice, to aid accessibility and navigation for families</p> <p>d) Improve the comment box on the local offer website to invite young people, parents and carers to provide feedback on the local offer, and create a hyperlink to the homepage to facilitate ease of use. This will not only support the Code of Practice recommendations but also provides an opportunity for continual review, adaptation and improvement of the local offer for families</p> <p>e) Publish a glossary of SEND acronyms and abbreviations on the local offer website, in line with the proposal to publish an FAQs and 'myth buster' page</p> <p>f) Increase the promotion of Merton's Disability Database and M-Card via the local offer website and encourage all local partners, including voluntary groups, schools and the CCG to publish a link to the database and the local offer</p> <p>g) Review and improve signposting opportunities on the local offer, particularly for those who may not meet the national eligibility (Care Act 2014) for adult's social care, to ensure they are able to achieve and maintain independence</p>		
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3. Enabling families to better navigate the transitions process		
Recommendation five: Undertake a pilot project whereby a named social worker or 'transition worker' is appointed to the SEND Team to provide expertise and direction to young people in Year 9 and their parents who have been identified as having substantial needs but unlikely to meet the threshold for adult social care services. This would help families better navigate the planning process from the age of 14 years onwards, describe what can be expected to have happened by key stages in the transition process and plan for the future	Cabinet Children, Schools and Families Department	Page 18
4. Empowering young people and their families through advocacy		
Recommendation six: Invite bids or otherwise explore opportunities to implement an advocacy service with an appropriate provider, akin to Core Assets, to support young people with SEND and their families	Cabinet Children, Schools and Families Department	Page 19
5. Encouraging early planning to assist adult social care		
Recommendation seven: Implement a monitoring and tracking framework for children with SEND with an EHCP who do not meet the national eligibility criteria for adult social care, but are otherwise referred to adult social care between the ages of 14-25 to ensure that no young person does not receive the support they need	Cabinet Community and Housing and Children, Schools and Families Departments	Page 21
6. Actively promoting employment and volunteering opportunities		
Recommendation eight: Collaboration with Merton's Learning Disability Forum, Kids First and Adults First to co-develop marketing and promotional tools for adult education and vocational courses within available resources and link to the local offer	Cabinet Community and Housing and Children, Schools and Families Departments	Page 22
Recommendation nine: Recognising the value of peer support, explore the expansion of befriending and mentoring opportunities for young people with SEND	Cabinet Children, Schools and Families Department	Page 22
Recommendation ten: Encourage expansion of work placements, apprenticeships and voluntary opportunities available in the borough through outreach to a wide range of local employers, educational establishments and trade bodies.	Cabinet Environment and Regeneration Department	Page 23

<p>The SEND team to liaise with the Merton Partnership Economic Wellbeing sub-group to establish links with local employment and training providers. SEND team to work with the Business Rates team to make contact with key businesses in the borough</p>		
<p>Recommendation eleven: Strengthen the volunteering opportunities available at the end of all adult education courses by launching a pilot volunteering project across Merton libraries to attract more people with SEND. To ensure these opportunities are accessible for those who need more support, request collaboration with Merton Mencap’s job coach to provide training to existing staff and volunteers. This then has potential to evolve into a peer support model, with appropriate safeguards in place</p>	<p>Cabinet Community and Housing Department</p>	<p>Page 23</p>
<p>7. Empowering parents through travel training</p>		
<p>Recommendation twelve: Expand the travel training offer by equipping parents with the tools to provide the accredited training course. As part of Merton Mencap’s travel training programme, introduce a termly initiative whereby travel training is provided to parents, who can become trainers and support their children to travel independently.</p> <p>The ambition of this recommendation is to:</p> <ol style="list-style-type: none"> a. Encourage a peer support network for parents; b. Improve resilience for parents and young people; c. Increase the potential for young people to access education, employment and leisure opportunities; and d. Reduce parental fears and anxieties and enable more independent time, for example to continue employment or further study 	<p>Cabinet Community and Housing and Children, Schools and Families Departments</p>	<p>Page 24</p>

Introduction

Purpose

1. In June 2018 the Healthier Communities and Older People Scrutiny Panel commissioned a task group review to consider the experiences of young people transitioning from children's to adult's services. The task group agreed to focus on one service area to ensure the review would be thorough and comprehensive.
2. The task group agreed to focus their attention on young people with Special Educational Needs and Disabilities (SEND) as it emerged that this area has undergone significant service change following the Children and Families Act 2014, and associated SEND Code of Practice. The task group also found that demand for SEND services in Merton are increasing, and it is an area of high spend within the council.
3. From the outset of the review, the task group were keen to ensure Merton had adopted the aspirational approach to transitions enshrined in the Children and Families Act 2014 and the associated SEND Code of Practice 2015. This will form the basis of an Ofsted / CQC inspection into SEND provision in Merton over the next two years. At the time of writing 68 inspections have been carried out so far across the country, with serious failings found in just under half⁴.
4. Transition planning is an important step in preparation for adult life. The SEND Code of Practice outlines a good transition as focused on achieving a young person's full potential, based on their desires, skills and abilities. There should be a strong partnership approach between children's, adults, education and health services. The ambition of the young person should be central to all planning.
5. However, the delivery of this aspiration is set within a challenging context of rising demand alongside diminishing resources available to local authorities to implement these duties. The demand for services for children and young people with SEND has increased dramatically in recent years, and this trend is reflected nationally. The number of children or young people with SEND requiring an Education Health and Care Plan (EHCP) has risen by 35% between 2014 and 2018. As London's school age population continues to grow, this figure is set to rise.⁵
6. The task group members have recognised the challenging financial climate and looked at creative ways to strengthen existing services. It is not an in-depth review of all aspects of the transitions process but looks at the Merton experience for young people and their families.

⁴ High Standards and Highly Inclusive, OFSTED blog, 10 September 2018.

⁵ Have we reached a 'tipping point'? Trends in spending for children and young people with SEND in England. Local Government Association, 2018

7. As a result of discussions with the National Development Team for Inclusion and officers from children's services and the adult social care department, the task group largely focused on transitions support for young people who have an EHCP, although opportunities for those with mild-to-moderate needs were also considered and form part of this review. It was agreed that this approach was important and timely because:
 - A SEND inspection is imminent in Merton
 - The SEND service has undergone rapid change to implement new legislation and a scrutiny review could help to identify the strengths and areas for development from this process so far
 - This is an area of high spend within the council so a review could help to improve service provision and could also identify much needed financial savings for the council.
8. The task group's terms of reference were:
 - Review the transitions process and make recommendations for improvement
 - Review opportunities to increase volunteering and employment to reduce isolation amongst adults with SEND
 - Review support for those with substantial needs to ensure they are able to maintain independence and not revert to critical care in future
9. Appendix one contains a list of witnesses at each meeting.

10. The national policy context

11. New duties in relation to special educational needs and disabilities (SEND) contained in the Children and Families Act 2014 (part 3) came into force in September 2014 and placed responsibility on local authorities together with health commissioners and providers (early years settings, schools and the post-16 further education sector), to identify and meet the needs of disabled children and young people and those who have special educational needs aged 0 to 25.
12. Changes included a new assessment process resulting in a single Education, Health and Care plan (EHCP) for those whose needs could not be met solely within schools. It also included personal budgets and a 'Local Offer' which could help families engage better in developing a local service provision 'market' that could meet their child's needs. The new system was aimed to be easier to navigate and to give families and young people a greater say over the support they receive.
13. In July 2014 the Government published a new SEND Code of Practice that provided statutory guidance on the responsibilities of local authorities, educational establishments such as early education settings, schools and

academies together with health organisations to those with special educational needs in accordance with the Children and Families Act 2014.

14. SEND area inspections

15. As well as legislation, a SEND Inspection regime – jointly run by Ofsted and the Care Quality Commission (CQC) – is tasked to assess how well local areas support children and young people with SEND.
16. As part of these local area inspections, the council is expected to take a leadership role in providing SEND services. Half of all local areas have been inspected since the inspections came into force four years ago. Local areas are not given a grade as a result of the inspection but if the service is found to be below standard, they are provided with a written statement of action.
17. Many local authorities are still getting to grips with these changes and this is reflected in the relatively high number of councils receiving statements of written action from Ofsted. In October 2018, 68 local areas had been assessed, and inspectors said they had “serious concerns” in 30 cases (44% of those examined), requiring those areas to detail how they would address “significant areas of weakness in the local area’s practice”⁶. Merton has not yet been inspected but it is expected shortly and the neighbouring borough of Sutton had their inspection in January 2018.
18. The task group met with Linda Jordan from the National Development Team for Inclusion which provided the context and helped to set the tone for the review.
19. She explained that the Children and Families Act 2014 represented a monumental cultural change in the delivery of services to children with SEND. Prior to this, it was found that professionals worked in silos with little coherent planning. As a result, families received a poor and disjointed service. These changes seek to ensure key stakeholders work together on commissioning and planning services and take a holistic approach to the needs of the young person.
20. It is important that young people with SEND are integrated within – and feel included in – society from a young age. Early year’s provision within the borough should be integrated with people with a range of abilities to nurture friendships and to ensure that disability is normalised and supported within peer groups. It was suggested that this would help to combat the isolation many people with SEND experience in adulthood.
21. The task group were challenged to remember that all young people – irrespective of need or ability – want to lead fulfilling lives and reach their full potential.

⁶ Young People with Special Educational Needs failed in 44% of areas in England, Guardian online, 24th October 2018.

22. SEND support in Merton – The current picture

23. A child is considered to have a special educational need or disability if they have greater difficulty in learning than those within their age range, or if they are not able to make full use of the educational facilities for pupils of their age. This covers a broad range of need from autistic spectrum disorder to communication and physical disability. More than 1.2 million school pupils (about 15% of all those in England) have SEND⁷, of whom 250,000, or one in five, have either a statement of SEN or an education, health and care plan in place⁸. The percentage of pupils with identified SEN but whose needs are not complex enough to qualify for a statement or EHCP reduced from 18.3% in 2010 to 11.7% in 2018, while the proportion with complex needs remained static⁹.
24. Those with a higher level of need will have their support needs set out in an EHCP. At the time of writing, there were 1796 pupils in Merton with an EHCP. Merton's case load also includes over 3000 children who have been identified as having mild-to-moderate needs, and also receive some support from the Council.
25. The task group were informed that of these figures, approximately 15 to 20 cases per year meet the eligibility criteria under the Care Act for adult social care services.
26. The trends in Merton are similar to the national picture and the borough is facing rising demand in primary age pupils requiring SEND support. The council is aiming to meet this need through expansion of the local special needs' schools which will also reduce reliance on more expensive out of borough placements.

27. Simplifying the transitions process for young people and their families

“Transitions should be embedded into early years and not considered simply a move from children's to adult services” **Linda Jordan, Senior Development Advisor, National Development Team for Inclusion**

28. Planning for individual transitions begins in year nine when a young person is 14 years old¹⁰. There is a multi-agency approach to transitions, involving the council, health, education and disability teams. This planning sets out the aspirations of the young person – preparing them for adulthood – and meetings take place annually until they leave school.
29. The assessment to determine if a young person is eligible to receive adult social care provision begins at age 16, when decisions need to be taken about services the young people will receive post-18.

⁷ Young People with Special Educational Needs failed in 44% of areas in England, Guardian online, 24th October 2018.

⁸ Special Educational Needs, House of Commons Hansard 20 March 2019, Volume 656

⁹ Special Educational Needs, House of Commons Hansard 20 March 2019, Volume 656

¹⁰ Based on discussions with senior officers from the children's and adult's social care department during the task group review

30. Parents shared their varied experiences of transitions and one of the clearest shared concerns centred around communication of the transitions process. As open and adequate communication that supports parents, carers and young people to prepare for adulthood is at the core of the SEND Code of Practice, this was an area that the task group was keen to understand and help address.

31. While parents of service users in Merton spoke highly of the staff they came into contact with, some remarked that the communication from all stakeholders – including the Council – had not sufficiently enabled nor empowered them to take control of their support, limiting their ability to actively participate in the local community. They noted:

- Lack of clarity provided on the transitions portal
- A paucity of information on the local offer
- Challenges in navigating the pathway from year 9 into adult services
- High turnover of case workers and having to start from the beginning each time there was a change in staff

“A good transition is where people understand their choices”
**Departments of Children’s Schools and Families, and Community and Housing,
Merton**

32. This has led to a sense of isolation and, in some cases, despair on the part of some local parents, which appears to have limited the extent to which young people are involved in decisions about their future. Contrary to the aspirations of the Code of Practice, a view was conveyed that some Merton parents feel uncertainty that their child – with the right support – could find employment, be supported to live independently, and participate in their community.

33. The high levels of frustration amongst parents and the feeling they need to ‘fight’ for provision for their child is reflected nationally. The new system rightly encourages parents to get involved in decisions about their child’s care. However, some parents feel they have to advocate strongly for their child’s future and as a result it is the most forceful and articulate parents who obtain the best support.¹¹

34. The task group raised these concerns with the Head of Service for the Special Educational Needs and Disabilities Integrated Service (SENDIS) who reassured the group that a wide range of engagement with service users takes place, in addition to working closely with parent’s forums such as Kids First, with whom the task group met. The Head of Service for SENDIS has an important role in listening and implementing changes where possible and managing the

¹¹ Together: Transforming the lives of children and young people with special education needs and disabilities in London. , London Assembly 2018.

expectations of parents and service users as the council adheres to a legislative framework and works within significant budget restraints.

"A more specific checklist for transition from childhood to adulthood, especially around that 18-year-old mark is really key"

Comments from Merton parents with children of transition age

35. The concerns raised by parents did not come as a surprise to the Head of Service for SENDIS who is aware of these issues from her regular meetings with Kids First. While parents expressed a concern about the high turnover of case workers, Merton does have a stable team. The 'turnover' is a result of each case worker having over 250 cases which requires the service to be flexible in the allocation of specific pieces of work to ensure that work is managed in a timely manner. The information on accessing Adult Social Care on the Local Offer is currently being reviewed so it is clearer on the process and what is in place if a young person does not require Adult Social Care services. Nonetheless, there were a number of recommendations identified by task group members to simplify the transition process for young people and their families.

Recommendations

1. Continue to embed the Preparing for Adulthood recommendations within the EHCP framework, in collaboration with parents, service users and voluntary organisations
2. Develop a visual pathway for Merton's process for transition to children social care to Adult social care. to inform parents and young people on what they should expect from transition. This should provide clear, comprehensive and accessible information and support advice about the opportunities that are available.

Ideally these would be separated into themes that young people and carers can identify with, such as the four pathways suggested by [PfA](#): Employment, Independent Living, Community Inclusion and Health. This could also be represented in an infographic style, as developed by the [BMJ](#) (This is based on NICE Guidance NG43: Supporting Young People in their transition to adults services.)

3. Clarify the role of local authority officers in relation to the London Borough of Merton's statutory functions and ensure clear staff communication on handovers, in the event of different workers working with a family

36. Clear, comprehensive and accessible information: The Local Offer¹²

“The answer to everything is ‘it’s on the local offer’ but if you don’t know what you are looking for that doesn’t really help”

Comments from Merton parents with children of transition age

37. Many parents felt that existing information and communication has not enabled nor empowered them to take control of their support, limiting their young people’s ability to actively participate in the local community.
38. Parents told the task group that the Local Offer needs to be clearer, easier to navigate and kept up to date. They felt that there is a limited range of services available in the borough, particularly in regards to daytime activities for older children. This led the task group to consider employment and volunteering opportunities which will be discussed later in the report.
39. Following discussion with parents and the Chief Executive of Merton Mencap, the task group outlined detailed recommendations to improve access to the Local Offer. These suggestions should be taken forward in collaboration with representatives from those who use the service including parents and young people. The Head of Service for SENDIS agreed with this approach and noted that the Local Offer is a fluid resource and is regularly updated in consultation with community groups.

Recommendations

4. Conduct a wholesale review of the local offer, in consultation with service users, parents and groups such as Merton’s Learning Disability Forum, Kids First and Adults First. This review should improve the quality of information published on the website, and ensure the language used is appropriate, simple and sets out easy-to-navigate information on provision available for children, young people and their families

Improve the visibility of services available for young people with SEND on the local offer, aligned with the visual pathway above for continuity. Include brief details on eligibility, price, whether there is a waiting list and whether services form part of a universal, targeted or specialist offer

Include a contact telephone number and / or email address on the local offer website for general information and advice, to aid accessibility and navigation for families

¹² The Local Offer is a web based list of service provision for children and young people with SEND to enable them to access a full range of support including 24 hour respite care within the borough, and is an road map for parents to sign post them to organisations to support them (their need). The Children and Families Act 2014 places a duty on the local authority to produce a Local Offer and stipulates that it must contain information from across education health and social care. The Local Offer is considered as an important tool to give greater choice and control to parents.

Improve the comment box on the local offer website to invite young people, parents and carers to provide feedback on the local offer, and create a hyperlink to the homepage to facilitate ease of use. This will not only support the Code of Practice recommendations but also provides an opportunity for continual review, adaptation and improvement of the local offer for families

Publish a glossary of SEND acronyms and abbreviations on the local offer website, in line with the proposal to publish an FAQs and 'myth buster' page

Increase the promotion of Merton's Disability Database and M-Card via the local offer website and encourage all local partners, including voluntary groups, schools and the CCG to publish a link to the database and the local offer

Review and improve signposting opportunities on the local offer, particularly for those who may not meet the national eligibility (Care Act 2014) for adult's social care, to ensure they are able to achieve and maintain independence

40. **Enabling families to better navigate the transitions process**

"Children's services stop the day before the young person turns 18. [It's] a cliff edge [that] makes turning 18 seem a punishment"

Comments from Merton parents with children of transition age

41. Local parents informed the task group that having the support of a social or 'transitions' worker could make a significant difference in helping to navigate the transitions process, as the easiest transitions are for those with access to a social worker and to adult social care.
42. The Head of Service for SENDIS has identified the need for clear social work assessments to determine whether social care provision is required. A provisional discussion regarding a dedicated social worker in the team has been put forward to the CSF DMT and further discussions are taking place to appoint a fixed term position to develop the assessment systems within CSF and to liaise with the Transitions Team in Adult Social Care. The task group would like to endorse the request for this post.

Recommendations

5. Undertake a pilot project whereby a named social worker or 'transition worker' is appointed to the SEND Team to provide expertise and direction to young people in Year 9 and their parents who have been identified as having substantial needs but unlikely to meet the threshold for adult social care services. This would help families better navigate the planning process from the age of 14 years onwards, describe what can be expected to have happened by key stages in the transition process and plan for the future

43. **Empowering young people and their families through advocacy**

"Parents have great aspirations for their children but poor information and red tape quickly erodes this and prevents what is possible"

44. The task group was informed that when the latest SEND changes were first implemented the Department for Education provided advocacy support through an organisation called Core Assets to support the change from a Statement of Educational Need to an EHCP. It was run by parents whose children had SEND. The parents understood the SEND Code of Practice and were able to assist parents – based on their experiences – to ensure their views fed into the EHCP. They attended meetings with parents, spoke to case workers on their behalf and met with the Special Educational Needs Co-ordinators (SENCOs). Their role was strengthened by the fact they were independent of the school and the council.
45. The task group were told that this organisation made a significant difference to parents as it not only provided support during the process but also enabled parents to access services they would otherwise not have known they were entitled to.
46. The Head of Service for SENDIS said she recognised the benefit of this service however the decision was made by the Department for Education not to continue with this support programme.

Recommendations

6. Invite bids or otherwise explore opportunities to implement an advocacy service with an appropriate provider, akin to Core Assets, to support young people with SEND and their families

47. Support for young people who do not meet the threshold for adult social care

“Children’s services stop the day before the young person turns 18. [It’s] a cliff edge [that] makes turning 18 seem a punishment”

Comments from Merton parents with children of transition age

48. The task group found that young people do not always transition from children’s to adult’s services which can be challenging for young people and their families. To retain eligibility and qualify for adult social care they must have a long-term disability and be assessed as having a critical need. Therefore, a large cohort experience a significant reduction in support from what they received in children’s services.
49. A concern raised by the task group was whether monitoring of those who do not meet the threshold for adult social care is undertaken to ensure young people are sufficiently independent and have the right level of care once leaving children’s services, so that they do not re-enter the social care system at a later date. This is most likely to impact upon those on the autism spectrum for which there has been 214% increase in numbers of young people diagnosed with this condition.

50. The Care Act guidance stipulates that local authorities should identify and track those who are not receiving children’s services but are nevertheless likely to have care and support needs as adults.

51. The task group believes it is important to identify and track children and young people who have low level need as they could be vulnerable in future. The London Borough of Newham has adopted this approach and have developed a project to address this.

Case study

Newham employs a transition service that has a particular focus on 14- to 25-year-olds and has appointed a health care professional to this team to continue the integration agenda. This service meets regularly with special educational needs coordinators (SENCOs) to provide information about the team and the work, including the referral process. Relationships are built through regular visits to schools and via workshops for staff and parents. In addition, data are made available from the education sector on all of those identified as having special educational needs. This is added to a tracking list, which is cross-referenced with social care and health, allowing early identification to be made.

Reference: <https://www.scie.org.uk/care-act-2014/transition-from-childhood-to-adulthood/early-comprehensive-identification/appendix/london-borough-newham.asp>

Recommendations

Review and improve signposting opportunities on the local offer, particularly for those who may not meet the national eligibility (Care Act 2014) for adult’s social care, to ensure they are able to achieve and maintain independence*

**Forms part of the recommendations under the ‘local offer’*

52. Encouraging early planning to assist adult social care

“One area of improvement for adult social care is that can begin the planning and preparation for transition at a much earlier stage”

Department of Community and Housing, Merton

53. There was general consensus from witnesses across task group meetings that adult social care services could plan and prepare for transition at an earlier stage. This would help families to better prepare for the future and potentially reduce pressure on budgets. Meetings with families in Year 9 should cover expectations (particularly related to eligibility for adult social care), and explain differences in service provision from children’s to adult’s social care. It was also suggested that earlier planning could help to reduce pressure on budgets as adult social care services may be able to better forecast.

54. Parents also described transition as particularly stressful and suggested the process outlined in the Code of Practice is rarely followed. As a result of poor communication, it was suggested that the easiest transitions are for those with a social worker and access to adult social care. Difficult transitions exist for those who are not accessing social care, and where parents are supporting their child with SEND without additional support. This often necessitates parents leaving paid employment to become an informal carer for their child(ren). A concern raised by the task group was whether monitoring of those who do not meet the threshold for adult social care is undertaken to ensure young people are sufficiently independent and have the right level of care once leaving children's services, so that they do not re-enter the social care system at a later date.

Recommendations

7. Implement a monitoring and tracking framework for children with SEND with an EHCP who do not meet the national eligibility criteria for adult social care, but are otherwise referred to adult social care between the ages of 14-25 to ensure that no young person does not receive the support they need

55. Actively promoting employment and volunteering opportunities

"People with SEND want friends and to do things that others do"
Linda Jordan, Senior Development Advisor, National Development Team for Inclusion

56. The task group strongly support increasing and promoting opportunities that help young people build the skills for independence and create pathways for voluntary work or employment, where possible. The Code of Practice suggests that 'the vast majority of young people with SEN are capable of sustainable paid employment with the right preparation and support', which the task group believes Merton should continue to encourage. Linda Jordan from the National Development Team for Inclusion said that prior to 2014, many young people were progressing to college but not gaining the skills for paid employment, nor supported to plan for their long-term future. The parents the task group met in late 2018 echoed these concerns for young people transitioning in the borough now.

57. The task group heard firsthand about social isolation amongst young people with SEND. All parents talked about a 'cliff edge' at the end of EHCP at about age 19. A lack of activities in the community and social isolation only gets worse after college. Parents told the task group that they opt to continue education as they feel it is the only form of activity available.

58. The task group found that there are some excellent employment opportunities in Merton which are designed to support people with SEND. However these tend to provide places to a small number of people and are only available for the short term.

59. The task group heard from the Head of Libraries and Heritage Services that a variety of encouraging Learners for Learning Disabilities (LLD) programmes are now available, which focus on life skills. Many of these courses are free of charge. However, it was disappointing that the parents had not heard of these courses. Task group members were pleased that the Head of Library, Heritage and Adult Education Services said that there are plans to improve the marketing of these courses in collaboration with interested groups.

"We are keen to promote the courses as they are new and have only been running for two years"

Library, Heritage and Adult Education Services, Merton

60. The Routes into employment for vulnerable cohorts overview and scrutiny task group which took place in 2017¹³ seeks to address this issue, as does the Business Skills strategy however the task group are concerned they may not be addressing the needs of those who are furthest from the job market.

Recommendations

8. Collaboration with Merton's Learning Disability Forum, Kids First and Adults First to co-develop marketing and promotional tools for adult education and vocational courses within available resources and link to the local offer
9. Recognising the value of peer support, explore the expansion of befriending and mentoring opportunities for young people with SEND

61. Merton has a nationally recognised volunteering scheme involving over 700 people from the community. The scheme ensures that everyone can contribute including ex- offenders, those with substance misuse issues or seeking a Duke of Edinburgh Award.

62. It was noted that there have also been seven people with SEND who have volunteered with libraries in the last year. The task group would like to build on our excellent track record and provide further opportunities for this group of young people. The Chief Executive of Merton Mencap said they could work with

¹³ Routes into employment for vulnerable cohorts

https://www2.merton.gov.uk/routes_into_employment_for_vulnerable_cohorts_in_merton.pdf

the council to develop this offer and include the use of their 'work place' coach to provide support and expertise for helping to integrate a young person into a volunteering role.

Recommendations

10. Encourage expansion of work placements, apprenticeships and voluntary opportunities available within the council and in the borough through outreach to a wide range of local employers, educational establishments, BIDs and trade bodies.

The SEND team to liaise with the Merton Partnership Economic Wellbeing sub-group to establish links with local employment and training providers. SEND team to work with the Business Rates team to make contact with key businesses in the borough

11. Strengthen the volunteering opportunities available at the end of all adult education courses by launching a pilot volunteering project across Merton libraries to attract more people with SEND. To ensure these opportunities are accessible for those who need more support, request collaboration with Merton Mencap's job coach to provide training to existing staff and volunteers. This then has potential to evolve into a peer support model, with appropriate safeguards in place

63. Empowering parents through travel training

"Travel training is a turning point in their son or daughter's life"

Merton Mencap

64. The Travel Training Programme provides young people with SEN the skills and confidence to make journeys on public transport. Parents and the Chief Executive of Merton MENCAP told us that travel training is an important step in helping a young person gain independence. This provision needs to be expanded and made available to more young people so can access employment and volunteering opportunities. In light of the current financial restraints and challenge with finding more money to expand this service. The task group, parents and Chief Executive of Merton Mencap believe that parents and carers could potentially be trained to provide travel training.

Recommendations

12. Expand the travel training offer by equipping parents with the tools to provide the accredited training course. As part of Merton Mencap's travel training

programme, introduce a termly initiative whereby travel training is provided to parents, who can become trainers and support their children to travel independently.

The ambition of this recommendation is to:

- a. Encourage a peer support network for parents;
- b. Improve resilience for parents and young people;
- c. Increase the potential for young people to access education, employment and leisure opportunities; and
- d. Reduce parental fears and anxieties and enable more independent time, for example to continue employment or further study

Appendix

The Task Group have met with the following witnesses:

Senior Development Advisor, National Development Team for Inclusion
The Head of Service for SENDIS, Merton Council
Interim Head of Older Adults and Disabilities, Merton Council
Head of Library, Heritage and Adult Education Services, Merton Council
Five parents from Kids First, Merton Mencap Parents Forum
Chief Executive, Merton Mencap

Committee: Cabinet

Date: 15th July 2019

Wards: All Wards

Subject: Children and Young People's Plan 2019-23

Lead officer: Rachael Wardell, Director of Children, Schools and Families

Lead member: Kelly Braund, Cabinet Member for Children's Services

Eleanor Stringer, Cabinet Member for Education and Adult Services

Contact officer: Karl Mittelstadt, Head of Policy, Planning and Partnerships

Recommendations:

-
1. To approve Merton's Children and Young People's Plan (CYPP) for 2019-23 for adoption at full council in September.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The report proposes that Cabinet approve Merton's Children and Young People's Plan (CYPP) for 2019-23 for adoption by full Council in September. This plan will replace the previous CYPP which spanned 2016-19.
- 1.2. The CYPP links to Merton's Sustainable Communities Plan (currently being refreshed) and supports the delivery of Merton's mission to 'enhance the lives of vulnerable, younger (...) residents through improving health and social opportunities' as well as 'to improve education, from nursery level to adult provision, to develop local cultural and leisure offers for all, and to increase participation in local decision making'.

2 DETAILS

- 2.1. The CYPP is the key strategic plan for partners responsible for delivering services for children, young people and families in Merton and for the wider community. It is overseen by the multi-agency Children's Trust Board, chaired by the Director of Children's Services, which is the vehicle for bringing together partner agencies to secure improvements for children, young people and their families in Merton. The refresh of the plan has been led by the Children, Schools and Families (CSF) Department and has been informed by an understanding of need drawn from various surveys of children and young people, performance management information and profiles, strategic mapping and evidence from delivery of the previous plan.
- 2.2. The voice of Merton's young residents has been a vital foundation of the new set of priorities. Over 1,287 respondents participated in a large-scale survey to ascertain opinions and perspectives on a range of areas including local community, public spaces, health, safety and personal well-being. Focus groups were also held at Cricket Green School, children's centres and as part of a Student Council Day of Action. Two of Merton Council's Young Inspectors have been involved with the consultation and development of the new strategy at all stages.

- 2.3. A Visioning Day was held in March for key partners and stakeholders to impact on the strategic direction of the new plan. A new vision for the Board (*'My Family, My Future, My Merton: A place where children and young people feel they belong, stay safe and can thrive'*) emerged from this consultation, which captures aspirations for all children and young people to have fair access to a range of opportunities, fulfil their potential, make positive choices for their future and highlights the importance of friends, family and community in the borough.
- 2.4. The new CYPP for 2019-23 sets out six priorities that cover improvements that are broad-ranging, holistic and inclusive of all children and all levels of need across the Merton Well-Being Model and which respond to the issues and concerns raised through consultation. These are: 1. Being Healthy, 2. Staying Safe, 3. Enjoying and Achieving, 4. Getting Involved, Having a Say, 5. Becoming Independent and 6. My Merton (connections with family, friends and the local community).
- 2.5. The refreshed CYPP complements a number of partnership strategies, namely Merton's Sustainable Communities Plan and the borough's Health and Well-Being Strategy. The overarching goal of the former is to increase social capital to impact on positive outcomes while the latter focuses on creating a healthy place in terms of social and physical environment. Both of these aims relate to and complement the connectedness theme within the new plan captured in the 'My Merton' outcome.
- 2.6. The Children's Trust Board is responsible for leading the key activity required to achieve the CYPP's six outcomes. Council officers are working with partners to develop an implementation plan and performance monitoring framework. This will be presented to the Board at its next meeting on 17th of July and a final version prepared in time for the full Council meeting in September where the plan is due to be adopted.
- 2.7. Once agreed, the strategy will be published on the council webpages. A number of social media channels that operate across the council will be used to promote and circulate regular messages about the plan. Partner organisations will also use their networks as part of a multi-faceted approach to communication and accountability.

3 ALTERNATIVE OPTIONS

- 3.1. None.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. The CYPP for 2019-23 has been developed through extensive engagement with children, young people and families in Merton, and partners through the Children's Trust Board

5 TIMETABLE

- 5.1. Following Cabinet approval, the CYPP 2019-23 will be presented to Council for adoption on 18th September 2019. A detailed action plan will be developed via the Children's Trust partnership to progress the outcomes.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1. There are no financial costs arising from the publication and dissemination of the plan.

6.2. The actions committed to in the plan are part of the council's planned business and any costs will be met within existing budgets.

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. There is no longer a statutory requirement to produce a Merton CYPP and the document is not governed by a specific legislative framework.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. The CYPP 2019-23 includes a focus on improving the life chances of vulnerable groups and children and young people with special educational needs or disabilities in its outcomes. We consulted with a wide variety of children during the consultation process.

8.2. Outcomes for vulnerable groups will be able to be tracked via the performance framework. This will be agreed with partners.

9 CRIME AND DISORDER IMPLICATIONS

9.1. The ambition that all children and young people are safe is one of the plan's six outcomes (*'Staying Safe'*).

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. Risks to delivery will be reviewed and acted on as part of the Children's Trust arrangements for progress monitoring.

10.2. Any risks to the council will be managed via the existing corporate risk management process.

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

- 2019-23 Children and Young People's Plan

12 BACKGROUND PAPERS

12.1. None

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My Family, My Future, My Merton

"A place where children and young people feel they belong,
stay safe and can thrive"

Merton Children and Young People's Plan 2019 - 23

Welcome

Did You Know?

Being Healthy

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Getting Involved, Having a Say

Becoming Independent

My Merton

Appendix

Speak to Us



WELCOME

From Martin and Toby - Young Inspectors

We are a team of young people from Merton who are passionate about improving the lives of children and young people in the borough. The plan you are about to read is different to every plan that has been written before this, as it was directed and co-produced by us - for the young people of Merton, by the young people of Merton.

Obviously, a plan of this size required more than just two of us in an office – that’s where you come in. The contents of this plan have been shaped as a result of multiple borough wide consultations, allowing us to input feedback from over 1,287 Merton young people. We have worked closely with Merton Youth Parliament to ensure that we are putting the most focus in to the things that matter the most to you.

Ultimately, our fundamental aim was to ensure that this plan enables Merton to be a place where children and young people feel they belong, stay safe, and can thrive.

Councillor Kelly Braund - Cabinet Member for Children's Services

For many years, Merton’s Children’s Trust has bought together key partners to set joint priorities for Merton’s children and young people, but when creating our plan for 2019 – 2023, we took a different approach.

As a demonstration of our commitment to the children and young people across Merton, we handed the consultation and construction of the plan over to the children and young people themselves, led by our Young Inspectors, Toby and Martin.

The Children’s Trust is ambitious for all the children and young people in our borough, and by listening to what those young residents care about, this plan focuses in on their priorities and demonstrates how we as a Trust can help achieve their aims.

This plan will be monitored by the Children’s Trust Board and our progress will be scrutinised by our young residents, so that we can all make sure that every child in Merton matters.

Merton's Children's Trust

The strategic priorities of Merton's Children's Trust are supported by an understanding of need informed by data and the outcomes of consultation.

Our Values

We keep children and young people at the heart of our work.

We are committed to doing what we say we will do.

We work together to achieve the best for children, young people and families.

We learn from what we do to improve the experiences of children, young people and families.

We Think Family.

We celebrate difference.



Children,
Young People
and Families



Health



Voluntary/
Community
Sector



Police



Early Years,
Schools and
Colleges



Merton
Council

Did you know?



75%*

fall in teenage pregnancy rate since 1998



105*

children and young people taking part in Police Cadets

Top 10%*

Pupils in Merton schools are in the top 10% nationally for Progress 8 and Key Stage 2



33*

first-time entrants to the Youth Justice System



3,000*

children and young people engaged in having a voice



86%*

of young people received a secondary school offer from their top 3 preferences.

Young People*



are part of the Merton Council's Scrutiny Panels, working with and challenging LBM staff and elected members



No**

Permanent exclusions in primary or special schools



88%*

of 2-2.5 year olds are at or above their expected level of development in all five areas



98.2%*

of young people are in education, employment or training



94%*

of families identified improved outcomes from interventions provided by the Merton early years service.



88%*

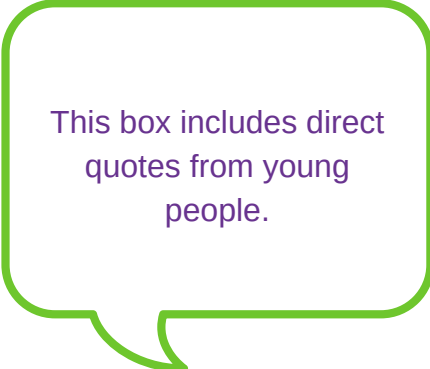
of all Reception children seen by School Nursing for National Child Measurement Programme ahead of schedule

* statistics 2018-19

** statistics 2017-18 as nationally validated

Understanding the Plan

This strategy has been written to be accessible for all. This page will help children, young people and adults alike to understand how the plan has been written.



This box includes direct quotes from young people.

What Our Young People Said

On each page, this section includes key things that children and young people have told us is important to them.

We Know

This section includes key things that we know from data about children, young people and families in Merton.

Professionals can use this information to help design and deliver important services in the borough.

We Will

This section includes the next steps that the Children's Trust will take in response to the needs of children, young people and families in Merton.

How Will We Do This?

This Children and Young People's Plan is a five-year document delivered by Merton's Children's Trust. This means partners will build an annual action plan with specific and measurable activities to deliver the priorities over the next five years.

If you would like to see a copy of these action plans, please contact us using the details above.

We will undertake regular consultation, with feedback, with children, young people and their families to check if this plan makes a difference, this will involve representatives monitoring the delivery of the actions.

(You will not see this section on each page).

Being Healthy

What Our Young People Said



Healthy activities are too expensive



Childhood obesity is important to us



50%+ say healthy food is too expensive



23% of Merton Care Leavers were identified as having low well-being.

We Know

- 1 in 5 children in Reception are overweight or obese.*
- Over a third of children leaving primary school are overweight or obese.*
- 54% of children aged 2 do not access free childcare places.*
- 2,380 children and young people aged 5-16 are estimated to have a mental health disorder.*
- 50% of young people accessing A&E departments are already known to CAMHS.*
- 60% of young people with Special Educational Needs and/or Disabilities are on the autistic spectrum.*
- 129 young people accessed specialised substance misuse treatment in 2017/18. 99 were aged under 18.**



*Give us more fruit (especially raspberries) cheaper as we need to be healthy.
Age 12*



The majority felt that they could talk to someone when feeling low. Almost 1 in 10 could not.

We Will

The Children's Trust will:



Help children and young people to access diverse and regular physical activities.



Work with business partners to support families to access affordable and healthy food.



Provide good-quality support and guidance during pregnancy and the first 1,001 days of a child's life.



Make sure young people have easy and timely access to local health services including mental health, sexual health and substance misuse.



Deliver better, consistent services for those with Autism Spectrum Disorder.

Staying Safe

What Our Young People Said



33% are most worried about the amount of crime



Almost a quarter feel there is too much drug dealing and use



There needs to be better relationships with police and more on the streets

We Know

- On average there are 175 children on a Child Protection (CP) Plan.*
- There are currently 160 children with care experience.*¹
- Over the past 3 years, there has been an average of 33 young people per year access help as they are considered at risk of Child Sexual Exploitation (CSE).**
- Between 2006 and 2018, 23 county lines cases were mapped.* (to be amended)
- There were 11 young people referred to Prevent services as they were at risk of radicalisation.**
- Merton's Stonewall rating for tackling bullying has improved to 11th out of 39 and first in London.*

1 (children aged up to 18)



*That you could feel protected and walk around without being worried.
Age 15*

We Will

The Children's Trust will:



Work with partners to reduce crime and violence in the community



Help build skills and resilience for children, young people and families to feel safe and stay safe



Help children and young people to appropriately deal with bullying and stay safe on-line



Work together pro-actively to support vulnerable children, young people and families



Make sure the partnership have up-to-date skills, knowledge and understanding to work with children, young people and families in Merton.

Enjoying and Achieving

What Our Young People Said



Almost half feel school work and future opportunities cause the most worry



21% say more places to go and things to do needs the most improvement

We Know

- 79% of children achieved a 'Good Level of Development'.**
- 69% of all pupils and 56% of disadvantaged pupils reached the expected standard at Key Stage 2.**
- The gap between disadvantaged pupils and their peers has reduced in the Progress 8 indicator at Key Stage 4.**
- The number of Children Missing Education (CME) has increased.*
- There has been a significant rise in pupils with an Education, Health and Care (EHC) Plan to 1,790 in 2019.*
- 91% of all Merton schools are rated 'Good' or better by Ofsted for Overall Effectiveness.*
- *Sports and activities data to be added*



'If you don't have any friends, there isn't anything to do'
Age 15
"There needs to be more youth clubs"
Ages 14-15

We Will

The Children's Trust will:



Continue to provide good or outstanding nursery provision and actively promote access to 2 year-old funding



Improve careers information, advice and guidance and offer young people a variety of learning opportunities including vocational paths



Stay focused on vulnerable groups to help them to achieve



Continue to develop and improve local SEND provision



Develop and improve access to after-school and youth club activities.

Getting Involved, Having a say

What Our Young People Said



Children and young people want to be included more on decisions affecting them.



Over 67% would like to volunteer in their local community.



I want to help in the library, charity helping.
Age 11

We Know

- Around 3,500 children and young people have taken part in football events run by Fulham Football Club each year over the last 3 years.
- The number of Duke of Edinburgh awards achieved has grown from 350 in 2016-17 to 450 in 2018-19.
- There is active representation from Merton children and young people to influence and inform decision-making including under-represented groups.
- Merton Youth Parliament impacts on improvements for youth development in the borough.
- Membership of Kids First - Merton's forum for parents and carers of children and young people with Special Educational Needs and/or Disabilities - is growing across all strategic partnerships.
- Over 3,000 young voices have been heard through consultation, focus groups and youth-led activity to inform service delivery.*

We Will

The Children's Trust will:



Promote the voice of children, young people and families using the Participation Promise and 'The Merton Pledge'



Engage young people in decisions affecting them through regular consultation and feedback



Recognise children and young people's voices as active contributors to services



Improve access to volunteering and other opportunities



Ensure user voice feedback is heard and shapes service improvement.

Becoming Independent

What Our Young People Said



Access to part-time work and work experience is important



69% feel hopeful about their future and 74% feel supported to make decisions.



22% of young people are concerned about the lack of affordable housing.

We Know

- Overall, Merton's under 5 population living in areas of deprivation has decreased.*
- In 2019, 1.8% of 16-17 year-olds in Merton were Not in Education, Employment or Training (NEET). Over-representation of certain cohorts within this group continues.*
- Just after 2019, 52% of young people with care experience were engaged in education, training or employment.*¹
- Only 77% of young people with care experience are living in suitable accommodation.*¹
- London Borough of Merton pay for the council tax of Merton young people with care experience who live in Merton.
- 11,124 households in receipt of housing benefit.*
- 5,423 residents in receipt of universal credit.*

¹ (young people aged 18-25)



*I now understand what UCAS is and definitely want to go to university.
Age 16*

We Will

The Children's Trust will:



Improve housing security for Merton families and young people, especially care leavers



Education, employment and training (EET) opportunities will be available to young people and their families to develop skills and experience



Offer targeted support for vulnerable pupils to access and engage in EET



Strengthen support for young people with Special Educational Needs and/or Disabilities as they prepare for adulthood including access to services, learning and job opportunities and independent living



Work with business partners to support young people to access part-time work and work experience.



Undertake research to better understand the impact of universal credit and housing costs on our families in Merton.

My Merton

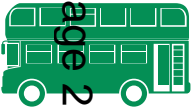
What Our Young People Said



Children and young people are mostly positive about their social and community experiences.



Air quality and litter need improving - Traffic (31%) was a main issue of concern.



Access to public transport is a challenge for young people

Page 236

We Know

- 62.7% feel there were enough spaces to socialise with friends.*
- 92% of young people aged 11-17 would go to their family if worried about health and safety. 29% would go to a teacher and 24% would go to the police.*
- Increasing social capital is a key priority in Merton's Sustainable Communities Plan to strengthen community connections.
- Merton's Health and Wellbeing Strategy supports focus on creating a healthy social and physical environment in the borough.



I suggest building cleaner parks or making the space safer to talk or socialise.
Age 11

We Will

The Children's Trust will:



Work to support partners to make Merton a place where children and young people feel they belong, stay safe and thrive



Work with partners to encourage the involvement of young people in environmental design including the development of youth friendly spaces



Work with partners to challenge poor air quality surrounding youth friendly spaces and schools.



Improve access to the Local Offer and broaden the awareness of the range of opportunities available in Merton for Children and Young People.

Next Steps

Develop an action plan

Agencies and services who work with children, young people and families across the borough, are now working together to develop an action plan to implement the activities listed in the 'we will' sections.

Feedback on our work

You will hear all about the progress we make on this and be able to feedback on our work via the council and partner social media platforms across children's centres, schools, leisure and youth services.

Maintaining engagement

Continue to involve children, young people and families via participation forums in the borough so everyone knows about this plan and can tell us how we are doing to make Merton 'A place where children and young people feel they belong, stay safe and can thrive'.

In the meantime, if you would like to find out about any aspect of this plan or our approach to communication and engagement, please email: cypp@merton.gov.uk

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Committee: Cabinet

Date: 15th July 2019

**Subject: Merton Health and Wellbeing Strategy 2019 – 2024:
A Healthy Place for Healthy Lives**

Lead officer: Dagmar Zeuner, Director of Public Health

Lead member: Cllr Tobin Byers, Cabinet Member for Adult Social Care, Health and the Environment

Contact officer: Mike Robinson, Consultant in Public Health; Clarissa Larsen, Health and Wellbeing Board Partnership Manager

Recommendations:

A. That Cabinet considers the Merton Health and Wellbeing Strategy 2019 – 2014 and approves it for publication.

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

The purpose of this report is for Cabinet to consider and approve the final draft of Merton Health and Wellbeing Board Strategy 2019 – 2024: A Healthy Place for Healthy Lives.

2. BACKGROUND

It is a statutory duty for Health and Wellbeing Boards to produce a Health and Wellbeing Strategy and this new Strategy, with its focus on healthy place, reflects the ways of working that Merton Health and Wellbeing Board has adopted in recent years. Development of the Strategy has included broad engagement and an ongoing conversation with stakeholders and local connectors.

Members of Merton Health and Wellbeing Board have been closely involved in the development of this Strategy, and considered and agreed the final draft at their June meeting. To keep the main document concise the Strategy is backed by a Supplementary Information Pack.

Health and Wellbeing Board members have driven the engagement process through a series of themed workshops and these have formed the focus of the Strategy on Healthy Place; building on the established commitment of the Board to promote fairness and reduce health inequalities. The Board's continued ownership of the Strategy and its rolling programme of key priorities will be central to future achievement.

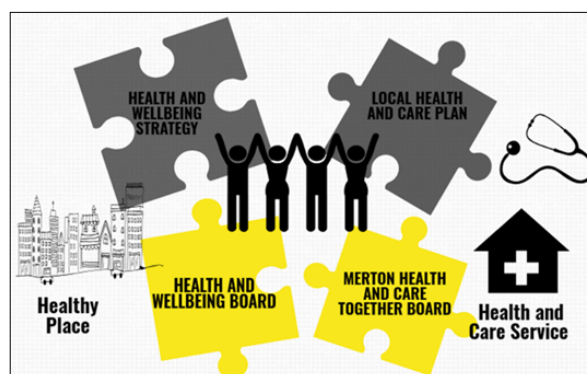
The Health and Wellbeing Strategy is explicitly intended to align with other strategies and plans across the Council including the new Children and Young People's Plan, the developing Sustainable Communities Strategy and the Local Plan. It also links closely with the Local Health and Care Plan.

Synergy with the Local Health and Care Plan

Throughout the development of the Health and Wellbeing Strategy, close links have existed with the Merton Local Health and Care Plan. We have worked closely with CCG and other colleagues to coordinate both of these plans and make sure they complement each other (see Figure 1. below).

Figure 1: How the Local Health and Care Plan and Health and Wellbeing Strategy fit together

- The Local Health and Care Plan (LHCP) is overseen by the Merton Health and Care Together (MHCT) Board.
- MHCT Board focuses on health and care services and integration and reports to the Health and Wellbeing Board (HWBB).
- The HWBB is the statutory council committee to provide overall vision, oversight and strategic direction for health and wellbeing in Merton, including the wider determinants of health.
- The refresh of the HWBB strategy takes the same life course approach as the LHCP – start well, live well, age well – but with a focus on creating a healthy place.
- We have worked to explicitly align the two plans to make sure they complement each other.



3. DETAILS

Summary of Health and Wellbeing Strategy

The final draft Health and Wellbeing Strategy is attached in Appendix 1. In summary, the Strategy sets out:

P. 2 – 3	A summary of what makes us healthy and an introduction to how the Health and Wellbeing Board works.
P. 4	An outline of the methodology we followed in developing the Strategy.
P. 5 – 6	A brief overview of the Merton Story and learning from Merton’s last Health and Wellbeing Strategy.
P. 7 – 8 & Appendix Table 1	Merton Health and Wellbeing Board’s Vision, Principles and Ways of Working
P. 8 – 9 Table 2 & Appendix Table 3	The key healthy place attributes of: <ul style="list-style-type: none"> ○ Promoting mental health and wellbeing ○ Making the healthy choice easy

	<ul style="list-style-type: none"> ○ Protecting from harm and key outcomes for each by stages of the life course
P. 9 & Appendix Table 4	The key healthy settings including healthy intergenerational settings, healthy schools, healthy work places and healthy homes.
P. 10	A description of our way of delivery and how we will determine our rolling programme of priority actions
P. 10	How we show progress and learn through our framework for accountability

Supplementary Information Pack

The Health and Wellbeing Strategy has deliberately been kept concise backed by the Supplementary Information Pack included in Appendix 2.

There are links to this pack throughout the draft Strategy. It provides further details of the methodology and findings from the workshops, gives a rationale for each of the key outcomes, provides an explanation of the role of healthy settings and describes the types of actions the Board can take to influence most effectively.

4. NEXT STEPS

In recent years, Health and Wellbeing Board members have recognised that the partnership works best when it focusses at any given point in time on one or two key priorities. Within the new Health and Wellbeing Strategy, we propose to continue this approach.

Initial consideration of priorities and criteria to identify proposals, have been discussed by Board members and it was agreed that it is important to keep momentum on the current Board priority of tackling diabetes.

Potential additional priorities include scaling up systematic work on promoting Healthy Workplaces - with a focus on mental health and active travel. It is proposed that a report be brought to the Health and Wellbeing Board's October meeting to consider this as a new priority for action. There is also the Health and Wellbeing Board's ongoing work with the Leadership Centre, to support further board learning in preparation for the future shape of the health and care system.

The Health and Wellbeing Strategy has been reported to the CCGs Governing Board and, subject to agreement by Cabinet, will be designed, published and shared widely. We also plan to produce an accessible, single page summary.

We continue to work closely to align with the Local Health and Care Plan throughout.

5. ALTERNATIVE OPTIONS

None. It is a statutory duty of the Health and Wellbeing Board to produce a joint Health and Wellbeing Strategy.

6. CONSULTATIONS UNDETAKEN OR PROPOSED

The comprehensive engagement programme is as set out in the report and appendices.

7. TIMETABLE

As set out in the report. Subject to agreement by Cabinet the Health and Wellbeing Strategy will be designed and, alongside a one page summary, shared widely..

8. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

The Health and Wellbeing Strategy does not have any additional expenditure implications for partner members for Health and Wellbeing Board. The rolling programme of priority actions will be delivered through decisions within existing governance and, where there is the opportunity, external funding.

9. LEGAL AND STATUTORY IMPLICATIONS

It is a statutory duty for the Health and Wellbeing Board to produce a joint Health and Wellbeing Strategy based on the Joint Strategic Needs Assessment.

10. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

The Health and Wellbeing Strategy is directly concerned with tackling health inequalities.

11. CRIME AND DISORDER IMPLICATIONS

A key outcome of the Health and Wellbeing Strategy is for less self-harm and less violence.

12. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

N/A.

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

Appendix 1: Health and Wellbeing Strategy 2019-24 – Final Draft

Appendix 2: Supplementary Information Pack

BACKGROUND PAPERS

None.

Merton Health and Wellbeing Strategy 2019-24

A Healthy Place for Healthy Lives

FINAL DRAFT



FOREWORD

From Chair and Vice Chair to follow

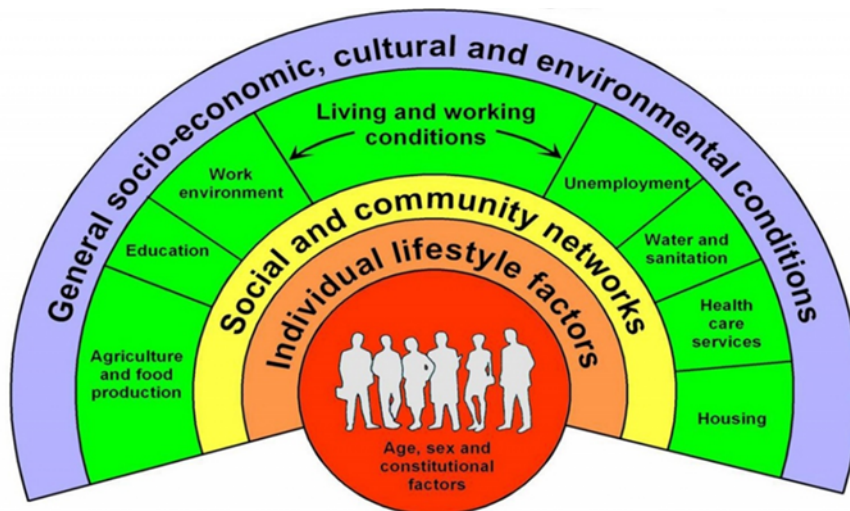
WELCOME

What makes us healthy?

The physical and social conditions that make us healthy are all around us; for example the air we breathe, our schools, workplaces, homes, our relationships with friends and family, the food available, how easy it is to move around in the borough, how safe we feel in our streets.

These are known as the wider determinants of health, shown in the diagram below.

Diagram 1 – Wider determinants of health



Source: Dahlgren and Whitehead, 1991

Differential access and exposure are the main drivers for health inequality.

The main unhealthy lifestyles that are responsible for over a third of all ill health are smoking, alcohol misuse, poor diet and sedentary behaviour, underpinned by lack of emotional and mental wellbeing. Rather than due to individual choice, they are shaped by the physical and social conditions in which we are born, grow, live, work and age.

This is why our Health and Wellbeing Strategy focuses on making Merton a healthy place for healthy lives.

What is the Merton Health and Wellbeing Board and how does it operate?

The Health and Wellbeing Board is a statutory partnership to provide overall vision, oversight and direction for health and wellbeing in Merton, including service provision and the wider determinants of health. It brings together local Councillors, GPs and community representatives supported by officers, as system leaders to shape a healthy place and health and care services.

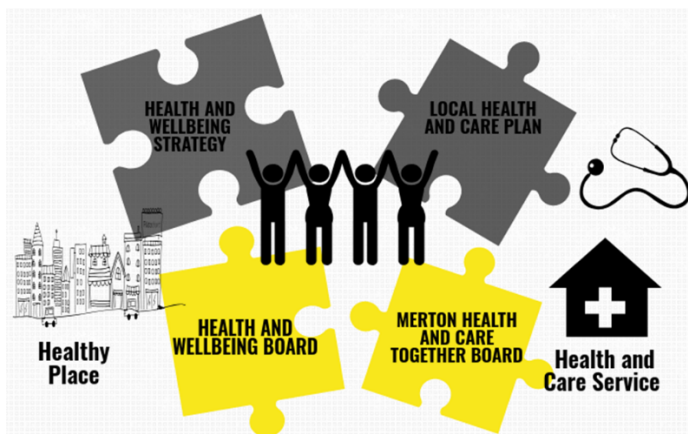
The Board operates as a partnership where members are accountable to their respective organisations.

Merton Health and Care Together Board is a separate non-statutory partnership between Council and NHS commissioners as well as the main local health and care providers, including acute and mental health hospitals, community trust and GP federation that reports to the Health and Wellbeing Board. It focuses on health and care service provision and integration.

The Health and Wellbeing Board and Merton Health and Care Together board have agreed to develop complementary strategies to best cover the breadth of health and wellbeing and avoid duplication.

The Health and Wellbeing Strategy focuses on making Merton a healthy place, meaning creating the social and physical conditions in which people can thrive; the Local Health and Care Plan focuses on provision of integrated high quality health and care services, as depicted in the diagram below.

Diagram 2 - Relationship between Health and Wellbeing Strategy and Local Health and Care Plan



Both the Health and Wellbeing Strategy and Local Health and Care Plan commit the Health and Wellbeing Board to championing its guiding principles and key aspirations. Health and Wellbeing Board members have a collective and individual responsibility to ensure these are reflected in the business of their own and partner organisations, are heard in other groups and committees and become embedded in strategies and commissioning across the health and care system.

About the Health and Wellbeing Strategy

The purpose of this Strategy is not to give a comprehensive overview of all major health issues. This is provided by the Joint Strategic Needs Assessment, which in Merton is called the Merton Story. The Health and Wellbeing Strategy is a tool to support the Health and Wellbeing Board as system leader where it can add most value. In particular:

- To champion our guiding principles and ways of working in everything we do;
- To focus on the key health outcomes we want to achieve for people in Merton to Start Well, Live Well and Age Well in a Healthy Place, considering the key attributes of a Healthy Place and the main healthy settings;
- To select a rolling programme of priorities for action, a few at a time, which will be underpinned by specific implementation plans;
- To be accountable jointly as Board and as individual organisations to partners and the community we serve.

Our Methodology

The Health and Wellbeing Strategy has been developed on the basis of a thorough evidence base and comprehensive engagement programme.

- Desk research including the Joint Strategic Needs Assessment/Merton Story, Resident's Survey, data and latest publications
- A series of engagement workshops, involving over 100 people, led by Health and Wellbeing Board members, finishing with a lively session on Healthy Place.
- In-depth surveys circulated to workshop attendees, their networks and contacts.
- Stakeholder engagement with partners and learning from the Local Health and Care Plan deliberative event.

Navigating the Strategy

The Health and Wellbeing Strategy is divided into four main sections:

1. Our starting position
2. What we want to achieve
3. Our way of delivery
4. Our framework for accountability

The Strategy is a concise document with a separate [Supplementary Information Pack](#) for further details.

1. OUR STARTING POSITION

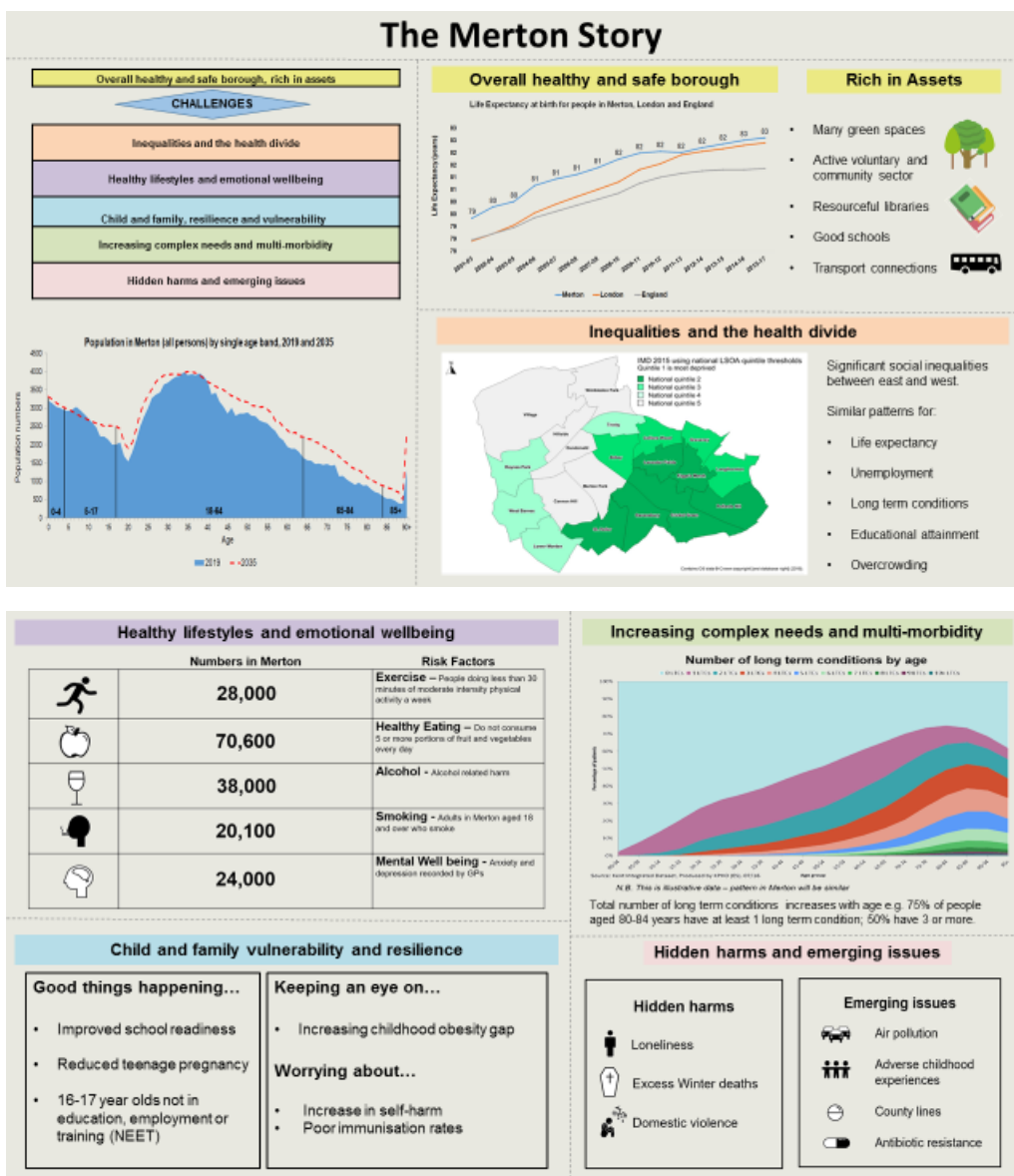
How healthy are people in Merton?

The Joint Strategic Needs Assessment, Merton Story, shows us that, overall, Merton is a safe and healthy place, rich in assets such as green spaces, libraries, good schools and strong transport connections and compares favourably with other London boroughs. Our main challenges are:

- Significant social inequalities between the East and West of the borough that drive a health divide including a persistent gap in life expectancy and ill-health;
- Large numbers of people with unhealthy lifestyles (smoking, poor diet, sedentary behaviour and alcohol misuse underpinned by poor emotional/mental health and wellbeing);
- Child and family vulnerability and resilience, i.e. increase in self-harm;
- Childhood obesity;
- Increasing numbers of people with complex needs and multi-morbidity including physical and mental illness, disability, frailty and dementia; and
- Hidden harms and emerging issues such as air pollution, loneliness, violence and exploitation.

The below diagram shows an infographic summary.

Diagram 3 – Merton story infographic summary



What people tell us matters to them about a healthy place

The following topics have emerged as being particularly important to local people:

- Mental health, good relationships and feeling connected to their communities and networks is one of the most frequently raised topics;
- Air quality is a top concern to people of all ages, but especially young people;
- Inter-generational opportunities had significant support, to connect older and younger people and build social cohesion;
- The food system needs to be tackled as adverts, fast food outlets, price of food, lack of healthy alternatives make the healthy choice difficult;
- Libraries and green spaces are assets that are very valued and people would like more use of community spaces and places to connect socially;
- Work places are a key setting with influence on people’s health and offer a great opportunity to improve mental wellbeing and healthy lifestyle choices; and,
- Safety of the physical and social environment was another recurring theme of importance for people of all ages

The diagram below is a summary drawing of the findings from our Healthy Place workshop.

Diagram 4 - Healthy Place workshop illustration



Learning from the last Health and Wellbeing Strategy

Over the three- year period of the last Health and Wellbeing Strategy (2015-18) the Board has explicitly sought to experiment and learn about its challenge to add value and be an effective system leader. This covered:

- Reflective Board development work with the Leadership Centre;

- Promoting and embedding principles and ways of working based on shared values including social justice in partner organisations;
- Quarterly dashboard reviews replaced by an annual review that combines quantitative and qualitative information to produce insights for the Board role, rather than replicate performance management approach;
- Practical role for of all members in community engagement (i.e. community conversations about the Wilson health and wellbeing campus and the Diabetes Truth programme, where members were connected to residents with diabetes bringing to life the day-today challenges);
- Selecting a small number of priority areas for action as a rolling programme, with clear rationale for concerted effort, rather than trying to cover a wide range of issues at the same time (i.e. whole system approach to tackle diabetes and childhood obesity; School Neighbourhoods Activation Pilot (SNAP) project; social prescribing roll out);
- Making best use of the fact that the Board is more than the sum of its individual members' contributions; and in a similar way it is part of a set of partnerships and other Boards whose potential impact as a system is greater than the sum of its parts.

2. WHAT WE WANT TO ACHIEVE

Vision for Health and Wellbeing Strategy

Working together to make Merton a healthy place by creating the physical and social conditions for all people to thrive, and to complement the provision of holistic health and care services.

Vision for Merton Local Health and Care Plan

Working together to provide truly joined up, high quality, sustainable, modern and accessible health and care services, for all people in Merton, enabling them to start well, live well and age well.

Principles and ways of working

The Health and Wellbeing Board has prioritised the following principles and ways of working underpinning everything that we do including delivery of this strategy:

- Tackling health inequalities - especially the east/west health divide in the borough that is driven by social inequality and the wider determinants of health.
- Prevention and early intervention – helping people to stay healthy and independent and preventing, reducing or delaying the need for care.
- Health in All Policies approach – maximising the positive health impacts across all policies and challenging negative impacts.
- Community engagement and empowerment- working with and for the people and communities we serve; explicitly using and developing assets and strengths.
- Experimenting and learning- the problems we want to tackle are complex and there are no single or neat solutions; using the evidence base, data and intelligence transparently to understand and monitor impact and adjust accordingly.

- Think Family – taking a whole family approach where seeing the parents means seeing the child and seeing the child means seeing the parents as a routine.

Table 1 in the Appendix shows the impact we can make through applying the above Principles and Ways of working and how we propose to measure progress.

Key Outcomes

For people in Merton to Start Well, Live Well and Age Well in a Healthy Place we have brought together a set of key health outcomes based on the main attributes of a healthy place. These are proposed to form the core of the Health and Wellbeing Strategy.

They are meant to be specific enough to clearly articulate the direction for the Board without unduly constricting its ability to adapt over the five- year period.

The key attributes for a Healthy Place that the Health and Wellbeing Board has identified are:

- Promoting good mental health and emotional wellbeing.
- Making the healthy life style choice easy (with focus on food, physical activity, alcohol & drugs, tobacco).
- Protecting from harm, providing safety (with focus on air quality, violence).

Table 2 below shows how our outcomes for people to Start well, Live Well and Age Well fit within a matrix of the key attributes for a healthy place and allow easy cross reading to the Local Health and Care Plan.

Table 2 – Outcomes matrix of the Health and Wellbeing Strategy

Life course stage	Start Well	Live Well	Age Well
Key Healthy Place attributes:	Key Outcomes of the Health and Wellbeing Strategy:		
Promoting mental health & wellbeing	Less self-harm Better relationships	Less depression, anxiety and stress	Less loneliness Better social connectedness
Making healthy choice easy	More breastfeeding Less childhood obesity	Less diabetes More active travel More people eating healthy food	More active older people
Protecting from harm	Less people breathing toxic air Less violence		

Table 3 in the appendix shows a set of indicators to track progress against each of the key outcomes. We are working with partners to develop targets where appropriate which will be included in the annual review to the Health and wellbeing Board.

The [Supplementary Information Pack](#) provides a rationale for the key outcomes.

Delivering Outcomes through Healthy Settings

People live their lives in various places or settings such as home, school and work. They experience a healthy place in a setting where the three attributes - promotion of mental health and wellbeing, easier healthy choices and protection from harm – come together. This forms a ‘healthy setting’ and creating healthy settings is a way to deliver on our key outcomes. The Health and Wellbeing Board has identified the most relevant healthy settings for people in Merton as shown in the table below.

Table 4 – Key Healthy Settings

Life course stage	Start Well	Live Well	Age Well
Healthy settings Key attributes of a Healthy Place	Healthy inter-generational settings (i.e. connecting care homes and nursery schools, links to Dementia-friendly Merton); Healthy Homes		
<ul style="list-style-type: none"> Promoting mental health and wellbeing Making the healthy choice easy Protecting from harm 	Healthy early years; Healthy schools; Healthy school neighbourhoods	Healthy work places; Healthy libraries	Healthy health and care organisations

Each of the above healthy settings has or can work towards a quality mark or level to help us track progress. Examples include the London Healthy Early Years scheme, London Healthy Schools award scheme, London Healthy Work Place Award, and Transport for London Healthy Streets descriptor.

We will work with partners to develop our healthy settings as part of our rolling programme of priorities for action, which will be included in the annual review to the Health and Wellbeing Board.

More details about healthy settings and their quality marks are set out in the [Supplementary Information Pack](#).

3. OUR WAY OF DELIVERY

To deliver this Strategy the Health and Wellbeing Board will:

- Apply the Principles and Ways of Working set out earlier to all routine and statutory Health and Wellbeing Board business.
- Champion Principles and Ways of Working in our respective partner organisations and embed them into other strategies and plans.
- Focus on a rolling programme of a few priority actions at a time to promote key attributes of a healthy place, main healthy settings and corresponding outcomes using explicit rationale based on criteria below:
 - Consider evidence of need (using the Merton Story and community voice) together with an opportunity to tackle emerging and/or topical issues.
 - Investigate how the proposed priority will address the principles of the Health and Wellbeing Board (specifically promoting fairness, engaging and empowering communities and demonstrating a health in all policies / Think Family approach).
 - Be clear how will the Health and Wellbeing Board add value in a way that cannot be delivered in another way; how will the partner contributions create something bigger and more impactful together than individually, and how this will contribute to wider local and regional work.

Examples of different types of actions that the Board might use for best influence are summarised in the [Supplementary Information Pack](#).

4. OUR FRAMEWORK FOR ACCOUNTABILITY

The Health and Wellbeing Board is committed to learning and wants to understand whether it is delivering on its commitments. The Health and Wellbeing Strategy is intended to be a practical and live document giving direction to the Health and Wellbeing Board and its partner organisations. To help members of the Board track progress we will develop and share the baseline for the agreed indicators.

In addition, a full annual review of the Health and Wellbeing Strategy will be reported to the Health and Wellbeing Board. This will include:

- Progress on chosen priorities for action, including any chosen healthy settings.
- Application of Principles and Ways of Working.
- A summary dashboard of key outcomes.
- Ongoing development of the Health and Wellbeing Board as effective system leadership team (including work with the Leadership Centre).

There will also be ad-hoc exception reports to the Health and Wellbeing Board for any issue that requires the Board's attention.

Appendices

Table 1 – Applying our principles and ways of working – how we will track progress

Principle	Expected outcomes/impact	How we will know*	Timescale†
Tackling health inequalities *	People in deprived areas live longer healthier lives	Reduction in childhood obesity gap between east and west Merton.	Long
Prevention and early intervention *	Reduction in premature mortality from main long-term conditions	Proportion of the population meeting the recommended '5-a-day' on a 'usual day' (adults). Percentage of physically active adults Smoking Prevalence in adults (18+).	Medium Short Short
Health in all policies	Impacts on health are considered across main policy areas	An annual review will be reported to the Health and Wellbeing Board which will include a qualitative description of significant Board activity across these four principles. This will be backed by any relevant quantitative data including for example from the Merton Resident's Survey.	Short
Community engagement and empowerment	More focus on main health challenges as residents perceive them		Medium
Experimenting, learning and applying the evidence base	Complex problems are tackled and evidence base applied		Short
Think Family	Policies and practice reflect impact on the whole family		Medium

*Indicators have been chosen as 'markers' for Tackling Health Inequalities and Prevention - as we cannot measure everything and the Health and Wellbeing Board cannot deliver alone but as part of a wider system.

†Timescales for impact vary, as shown in final column. "Short" means an estimate of 1-2 years before we will see an effect; "Medium" 3-5 years, "Long" 6 or more years

Table 3 –Key outcomes and corresponding indicators to track progress

Key Healthy Place attributes:	Key outcome of the Health and Wellbeing Strategy:	Indicator*	Timescale†
Promoting mental health & wellbeing	Less self-harm Better relationships	Hospital admissions for self-harm aged 15-19	Medium
	Less depression, anxiety and stress	Prevalence of depression as recorded by GP Quality Outcomes Framework	Medium
	Less loneliness Better social connectedness	% adult carers reporting as much social contact as they would like	Short
Making healthy choice easy	More breastfeeding	Prevalence at 6-8 week check	Short
	Less childhood obesity	Overweight or obese in Year 6	Medium
	Less diabetes	Diabetes: Quality Outcomes Framework prevalence (17+)	Long
	More active travel	% adults cycling three or more times per week for travel	Short
	More people eating healthy food	Percentage of adults eating recommended five portions of fruit and vegetables per day	Medium
	More active older people	Percentage of adults aged 65+ walking for travel at least three days per week	Short
Protecting from harm	Less people breathing toxic air	Deaths attributable to particulate matter (PM2.5)	Short
	Less violence	Violent offences per 1000 residents	Medium

* as for Table 1 above.

† as for Table 1 above



MERTON HEALTH AND WELLBEING
STRATEGY 2019 - 2024

Supplementary Information Pack
July 2019

Preface

This supplementary information pack is to be read in conjunction with the main Health & Wellbeing Strategy, “A Healthy Place for Healthy Lives”.

This is not all the background information which has been developed, please refer to section 7, for a list of other material, which will be made available later in 2019 alongside the final version of the main document.

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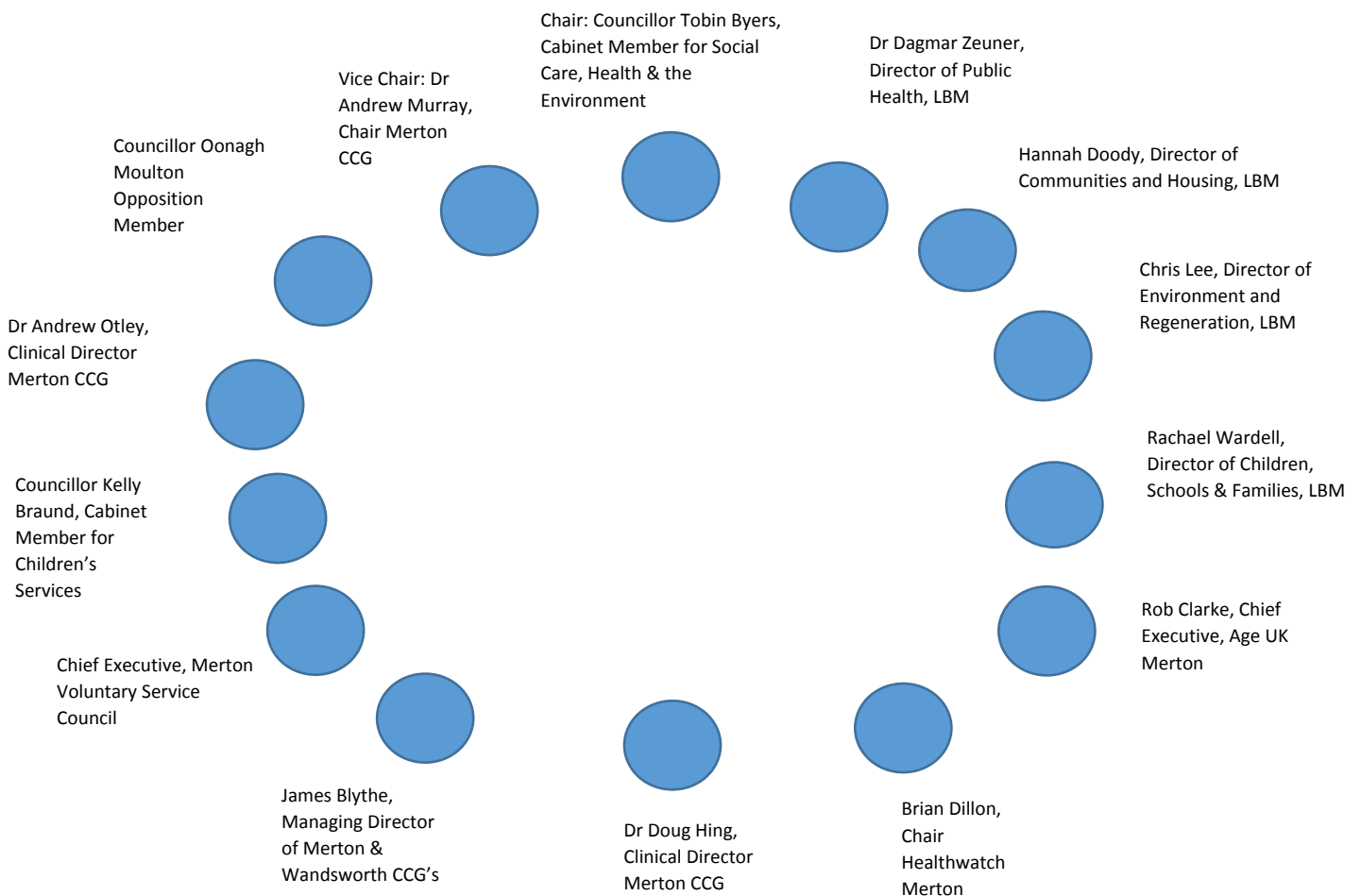
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1. Who the Health and Wellbeing Board are and what they do

Merton Health and Wellbeing Board brings together a group of senior leaders from different sectors who provide leadership for health and who help mobilise the Council, the NHS and the Community to take action towards the vision set out in the Health and Wellbeing Strategy. The Health and Wellbeing Strategy is a document that sets out a vision for Merton residents to live healthy lives. The Health and Wellbeing Board (HWBB) are responsible for taking forward this vision.

See figure 1 for who the Board are. The Board also has agreed principles and ways of working, these can be found in the main strategy document.

Figure 1: The Health and Wellbeing Board



2. The workshops: what we did

The programme of four workshops on the themes of the Strategy allowed stakeholders to reflect on where the Health and Wellbeing Board can add most value, through its role in bringing the people of Merton together to work towards a shared vision of health and wellbeing.

Members of the Health and Wellbeing Board helped to lead the four themed workshops to facilitate discussion around the priorities for Start Well, Live Well, Age Well and Healthy Place.

In the workshops we discussed and reflected on what we think about the priorities for Start Well, Live Well and Age Well with a particular focus on what a healthy place would look like to help people flourish.

In the workshops we also discussed values and ways of working. Past experience suggested that the Health and Wellbeing Board is most effective when it focuses efforts on a few select priority areas, rather than a broader range of issues. Its success partly lies in the commitment of its members to promote shared values in their own organisation including social justice, prevention and a desire to learn and experiment. To build on this, there were opportunities in the workshops to help us further explore people's interests, motivations and values regarding the Start Well, Live Well and Age Well stages of the life course.

The Strategy refresh also builds on current work, for example continuing to promote 'health in all policies' and 'Think Family' as tools to create the conditions in Merton that help people lead healthy lives, as well as to explore new areas.

We also created short online surveys on the four themes, which were circulated to workshop attendees to circulate to their networks so more people could be reached. In total the workshops involved over 100 people and our online surveys received 78 responses, and the Children and Young People's Survey (whose findings also contributed) received around 1,300 responses.

Workshop timetable

Workshop	Date
Start Well	5 Nov 2018
Live Well	18 Dec 2018
Age Well	31 Jan 2019
Healthy Place	12 Feb 2019

3. Values that emerged from the workshops

Values identified in the workshops

Start Well

- The importance of freedom
- The right to play
- Sense of belonging/identity
- Access to healthy places and spaces
- Building strong relationships
- Family
- Reducing inequality

Live Well

- Empower people
- Collaborate
- Ask what matters to people
- Social responsibility
- Build a strong community and social cohesion

Age Well

- Empower communities
- Social and intergenerational awareness
- Holistic approaches
- Collaborate & play to strengths
- Sense of belonging
- Think creatively
- Tackle stigma

Healthy Place

- Children are our future
- Build a sense of community
- Reduce inequality (health, social)
- Create a healthy place that creates health and wellbeing
- Mutual care, support and respect
- Accessibility (to physical environment) and connectedness (social networks)
- Space is intergenerational-push for an intergenerational approach
- Give people a healthy choice
- Build on what we already have and our assets
- Family

At all the workshops we also asked the workshop participants where they thought the Health and Wellbeing Board could add most value. This is what they said:

Galvanise all the levers we have in Merton to make change happen

Build on what is already happening and the assets we have

Ensure a sustained focus on specific priorities (e.g. childhood obesity) and promote them

Listen to, engage and partner with communities, empower them by giving them a voice (e.g. community conversations)

Share positive stories and learning across the community

Advocate more for children and younger residents

Connect, build awareness and influence the key players in the system; community, voluntary and business sector, health and care sector, politicians and LBM – to take action on creating a healthy place

Push for health in all policies

Communicate about the link between health and wellbeing and healthy place (e.g. healthy workplace) and promote action on it

Build an aspiration/vision for healthy places across the whole borough, rather than in pockets

Promote the importance of healthy workplaces focusing on mental health, by modelling the way, supporting businesses to do so (e.g. by providing a framework for action) and share learning about what works

Promote the importance of air quality and make it fun (rather than focusing on punitive policies)

Push for intergenerational working

Use Councillors' knowledge of their local places to understand where improvement is needed

Be brave and take risks

4. Rationale for Key Outcomes

The purpose of this section of the supplementary information is to describe the rationale for each of the key outcomes in table 1 of the main report.

There are 12 key outcomes in total, 4 for Start Well, 4 for Live Well, 2 for Age Well and 2 which cover all 3 as part of the life course.

Key Outcomes

Start Well

Less self-harm

Self-harm is when somebody intentionally damages or injures their body. It's usually a way of coping with or expressing overwhelming emotional distress.¹

- Feeling emotionally overwhelmed as well as experiencing loneliness can lead to self-harm. Situations such as poverty, bullying, violence, illness, disability, death, loss, relationship problems, family problems, abuse and pressure lead children and young people to feel emotionally overwhelmed
- Recent statistics on the incidence of self-harm in young people in Merton are not available. Clinical reports suggest an increase in non-suicidal self-harm but no change in suicide rates themselves.
- The most recent published data from national surveys suggests that the number of episodes of non-suicidal self-harm in Merton increased from 3,300 in 2000 to 9,600 in 2014, in people aged 16-74².
- The key causes/contributors to people self-harming and continuing to self-harm are the environment (culture social expectations, media, social media, spaces), services, processes, policies and people³

Better relationships

Connection occurs when a person is actively involved with another person, object, group or environment, and that involvement promotes a sense of comfort, well-being and anxiety reduction.⁴

- Connectedness can have a protective effect increasing the probability of a person overcoming disadvantage

¹ <https://www.nhs.uk/conditions/self-harm/>

² <http://natcen.ac.uk/our-research/research/suicide-and-self-harm-in-britain-researching-risk-and-resilience/>

³ Children and Young People Mental Wellbeing workshop, 28 February 2018, South West London Health and Care Partnership

⁴ <http://www.copmi.net.au/professionals-organisations/what-works/evaluating-your-intervention/youth-interventions/connectedness> original source: Hagerty, Lynch-Sauer, Patusky & Bouwsema, 1993, p. 293

- Research has found that young people who felt more connected to their parents and schools reported lower levels of depressive symptoms, suicidal ideation, non-suicidal self-injury, conduct problems as well as higher self-esteem and more adaptive use of time.
- Connectedness includes satisfaction with 'place' (e.g. parks, leisure spaces) offering increased opportunities for social interaction and play.
- Close links with family, friendship groups, community and schools can safeguard children and young people from harmful risk factors and may be an important aspect of early intervention.

Breastfeeding

Breastfeeding is a way of providing young infants with the nutrients they need for healthy growth and development⁵

- Breastfeeding is good for a child because it provides all the energy and nutrients the child needs in its first few months of life, promoting a strong immune system as well as sensory and cognitive development⁶
- Research has shown that infants who are not breastfed are more likely to have infections and become obese in later childhood.⁷
- Evidence shows that improving breastfeeding rates can also reduce hospital admissions and attendances in primary care, thus leading to financial savings.⁸
- Data shows that breastfeeding initiation was 88% in Merton (2016/17).
- 73% of babies at 6-8 weeks in 2017/18 were either totally or partially breastfed in Merton.

Less childhood obesity

Overweight and obesity are defined as “abnormal or excessive fat accumulation that presents a risk to health”.⁹

- Childhood obesity is one of the most serious public health challenges of the 21st century.
- In Merton, around 4,500 primary school children are estimated to be overweight or obese-this is equivalent to 150 primary school classes.^{10 11}
- One in five children entering reception are overweight or obese and this increases to one in three children leaving primary school in Year 6.

⁵ <https://www.who.int/topics/breastfeeding/en/>

⁶ <https://www.breastfeedingwelcomescheme.org.uk/news/report-highlights-breastfeeding-welcome-scheme/>

⁷ <https://www.merton.gov.uk/healthy-living/publichealth/jsna/children-and-young-people-and-maternal-health/breastfeeding>

⁸ <https://www.merton.gov.uk/healthy-living/publichealth/jsna/children-and-young-people-and-maternal-health/breastfeeding>

⁹ WHO https://www.who.int/dietphysicalactivity/childhood_what/en/

¹⁰ https://www2.merton.gov.uk/annual_public_health_report_2016.17.pdf

¹¹ This information is calculated by taking the proportion of excess weight at Reception and in Year 6 and estimating the excess weight in the other age groups based on linear trend between Reception and Year 6.

- Rates of childhood obesity are higher in some communities in the east of Merton. For example, at age 4-5 years, one in ten children are obese in the east of the borough, whereas in the west one in 20 children are obese.
- Obesity affects children's social and emotional wellbeing, and can lead to children experiencing low self-esteem, anxiety and depression. This can affect how well they do at school which in turn can have a negative impact on their employment opportunities as adults.
- Childhood obesity increases the risk of developing health conditions including asthma, type 2 diabetes and cardiovascular risk factors during childhood. It also increases the risk of long term chronic conditions in adulthood and can lead to premature death.
- The estimated cost of being overweight or obese to the NHS in Merton is £52 million annually.
- Over half of young people agree that fast food is too widely available. More than half agree that schools do not support them to eat healthily.¹²
- 74% of respondents to the Great Weight Debate Merton stated that tackling obesity should be given top or high priority.¹³
- Respondents felt that children in Merton could be better supported to lead healthier lives through: cheaper healthier food and drink (51%); making parks safer & more accessible for people to be active in (35%); less marketing and advertising of high fat and sugary food and drink (33%); more places for children to be active in (31%)¹⁴
- The most valued local assets for encouraging a healthy lifestyle in children are parks (77%), local Leisure Centres (47%) and local sport and youth activities (35%)¹⁵

Live Well

Less depression, anxiety and stress

Common mental health disorders include depression and anxiety disorders. These mental health problems are called 'common' because they affect more people than other mental health problems.¹⁶ Stress is the feeling of being under too much mental or emotional pressure.¹⁷

- There are an estimated 25,700 (over 16 years) in Merton with common mental health disorders such as depression and anxiety (2017), representing 15.5% of the adult population.¹⁸

¹² CYPP Consultation 2019

¹³ Great Weight Debate Merton 2017

¹⁴ Great Weight Debate Merton 2017

¹⁵ Great Weight Debate Merton 2017

¹⁶ NICE <https://www.nice.org.uk/guidance/cg123/ifp/chapter/Common-mental-health-problems>

¹⁷ <https://www.nhsinform.scot/healthy-living/mental-wellbeing/stress/struggling-with-stress>

¹⁸ Modelled estimate applying national age/sex/deprivation specific rates in Adult Psychiatric Morbidity Survey 2014 to the Merton population .

- GP data shows for recorded mental health prevalence, the difference between east and west Merton is 0.28 percentage points (1.12% prevalence in east Merton compared to 0.83% in west Merton), using 2017/18 data
- Parental mental health problems, parental misuse of alcohol and drugs and domestic violence are the most significant risk factors that impact on a child's health and wellbeing
- Work can help people look after their mental health by providing: a source of money and resources; a sense of identity; social contact and friendship; routine and structure; a healthy place where the healthy choice is easy; and opportunities to gain achievements and contribute.
- Healthy workplaces are one of the key settings identified in Table 2 of the main Strategy.
- It has been estimated that the cost to UK employers of mental-health related absence is £7.9 billion.¹⁹
- Research has found that people who are diagnosed with a chronic physical health problem like diabetes are 3 times more likely to be diagnosed with depression than people without it. Diabetes in Merton is increasing. In 2017/18 there were 11,160 people aged 17 years or over in Merton who had been diagnosed with the condition, equating to 6.2% of the population, (see diabetes on p4)

Less diabetes

Diabetes is a serious health condition that occurs when the amount of glucose (sugar) in the blood is too high because the body cannot use it properly.²⁰

- Diabetes prevalence is increasing in Merton and predictions show this trend will continue into the future unless we take action.
- Recorded diabetes prevalence is 8.5% in east Merton compared to 5.5% in west Merton.
- Type 1 diabetes is a deficiency of the hormone insulin which is needed to control blood glucose (sugar). This is generally treated with insulin injections^{20 21}
- Type 2 diabetes is a resistance to insulin, which can be treated through oral tablets and some with dietary intervention alone.^{20 21}
- Life expectancy for those with diabetes is on average 10 years shorter than for those without the disease.
- Diabetes can cause significant health problems including damage to vision, poor circulation, damage to kidney function and cardiovascular diseases.
- Health and care costs are substantial. In England, diabetes costs the NHS about £10 billion, or 10% of the total NHS budget.
- In Merton in 2016, the total cost of diabetes was £25.1 million. If nothing changes, costs will increase by an extra £2.4 million per year in 5 years' time

¹⁹ Mental health and employers: The case for investment. Supporting study for the Independent Review, October 2017

²⁰ Merton Diabetes Annual Public Health Report 2019

²¹ <https://cks.nice.org.uk/diabetes-type-1#!backgroundSub>

Active Travel

Active travel means building walking and cycling and sustainable transport into daily routines and is one of the most effective ways to increase physical activity.²²

- A recent survey in Merton (about 300 respondents aged 55 and over) showed the most popular activities are walking, gardening and swimming²³.
- Cycling featured for 55-64 years but rarely in those over 65.²³
- One of the main barriers to physical health for 55-74 year olds is time, whereas 75+ is pain and mobility.²⁴
- People with caring responsibilities are less likely to be physically active. 91% said they would like to be more active, compared to an average of 80%. The main barriers to physical activity which carers report are time and family/caring responsibilities.²⁵
- A particular focus is journeys to and from school. In Merton we are developing this through the School Neighbourhood Activation Pilot (SNAP).

People eating healthy food

A healthy place is one where healthy choices are the easy choices. This means healthy food is easily available & affordable and advertising of unhealthy food and drink is restricted

- See 'less diabetes' and 'less childhood obesity'
- When there are fast food outlets (FFO) close to a primary school, the easy choice is an unhealthy one. 81% of schools in the east have 1 or more FFO within 400 metres, whilst 68% of schools in the west have 1 or more.
- Since 2010, there has been a 28% increase in the numbers of children reported as eligible for free school meals and in 2014/15 of the over 2,000 people who accessed support from food banks in Merton, 78% lived in the east of the borough²⁶
- In Merton, 52.8% of children reported that they ate the recommended amount of fruit and vegetables each day; at least five portions²⁷

²²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/523460/Working_Together_to_Promote_Active_Travel_A_briefing_for_local_authorities.pdf

²³ Active Ageing Survey 2018, Age UK Merton

²⁴ Active Ageing Survey 2018, Age UK Merton

²⁵ Active Ageing Survey 2018, Age UK Merton

²⁶ <https://wimbledon.foodbank.org.uk/2019/05/09/40-increase-in-parcels-given-out-last-year/>

²⁷ NCMP & Child Obesity Profile, Public Health England

Age Well

Less loneliness

Loneliness is a subjective feeling about the gap between a person's desired levels of social contact and their actual level of social contact. It refers to the perceived quality of the person's relationships.²⁸

- People aged 50 and over are more likely to be lonely if they do not have someone to open up to, are widowed, are in poor health, are unable to do the things they want, or feel that they do not belong in their neighbourhood .²⁹
- 15% of the older population in the UK are reported to experience loneliness.
- Social isolation, living alone and loneliness are linked with an approximate 30% higher risk of early death³⁰
- Loneliness can impact our physical and mental health and has been linked to conditions such as coronary heart disease, high blood pressure, cognitive decline and depression.³¹
- 59% of adults aged over 52 who report poor health say they feel lonely some of the time or often, compared to 21% who say they are in excellent health³²
- For 3.6 million people aged 65, television is the main form of company.³³

Better social connectedness

Social connectedness is an objective measure about the number of contacts that people have. The opposite is social isolation, which is linked to, but different from loneliness. Both can lead to the other and both can have detrimental impacts on our health and wellbeing.³⁴

- In Merton, many people who use social care services would like more social contact. Only 40.6% of users reported that they had as much social contact as they would like (2017/18).
- Social activities can help older people feel less lonely, but they have to be supported to access these services

²⁸ Age UK <https://www.ageuk.org.uk/our-impact/policy-research/loneliness-research-and-resources/loneliness-isolation-understanding-the-difference-why-it-matters/>

²⁹ <https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/loneliness/loneliness-report.pdf>

³⁰ Association for Psychological Science. Loneliness and Social Isolation as Risk Factors for Mortality: A Meta-Analytic Review. 2015. Available from:

www.ahsw.org.uk/userfiles/Research/Perspectives%20on%20Psychological%20Science-2015-Holt-Lunstad-227-37.pdf

³¹ <https://www.campaigntoendloneliness.org/threat-to-health/>

³² Beaumont 2013

³³ https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/active-communities/rb_dec17_jocox_commission_finalreport.pdf

³⁴ <https://www.ageuk.org.uk/our-impact/policy-research/loneliness-research-and-resources/loneliness-isolation-understanding-the-difference-why-it-matters/>

- Neighbourhoods that feel safe, welcoming, attractive and have things to do for all residents can help prevent people from becoming lonely³⁵
- 38% of people with dementia said that they had lost friends after their diagnosis.³⁶
- More than 1 in 3 people aged 75 and over say that feelings of loneliness are out of their control.³⁷

Active older people

Approximately 4 million older people in the UK live with a limiting long-term condition, many of which are lifestyle related could have been preventable. Error! Bookmark not defined.

- Physical inactivity puts older people's physical, mental and emotional health at risk
- Physical activity can improve strength, balance, stamina, and it also has positive impacts on mental health, feelings of self-worth and social connection.
- It is a misconception that physical inactivity is a natural process of ageing
- UK Active reports that 'a concerted effort to encourage older people to be active can reduce, or even reverse, a decline in health and save billions across the health and social care system'.³⁸

All Life Course Stages

Less people breathing toxic air

Air pollution refers to harmful substances in the air we breathe due to high levels of particulate matter

- Poor air quality is the largest environmental risk to public health in the UK.³⁹
- Long term exposure to poor air quality (over several years) can reduce life expectancy due to cardiovascular and respiratory causes and from lung cancer
- Short term exposure to poor air quality (hours or days) can exacerbate asthma, affect lung function and lead to an increase in respiratory and cardiovascular admissions and mortality
- Long-term exposure to man-made air pollution in London is estimated to have an annual effect equivalent to 9,500 deaths as well as contributing to ill health

³⁵ <https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/loneliness/loneliness-report.pdf>

³⁶ https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/active-communities/rb_dec17_jocox_commission_finalreport.pdf

³⁷ https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/active-communities/rb_dec17_jocox_commission_finalreport.pdf

³⁸ UK Active, Moving More, Ageing Well, 2017

³⁹ PHE 2019 Evidence Review

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/784055/Review_of_interventions_to_improve_air_quality.pdf

throughout an individual's lifetime.⁴⁰ Merton's share is equivalent to approximately 75 deaths.⁴¹

- In Merton, almost 60% of young people think that cleanliness of the air in their areas is a problem, a big problem, or a very big problem⁴²
- Costs to society are estimated at more than £20 billion every year⁴³

Less Violence

Tackling violence means looking at violence not as an isolated incident or solely a police enforcement problem, but as a preventable consequence of a range of factors, such as adverse early-life experiences, or harmful social or community experiences and influences⁴⁴.

- Overall crime in Merton has risen during 2017/18 by 2.2%, however results from the 2017 Merton resident's survey show that almost 96% of residents feel safe when outside in their local area during the day and 85% after dark⁴⁵
- In 2018/19 there were 1,815 cases of domestic abuse offences recorded in Merton. This is a 19.4% increase from 2017/18 where 1,520 offences were recorded.⁴⁵
- In 2018/19 there were 3,809 total violence against the person offences. This was a 7.96% increase on the figures for 2017/18. In relation to total sexual offences, during 2018/19 there were 354 offences. This was a 5.35% reduction on the figures for 2017/18.
- In 2018/19, 220 knife crime offences were recorded in Merton. This is a 17.7% increase from 2017/18. In 2018/19, the sanction detection count for knife crime was 30, this was one less than in 2017/18.⁴⁶
- The Mayor of London has introduced an initiative to bring together public sector institutions, voluntary organisations and communities to act together to help cut violence. The Violence Reduction Unit (VRU) has been set up to tackle violent crime and the underlying causes, through information sharing on what works in spotting the early signs of what might lead to criminal behaviour and focusing attention and resources on what can make a difference. 44

⁴⁰ Understanding the health impacts of air pollution in London:

https://www.london.gov.uk/sites/default/files/hiainlondon_kingsreport_14072015_final.pdf

⁴¹ Calculated using Public Health Outcomes framework and number of deaths for people over 30yrs in Merton

⁴² Merton Children and Young People's Survey 2019

⁴³ Royal College of Physicians (RCP). Every breath we take: the lifelong impact of air pollution. Report of a working party 2016. Accessed 19/07/18. Available from:

www.rcplondon.ac.uk/file/2914/download?token=qjVXtDGo.

⁴⁴ <https://www.london.gov.uk/what-we-do/mayors-office-policing-and-crime-mopac/violence-reduction-unit-vru/public-health-approach-reducing-violence>

⁴⁵ Resident Satisfaction Survey 2017. Available at

https://www.merton.gov.uk/assets/Documents/residents_survey_research_report_2017.pdf

⁴⁶ MPS FY 2018/19 Crime Statistics. Available at <https://www.met.police.uk/sd/stats-and-data/met/year-end-crime-statistics/>

5. Healthy Settings

People experience a healthy place in a setting where the three attributes (promotion of mental health and wellbeing, easier healthy choices; protection from harm) come together. This forms a healthy setting and healthy settings are vital in order to deliver our priorities.

Here is a brief description of each key setting for the Strategy. Each of the healthy settings has or can work towards a quality mark or level that is also set out below.

Box 1: Healthy Settings and quality mark

Healthy Setting	Quality mark
<p>Healthy Early years settings Early years settings support young children to have a healthy start to life across themes that include healthy eating, oral and physical health and early cognitive development.</p>	<p>London Healthy Early Years London awards scheme https://www.london.gov.uk/what-we-do/health/healthy-early-years-london</p>
<p>Healthy schools Schools support the mental, emotional and physical wellbeing of young people and provide an environment that meets their needs.</p>	<p>London Healthy Schools awards scheme https://www.london.gov.uk/what-we-do/health/healthy-schools-london/awards/home</p>
<p>Healthy school neighbourhoods Schools are surrounded by a healthy urban zone that contributes to creating the conditions for good physical, mental and emotional wellbeing.</p>	<p>School Neighbourhood Approach https://publichealthmatters.blog.gov.uk/2019/03/05/creating-healthier-spaces-for-londons-children-to-live-learn-and-play/</p>
<p>Healthy Work places Businesses and workplaces that proactively respond to the physical and mental health needs of their staff and the wider community</p>	<p>London Healthy Workplace Award https://www.london.gov.uk/what-we-do/health/london-healthy-workplace-award</p>
<p>Healthy Libraries A community hub where people of all ages and backgrounds can be supported to become more enterprising, offering support, help, education, digital technology</p>	<p>Libraries Taskforce Outcomes Framework (2016) https://www.gov.uk/government/groups/libraries-taskforce</p>

and awareness of the health solutions available to the community.	
Healthy Health and Care organisations Easy to access, efficient and high quality health and care services that provide holistic care	NHS Employers Health and Wellbeing Framework (2018) https://improvement.nhs.uk/resources/workforce-health-and-wellbeing-framework/
Healthy Homes Housing that makes the healthy choice easy and minimises risks to safety. Homes which are smoke free.	Smoke Free Homes Promise http://ash.org.uk/wp-content/uploads/2018/11/FINAL-2018-Smokefree-Housing-report-web.pdf
Healthy Streets Welcoming spaces, where people choose to walk and cycle, feel safe and relaxed, easy to cross, clean air, places to stop and rest, things to do and see, and shade and shelter.	Transport for London descriptor http://content.tfl.gov.uk/healthy-streets-for-london.pdf

6. Examples of Different Types of Board Actions

There are a number of different types of actions that the Board can take to maximise impact. These examples are demonstrated in the table below.

Box 2: Types of Actions

Types of Action	Examples
Engagement/Community Conversations	Community conversations for the Wilson Wellbeing programme; Diabetes Truth
Bringing different sectors together that have not interacted before to problem solve	LBM Executive Director of Environment & Regeneration on Board, providing new links to planning, economic development, sustainability and transport
Supporting whole systems exemplar	Tackling diabetes
Spotting promising opportunities	Social prescribing
Raising awareness for emerging or hidden issues	Self-harm in children and young people
Further board development to be fit for changing health and care systems	Work with the Leadership Centre
Keeping momentum going /resurrecting previous priorities	Child Healthy Weight Action Plan as part of tackling diabetes

A definitive list of actions will be agreed as part of the rolling priorities (please see the main strategy for more details).

7. Other Materials

There are a number of other documents which contain further background material, most of which will be published on the website to accompany the main strategy.

Aspect of strategy to which document refers	Title	Location
Population need for health	Joint Strategic Needs Assessment and Health of the borough	https://data.merton.gov.uk/jsna/
Context	Map of how the Health and wellbeing strategy fits in with other strategies and partnerships	Not currently available. To be published with final version
Start Well	Young people what matters to them mind map	
Live Well	DsPH Briefing – Mayors transport strategy	
Age Well and all other aspects	Health and Wellbeing strategy learning pack	

Further additional material may be added in response to feedback from the Board and others.

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Committee: Cabinet

Date: 15 July 2019

Wards: All

Subject: Integrated Adult Mental Health s75 Agreement

Lead officer: Hannah Doody, Director of Community & Housing

Lead member: Tobin Byers, Cabinet Member for Adult Social Care, Health and the Environment

Contact officer: Richard Ellis., Head of C&H Strategy & Partnerships

Recommendations:

Cabinet is asked to:

1. Note the drivers for the further integration of health and adult social care.
 2. To approve the renewal of the integrated adult mental health arrangements under section 75 of the NHS Act 2006.
 3. To delegate to the Director of Community & Housing the authority to finalise the terms of the agreement.
-

1. Purpose of report and executive summary

- 1.1. This report sets out the background to the department's work with health on integration and seeks approval to renew the arrangements for integrated adult mental health services with South West London & St George's Mental Health NHS Trust (the Trust).
- 1.2. The integrated arrangements for adult mental health services are established under section 75 of the NHS Act 2006. The agreement is therefore referred to as a section 75 agreement. It governs the delegation of functions to meet our statutory duties in relation to adult mental health to the Trust to deliver as part of integrated service arrangements.

2. Details

Context

- 2.1. The department set out its strategic priorities in the departmental Target Operating Model (TOM). Our three strategic priorities for the coming TOM period reflect the fact that we spend £55m+ of our budget on commissioned services. The priorities are:
 - Demand management
 - Market capacity & capability
 - Commissioning.
- 2.2. Our vision as a Department is for the people of Merton to live independent lives in good health for as long as is possible. For people to have a resilient network of support that supports them to remain independent, manage their own homes, health and daily lives.
- 2.3. The services within the Department will work more closely together to provide the right support in the right place at the right time so that support facilitates people to sustain their independence and minimise the need to rely on more intensive support and use of statutory services.
- 2.4. The aim is to create sustainable services that meet our wide range of statutory duties. Good progress has been made on demand management, which was reflected in the department's year end position of a £195k underspend against its £59m budget. Work is underway on the larger projects that will re-shape the adult social care offer.
- 2.5. To do this we must work with statutory partners, in particular the NHS through the Merton Health & Care Together partnership and the Health & Wellbeing Board. We also need to work closely with the voluntary and community sectors.

National drivers

- 2.6. The statutory duties of the department are set out in a range of legislation, regulations and statutory guidance. The Care Act 2014 requires local authorities to exercise their duties with a view to ensuring the integration of care and support with health services.
- 2.7. The King's Fund has estimated there is a shortfall at £2.5 billion in adult social care spend nationally. In addition, the Competition and Markets Authority (CMA) has estimated that the care home market across the UK (therefore excluding domiciliary care) is underfunded by around £0.9-£1.1 billion a year. The LGA puts the current gap at £2.5bn rising to £3.5bn by

2025. Growth in demand adds a further £400m pa according to ADASS estimates, with the NLW also adding a further £466m to the cost of care.

- 2.8. However, these estimates reflect the shortfall in funding of the current levels of demand with the current models of operation. They do not reflect unmet need, the growing complexity of care needs, the underfunding in the care market, the need to increase rates of pay to attract a sufficient workforce nor the need to invest in new models of care. Independent Age & Grant Thornton estimate that the gap could be as high as £6.6bn depending on the policy objectives.
- 2.9. The Council has a significant funding gap to address in its Medium Term Financial Strategy and as 43% of the overall budget, Community & Housing needs to make a significant contribution to bridging that gap. Adult social care, in turn, makes up 92% of spend in the department's budget.
- 2.10. The green paper on the future funding of adult social care has been delayed yet again and is not expected any time soon. When it is published, it is expected to focus on reducing the risk of catastrophic losses by a cap on care costs and a proposal of how this is to be funded. What is not clear is how it will also address the existing shortfall in funding. Whatever the proposed model, it is likely to be based on an assumption of integrated health and care services.

Integrated care

- 2.11. The integration of health and social care has been a long term aspiration. It seeks to address the difficulties many people face as they are asked to navigate a complex system to get support for their range of needs. The population is aging and people are living longer with complex disabilities and conditions. As a result, the number of people with multiple and complex needs is growing. Their needs are often best met by a partnership between all parts of health and social care.
- 2.12. This growth in complex demand is also driving the need to have a more effective and efficient response to less complex needs, to promote self-care, and thus to release resources.
- 2.13. The drive towards further integration of health and social care is reiterated in the NHS Long Term Plan. This is also driving changes in NHS commissioning arrangements, with Clinical Commissioning Groups being merged into sub-regional Integrated Care Systems (ICS), which follow the geography of the Sustainability & Transformation Plan areas. With the CCG moving to a regional footprint, there will remain a borough-level operation for each of the six boroughs. The degree of delegation from each ICS to CCG/Borough level commissioning appears to be partially contingent on progress on integration locally.

- 2.14. Additional funding for adult social care, such as the Better Care Fund (BCF) and Integration Better Care Fund (iBCF) that are worth £9.8m in Merton, has been linked to improvement of delayed transfers of care (DToC) and integration. With DToCs caused by social care significantly improved locally, regionally and nationally, the focus is shifting towards integration as the core condition.
- 2.15. In the absence of a long term solution to the funding of adult social care, it is expected that local authorities will continue to receive a variation on BCF/iBCF, perhaps with additional funds, but with further conditions around integration. This far the conditions and monitoring have been relatively light touch, but this is not expected to continue. The ICS may have a greater role in the direction of these funds. It may well be a condition that all such funds are pooled and are subject to joint decision making.
- 2.16. Integration of social care with health has a number of dimensions because health is not a single entity but a series of organisations covering commissioning, regulation and provision. Indeed it is recognised in the NHS Long Term Plan that integration within the NHS is a priority.
- 2.17. The Council is working with health partners through Merton Health & Care Together to develop a place based approach to health and wellbeing in Merton. This is about trying to deliver our health and wellbeing priorities of Start Well, Live Well and Age Well by aligning and integrating resources across the statutory and voluntary sectors. One of the responses to this is the move towards provider alliances, whereby providers (including the voluntary sector) act together to meet a range of population health needs.
- 2.18. In terms of integration of social care and health, we are pursuing two types of integration, commissioning and operational.
- 2.19. Joint commissioning for adult services is less well developed than operational integration in Merton. It has developed momentum recently as the lessons and evidence from Vanguard areas emerges and the landscape around NHS commissioning is changing. There is an opportunity to explore joint commissioning by working jointly on the upcoming re-commissioning of the community health services contract and joint brokerage of care services with the CCG.
- 2.20. Operational integration of adult care and health services is much better established in Merton. Merton has long established integrated arrangements for Learning Disabilities and Mental Health. The council hosts the integrated adult Learning Disability Team, where social care and health staff work in a single team. Further integration of our older people services is progressing.

3. Mental Health Section 75 agreement

- 3.1. Merton also has a long history of having integrated adult mental health services, hosted by South West London & St George's NHS Mental Health Trust (the Trust). This enables health and care staff to sit together in integrated teams to meet the needs of patients and service users without passing them between two organisations.
- 3.2. The Trust was last inspected by the Care Quality Commission in February 2018, where it was rated as good overall. It was also rated as good across all five domains of the inspection regime.
- 3.3. The arrangements for integrated care are made under section 75 of the NHS Act 2006. The arrangements are set out in an agreement that we refer to as a Section 75 Agreement. The previous agreement was approved in 2014 for five years. The terms of that agreement mean that its terms continue to apply unless and until it is either terminated or replaced. The arrangements that it sets out therefore continue to operate until this proposed new agreement is signed.
- 3.4. The new agreement is broadly similar in nature to the previous agreements. The main impact of the agreement is the secondment of council staff into the Trust to be managed as part of integrated teams to deliver the Council's duties in relation to adult mental health. The team concerned are as follows:
 - 3.4.1. **Merton Assessment Team** – the main assessment gateway to adult mental health services for people aged 18-75 who are experiencing mental health problems and who are not responding to primary care interventions.
 - 3.4.2. **The Recovery & Support Teams** – these teams provide the main treatment, recovery and support functions where there is no clear diagnosis of a psychosis or mood disorder. The teams are linked to GP practices and support is provided in the community. The teams also offer education and employment support.
 - 3.4.3. **Merton Early Intervention Team** – which supports adults aged 18-65 with a first episode of psychosis.
 - 3.4.4. **Merton Crisis & Home Intervention Team** – which provides rapid assessment in A&E and in the community.
 - 3.4.5. **Merton Placement Review Team** – which works closely with the Recovery & Support Teams to support the needs of those who require commissioned social care.
- 3.5. These integrated teams allow for more seamless support for people with mental health issues from health and social care, without them being

passed between teams with the inherent frustrations and risks that would involve. Council employees are seconded to the Trust, but remain council employees.

- 3.6. Although the Trust manages the casework and assessment processes, the budget for care is retained by the Council and decisions on allocating resources to meet social care needs are made by Council managers. The staff and care budgets are monitored in the same way as the rest of Adult Social Care budgets and form part of the monthly monitoring and reporting process.
- 3.7. The arrangements are governed by a joint board of which a senior manager from the Council and the Trust are the only voting members. This Board meets three times a year and oversees the performance of the arrangements and monitors the performance of integrated adult mental health services. This includes oversight of the agreed performance targets, budget management, staffing and quality issues.
- 3.8. The performance of the arrangements is managed formally through the governance framework set out in the agreement. The performance and delivery of social care is also integrated into the management of all adult social care services, such that performance and budget are monitored alongside the rest of adult social care. The Trust attends the Departmental Management Team once a month.
- 3.9. Operationally, there are regular meetings between the Trust lead and the Assistant Director for Adult Social Care. Care placements go through the departmental Outcomes Forum and are recorded on the Mosaic care system. The Trust is bound by the Council's adult safeguarding policies and processes.
- 3.10. The main changes since the last agreement are as follows:
 - An updating of the wording of the main agreement in line with current best practice and national templates;
 - An updating of the resource information;
 - The withdrawal of the Older People's Mental Health (OPMH) social work posts from the arrangement.
- 3.11. Up until now, four OPMH social work posts have been part of the agreement and sat in the Trust management structure. Since the last agreement was signed, the Council has been working more closely with the community health provider (CLCH) to develop an integrated approach to meeting the needs of older people in the community. These arrangements bridge physical and mental health as mental health is a prominent issue in

working with older people. Up until now, however, these four posts have sat outside this emerging model of OP care.

- 3.12. The Council therefore proposes to withdraw these four posts from the adult mental health agreement so that they can be included in to the developing older people's community services integrated arrangements. Over time we expect the mental health trust to be more closely aligned with these arrangements, but the Council believes it is necessary to make this change now. The integrated older people's services will be aligned to the Primary Care Networks, which are an important building block of the new NHS landscape for community services.
- 3.13. The agreement is for five years, from 2019 to 2024, but will continue to operate until it is either terminated or replaced.

4. Alternative Options

- 4.1. There are two alternatives to renewing the agreement with the Trust. We could continue to operate under the expired agreement. However, this would not allow us to refresh the agreement terms and would not be acceptable to the Trust.
- 4.2. We could not renew the agreement and instead undo the integration of the adult mental health teams. We do not believe that this is in the interests of service users. This view is reinforced by the comments made during the consultation period (section 5 below). It is also contrary to the direction of travel for health and social care.

5. Consultation undertaken or proposed

- 5.1. It is a condition of the regulations governing section 75 agreements that public consultation is carried out on having a pooled budget. Responses to such consultations tend to be low in number.
- 5.2. A public consultation was launched on 21st May 2019, ending on the 10th June 2019. The Mental Health Forum was briefed in advance of the launch and the link to the consultation document was circulated by MVSC. Feedback from the forum was that integrated adult mental health arrangements support better outcomes and contribute to the Trust's good performance.
- 5.3. Twelve responses to the public consultation were received. Although this is a relatively low number, it is not untypical for a technical consultation such as this. Five of the respondents were service users and/or carers.

- 5.4. The responses were overwhelmingly positive about the advantages of integrated mental health services. Respondents stated that it was the best way forward and led to better experiences for service users and carers. One respondent stated that in neighbouring areas where services had been separated, services users faced longer delays and a worse experience.

6. Timetable

- 6.1. This report is due to go to Cabinet on 15th July. The final terms will then be agreed with the Trust.

7. Financial, resource and property implications

- 7.1. The agreement is based on staff budgets that are in line with the departmental budget and the Medium Term Financial Plan. Savings in staff costs for 2018/19 were partially met, with £23k outstanding.
- 7.2. The Council's contribution to the pool in 2019/20 is £1.566m and the Trust's contribution £2.789m.
- 7.3. The budget for the costs of care placements is retained by the Council and is set at £1.855m net of contributions. Placements are authorised by the Council's Assistant Director or their nominee.
- 7.4. The staffing and placements budgets are integrated into the department's budget management and reporting arrangements, including monthly reporting on placement activity. This is managed through the Departmental Management Team alongside all other Adult Social Care budgets and is reflected in the services monthly returns and reports.

8. Legal and statutory implications

- 8.1. Section 75 of the NHS Act 2006 (the Act) as amended by the Health and Social Care Act 2012, provides the legal basis under which local authorities and health bodies can work together to improve health and social care provision. This includes making arrangements for flexible funding and working, such as arranging for the pooling of budgets and delegating responsibility for commissioning health related functions to the other.
- 8.2. The Act provides for:
- Pooling funds – the ability for partners each to contribute agreed funds to a single pot, to be spent on agreed projects for designated services.

- Lead commissioning – the partners can agree to delegate commissioning of a service to one lead organisation.
- Integrated provision – the partners can join together their staff, resources and management structures to integrate the provision of a service from managerial level to the front line.

8.3. The Act makes it clear that arrangements made by virtue of this Section 75 do not affect the liability of NHS bodies for the exercise of any of their functions, nor the liability of local authorities for the exercise of any of their functions.

8.4. The parties are required to enter into a Section 75 partnership agreement to record their intentions as regards the integration of the services and the establishment of a pooled fund. SLLP has been instructed in this regard.

8.5. Under section 3(1) of the Local Government Act 1999, the Council, as a “best value authority” is under general duty of best value to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”. Under the duty of best value, the Council should consider overall value, including environmental and social value, when reviewing service provision. Officers have indicated in the report, ways in which Section the 75 partnership arrangement will assist the Council in achieving best value.

9. Human rights, equalities and community cohesion implications

9.1. Integrated adult mental health services supports the Council in meeting its duties to protect human right and to promote equality and community cohesion. Effective mental health services enable people with mental health issues to lead good lives and remain part of their communities.

9.2. People with mental health issues often face discrimination and integrated care helps reduce the barriers they face. Reducing stigma is also a shared ambition of the Council and the Trust.

10. Risk management and health and safety implications

10.1. The agreement is subject to the Council’s and the Trust’s usual arrangements for the management of risk and health & safety.

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

- Draft Partnership Agreement under section 7 of the NHS Act 2006

12. Background Papers – the following documents have been relied on in drawing up this report but do not form part of the report

None



DATED

2019

SECTION 75 AGREEMENT

between

THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF MERTON

and

SOUTH WEST LONDON AND ST GEORGE'S MENTAL HEALTH NHS TRUST

DRAFT

Relating To The Delivery of Adult Mental Health Services Within The London Borough of Merton

© London Borough of Merton
Civic Centre
London Road
Morden
SM4 5DX

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PARTIES

- (1) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF MERTON** whose principal office is at Civic Centre, London Road, Morden, SM4 5DX (**Authority**); and
- (2) **SOUTH WEST LONDON AND ST GEORGE'S MENTAL HEALTH NHS TRUST** of Springfield University Hospital, 61 Glenburnie Road, London SW17 7DJ (**NHS body**).

BACKGROUND

- (A) Section 75 of the National Health Service Act 2006 contains powers enabling NHS bodies (as defined in section 275 of the NHS Act 2006) to exercise certain local authority functions and for local authorities to exercise various NHS functions. The Partners are entering into this Agreement in exercise of those powers under and pursuant to the NHS Regulations 2000.
- (B) The Partners are committed to better integration of the NHS Functions and the Authority Health-Related Functions, and therefore wish to enter into the arrangements under this Agreement.
- (C) The purpose of this Agreement is to facilitate the provision of services to adults of a working age and older people with a mental illness in the manner and locations specified in this Agreement.
- (D) This Agreement follows consultation jointly by the Partners with such persons as appear to the Partners to be affected by these arrangements and provides the framework within which the Partners will work together to achieve the Aims and Outcomes.

AGREED TERMS

1. Definitions and Interpretation

- 1.1 The definitions and rules of interpretation in this clause apply in this Agreement.

Agreement: the agreement between the NHS Body and the Authority comprising these terms and conditions together with all schedules attached to it.

Aims and Outcomes: the objectives of the Partners, setting out how the Partnership Arrangements are likely to lead to an improvement in the way the Functions are exercised, as described in Schedule 1.

Annual Development Plan: has the meaning set out in clause 7.

Authority Health-Related Functions: shall have the same meaning as set out in the NHS Regulations 2000.

Authority's Authorised Officer: Hannah Doody, Director of Community & Housing

Authority's Financial Contribution: the Authority's financial contribution for the relevant Financial Year. The Authority's Financial Contribution for the First Financial Year is set out in Schedule 3.

Change in Law: a change in Law that impacts on the Partnership Arrangements, which comes into force after the Commencement Date.

Commencement Date: 1st April 2019.

Data Protection Legislation: means: the UK Data Protection Legislation and (for so long as and to the extent that the law of the European Union has legal effect in the UK) the General Data Protection Regulation ((EU) 2016/679) and any other directly applicable European Union regulation relating to privacy.

Dispute Resolution Procedure: the procedure set out in clause 34.

Financial Contributions: the financial contributions of the Partners as set out in Schedule 3.

Financial Year: 1 April to 31 March.

First Financial Year: 2019/20.

FOIA: The Freedom of Information Act 2000 and any subordinate legislation made under it from time to time, together with any guidance or codes of practice issued by the Information Commissioner or relevant government department concerning this legislation.

Functions: the NHS Functions and the Authority's Health-Related Functions.

GDPR: The General Data Protection Regulation ((EU) 2016/679).

Host Partner: the host partner for the Functions under this Agreement or any of the Previous Section 75 Agreements, as appropriate.

Information: has the meaning given under section 84 of FOIA.

Information Sharing Protocol: the protocol describing how the Partners will share Information contained in Schedule 8.

Initial Term: the period commencing on the Commencement Date and ending on the fifth (5th) anniversary of the Commencement Date.

Law: any applicable law, statute, bye-law, regulation, order, regulatory policy, guidance or industry code, rule of court, directives or requirements of any Regulatory Body, delegated or subordinate legislation, or notice of any Regulatory Body.

NHS Act 2006: National Health Service Act 2006.

NHS Functions: shall have the meaning set out in regulation 5 of the NHS Regulations 2000.

NHS Body Assets: the assets used by the NHS Body's employees in the discharge of the NHS Functions.

NHS Body Premises: the NHS Body premises listed in Schedule 3.

NHS Body's Authorised Officer: Sue McKenna, Chief Operating Officer.

NHS Body's Financial Contribution: the NHS Body's financial contribution for the relevant Financial Year. The NHS Body's Financial Contribution for the First Financial Year is set out in Schedule 3.

NHS Regulations 2000: the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000 (*SI 2000/617*).

Non-pooled Fund: a non- pooled fund comprising either the Authority's Financial Contribution or the NHS Body's Financial Contribution for the Services designated in Schedule 3.

Partner: either the NHS Body or the Authority, and "**Partners**" shall be construed accordingly.

Partnership Arrangements: the arrangements made between the Partners under this Agreement.

Pooled Fund: a pooled fund comprising the Authority's Financial Contribution and the NHS Body's Financial Contribution for the Services designated in Schedule 3, out of which payments may be made by the Authority towards expenditure incurred in the exercise of the Functions.

Previous Section 75 Agreements: previous agreements entered into by the Partners or their predecessor bodies under section 75 NHS Act 2006 or the *Health Act 1999*, as listed in Schedule 7.

Quarter: one of the following periods in each Financial Year:

- a) 1 April to 30 June;
- b) 1 July to 30 September;
- c) 1 October to 31 December; and
- d) 1 January to 31 March.

Regulatory Body: those government departments and regulatory, statutory and other entities, committees and bodies that, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate, investigate or influence the matters dealt with in this Agreement, or any other affairs of the Authority.

Relevant Transfer: a relevant transfer under TUPE.

Representative: a Partner's employee, agent or subcontractor and any employee of the other Partner who is seconded to the Partner and is acting in accordance with the Partner's instructions.

Request for Information: a request for Information or an apparent request under the Code of Practice on Access to Government Information, FOIA or the Environmental Information Regulations 2004 (*SI 2004/3391*) (**EIR**).

Seconded Staff: the employees of the Authority seconded to the NHS Body in accordance with identified in the Secondment Agreement.

Secondment Agreement: the agreement between the Authority and the NHS Body relating to the Seconded Staff.

Service Provider: a third-party provider of any of the Services, as commissioned by the NHS Body or the Authority before the Commencement Date or the NHS Body from the Commencement Date.

Service Users: individuals who are eligible to receive the Services, as more particularly described in Schedule 2.

Services: the services to be delivered by or on behalf of the Partners under this Agreement, as more particularly described in Schedule 2.

Term: the period of the Initial Term as may be varied by:

- a) any extensions to this Agreement that are agreed under clause 3; or
- b) the earlier termination of this Agreement in accordance with its terms.

TUPE: The Transfer of Undertakings (Protection of Employment) Regulations 2006 (S/2006/246).

UK Data Protection Legislation: any data protection legislation from time to time in force in the UK including the Data Protection Act 2018 (DPA 2018) or any successor legislation.

Working Day: any day other than Saturday, Sunday, a public or bank holiday in England.

- 1.2 Clause, Schedule and paragraph headings shall not affect the interpretation of this Agreement.
- 1.3 The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules.
- 1.4 Words in the singular include the plural and vice versa.
- 1.5 A reference to one gender includes a reference to the other genders.
- 1.6 A reference to a statute or statutory provision is a reference to it as it is in force for the time being, taking account of any amendment, extension or re-enactment and includes any subordinate legislation for the time being in force made under it.
- 1.7 A reference to **writing** or **written** includes faxes and e-mail.
- 1.8 Any obligation in this Agreement on a person not to do something includes an obligation not to agree or allow that thing to be done.
- 1.9 A reference to a document is a reference to that document as varied or novated (in each case, other than in breach of the provisions of this Agreement) at any time.
- 1.10 References to clauses and Schedules are to the clauses and Schedules of this Agreement. References to paragraphs are to paragraphs of the relevant Schedule.

2. COMMENCEMENT AND DURATION

This Agreement shall take effect on the Commencement Date and shall continue for the Term.

3. EXTENDING THE INITIAL TERM

The Partners may extend this Agreement for a period and on varied terms as they agree, beyond the Initial Term, subject to approval of the Partners' boards.

4. PARTNERSHIP ARRANGEMENTS

4.1 The Partners enter into these Partnership Arrangements under section 75 of the NHS Act 2006 to provide integrated health and social care services to better meet the needs of the Service Users within The London Borough of Merton than if the Partners were operating independently.

4.2 The specific Aims and Outcomes of the Partnership Arrangements are described in Schedule 1.

4.3 From the Commencement Date, the Previous Section 75 Agreements are replaced by the provisions of this Agreement.

4.4 The Partnership Arrangements shall comprise:

- (a) the delegation by the Authority to the NHS Body of the Authority Health-Related Functions so that it may exercise the Authority Health-Related Functions alongside the NHS Functions and act as provider of the Services described in Schedule 2.
- (b) the establishment of Pooled Funds for the following Services:
 - (i) The provision of community mental health social work functions;
 - (ii) The provision of an Approved Mental Health Social Worker function.
- (c) the establishment of Non-Pooled Funds for the following Services:
 - (i) The commissioning of social care services for mental health service users.
- (d) the establishment of an integrated management and commissioning department.

4.5 The NHS Body shall host and provide the financial administrative systems for the Pooled Fund and the Non-Pooled Fund.

4.6 The NHS Body shall appoint a Pooled Fund manager, who shall be responsible for:

- (a) managing the Pooled Fund and the Non-Pooled Fund on behalf of the Partners;

- (b) managing expenditure from the Pooled Fund and the Non-Pooled Fund within the budgets set by the Partners and in accordance with the Annual Development Plan; and
- (c) submitting quarterly reports and an annual return to the Partners, to enable them to monitor the success of the Partnership Arrangements.

4.7 In accordance with Regulation 4(2) of the NHS Regulations 2000, the Partners have carried out a joint consultation on the proposed Partnership Arrangements with Service Users, and other individuals and groups who appear to them to be affected by the Partnership Arrangements.

4.8 Nothing in this Agreement shall prejudice or affect:

- (a) the rights and powers, duties and obligations of the Partners in the exercise of their functions as public bodies or in any other capacity;
- (b) the powers of the Authority to set, administer and collect charges for any Authority Health-Related Function; or
- (c) the Authority's power to determine and apply eligibility criteria for the purposes of assessment under the Community Care Act 1990.

5. DELEGATION OF FUNCTIONS

5.1 For the purposes of the implementation of the Partnership Arrangements, the Authority hereby delegates the exercise of the Authority's Health-Related Functions to the NHS body to exercise alongside the NHS Functions and act as integrated provider of Adult Mental Health Services.

5.2 Additional services may be brought within the scope of this Agreement during the Term by agreement of the Partners.

6. SERVICES AND ADULT SAFEGUARDING

6.1 The NHS Body is the Host Partner for the Partnership Arrangements, and agrees to act as provider of the Services listed in clause 5.1.

6.2 The NHS Body shall provide the Services or procure that they are provided (and shall be accountable to the Authority for the Authority's Health-Related Functions) for the benefit of Service Users:

- (a) to ensure the proper discharge of the Partners' Functions;
- (b) with reasonable skill and care, and in accordance with best practice guidance;

- (c) in all respects in accordance with the Aims and Outcomes, the performance management framework, the provisions of this Agreement, and the Authority's applicable policies set out in Schedule 2;
- (d) in accordance with its standing orders or other rules on contracting; and
- (e) in accordance with all applicable Law.

Adult Safeguarding

6.3 The NHS Body will plan and deliver adult mental health services with due regard to the safety of Service Users and their families. The NHS Body will apply the Authority's Adult Safeguarding Strategy and adhere to the Authority's Adult Safeguarding pathways for referrals and investigations as notified to it from time to time.

6.4 The NHS Body shall ensure that staff and contractors delivering Adult Mental Health Services are suitably trained and supervised in relation to Adult Safeguarding.

7. ANNUAL DEVELOPMENT PLAN

7.1 The Partners shall prepare an Annual Development Plan for each of the Services at least four (4) weeks before the start of the Financial Year. The Annual Development Plan shall:

- (a) set out the agreed Aims and Outcomes for the specific Services;
- (b) describe any changes or development required for the specific Services;
- (c) provide information on how changes in funding or resources may impact the specific Services; and
- (d) include details of the estimated contributions due from each Partner for each Service and its designation to the Pooled Fund or the Non-Pooled Fund.

7.2 The Annual Development Plan shall commence on 1 April at the beginning of the Financial Year and shall continue for twelve (12) months.

7.3 The Annual Development Plan may be varied by written agreement between the Partners. Any variation that increases or reduces the number or level of Services in the scope of this Agreement shall require the Partners to make corresponding adjustments to the NHS body's Financial Contribution and the Authority's Financial Contribution.

7.4 If the Partners cannot agree the contents of the Annual Development Plan, the matter shall be dealt with in accordance with clause 34 (*Dispute Resolution*). Pending the outcome of the dispute resolution process or termination of this Agreement under clause

Error! Reference source not found. (*Termination*), the Partners shall make available amounts equivalent to the Financial Contributions for the previous Financial Year.

8. PERFORMANCE MANAGEMENT

The Partners shall adhere to the performance management framework set out in Schedule 5.

9. FINANCIAL CONTRIBUTION

9.1 The Authority shall pay the Authority's Financial Contribution to the NHS Body to allocate to the Pooled Fund and Non-Pooled Fund and to manage in accordance with this Agreement and the Annual Development Plan.

9.2 The NHS Body shall contribute the NHS body's Financial Contribution to the Pooled Fund and Non-Pooled Fund and shall manage the Pooled Fund and Non-Pooled Fund in accordance with this Agreement and the Annual Development Plan.

9.3 The NHS body's Financial Contribution and the Authority's Financial Contribution for the First Financial Year are set out in Schedule 3.

9.4 The Partners shall pay the Financial Contributions into the Pooled Fund and Non-Pooled Fund monthly on receipt of a schedule of costs.

9.5 The Partners shall agree the NHS body's Financial Contribution and the Authority's Financial Contribution for the following Financial Year by 31 March.

9.6 The Authority's Financial Contribution is deemed to include the sums it may recover from the Service Users, irrespective of whether they are actually recovered.

9.7 The Partners shall contribute all grants or other allocations that are intended to support the provision of the Services to the relevant Pooled and Non-Pooled Fund.

9.8 Each Partner will follow appropriate VAT rules that apply to its sector.

10. OVERSPENDS AND UNDERSPENDS

10.1 The NHS Body shall use all reasonable endeavours to arrange for the discharge of the Authority Health-Related Functions and the NHS Functions within the Financial Contributions available in each Financial Year.

10.2 The NHS Body shall endeavour to manage any in-year overspends within its staffing and commissioning arrangements for the Services. Posts that fall within the Pooled Fund should not be appointed to on a permanent or temporary basis that would give rise to an overspend without the written authority of the NHS Body's Authorised Officer and Authority's Authorised Officer.

- 10.3 The NHS Body shall make the Authority aware of any potential overspend in Pooled Fund and the Non-Pooled Fund as soon as it becomes aware of this possibility. The NHS Body will highlight reasons for the overspend, both current and projected, and make recommendations for action to bring the relevant Financial Contributions back to balance.
- 10.4 If, at the end of the Financial Year or on termination or expiry of this Agreement, it becomes apparent that there has been an overspend in the Pooled Fund that has not been previously authorised, the Partners shall meet the overspend proportionately to their respective Financial Contributions. Overspends in Non-Pooled Funds shall be met by the party holding that fund.
- 10.5 The NHS body shall make the Authority aware of any potential underspend in relation to Financial Contributions, prior to the end of the Financial Year. The NHS Body shall highlight reasons for the underspend and identify any part of that underspend which is already contractually committed.
- 10.6 The benefit of any underspend at the end of the Financial Year or on termination or expiry of this Agreement (whichever is appropriate) shall:
- (a) in the Pooled Funds:
 - (i) if the Partners agree, be applied to the Services, as the Mental Health Integration Board shall determine;
 - (ii) if the Partners agree, be deducted proportionately from the Partners' Financial Contributions for the following Financial Year; or
 - (iii) if the Partners cannot agree, be returned to the Partners in proportion to their Financial Contribution for the Financial Year.

11. CAPITAL EXPENDITURE

The Financial Contributions shall be directed exclusively to revenue expenditure. Any arrangements for the sharing of capital expenditure shall be made separately and in accordance with section 256 (or section 76) of the NHS Act 2006 and Directions made thereunder.

12. SET UP COSTS

Each Partner shall bear its own costs of the establishment of the Partnership Arrangements under this Agreement.

13. PREMISES

The NHS Body shall make available the NHS Body's Premises to the Partnership Arrangements.

14. ASSETS

The NHS Body shall make the NHS Body's Assets available to the Partnership Arrangements.

15. STAFFING (TUPE, SECONDMENT AND PENSIONS)

15.1 The Partners agree that the provisions of Schedule 6 shall apply to any:

- (a) Relevant Transfer of staff under this Agreement; and
- (b) Secondments of Authority staff to the NHS Body.

16. CONTRACTS

16.1 The Authority appoints the NHS Body to act as agent for the Authority from the Commencement Date for any Pre-Existing Contracts. As this is a follow-on agreement, the contracts concerned are those let by the NHS Body in the preceding agreement or have been accepted by the NHS Body on the commencement of the preceding agreement.

16.2 The NHS Body shall enter into such contracts with third parties as it sees fit for the purpose of facilitating the discharge of the Functions. The NHS Body shall ensure that all contracts entered into concerning the Authority Health-Related Functions are capable of assignment or novation to the Authority and any successor body.

17. GOVERNANCE

17.1 The NHS Body shall nominate the NHS Body's Authorised Officer, who shall be the main point of contact for the Authority and shall be responsible for representing the NHS Body and liaising with the Authority's Authorised Officer in connection with the Partnership Arrangements.

17.2 The Authority shall nominate the Authority's Authorised Officer, who shall be the main point of contact for the NHS Body and shall be responsible for representing the Authority and liaising with the NHS Body's Authorised Officer in connection with the Partnership Arrangements.

17.3 The Authorised Officers shall be responsible for taking decisions concerning the Partnership Arrangements, unless they indicate that the decision is one that must be referred to their respective boards.

17.4 The Partners shall each appoint officers to the Mental Health Integration Board in accordance with 0. The terms of reference of the Mental Health Integration Board are set out in 0.

18. QUARTERLY REVIEW AND REPORTING

18.1 The Partners shall carry out a quarterly review of the Partnership Arrangements within thirty (30) days of the end of each Quarter.

18.2 The Pooled Fund Manager shall submit a quarterly report to the Mental Health Integration Board setting out:

(a) the performance of the Partnership Arrangements against the performance management framework in the preceding Quarter; and

(b) any forecast overspend or underspend of the Financial Contributions.

19. ANNUAL REVIEW

19.1 The Partners agree to carry out a review of the Partnership Arrangements within three months of the end of each Financial Year (**Annual Review**), including:

(a) the performance of the Partnership Arrangements against the Aims and Outcomes;

(b) the performance of the individual Services against the service levels and other targets contained in the relevant contracts;

(c) plans to address any underperformance in the Services;

(d) actual expenditure compared with agreed budgets, and reasons for and plans to address any actual or potential underspends or overspends;

(e) review of plans and performance levels for the following year; and

(f) plans to respond to any changes in policy or legislation applicable to the Services or the Partnership Arrangements.

19.2 The NHS Body shall prepare an annual report following the Annual Review for submission to the Partners' respective boards.

20. VARIATIONS

This Agreement may be varied by the Partners at any time by agreement in writing in accordance with the Partners' internal decision-making processes.

21. STANDARDS

- 21.1 The Partners shall collaborate to ensure that the Partnership Arrangements are discharged in accordance with:
- (a) the service standards set out in Schedule 2 and Schedule 5;
 - (b) the prevailing standards of clinical governance;
 - (c) the Authority's standing orders; and
 - (d) the requirements specified by the Care Quality Commission and any other relevant external regulator.
- 21.2 The Partners shall develop operational guidance and procedures to reflect compliance with this clause 21.
- 21.3 The Partners shall ensure that each employee is appropriately managed and supervised in accordance with all relevant prevailing standards of professional accountability.

22. HEALTH AND SAFETY

- 22.1 The NHS Body shall (and shall use reasonable endeavours to ensure its Representatives) comply with the requirements of the Health and Safety at Work etc. Act 1974 and any other acts, orders, regulations and codes of practice relating to health and safety, which may apply to the Services and persons working on the Services.
- 22.2 The NHS Body shall ensure that its health and safety policy statement (as required by the Health and Safety at Work etc. Act 1974), together with related policies and procedures, are made available to the Authority on request.
- 22.3 The NHS Body shall notify the Authority if any incident occurs in the performance of the Services, where that incident causes any personal injury or damage to property that could give rise to personal injury.

23. EQUALITY DUTIES

- 23.1 The Partners acknowledge their respective duties under equality legislation to eliminate unlawful discrimination, harassment and victimisation, and to advance equality of opportunity and foster good relations between different groups.
- 23.2 The NHS Body agrees to adopt and apply policies in its carrying out of the Authority Health-Related Functions and NHS Functions, to ensure compliance with their equality duties.

23.3 The NHS Body shall take all reasonable steps to secure the observance of clause 23 by all servants, employees or agents of the NHS Body and all Service Providers employed in delivering the Services described in this Agreement.

24. FREEDOM OF INFORMATION

The Partners acknowledge that each is subject to the requirements of FOIA and the EIR, and shall assist and co-operate with one another to enable each Partner to comply with these information disclosure requirements, where necessary.

25. DATA PROTECTION AND INFORMATION SHARING

25.1 Each Partner shall (and shall procure that any of its Representatives involved in the provision of the Services shall) comply with any notification requirements under Data Protection Legislation. Both Partners shall duly observe all their obligations under Data Protection Legislation, which arise in connection with this Agreement.

25.2 The Partners shall share information about Service Users to improve the quality of care and enable integrated working. The Partners shall adhere to the Information Sharing Protocol when sharing information under this Agreement.

25.3 The Partners will comply with the provisions of Schedule 8 (Information Sharing Protocol).

26. HEALTH AND SOCIAL CARE RECORDS

26.1 The Authority shall make available to the NHS Body its current and archived Service User files from the Commencement Date. The NHS Body shall hold, and be responsible for maintaining and the safekeeping of the Service User files for the Term, in accordance with Data Protection Legislation.

26.2 The NHS Body shall ensure that the records of social care Service Users are maintained in a timely manner on the Authority's social care case management system.

26.3 The NHS Body shall be responsible for facilitating Service Users in accessing their Personal Data under the Data Protection Legislation.

27. CONFIDENTIALITY

27.1 Each Partner agrees to keep confidential all documents relating to or received from the other Partner under this Agreement that are labelled as confidential.

27.2 Where a Partner receives a request to disclose Information that the other Partner has designated as confidential, the receiving Partner shall consult with the other Partner before deciding whether the Information is subject to disclosure.

28. AUDIT

- 28.1 The NHS Body shall arrange for the audit of the accounts of the Pooled Fund in accordance with its statutory audit requirements.
- 28.2 The NHS Body shall provide to the Authority any reports required concerning the Authority Health-Related Functions on reasonable notice.
- 28.3 The NHS Body shall cooperate with the Authority's internal audit arrangements in carrying out any audit of the arrangements and use of funds.
- 28.4 The Partners shall co-operate in the provision of Information, and access to premises and staff, to ensure compliance with any statutory inspection requirements, or other monitoring or scrutiny functions. The Partners shall implement recommendations arising from these inspections, where appropriate.

29. INSURANCE

- 29.1 The Partners shall effect and maintain a policy or policies of insurance, providing an adequate level of cover for liabilities arising under any indemnity in this Agreement.
- 29.2 Each Partner shall be responsible for insuring the premises and assets it contributes to the Partnership Arrangements, as set out in Schedule 3.

30. INDEMNITIES

Each Partner (**Indemnifying Partner**) shall indemnify and keep indemnified the other Partner (**Indemnified Partner**) against all actions, proceedings, costs, claims, demands, liabilities, losses and expenses whatsoever, whether arising in tort (including negligence), default or breach of this Agreement, to the extent that any loss or claim is due to the breach of contract, negligence, wilful default or fraud of itself, the Indemnifying Partner's employees, or any of its Representatives or sub-contractors, except to the extent that the loss or claim is directly caused by or directly arises from the negligence, breach of this Agreement, or applicable Law by the Indemnified Partner or its Representatives.

31. LIABILITIES

- 31.1 Subject to clause 31.2, neither Partner shall be liable to the other Partner for claims by third parties arising from any acts or omissions of the other Partner in connection with the Services before the Commencement Date.
- 31.2 Liabilities arising from Services provided or commissioned under the Previous Section 75 Agreements shall remain with the Host Partner for the Service under the relevant agreement.

31.3 Each Partner shall, at all times, take all reasonable steps to minimise and mitigate any loss or damage for which the relevant Partner is entitled to bring a claim against the other Partner under this Agreement.

32. COMPLAINTS AND INVESTIGATIONS

32.1 Complaints regarding the Service shall in the first instance be directed to the NHS Body and if they cannot be dealt with under the NHS Complaints Procedure, they will be investigated jointly by the Partners (with the NHS Body taking the lead) and a decision will be made regarding which complaints procedure should be followed. The complaint will then be managed according to the Authority's Complaints Procedure or the NHS Complaints Procedures as appropriate. The nominated officer responsible for handling of complaints will ensure that all Service Users and their carers or established representatives are advised and provided with information on how to complain, which will be made known at the point of commencement of assessment and after referral to the Service for any potential service or support.

32.2 The NHS Body will report the data regarding complaints to the Authority by means of a quarterly report or more frequently if requested by the Authority. The data must be sent in accordance with the Authority's policy and procedures in force from time to time.

32.3 All complaints from Service Users should be dealt with and resolved appropriately by the NHS Body. Any serious complaint that cannot be resolved shall be notified to the Authority as soon as reasonably practicable so that the Partners can co-operate and endeavour to satisfy the complainant

32.4 The Partners shall each fully comply with any investigation by the Ombudsman, including providing access to information and making staff available for interview.

33. HEALTHWATCH

33.1 The Partners shall promote and facilitate the involvement of Service Users, carers and members of the public in decision-making concerning the Partnership Arrangements.

33.2 The Authority shall ensure the effective discharge of its obligations in the establishment of Local HealthWatch and the NHS Body shall ensure its contracts with Service Providers require co-operation with Local HealthWatch as appropriate.

34. DISPUTE RESOLUTION

34.1 The members of the Mental Health Integration Board shall use their best endeavours to resolve disputes arising out of this Agreement.

34.2 If any dispute referred to the Mental Health Integration Board is not resolved within ninety days, either Partner, by notice in writing to the other, may refer the dispute to the

chief executives (or equivalent) of the Partners, who shall co-operate in good faith to resolve the dispute as amicably as possible within ninety days of service of the notice.

- 34.3 Subject to clause 34.4, if the chief executives (or equivalent) fail to resolve the dispute in the allotted time, the Dispute Resolution Procedure shall be deemed exhausted and the aggrieved Partner may commence legal proceedings.
- 34.4 This clause 34 shall not prevent either Partner from seeking injunctive relief at any time during the Term (regardless of whether the Dispute Resolution Procedure set out in this clause 34 has been exhausted or not) in the case of any breach or threatened breach by the other Partner of any obligation under this Agreement.

35. TERMINATION

- 35.1 Without prejudice to other rights and remedies at law, and unless terminated under clause 35.2 or 35.3, either Partner may terminate this Agreement at any time by giving twelve (12) months' written notice to the other Partner.
- 35.2 Subject to clause 35.3, either Partner may terminate this Agreement at any time by giving twelve months' written notice to the other Partner, if for budgetary reasons:
- (a) it is no longer able to make its Financial Contributions or otherwise contribute sufficient resources to the Partnership Arrangements (or any part of them); or
 - (b) it is of the reasonable opinion that in light of the other's proposed Financial Contribution the Partnership Arrangements (or any part of them) are no longer viable.
- 35.3 Either Partner (for the purposes of this clause 35.3, the **First Partner**) may terminate this Agreement in whole or part with immediate effect by the service of written notice on the other Partner (for the purposes of this clause 35.3, the **Second Partner**) in the following circumstances:
- (a) if the Second Partner is in breach of any material obligation under this Agreement, provided that, if the breach is capable of remedy, the First Partner may only terminate this Agreement under clause 35.3, if the Second Partner has failed to remedy the breach within one hundred and eighty days of receipt of notice from the First Partner (**Remediation Notice**) to do so;
 - (b) there is a Change in Law that prevents either Partner from complying with its obligations under this Agreement; or
 - (c) following a failure to resolve a dispute under clauses 34.1 and 34.2.

36. CONSEQUENCES OF TERMINATION

- 36.1 On the expiry of the Term, or if this Agreement is terminated in whole or in part for any reason:
- (a) the Partners will comply with the exit strategy set out in Schedule 9;
 - (b) premises and assets shall be returned to the contributing Partner in accordance with the terms of their leases, licences or agreed Schedule of condition;
 - (c) assets purchased from the Pooled Fund shall be disposed of by the NHS Body and the proceeds of sale allocated according to the Partners' Financial Contributions or, if otherwise agreed and subject to the conditions of such agreement, shall be retained by the NHS Body; **AND/OR**
 - (d) assets purchased from the Non-Pooled Funds shall be returned to the Partner from whose Financial Contribution the purchase was made;
 - (e) contracts entered into by the NHS Body concerning the Authority Health-Related Functions shall be novated to the Authority and the Authority shall accept the novation; and
 - (f) the NHS Body shall transfer to the Authority all records in its possession relating to the Authority Health-Related Functions.
- 36.2 Overspends on termination of this Agreement shall be dealt with in accordance with clause 10.4.
- 36.3 Subject to clause 36.4, underspends on termination of this Agreement shall be dealt with in accordance with clause 10.6.
- 36.4 Subject to clause 30 (Indemnities), the NHS Body shall be entitled to direct any underspends to the following purposes:
- (a) to meet obligations under existing contracts;
 - (b) to defray the costs of making any alternative arrangements for Service Users; and
 - (c) to meet the costs of any redundancies arising from the termination of the Partnership Arrangements.
- 36.5 The provisions of the following clauses shall survive termination or expiry of this Agreement:
- (a) clause 24 (Freedom of Information);

- (b) clause 25 (Data Protection and Information Sharing);
- (c) clause 26 (Health and Social Care Records);
- (d) clause 28 (Audit);
- (e) clause 30 (Indemnities);
- (f) clause 31 (Liabilities); and
- (g) clause 36 (Consequences of Termination).

37. PUBLICITY

The Partners shall use reasonable endeavours to consult one another before making any press announcements concerning the Services or the discharge of either Partner's Functions under this Agreement.

38. NO PARTNERSHIP

Nothing in this Agreement shall be construed as constituting a legal partnership between the Partners or as constituting either Partner as the agent of the other for any purpose whatsoever, except as specified by the terms of this Agreement.

39. THIRD PARTY RIGHTS

No one other than a Partner to this agreement [their successors and permitted assignees shall have any right to enforce any of its terms.

40. NOTICES

- 40.1 Notices shall be in writing and shall be sent to the other Partner marked for the attention of the chief executive (or equivalent) or another person duly notified by the Partner for the purposes of serving notices on that Partner, at the address set out for the Partner in the Agreement.
- 40.2 Notices may be sent by first class mail or facsimile transmission, provided that facsimile transmissions are confirmed within twenty-four (24) hours by first class mailed confirmation of a copy. Correctly addressed notices sent by first class mail shall be deemed to have been delivered seventy-two (72) hours after posting and correctly directed facsimile transmissions shall be deemed to have been received instantaneously on transmission, provided that they are confirmed as set out above.

41. ASSIGNMENT AND SUBCONTRACTING

Neither Partner shall assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any or all of its rights and obligations under the Agreement without the prior written consent of the other Partner.

42. SEVERABILITY

If any provision or part-provision of the Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Agreement.

43. WAIVER

43.1 The failure of either Partner to enforce any of the provisions of the Agreement at any time or for any period of time shall not be construed to be a waiver of any such provision and shall in no matter affect the right of that Partner thereafter to enforce such provision.

43.2 No waiver in any one or more instances of a breach of any provision of the Agreement shall be deemed to be a further or continuing waiver of such provision in other instances.

44. ENTIRE AGREEMENT

The Agreement, the Schedules and the documents annexed to it or otherwise referred to in it contain the whole agreement between the Partners relating to the subject matter of it and supersede all prior agreements, arrangements and understandings between the Partners relating to that subject matter.

45. GOVERNING LAW AND JURISDICTION

Subject to clause 34 (Dispute Resolution), this Agreement and any dispute or claim arising out of or in connection with it or its subject matter shall be governed by and construed in accordance with the law of England and Wales, and the Partners irrevocably agree that the courts of England shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement.

46. FAIR DEALINGS

The Partners recognise that it is impracticable to make provision for every contingency which may arise during the life of this Agreement and they declare it to be their intention that this Agreement shall operate between them with fairness and without detriment to the interests of either of them and that if in the course of the performance of the

Agreement, unfairness to either of them does or may result then the other shall use its reasonable endeavours to agree upon such action as may be necessary to remove the cause or causes of such unfairness.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

DRAFT

THE COMMON SEAL of the MAYOR AND)
BURGESSES OF THE LONDON BOROUGH)
OF MERTON was hereunto affixed in the)
presence of:)

Authorised Signatory

EXECUTED AS A DEED BY
SOUTH WEST LONDON AND ST GEORGE'S MENTAL HEALTH NHS TRUST
acting by and under the signatures of:

(1)

Director

(2)

Director OR Secretary

Schedule 1 Aims and Outcomes

1 Introduction

The primary aim of the Partners in establishing the Partnership Arrangements under this Agreement is to maximise the effectiveness and efficiency of mental health provision through the implementation of Section 75 Health Act 2006 flexibilities (Pooled budget and integrated provision) for adults with mental health needs.

2 Strategic Aims

2.1 The strategic aims listed below, provide the overall context for integration and support the delivery of the social care agenda by the NHS Body on behalf of the Authority. The core strategic aims of the Partners are to:

- Improve the mental health and well-being of the people we serve.
- Employ and manage staff to ensure they meet their potential at work to achieve the best possible outcomes for people we serve.

The Partners will achieve these aspirations by continually:

- Improving the quality and robust governance of the services they deliver.
- Engaging service users and carers in the development of policies, strategies, plans and evaluations of services.
- Providing evidence of need and best practice to inform integrated commissioning in the future and the development of the wider market of support offers.
- Increasing efficiency, value for money and financial decision making.
- Innovating and seeking new service delivery models.
- Developing their staff to offer the full potential.
- Providing evidence of the agreed performance outcomes.

2.2 Ensuring professional governance structures

Ensuring services are delivered from appropriate local and non-stigmatising environments. For the people the Partners serve, this will involve.

- Ensuring that adults of working age and older people within the Borough of Merton who have eligible health and social care needs can access and use personalised, specialist mental health services and resources.
- Ensuring that adults with mental health problems are safeguarded from harm.
- Ensuring that carers (family and friends) of the eligible adults are identified and offered a carer's assessment, information and advice and support services.
- Contributing to the safety and wellbeing of families and the wider community in the Borough of Merton through effectively managing risks arising from mental health problems.
- Using Health and Social care performance data in a timely manner to inform priorities for action and continuous improvement and development.
- Working with Merton health commissioners to ensure the on-going development of an integrated, preventive, and personalised led recovery-focused mental health system.
- Working effectively within a system of multiple NHS providers of mental health care.
- Working with relevant private voluntary and independent sector providers.

The main focus of this is to achieve an integrated approach to enabling person-centred services through a range of developments including:

- Working together to improve physical and mental health for people with long term mental health conditions.
- Increasing the numbers of people who are able to live independently including people living in supported living services and reducing the numbers of people living in registered (residential/nursing) care.
- To intervene early and to encourage people to access the community and mainstream services to support their wellbeing.
- To enable more people when they become acutely unwell to stay in their own homes as opposed to being admitted to hospital if safe to do so.
- To increase choice and control by enabling personalised services and increasing the

number of people with eligible social care needs to have a Direct Payment for their care and support.

- To work with commissioners to ensure that the needs of people in Merton are met and that they have a local offer that promotes social inclusion, independence and integration into our community.
- To increase the identification of carers, carers assessments, advice and information and subsequent support offered to carers.

This will involve

- Delivering high quality care and support for both those with mental health problems and their carers throughout an integrated, seamless and robust care pathway.
- Developing a whole system approach for incorporating Health, Social Care, third sector and service users and their carers.
- Increasing the Choice and Control that People with Mental Health issues have over their lives.

3 Service Improvement and Objectives

The Partners will work together:

- to manage demand within available resources, and will do this through promoting prevention, earlier intervention, self-management and by ensuring that pathways are integrated and effective.
- to ensure that mental health is part of the wider integration landscape and that it is at the heart of the Merton Health & Care Together Partnership.
- with the Clinical Commissioning Group and other provider Trusts to minimise delayed transfers of care.
- To promote the importance of good mental health in wellbeing and supporting healthy life expectancy. This will include seeking to address the health inequalities in Merton, including the east/west divide in health life outcomes.
- to bring services into Merton borough boundaries as the opportunity arises, to better enable access and early intervention, effective pathways and to meet mental health need.

Schedule 2 Services in Scope

1. The NHS Body's Health Care Functions

- (i) The functions of providing services pursuant to arrangements made by a Clinical Commissioning Group or the NHS Commissioning Board under sections 3, 3A and 3B of, and paragraphs 9 to 11 of Schedule 1 to, the National Health Service Act 2006, including rehabilitation services and services intended to avoid admission to hospital but excluding surgery, radiotherapy, termination of pregnancies, endoscopy, the use of Class 4 laser treatments and other invasive treatments and emergency ambulance services;
- (ii) the functions of providing services pursuant to arrangements made by a clinical commissioning group or the NHS Commissioning Board under Section 117 of the Mental Health Act 1983; and
- (iii) the functions under Schedule A1 of the Mental Capacity Act 2005.

2. The Authority's Health Related Functions

The Authority's Health Related Functions are as defined in The NHS Act 2000 as amended by The Health and Social Care Act 2012

For the avoidance of doubt notwithstanding the terms of this Agreement, Approved Mental Health Professionals shall continue to carry out functions under Section 115 of the Mental Health Act 1983 as amended. The provision of such functions does not form part of the Partnership Arrangements and will be regulated by the Authority directly and outside of the Partnership Arrangements.

The NHS Body will support the Authority in carrying out its duties and functions under Section 115 but will not be accountable for the quality of that service.

3 Scope of Service

The Service will provide integrated Specialist Mental Health and Social Care Services to adults of working age and older people who have one or more of the following:

- Serious mental health problems where not served by primary care.
- Care Act 2014 eligible social care needs.

Additionally:

- Social care or health services may be provided exclusively by social care or health professionals where eligible for one set of services and not the other and where that service is deemed most appropriate in the wider context of the health or social care systems.

4 Eligibility For Services

Service eligibility is based on assessed need for these specialist mental health services. Social care services are provided or enabled for any person for whom the Care Act 2014 assessment indicates the need for appropriate social care services.

5 Community Mental Health Services

The details of the staffing levels and funding for each post in these services will be agreed by the Partners from time to time and incorporated into Schedule 6.

The Managers of these services are required to deliver integrated health and social care services.

Social Care and Trust performance measures will be reported on regularly to the relevant Partner alongside an integrated performance framework for the Partnership Arrangements as described in Schedule 5 of this Agreement.

Merton Assessment Team

Location: Wilson Hospital

Summary

The Merton Assessment Team provides the main assessment gateway to adult mental health services to residents of London Borough of Merton, who are experiencing mental health problems that are not responding to Primary Care intervention.

The service provides a one point of access assessment, advice and signposting function for all referrals. The assessment function will begin on receipt of referral, and dependent on the outcome, provides the gateway for accessing the range of adult mental health services.

The team will refer and signpost to other agencies, both statutory and non-statutory where required.

Access Criteria	The service is for people aged 18-75 who are experiencing a mental disorder and reach a health assessment criteria and fair access to services care act criteria of critical and substantial need.
Referrals	Merton residents aged 18-75 can be directly referred from the GP's, liaison psychiatry and Home treatment teams, social care, police, partner agencies, a self-referral is appropriate.
Operational Policy	Available on request from the relevant service line.

The Recovery and Support Teams: Mitcham, Wimbledon and Morden

Location: Wilson Hospital

Summary

The Recovery and Support Teams (RSTs) provide the main treatment, recovery and support functions within adult mental health services to residents of London Borough of Merton, who are experiencing mental health problems that are not responding to Primary Care intervention or require more specialist interventions where there is no clear diagnosis of a psychosis or mood disorder.

The RSTs are aligned to GP practices and this is overseen through regular GP link meeting. Treatment will be provided on an outpatient or domiciliary basis by the most appropriate member of the team and offer short term focused interventions to those with severe mental illness on an individual or group basis and long-term care co-ordination.

The teams will also provide specific education and employment advice/support to enable service users to re-integrate within wider society. The teams will work with other agencies, both statutory and non-statutory where required.

Access Criteria	The service is for people aged 18-75 who are experiencing a mental disorder and reach a health assessment criteria foreword as above of critical and substantial need.
Referrals	Referrals will come through the Merton Assessment Team, Home Treatment teams, or CAMHS services and same criteria will apply.
Operational Policy	Available on request as above.

Merton Early Intervention Service	
Location: Wilson Hospital	
Summary	<p>The Sutton and Merton EIS works for working age adults with first episode psychosis young people living in Sutton and Merton aged between 18 and 65 with first episode of suspected psychosis – the Merton apportionment of this service will be subject to partnership arrangements.</p> <p>The service aims to engage clients at the earliest possible opportunity and provides:</p> <ul style="list-style-type: none"> • Specialist help for people and their carers for up to three (3) years of contact with mental health services. • Education to increase public awareness, detection and referral of people with early signs of psychosis. • Employment advice and support. • Support and education to Primary Care and agencies to help recognise early signs and encourage young people to access help early.
Access Criteria	The service is for working age adults who are experiencing or have experienced their first episode of psychosis, who are resident in the London Borough of Merton. For young people aged 16-17 acceptance by EIS would only follow discussion with CAMHS.
Referrals	Referrals will come through the Merton Assessment Team, Recovery and

	Support Teams, Home Treatment Teams, Inpatient services or Liaison Psychiatry and same criteria will apply.
Operational Policy	Available on request from the relevant service line

Merton Crisis & Home Treatment Team - (C&HTT) 24 hrs service	
Location: Springfield Hospital	
Summary	<p>Interventions:</p> <ul style="list-style-type: none"> • Rapid assessment of needs, mental state, mood and risks both at A & E department and community and determine suitability for home treatment intervention or inpatient acute admission. Response time to A & E usually within one hour. • Provide crisis intervention based on clinical and safety need of patient via daily or twice daily visit at home environment. Crisis intervention includes administration of medication, monitoring efficacy and or side effect and risk as well as psychosocial intervention as necessary 24 hours daily. • Undertake face to face assessment for all requests for admission to acute inpatient bed from all sources e.g. Merton Assessment Team, Recovery & Support Teams, St. Helier Hospital, Kingston Hospital, St Georges Hospital, police and other emergency services. • Where hospitalisation is required, established the purpose of admission and facilitates admission by allocating a bed, thereby ensuring face to face gate keeping to all admissions. • Facilitate early discharge, particularly through discharge coordinator working closely with inpatient services to ensure patients are discharged within the earliest possible time. • Initiate Clozapine in the community thereby reducing the pressure on inpatient bed acute bed. • Ensure joint discharge meeting with RSTs thereby ensuring

	<p>clarity of role.</p> <ul style="list-style-type: none"> To work in an integrated manner with Merton AMHP service to offer least restrictive option where feasible.
Access Criteria	C&HTT works with Adults (18 and above) with severe mental illness (e.g. Schizophrenia, Manic Depressive Disorder, Severe Depressive Disorder) in acute psychiatric crisis with such severity that without the involvement of the CR/HTT, hospitalisation would be necessary (Department of Health CR&HTT Implementation Guideline, NIMHE 2004).
Referrals	Merton C&HTT receives referrals made by the Merton Assessment Team; R&STs; Complex Needs Service: Early Intervention Service; Psychiatric Liaison Services, GP Surgery (Out of office hours); EDT, Sec.136 suite; London Ambulance Services, Self-referral via the Mental Health Support Line, Street Triage Service and from other home treatment teams.
Operational Policy	Available on request from the Acute Care Service Line.

Merton Placement Review Team Location: Springfield Hospital

Summary	<p>The Merton Placement Review Team works closely with RSTs in order to assess needs of those who require social care commissioned care packages, to best meet identified and eligible need in a manner that best promotes choice and recovery, and within available resources.</p> <p>In addition to this, an identified Placement Officer will manage a caseload of complex and high cost placements</p>
Access Criteria	All people with care act identified needs eligible needs from a mental health condition.
Referrals	Referrals are potentially from all mental health services following assessment/review of social care needs.
Operational Policy	Available on request from the adult community service line.

6 Approved Mental Health Professional (AMHP)

6.1 The Role, Responsibilities and Approval

The Authority is responsible for ensuring that sufficient Approved Mental Health Professionals (AMHPs) are available in the Borough to carry out their roles under the Mental Health Act 1983.

The Authority is responsible for approving individual AMHPs. This responsibility cannot be delegated to an NHS organisation through the Partnership Arrangements.

Although AMHPs carry out statutory functions under the Act on behalf of the local authority, this does not mean that the AMHP has to be employed by the local authority who approved them or on whose behalf they are acting. Under this Agreement, the Authority is entering into an arrangement with the NHS Body, whereby the NHS Body may employ an AMHP in their substantive role, but the Authority will retain the ultimate legal responsibility for the service.

The NHS Body will release staff for their AMHP duties and for initial and refresher AMHP training. The Authority is responsible for ensuring AMHP's are sufficiently and appropriately trained. The NHS Body will work in partnership with the Authority to enable sufficient AMHPs to be available from the integrated health and social care services managed under this Agreement.

AMHPs are professional staff with a registered qualification (either Social Workers, Community Mental Health Nurses, Occupational Therapists or Chartered Psychologists) specifically approved and appointed under Section 114 of the Mental Health Act 1983 by a local Social Services authority '*for the purpose of discharging the functions conferred upon them by this Act*'. Among these, one of the most important is to carry out assessments under the Act and to function as applicant in cases where compulsory admission is deemed necessary. Before being appointed, AMHPs must undertake post-qualifying training accredited by the Health and Care Professions Authority. Warranting of AMHP's is undertaken by the local authority.

There is a rota arrangement for the deployment of AMHPs between weekday working hours. AMHPs are released from their substantive community team roles while they undertake AMHP duties.

The minimum agreed number of warranted AMHPs is ten (10).

As recommended by the advice note issued by the Association of Directors of Adult Social Services (ADASS) in July 2008, the Authority will enter into contractual arrangements with all trust employed AMHPs setting out the Authority's responsibility for their practice. The Authority will remain responsible for:

- Ensuring that all AMHPs have access to professional supervision and support in their role as AMHPs.
- Providing a minimum of eighteen (18) hours of refresher training, relevant to the AMHP role each year – as determined by the local authority.
- the health and safety of AMHPs whilst they are undertaking assessments on their behalf.
- professional competence of those working in their role as AMHP, and for removing or suspending their warrant as necessary.
- Legal indemnity whilst undertaking the AMHP role.
- Access to legal advice whilst carrying out AMHP duties.

6.2 AMHP Legal Support

Legal advice will be provided by the South London Legal Partnership. Under this Agreement, the NHS Body will work in Partnership with the Authority to ensure a sufficient quantity of AMHPs by enabling its staff to be released for AMHP training and deployment on the AMHP rota, maintained by the Authority.

6.3 AMHP Supervision

The following supervision and support arrangements will be in place, including access to senior support from within the Authority, where issues related to conflicts of interest arise:

- (i) The Authority's Director, Community and Housing Services, will ensure that AMHPs have access to independent advice and support and to act as the senior responsible officer for the AMHP service within the Authority.
- (ii) The Associate Director of Social Work in Mental Health will act as professional lead and supervisor to highlight any problems identified by AMHPs and to protect the role's independence where the source of the problem may be within the substantive employer's control.

Information on AMHP activity will be reported to the Authority's Community & Housing Departmental Management Team regularly as a part of its Performance Reporting Framework to be agreed and attached at Schedule 5.

7 Services not subject to the Integration Arrangements, but which can be accessed by the Integrated Teams include:

- **Adult Inpatient Service:** inpatient services for working age adults, based on Jupiter Ward but other wards accessed as required.
- **Older Adult Inpatient Service:** inpatient services for older adults, based on Crocus Ward but other wards accessed as required.
- **Psychiatric Intensive Care Unit:** short term intensive care for those patients who are very acutely ill.
- **Challenging Behaviour Team:** provide treatment support and advice to care homes in managing older people with dementia manifesting in challenging behaviour.
- **Liaison Psychiatry Services:** A&E assessment and input into acute wards at St. George's, St. Helier and Kingston Hospitals.
- **Complex Needs Team:** providing structured treatments for people with complex personality disorder
- **Service User Network:** open access group-based support and treatment for people with personality disorder.
- **Sutton and Merton Improving Access to Psychological Therapies:** psychological treatments for people with anxiety and depression.
- **SWLSTG Specialist Services:** e.g. Forensic, Eating Disorders, OCD, Deaf.
- **Housing/accommodation:** General Needs Housing, Housing Needs Team, including Floating Support, Homeless Persons Unit, Registered Providers for Supported Living, Shared Lives, Health Continuing Care
- **Safeguarding adults:** Safeguarding adults team, Complex Needs team (virtual).
- **Financial assessments:** Financial assessments team, Finances services.
- **Commissioning/contracts:** Brokerage.
- **Children's Services:** Child protection CIN. LAC, Supporting Families.

8 Commissioned Social Care Services Needs

The NHS Body will be responsible for putting in place access to social care services in order to meet the assessed eligible needs of service users assessed by the integrated staff teams described in this agreement.

Additionally, the Authority will commission a range of social care services directly and make these contracts available for access by the NHS Body managed integrated staff teams.

At Commencement these services are as follows:

- A range of services commissioned from the voluntary sector including Carer Support, Advocacy and Community Advice Services.
- Services available to all customers in Access and Assessment for example Community OT, services to support Direct Payments, Safeguarding, and Housing Needs.

The Authority will retain responsibility for strategic commissioning which will include population needs analysis, service development, contracting, procurement, brokerage and quality assurance.

9 NHS Body's arranged services from the Non-Pooled Fund

The NHS Body will be responsible for making arrangements for Service Users to meet their assessed eligible care and support needs from those services contracted directly by the Authority.

Schedule 3 Contributions

1. Financial Contributions

- 1.1 The contributions of the NHS Body and the Authority at the commencement date are as set out below at paragraph 2.1 and paragraph 2.2.
- 1.2 Contributions in future years shall be agreed annually taking account of pay awards, general inflation, efficiencies, savings and changes to national funding.

2. Pooled Fund and Non-Pooled Fund

- 2.1 The pooled funds for 2019/20 are set out below and include the staff costs for the integrated teams. The total contributions for 2019/20 are the Authority £1,566,000 and the NHS Body £2,789,000.
- 2.2 The non-pooled budget covers the costs of social care packages of care and this is funded and held by the Authority. It is £1,855,730 for 2019/20.
- 2.3 These sums are varied and agreed each year by the parties to this Agreement.

3. Premises

- 3.1 The NHS Body shall provide accommodation for the integrated teams as locations as agreed by the Mental Health Integration Board.

4. Support Services

- 4.1 The NHS Body shall provide administration and support services to the integrated teams as required. An allocation for administrative support is included in the pooled staffing budget.

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Schedule of Pay and Non-Pay Budgets and FTE at 2019-20

Trust contribution to Pooled Fund 2019-20

Table 1

Budget FTEs	Merton Assessment Team	Wimbledon R&S Team	Mitcham R&S Team	Morden R&S Team	Merton OP CMHT	Merton Adult HTT	Merton EIS	Merton DART (Exc CDS&S)	Placement Review Team	Merton Mgmt	Total SWLST G fte
Admin		1.00	1.00		2.29	2.00	0.50	1.00			7.79
AHP	1.00	1.00	1.00	1.00	1.00		1.50				6.50
Assistant Care Manager											0.00
Employment Specialists											0.00
Lead Social Worker											0.00
Managers	1.00			1.00	0.75	0.50	0.50	0.50		0.75	5.00
Nursing	1.00	2.50	3.00	2.52	5.00	10.00	2.00	5.00			31.02
Psychology		1.00	1.00	0.80	1.00		0.50				4.30
Snr Practitioners											0.00
Social Worker AMHP											0.00
Social Workers											0.00
Support Workers		2.00	2.00		1.00	2.00	0.50				7.50
Total FTE (exc Medical & Recharges to LBM)	3.00	7.50	8.00	5.32	11.04	14.50	5.50	6.50	0.00	0.75	62.11
Budget £k											£000
Total Pay (exc Medical & Recharges to LBM)	141	319	332	271	504	651	252	261	0	58	2,789
Trust Contribution	141	319	332	271	504	651	252	261	0	58	2,789

Local Authority contribution to the Pooled Fund 19-20

Table 2

Budget FTEs	Merton Assessment Team	Wimbleton Recovery & Support Team	Mitcham Recovery & Support Team	Morden Recovery & Support Team	Merton Crisis Home Treatment Team	Merton Early Intervention Team	Placement Review	AMPH Team	Merton Mgmt.	Bradshaw Close	Total LBM FTE
Associate Director of Social Work									1.00		1.00
Clerical Assistant (Admin)	1.00	1.00	1.00						1.00		4.00
Team Manager			1.00	1.00	0.50						2.50
Employment Specialists		1.00	1.00	1.00		1.00					4.00
Clinical Manager									0.25		0.25
Placement Review Lead							1.00				1.00
Snr Social Worker							1.00				1.00
Snr Practitioners	1.00		1.00			1.00		1.00			5.00
Social Worker AMHP		2.00	1.00			1.00		1.00			5.00
Social Workers				2.00				1.00			3.00
Recovery Support Worker				1.00	4.00	1.00					6.00
S&R Worker			1.00							0.50	1.50
Total FTE	2.00	4.00	6.00	5.00	5.50	4.00	2.00	3.00	2.25	0.50	34.25
Pay Budget £k											£'000
Total Pay	82	196	277	234	218	157	110	148	55	18	1,496
Total Non-Pay									70		70
Local Authority Budget	82	196	277	234	218	157	110	148	55	18	1,566

Schedule 4 Governance

1 Mental Health Integration Board

1.1 MHIB Membership

The MHIB will be administered by the Authority. The voting members of the MHIB will be as follows: -

- The NHS Body's Chief Executive or a deputy to be notified in writing (or email) in advance of any meeting.
- The Authority's Director of Adult Social Care or a deputy to be notified in writing (or by email) in advance of any meeting.

Non-voting members will be as follows: -

- The HOSD for the NHS Body.
- The Clinical Managers for the NHS Body.
- A finance representative of the NHS Body.
- The Assistant Director for Adult Social Care.
- A finance representative of the Authority.
- The Managing Director of Merton CCG or a deputy to be notified in advance of any meeting.

The role of the Pool Fund Manager (non-voting) will be fulfilled by the Service Director, Head of Service Delivery of the adult community and CMHA service lines for the NHS Body (unless otherwise agreed) and who will also provide the Secretariat function to the MHIB.

2.1 Role of MHIB

The MHIB shall: -

- Review for agreement annually an Annual Development Plan and Risk Assessment to be prepared by the NHS Body including consulting further where necessary on the Aims and Objectives at Schedule 1.
- Review and agree annually the integrated performance framework attached at Schedule 5 to this Agreement.
- Receive and review the most recent monthly reports on finance and performance, making recommendations for actions where required.

- Ensure the Pooled Fund is being managed so as to achieve the aims and objectives set out in Schedule 1 in the manner specified in Schedule 3.
- Make such variations to this Agreement from time to time as it thinks necessary to deliver the NHS Health Care Functions in accordance with the NHS Commissioner Contract.
- Make such variations to this Agreement from time to time as it thinks necessary to service delivery arrangements in order to ensure delivery of the activities delegated by the Authority.
- Agree any arrangements for the appointment of new Staff to the Service.
- Set such protocols and guidance as it may consider to be necessary to enable the effective management of the Pooled Fund and the Service.
- Review on an on-going basis and annually the operation of this Agreement and the Secondment Agreement.
- Review and agree annually the revised budgets and finance procedures to be set out in Schedule 3 for the following year following confirmation by the Partners of their respective contributions.
- Review the operation of the Single Assessment Process for all services where it applies and in particular (but without limitation) to ensure that it complies with all legal requirements.
- Provide an annual report on outcomes to the NHS Body's Board and the Authority's Cabinet and Health and Wellbeing Board on the operation of this Agreement.

2.3 MHIB Support

The MHIB will be supported by officers from the Authority and the NHS Body from time to time and they may be involved in assisting the MHIB in implementation of the Aims and Objectives set out in Schedule 1 and the preparation of annual revisions to Schedule 3 and the Performance Framework attached here at Schedule 5. In particular the meetings of the MHIB shall be supported by nominated finance officers of both Partners.

2.4 Meetings

- (a) The MHIB will meet three times a year, normally being:
 - October for a review of the year to date and to discuss the emerging planning requirements of the Authority and the NHS Body, and the commissioning intentions of the CCG;

- February to receive the draft annual report and to confirm the budget and priorities for the year ahead;
 - July to review progress.
- (b) The quorum for meetings of the MHIB shall be a minimum of both voting members, not counting the Pool Fund Manager who will be a non-voting member.
- (c) Minutes of all decisions shall be kept and copied by the Pool Fund Manager to the Authorised Officers and the NHS Body's Board Secretary for inclusion on the next Trust Executive Team agenda, within five (5) Working Days of every meeting.

2.5 Limitations on Authority

The MHIB is authorised within the limits of delegated authority for its members (which is received through their respective organisations own scheme of delegation) to agree: -

- the respective contributions of the Partners for the budget and the revised Schedule 3;
- solutions to commitments which exceed or are reasonable likely to lead to exceeding the contributions of the Partners to the aggregate contributions of the Partners to the Pooled Funds, to be confirmed or agreed by the Partners;
- changes to the service delivery model ensuring that the proposed changes continue to deliver the activities delegated by the Authority:
 - in any arrangements for the appointment of New Staff.
- the Annual Development Plan comprising the services, objectives, contributions and performance monitoring arrangements.

The MHIB shall not be responsible for the direct management of any NHS staff or Authority staff who are not accounted for in Schedule 6 as amended from time to time, such staff remaining accountable to and the responsibility of their respective current employer at all times.

Staff accounted for in Schedule 6 shall be managed in accordance with arrangements set out in Schedule 6 and the Secondment Agreement.

3 Pool Fund Manager

The Pool Fund Manager may delegate the day-to-day management of pooled funds in accordance with the NHS Body's Standing Financial Instructions, provided that the Pool Fund Manager remains responsible at all times for the obligations set out for the Pool Fund Manager in this Agreement.

4 Information and Reports

The MHIB members will be supplied with the financial and activity information, on a monthly basis as outlined in this Schedule 5 subject to any amendment in light of agreement of the Annual Development Plan as referred to above. These reports will have first been agreed by finance representatives of both Partners. The financial and performance reports will be received at the Community & Housing Departmental Management Team meeting, to which the NHS Body's Service Director will be invited.

The Annual Development Plan, as revised annually thereafter, will be the basis for delivery by the NHS Body against the Agreement.

This will include appropriate action to redress any shortfall in achieving any agreed national and local standards for service delivery. Any variation from it will need to be agreed by MHIB.

The MHIB will submit an annual report to the NHS Body's Board and the Authority's Cabinet via the Authorised Officers.

In other circumstances and where any one MHIB member requests, information received or a query raised at a meeting on matters of operational or financial performance will be directed in the form of a written briefing by the Pool Fund Manager to the MHIB and where requested to the Authorised Officers with a view to the Authorised Officers meeting and considering the issue before the date of the next subsequent scheduled meeting of MHIB.

5 Plans and Review

The Pool Fund Manager will refine any remaining Aims and Objectives set out in Schedule 1 into targets and performance measures to be agreed by MHIB from time to time and in any event by 30th April of the First Financial Year and annually thereafter each March following a review to be led by the MHIB to include an annual workforce plan on the scope and coverage and skill mix proposed for the integrated teams.

6 Performance Reporting

Performance reporting will be aligned to financial reporting with different levels of reporting to ensure that performance is reported at the right level of detail to the various levels within the overall partnership governance framework, with exception reporting and escalation to the Mental Health Integration Board in order to provide assurance that the required actions are being taken to improve performance where targets are not being met. The MHIB will be responsible for working to resolve any issues.

Schedule 5 Performance Management Framework

1 Integrated Performance Framework

A performance framework will be developed on an annual basis in order to measure progress against targets at Schedule 1.

The MHIB will review other performance of the Partners according to their individual Key Performance Indicators (KPIs) where these have a bearing upon performance of the Partners or individual Partner's performance rating as affected by the Partnership Arrangements.

2 Key Performance Indicators

The Pool Fund Manager will provide regular monthly reporting to the Authority on the Authority's KPIs to assist in tracking performance and to highlight matters for additional MHIB discussion.

The Authority's KPIs will be agreed at least annually by the Authority for the NHS Body to provide reports on.

Key Performance Indicators will include:

- Financial reporting on spend and forecast.
- Integrated Performance Indicators to be agreed from time to time between the Partners.

They are developed in order to meet statutory reporting requirements to the Department of Health & Social Care and management information required for Authority officers and members. The measures are to be reviewed annually.

Monthly finance returns will be made within 15 working days of each period end. These returns will highlight any changes in forecast spend and any forecast variances.

3 Performance Management and Other Matters

3.1 The performance reporting will be agreed each year and will be compliant with the requirement of the NHS Information Centre, NHS England and the Department of Health & Social Care.

3.2 The Partners' leads on performance management will develop a performance schedule and proposed annual targets for agreement by MHIB.

3.3 The performance schedule shall be reported quarterly and will include the following:

1. Data on referrals, assessments and reviews, and their outcomes;
2. Data on s136 AMPH MHA assessments, including numbers, timeliness and outcomes.
3. Data on safeguarding referrals, investigations and outcomes.
4. Data on carers referrals, assessments and outcomes.
5. Data on the make-up of current service users with regard to protected characteristics.

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Schedule 6 Staffing

1. TUPE

1.1 Not applicable.

2. Pensions

2.1 Staff shall be eligible to join the pension scheme of their employer.

3. Secondment Arrangements and management of staff

3.1 The Authority shall second the Seconded Staff for the purposes of this Agreement. A full list of the staff fulfilling these roles as at the Commencement Date and any other information as may be required by Law will be provided to the NHS Body by the Authority and the full list shall be amended for notification to the NHS Body whenever new staff are appointed by the Authority which are to be subject to any secondment to the NHS Body under the terms of this Agreement.

3.2 The Partners have agreed that, subject to having consulted and obtained their written consent to the terms of the secondment, the Seconded Staff will remain in the employment of the Authority after the Commencement Date and be seconded to the NHS Body on their existing terms and conditions as varied to give effect to the secondment.

3.3 All staff within the integrated services will be managed on a day-to-day basis in accordance with the line management structure. Within a service, an employee of either organisation may provide formal line management.

3.4 Line managers within the service may act for either organisation in administering HR policies and procedures, including the formal stages of any procedure, in consultation with the relevant HR staff.

3.5 Managers will undertake supervision of staff and hold them accountable for their actions.

3.6 All staff will be expected to comply with all reasonable instructions and directions given to them by managers of either Partner within the integrated provider scheme. There will be agreed arrangements for professional accountability and supervision. Staff from both organisations must ensure that they undertake appropriate training in relevant policies and procedures around people management.

- 3.7 Managers from both organisations will be involved in a joint process of assessing performance for progression between grades in relation to link graded posts where this applies.
- 3.8 Each Partner must ensure that its managers are aware of and familiar with the people management policies and procedures of both organisations, including acting upon advice from HR Advisors, Occupational Health and other specialist advisers from the employing organisation. Managers must make sure that all management actions, including management of absence, disciplinary action or terminations, are carried out in line with the employing organisation's policies and procedures and in accordance with this protocol.
- 3.9 The identification of training needs will be the responsibility of the line managers within the integrated services, working with colleagues in the two Training and Development departments where appropriate. Training programmes will be available to all staff from either Partner.
- 3.10 All staff within the integrated services will be expected to have personal development plans. The processes for agreeing personal development plans will be considered alongside consideration of the supervision processes and the appropriate appraisal scheme which fits in with the business plan of the service.
- 3.11 Where there is an identified need within an integrated team the two organisations will jointly decide how best to meet the need.

Schedule 7 Previous Section 75 Agreements

Section 75 National Health Service Act 2006 Partnership Agreement in respect of integrated provisions from a pooled fund for Adult Mental Health Services 2014.

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Schedule 8 Information Sharing Protocol

1. Introduction

- 1.1 The aim of this schedule is to facilitate the access to and, where lawful, the sharing of all Personal Data (including Special Categories of Personal Data), information which is not Personal Data and other confidential data between the Partners so that the employees of the Partners can access the information and where relevant, systems of the Partners for the purposes of carrying out their roles in accordance with this Agreement.
- 1.2 Organisations involved in providing services to the public have a legal responsibility to ensure that their use of Personal Data is lawful, properly controlled and that an individual's rights are respected. This balance between the need to share Personal Data to provide a quality service and protection of confidentiality is often a difficult one to achieve.
- 1.3 The legal situation regarding the protection and use of Personal Data can be unclear. This situation may lead to information not being readily available to those who have a genuine need to know in order for them to do their job properly.
- 1.4 There are fewer constraints on the sharing of information which is not Personal Data.
- 1.5 Each Partner should ensure that all of its staff working in the Partnership Arrangements are aware of the contents of both this Schedule 8 and the obligations in it and also any other information sharing agreements which are created between the Partners.

2. Glossary

- 2.1 For the purposes of this Information Sharing Protocol the following terms shall have the meaning as stated below:

Data Controller: shall have the same meaning as set out in the Data Protection Legislation.

Data Processor: shall have the same meaning as set out in the Data Protection Legislation.

Data Subject: shall have the same meaning as set out in the Data Protection Legislation.

Personal Data: shall have the same meaning as set out in the Data Protection Legislation.

Special Categories of Data: shall have the same meaning as set out in the Data Protection Legislation.

3. Aims and Objectives

3.1 The aim of this Information Sharing Protocol is to provide a framework for the Partners to, where lawful, access and share information. This Information Sharing Protocol also provides guidance to ensure the secure transfer of information between the Partners, and to ensure that, where information is shared, this is for justifiable legal purposes.

3.2 This aim includes:

- Guiding the Partners on how to share Personal Data lawfully.
- Explaining the security, confidentiality and principles of information sharing.
- Increasing awareness and understanding of the key issues.
- Supporting a process that will monitor and review all information flows.
- Encouraging flows of information where this is appropriate.
- Helping to protect the Partners from accusations of wrongful use of Personal Data.
- Identifying the legal basis for information sharing.

3.3 The Partners by agreeing this Information Sharing Protocol are making a commitment to apply the Information Commissioner's Data Sharing Code of Practice and to comply with the Data Protection Legislation.

3.4 The Partners are expected to promote the awareness of staff working in the Partnership of the major legal requirements as regards accessing and sharing information. This will be supported by the production of appropriate guidelines, where required, that will be made available to such staff.

5. Purpose of Data Sharing

Information, including Personal Data, is shared under this Agreement and pursuant to this Information Sharing Protocol, for the purpose of facilitating joint working between the Partners in relation to improving the effectiveness and efficiency of services provided to Service Users. The information will be used for monitoring of the services provided, reporting of the Key Performance Indicators and other agreed indicators of performance, monitoring data quality, producing reports for monitoring the Services, and providing data for any necessary National Indicators.

6. Information covered by this Protocol

- 6.1 This Information Sharing Protocol, covers all information, including Personal Data and Special Categories of Personal Data as defined in the Data Protection Legislation.
- 6.2 The term 'Personal Data' includes **any** data held as either manual or electronic records, or records held by means of audio and/or visual technology. The Data Protection Legislation also defines certain classes of Personal Data as Special Categories of Personal Data. Additional conditions must be met for that information to be used and shared lawfully.
- 6.3 In order to reduce the risks of non-compliance with Data Protection Legislation and avoid security breaches, where possible, anonymised data should be used. Where information is anonymised the Partners must ensure the anonymised data, even when combined with other information available to them, **does not** identify an individual, either directly or by summation. Fully anonymised data about an individual can be shared between the Partners without consent being obtained from the individual in a form where the identity of the individual cannot be recognised i.e. when:
- reference to any data item that could lead to an individual being identified has been removed; and
 - the data cannot be combined with any data sources held or likely to come into the hands of the Partners (or which is in the public domain) to produce personal identifiable data.
- 6.4 The types of data which will be shared pursuant to this Information Sharing Protocol are as follows:
- a) Datasets, which can be identified as:
- Client (Demographic data),
 - Referral episode data,
 - Triage episode data,
 - Assessment episode data,
 - Review episode data,
 - Support plan data,
 - Exit episode data,
 - Exit Survey Data,
 - Services extract (what services are offered to service users).
- b) Data from the datasets which is used to calculate performance against the relevant performance indicators.

The data that falls within the datasets includes, but is not limited to, names, NHS Numbers, dates of birth, age, gender, marital status, ethnicity, religion, sexual orientation, addresses, post codes, details as to GP registration, information relating to physical and mental health conditions, information relating to hospital stays, care workers, names of any contact information, and prescription information.

7. The legal basis for sharing

- 7.1 The Partners will share information in compliance with the principles set out in this Information Sharing Protocol and any relevant information sharing agreement.
- 7.2 Personal Data will only be shared for the purposes set out in paragraph 5 of this Information Sharing Protocol. All shared information, personal or otherwise, must only be used for the purpose(s) specified at the time of its sharing unless the Partners agree otherwise, or a Partner is obliged to do otherwise by law, for example under statute or regulation, or further to the instructions of a court or tribunal.
- 7.3 Staff should only be given access to Personal Data where there is a legal right, in order for them to perform their duties in connection with the services they are there to deliver.
- 7.4 Where a Data Subject has given consent for their data to be shared with the other Partner, this justifies that sharing. Consent has to be signified by some communication between the Partner and the Data Subject. When using Special Categories of Personal Data, if consent is being relied upon, explicit consent must be obtained. In such cases the Data Subject's consent must be clear and must cover items such as the specific details of processing, the data to be processed and the purpose for processing.
- 7.5 Consent is not the only means by which Personal Data can be shared. Under the Data Protection Legislation, in order to disclose Personal Data or Special Categories of Personal Data at least one of a number of conditions must be met. Consent is one of these conditions, but there are others such as processing necessary for medical purposes which is undertaken by a health professional or a person who in the circumstances owes a duty of confidentiality which is equivalent to that which would arise if they were a health professional. Where there is any doubt as to the legal basis for sharing, legal advice should be sought.
- 7.6 Where one Partner has a statutory obligation to disclose Personal Data, then the consent of the Data Subject is not required but the Data Subject should normally be informed that such an obligation exists.
- 7.7 If consent is used as the justification for sharing, the Data Subject must have the right to withdraw consent for this at any time. If consent for sharing is withdrawn, this should be communicated to the other Partner and sharing cease as soon as possible. If another justification for sharing is relied upon, where consent has been withdrawn legal advice

should be sought prior to any sharing and, where the information is already shared, legal advice may be needed in relation to whether the sharing should be discontinued.

- 7.8 Information that is not Personal Data can still be sensitive (such as confidential or legally privileged information) and may not necessarily be freely shared between the Partners. It could also be commercially sensitive or cause prejudice to others by sharing, and this should be considered when such information is shared. If in doubt the information's original owner should be consulted and legal advice obtained prior to the sharing.

8. Responsibilities when sharing information

8.1 General

- 8.1.1 The Partners will ensure that their contracts with external service providers include a condition that they abide by that Partner's rules and policies in relation to the protection and use of confidential information and Personal Data.

8.2 Security

- 8.2.1 Each Partner is responsible for ensuring that their organisational and security measures protect the lawful use of information shared under this Information Sharing Protocol. The Partners will ensure an appropriate level of security for supplied information, whether Personal Data or otherwise, and will process the information accordingly.
- 8.2.2 The Partners should ensure that the minimum standards of security that they require are put in place with anyone with whom this information will be shared or by whom it will be accessed.

8.3 Transfer of data

- 8.3.1 Transfer of data between the Partners

All data transferred between the Partners must be:

- Sent by secure email;
- Sent by encrypted hard drive or encrypted USB Flash Drive;
- Preferably not faxed at all;
- Faxed using a safe haven fax if there is no other alternative;
- Any paper records should preferably be scanned and emailed via secure email.

- 8.3.2 Personal Data shall not be transferred to a country or territory outside the EEA without an adequate level of protection for the rights and freedoms of the Data Subject in relation to the processing of Personal Data, without legal advice having first been obtained and appropriate assurances about data protection being obtained.

9. Breaches of the Data Protection Act and reporting

9.1 All breaches of the Data Protection Legislation and the terms of this Information Sharing Protocol need to be flagged and reported immediately by staff of each Partner to their relevant Information Governance teams. The Information Governance teams of both Partners shall liaise with one another in order to investigate, remedy any breach to the extent possible, learn from the experience and, where appropriate, to report any incidents to the Information Commissioner.

9.2 If there is a security breach or any other breach of confidentiality relating to information received from/ shared by a Partner, the Partner originally supplying the information will be notified at the earliest opportunity. This also applies to any incident involving a risk of breach of the security of information.

9.3 Suggested leads and contact persons for this paragraph 9 are:

Name	Organisation	Contact Details
Head of Information Governance	The Authority	Address: Civic Centre, Morden Email: Data.Protection@merton.gov.uk Telephone: 02085454182
	The NHS Body	Position: Address: Email: Telephone:

9.4 Any changes to the lead individual specified in clause 9.3 shall be notified to the other Partner.

10 Staff

10.1 This Agreement and this Information Sharing Protocol do not give licence for employees to have unrestricted access to information that each Partner may hold. It sets out the parameters for the safe and secure sharing of information for a justifiable need to know purpose.

10.2 Only staff who are authorised and have a need to know should have access to the data.

- 10.3 The Partners are responsible for ensuring every member of their respective staff is aware and complies with the obligation to protect confidentiality and a duty to disclose information only to those who have a right to see it.
- 10.4 The Partners should ensure that any of their staff accessing information is trained and fully aware of their responsibilities to maintain the security and confidentiality of Personal Data and all other information accessed.
- 10.5 The Partners should ensure that any of their respective staff accessing information follow the procedures and standards that have been agreed and incorporated within this Information Sharing Protocol and any associated information sharing agreements.

11. Access to information by Data Subjects and the public

- 11.1 This paragraph 11 applies where either Partner (pursuant to this Agreement) receives a Data Subject Access Request under the Data Protection Legislation or a request for information under the Freedom of Information Act 2000 (FOIA) in respect of any data shared between the Partners (for the purposes of this paragraph 11 either being called an "Information Request"). The NHS Body (the "Responding Partner") shall take the lead in responding to the Information Request.

This, however, does not mean that the other Partner becomes exempt from any responsibility in regards to the Information Request. As both Partners are Data Controllers and are contributors to the shared information, the other Partner has a duty to fully support and help the Responding Partner in dealing with the Information Request in a timely manner and in accordance with the Data Protection Legislation or FOIA, as applicable.

- 11.2 If an Information Request is received by the Partner who is not the Responding Partner, it shall be forwarded to the relevant lead at the Responding Partner within three (3) Working Days.
- 11.3 The Responding Partner shall liaise with the other Partner before responding to an Information Request. Such liaison shall take place at least seven (7) Working Days before the deadline for response to the Information Request.
- 11.4 The information being shared in accordance with this Protocol may need to be disclosed from time to time in response to a request for information made under FOIA. Where information is released in response to such a request, that information may be included in the Partner's publication scheme.
- 11.5 Any non-compliance and non-supportive actions with regard to this paragraph 11 need to be addressed by appropriate senior members of the Partners and relevant steps taken to address any situation that arises or is identified.

11.6 The Responding Partner and the Authority’s suggested leads for this paragraph 11 are.

Name	Organisation	Contact Details
Head of Information Governance	The Authority	Address: Civic Centre, Morden Email: Data.Protection@merton.gov.uk Telephone: 02085454182
	The NHS Body	Address: Email: Telephone:

11.7 Any changes to the lead individual specified in clause 11.6 shall be notified to the other Partner.

12. Notice to Cease Processing

12.1 If, in respect of information shared pursuant to this Information Sharing Protocol, either Partner receives a request under Data Protection Legislation to cease processing (whether sharing or any other processing) Personal Data on the grounds that it is or is likely to cause unwarranted damage or distress, the Partners will liaise in determining a response to the request. However, the NHS Body (the “Responding Partner”) shall take the lead in responding to the request.

12.2 If a request of the type set out in clause 12.1 is received by the Partner who is not the Responding Partner, it shall be forwarded to the relevant lead at the Responding Partner within three (3) Working Days.

12.3 The leads for this paragraph 12 are the same as those named in paragraph 11 above.

13. Information Quality

13.1 Information needs to be accurate and of a standard fit for the purpose it is to be used for, including being complete and as up to date as required for the purposes for which it is being shared. Without this any decision made on the information may be flawed and inappropriate actions may result. The Partners are expected to ensure that the Personal Data and Special Categories of Personal Data that they hold is processed in accordance with the principles set out in the Data Protection Legislation: this includes ensuring that the Data is accurate, complete and up-to-date and is not kept any longer than is necessary.

- 13.2 The Partners are expected to give undertakings that information meets a reasonable quality level for the proposed purposes for which it is being shared and be able to evidence this.
- 13.3 Annual internal records audits need to be carried out to ascertain the quality and accuracy of the records shared by both Partners. These audits are to be carried out by a team comprising of members of staff from both Partners' audit teams. The final report shall be sent out to both Partners.
- 13.5 In addition to the annual internal records audit, "Data Quality Reports" shall also be produced. Details of this are mentioned in the Performance monitoring schedule.

14 Data Retention

- 14.1 Subject to clause 14.2, the Partners shall hold, process and destroy all of the information shared between them further to this Agreement in line with the Records Management NHS Code of Practice (or any successor code of practice or NHS policy in place from time to time).
- 14.2 In respect of social care records, the Authority may develop processes to hold social care records in a manner inconsistent with the Records Management NHS Code of Practice. If this is the case, the manner in which social care records are held by the Authority will be communicated in writing to the NHS Body and the Partners will agree how to resolve any inconsistencies in the way shared information is held, processed and destroyed.

15. End of Contract and the data

- 15.1 Once the Agreement comes to an end both Partners will be subject to the following provisions of this paragraph. A committee comprising of the key senior members of the Partners responsible for this Agreement shall make sure that the following terms are complied with in line with current data protection laws at that time.
- In respect of the information shared between them further to this Agreement, the Partners shall continue to comply with the Records Management NHS Code of Practice (or any successor code of practice or NHS policy in place from time to time);
 - Any sub-contractors appointed pursuant to this Agreement shall also comply with the Records Management NHS Code of Practice (or any successor code of practice or NHS policy in place from time to time), until necessary transfers of Personal Data and confidential or commercially sensitive data is completed;
 - The Partners shall follow the provisions of the Exit Strategy in respect of shared data, as set out in Schedule 10.

16. Individual Responsibilities

- 16.1 Every individual working within the Partnership Arrangements is personally responsible for the safekeeping of any information they obtain, handle, use and disclose.
- 16.2 Every individual working within the Partnership should know how to obtain, use and share information they legitimately need to do their job.
- 16.3 Every individual working within the Partnership has an obligation to request proof of identity, or take steps to validate the authorisation of another before disclosing any information requested under this protocol.
- 16.4 Every individual working within the Partnership Arrangements should uphold the general principles of confidentiality, follow the guide-lines set out in this Information Sharing Protocol and seek advice when necessary.
- 16.5 Every individual working within the Partnership Arrangements should be aware that any violation of privacy or breach of confidentiality is unlawful and a disciplinary matter that could lead to their dismissal. Criminal proceedings might also be brought against that individual.

17. General Principles

- 17.1 The principles outlined in this Information Sharing Protocol are recommended good standards of practice or legal requirements that should be adhered to by the Partners.
- 17.2 This Information Sharing Protocol sets the core standards applicable to the Partners and should form the basis of all information sharing established to secure the flow of Personal Data.
- 17.3 This Information Sharing Protocol has been written to set out clear and consistent principles that satisfy the requirements of the law that all staff must follow when using and sharing Personal Data.
- 17.4 This Information Sharing Protocol will be reviewed as and when it is deemed necessary by the Partners to reflect the experience of its application in practice, substantial changes which may affect the actual transfer, sharing or retention of data or information.

Schedule 9 Exit Strategy

- 1 The Mental Health Integration Board will agree a detailed exit strategy within twelve (12) months of the Commencement Date to facilitate the orderly winding down or efficient handover, or other arrangements, in respect of the Services being part of this Agreement.

The exit strategy will address all the consequences of termination including the impact on the following categories:

- Service Users;
- Service Providers;
- Staffing;
- The financial impact of termination;
- All other relevant issues.

- 2 The Exit Strategy shall, as a minimum, contain the following information:

- for each of the Services and related positions or functions a timeline, plan (including relevant milestones) and procedure for each Partner and/or a Third-Party Service Provider assuming or reassuming responsibility for the provision of the Services;
- identification of the software and hardware that will need to be replaced and/or will require transition (as applicable) and an overview of a timeline, plan and procedure for that replacement and/or transition to the relevant Partner and/or a Third-Party Service Provider;
- an overview of the procedures and timeline for communication and consultation with relevant personnel to be transferred under TUPE if relevant;
- if relevant, identification of the roles/functions for which or for which it is likely that the relevant employees will be transferred under TUPE and a timeline for such transfer;
- identification of any third-party contracts, licences and/or leases which relate to the provision of the terminating Services and a timeline, plan and procedure for such contracts, licences and/or leases to be transferred to the Partners or a Third-Party Provider;

- identification of any equipment or other assets which are used exclusively in the provision of the terminating Services and a timeline, plan and procedure for such Equipment and assets to be transferred to the Partner taking on the provision of the relevant part of the Services or a Third-Party Service Provider;
- assessment of the impact of termination with respect to existing and planned services and support activities;
- dealing with Personal Data and other data following termination or expiry of this Agreement.

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Committee: Cabinet

Date: 15 July 2019

Wards: all

Subject: Merton's Local Development Scheme 2019-2022

Lead officer: Director for Environment and Regeneration, Chris Lee

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

Contact officer: Deputy future Merton manager, Tara Butler

Recommendations:

- A. That, following advice from the Borough Plan Advisory Committee on 6th June 2019, Cabinet (15th July) recommends that council (18th September) approve the high level project plan for creating planning policy documents, known as Merton's Local Development Scheme (LDS).
 - B. For the project plan and timetable (Local Development Scheme) to take effect on 19 September 2019, replacing the council's LDS 2016-19.
 - C. That council delegates any amendments to the Local Development Scheme the Director of Environment and Regeneration in consultation with the Cabinet Member for Regeneration, Environment and Housing, the chair and the vice chair of the Borough Plan Advisory Committee.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The Planning and Compulsory Purchase Act 2004 introduced the requirement for local planning authorities to prepare and maintain a Local Development Scheme (LDS).
- 1.2. The LDS is a short, high level project plan that sets out what Development Plans the council is going to produce and the timetable for producing them.
- 1.3. The council prepared its first LDS in 2005, and issued updates, most recently for the period 2016-2019. It is now time to update the LDS.
- 1.4. This report recommends that the current LDS be updated and presented to Cabinet in July 2019 and full council in September 2019 to take effect on 19 September 2019. Appendix A sets out the LDS to reflect the current timetable for the preparation and adoption of:
 - Merton's Local Plan
 - The South London Waste Plan
- 1.5. On 6th June 2019, Merton's Borough Plan Advisory Committee resolved to recommend that Cabinet and Council approve Merton's LDS 2019-2022.
- 1.6. Delegation is sought to the Director for Environment and Regeneration in consultation with the Cabinet Member and the chair and vice chair of the Borough Plan Advisory Committee to make any amendments to the Local Development Scheme.

2 DETAILS

- 2.1. Merton's statutory development plan containing the planning policies used to assess planning applications is made up of:
- Merton's Estates Local Plan (adopted February 2018)
 - The London Plan (published by the Mayor of London in 2016 and revision expected later in 2019)
 - Merton's Sites and Policies Plan (adopted July 2014)
 - The South London Waste Plan (adopted March 2012)
 - Merton's Core Planning Strategy (adopted July 2011)
- 2.2. As these documents are already adopted, they do not appear in the LDS.

New Local Plan

- 2.3. As set out in the LDS 2016-2019, the council has already started producing its new Local Plan. Once adopted, it will replace the Sites and Policies Plan 2014 and Merton's Core Planning Strategy 2011.
- 2.4. Stage 1 consultation took place in 2017-2018 and Stage 2 in 2018-19.
- 2.5. Appendix A to this report sets out a new timetable within the Local Development Scheme for the production of Merton's next Local Plan. The timetable is recommended to be extended for the following reasons:
- 2.6. The Mayor of London is revising the London Plan, the spatial development strategy that sets the planning framework for the whole of London. It is part of each London borough's statutory development plan and therefore the basis for planning decisions across London.
- 2.7. The Mayor's London Plan sets the direction for key planning issues across London including each borough's share of London's housing needs, opportunity areas for development, environmental targets and strategic infrastructural matters such as new transport links (e.g. Sutton Link, Crossrail2).
- 2.8. Between January and the end of May 2019, a panel of independent planning inspectors examined the Mayor's draft London Plan in public hearing sessions. The Mayor will finalise the London Plan in early 2020 subject to agreement with the Secretary of State.
- 2.9. The Local Plans of all London boroughs must be in general conformity with the policies in the Mayor's London Plan. It is therefore a good idea to follow the timetable of the London Plan (rather than be ahead of it) in order for boroughs to be able to use the Mayor's up-to-date evidence, to avoid each borough's plan being either out-of-date or failing at examination as it does not generally align with the London Plan.
- 2.10. This is particularly important for outer London boroughs, including Merton, given the increase our share of London's housing needs and the associated

infrastructure considerations that we will be expected to deliver in the new London Plan. Merton Council's response to the draft London Plan supported many aspects of the Mayor's Plan but raised concerns about the deliverability of a new housing target for Merton that is +200% higher than previously. Officers recommend that it is extremely high risk to try and finalise Merton's Local Plan until the Mayor's London Plan is completed and published and Merton can develop the evidence (including further consultation) on housing and associated infrastructure relevant to its Local Plan.

- 2.11. Merton's 2016 LDS was originally based on the Mayor's London Plan being revised by 2018. As the Mayor's London Plan timetable has extended until 2020, officers are recommending that Merton's Local Plan timetable is adjusted to reflect this.
- 2.12. Revising the Local Plan timetable will also better support Morden regeneration. Since the 2019 consultation on specific sites in Morden closed, Merton Council has been working closely with Transport for London and the Greater London Authority to deliver Morden regeneration. A development partner will be appointed in 2020 and will therefore be in place at the time of the Local Plan's proposed submission to the Secretary of State in 2021. This will help to demonstrate the deliverability of Morden regeneration and of the whole Local Plan.

South London Waste Plan

- 2.13. Waste treatment is a strategic planning issue across London and a challenge for all successful urban areas. There is a significant need for new homes in south London which generates the requirement for essential waste treatment infrastructure to support this growth.
- 2.14. In 2012 the four boroughs of Merton, Kingston, Sutton and Croydon adopted the 10-year South London Waste Plan which allocated sites, created planning policies and designated areas for waste management development. This existing South London Waste Plan will finish in 2022.
- 2.15. The four boroughs proposed to work together again and produce a new South London Waste Plan in line with government policy and guidance. The new South London Waste Plan will also cover the geographical area of the London boroughs of Croydon, Kingston, Merton and Sutton.
- 2.16. The London Plan sets the boroughs the target of managing 100% of London's waste within Greater London by 2026 and having zero biodegradable and recyclable waste going to landfill by 2026. It also sets targets for local authority-collected waste, commercial and industrial waste and construction, demolition and excavation waste.
- 2.17. With significant need for new homes and consequent commercial activity planned across London, the need to provide essential infrastructure such as waste facilities to meet this growth is therefore a regional strategic priority.
- 2.18. The new South London Waste Plan will give the opportunity for the four south London boroughs to ensure the South London conforms to waste-related policies in the London Plan, the National Planning Policy Framework and the National Planning Policy for Waste. It will also help the four boroughs to work together to review the long-term vision and objectives to consider waste as a resource in South London, supporting the circular economy.

- 2.19. Since the current South London Waste Plan was adopted in 2012, the four boroughs have been working closely together on:
- Monitoring the South London Waste Plan annually
 - Fulfilling the legal Duty to Co-operate with other councils on waste management issues, responding to other Local Plans for waste management.
 - Preparing and submitting a successful bid for government funding to support a new South London Waste Plan 2021-2036 on the basis of joint working.
- 2.20. In 2018 the four boroughs successfully bid for government funding (Planning Delivery Fund – Joint Working) for £136,594 to support the project.
- 2.21. The proposed timetable for the South London Waste Plan 2022 is set out in Appendix A

Relationship with the South London Waste Partnership

- 2.22. Although the South London Boroughs already work together as the South London Waste Partnership and have with a shared contract for the municipal collection and disposal of waste, this project and associated MOU relates to the waste planning functions and responsibilities of the South London Boroughs as Local Planning Authorities. The South London Waste Plan considers the municipal waste arising in each borough but it will also considered other forms of waste collected by private contractors.

3 ALTERNATIVE OPTIONS

- 3.1. **South London Waste Plan:** the alternative is for each borough to produce a Waste Plan independently, which would be far more resource intensive for each borough. In any case, it is recognised that the production of a ‘sound’ Development Plan Document would require neighbouring boroughs to collaborate in order to develop consistent policies and proposals in line with the legal requirement of “duty to co-operate”.
- 3.2. **Local Plan:** Alternative options considered and rejected are to only extend Merton’s Local Plan timetable by six months. This was rejected as officers consider that this would not give enough time to account for possible scenarios at a London level (such as further amendments to the London Plan timetable) or for Merton to develop robust evidence on housing and infrastructure delivery and deliver the Local Plan within the LDS
Delegated authority is sought to deal with amendments to the LDS.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. Consultation on Local Plan-making is a statutory requirement and takes place for each Local Plan, including the South London Waste Plan.
- 4.2. Two stages of borough-wide consultation have taken place on the Local Plan which has generated responses on a very broad range of policy matters. However there has been more limited feedback on site-specific matters. Extending the timetable will allow the time to undertake further engagement on site-specific matters with community groups and landowners, engagement with young people and further engagement on

housing matters. Officers have already started this targeted engagement and will report back to councillors at Borough Plan Advisory meetings towards the end of 2019

5 TIMETABLE

- 5.1. As set out in this report, including Appendix A

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Funding to support this work will mainly come from existing resources and officers will seek opportunities for funding bids and match funding wherever possible.
- 6.2. Successful external funding bids that will help to resource Local Plan or South London Waste Plan include:
- 6.2.1 Cabinet Office One Public Estate programme (relevant to Local Plan, including Morden regeneration)
- 6.2.2 Ministry of Housing Communities and Local Government Planning Delivery Fund - joint working (for the South London Waste Plan)
- 6.2.3 Mayor of London's Housing Capacity Fund (for small housing sites)

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. A Local Development Scheme is required under Section 15 of the Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act 2011). This must specify (among other matters) the documents which, when prepared, will comprise the Local Plan for the area. It must be made available publically on the council's website.
- 7.2. The provisions in section 15(8) of the Act 2004 state that the Council should revise the LDS as and when they consider it appropriate to do so.
- 7.3. The provisions of section 15(7) of the 2004 Act which states that the Council must resolve for the LDS to take effect and specify from what date it shall take effect..
- 7.4. 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.
- 7.5. 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.

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

- Appendix A: Merton’s Local Development Scheme.

APPENDIX A – MERTON’S LOCAL DEVELOPMENT SCHEME 2019-2022

Document and status	Role and content	Geographic coverage	Reg 18 consultation	Publication pre submission	Submission (followed by 6 month examination)	Adoption
Local Plan– Development Plan Document	Setting out spatial vision, objectives, strategic and detailed planning policies and site allocations. Replacing Merton’s Sites and Policies Plan 2014; Merton’s Core Planning Strategy 2011 and Merton’s Policies Map (where relevant) 2014	Borough wide – London Borough of Merton	Stage 1: October 2017-Janaury 2018 Stage 2: October 2018-January 2019 Stage 2a start: Sept-Oct 2020	Spring / Quarter 2 2021	Summer / Quarter 3 2021	Winter 2021 / Quarter 4 2021
South London Waste Plan – Development Plan Document	Replacing South London Waste Plan 2012. Setting out spatial vision, objectives, strategic and detailed planning policies and site allocations all relating to waste management. Ensuring that waste facilities have the least impact on the environment, supporting waste as a resource and the circular economy. Covering the London boroughs of Merton, Croydon and Sutton and the Royal Borough of Kingston upon Thames	The extent of the four boroughs of London borough of Merton, Sutton and Croydon and the Royal Borough of Kingston upon Thames	Start: October 2019	Start: May 2020	Winter / Quarter 4 2020	Summer / Quarter 3 2021

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Committee: Cabinet

Date: 15 July 2019

Wards: all

Subject: Merton's Neighbourhood Fund project selection 2019-20

Lead officer: Chris Lee, Director of Environment and Regeneration

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

Contact officer: Tim Catley, S.106/External Funding Officer, Future Merton

Recommendations:

-
1. To allocate CIL Neighbourhood Fund money to individual projects received through the 2019 Neighbourhood Fund spring consultation in line with Merton Council's approved Neighbourhood Fund criteria. The projects recommended for Neighbourhood Fund allocation are set out in this report and in Appendix 1
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This report recommends to Cabinet to allocate Merton's Neighbourhood Fund to specific projects set out in the body of this report and in appendix 1.
- 1.2. Projects were received following 6 weeks of public consultation and are recommended for allocation based on Merton's Neighbourhood Fund criteria agreed by Cabinet in 2017.
- 1.3. 30 projects were received in total, requesting a total of £2.4million
- 1.4. 14 projects worth £981,142 from the Neighbourhood Fund are recommended for allocation. The details of all the projects received are set out in Appendix 1 to this report.

2 DETAILS

- 2.1. Since 2014 the council has been collecting Community Infrastructure Levy funding and has received over £3 million to be spent on neighbourhood projects. £1.9 million of this funding has been approved/spent.
- 2.2. Under the CIL Regulations, the Neighbourhood CIL must be spent on local projects to support the demands development places on the area. Government guidance states that local authorities should engage local communities and agree with them how to best spend Neighbourhood CIL, and that governance should be proportionate to the level of receipts.
- 2.3. On 18 September 2017 Cabinet agreed detailed governance arrangements and criteria through which it can assess proposals for the allocation of funding under its "Neighbourhood Fund" scheme. The approved criteria for the Neighbourhood Fund are as follows:

Assessment criteria

- a. Spending Neighbourhood CIL would need to accord with the CIL Regulations and government guidance on CIL.
- b. The proposal must comprise an appropriate use of use of the funds; consistent with government rules and Merton's community plan and/or business plan priorities including bridging the gap.
- c. Scheme should not have any unacceptable revenue or capital implications on the council or any other body.
- d. Estimated cost of scheme should be over £20,000.
- e. Scheme should be deliverable and capable of being started within the year ahead.
- f. Proposal should have endorsement by at least one ward member.
- g. Proposal should clearly demonstrate how it meets neighbourhood priorities. We will be looking for projects that clearly fall within one or more of the priorities favoured by the neighbourhood where the proposal would be located (or neighbourhood that would benefit most from the proposal) as demonstrated by the results of the Neighbourhood CIL public consultation (Nov 2016-Jan 2017).

2.4. The first round of bidding for the Neighbourhood Fund scheme was carried out in 2018, with £1.5 million of Neighbourhood Fund allocated to schemes in accordance with the decision of Cabinet on 12th January 2018.

2.5. Cabinet decided at its meeting on 19th January 2019 to allocate a portion of Neighbourhood CIL receipts to a separate scheme called the "Ward Allocation Scheme", allowing each ward £15k to spend on specific small scale public space projects. The Ward Allocation Scheme is operating separately to the Neighbourhood Fund scheme with the Neighbourhood Fund scheme being the subject of this report.

Bids

2.6. Bids for the Neighbourhood Fund were sought between 20th March and 7th May 2019.

2.7. 30 different project bids were submitted during this period from a wide variety of residents, community groups, business representatives and others. Each submission was assessed against the assessment criteria that were agreed by Cabinet in September 2017. Please see:

- Appendix A with respect of bids recommended for funding under the assessment criteria. This appendix also lists recommended amendments to the spending parameters for allocations approved in 2018
- Appendix B for the full list of all bids received

2.8. Summary of 14 recommended bids is as follows:

- Merton Priority Chapter House performance space £46,430

• Merton Park Green Walks - new surface on footpath	£13,000
• Haydon's Road Rec works	£32,500
• Signage for South Mitcham Community Centre	£1,500
• Deen City Farm	£40,435
• Shopping Parade façade improvements (Haydon's Road and Bramcote Parade)	£274,000
• Town Centre/Parades programme management (3 years)	£165,000
• Polka Theatre redevelopment	£95,000
• CSF Employability Programme	£60,904
• Move More Mitcham	£27,820
• Supporting Commonsides Community Development Trust	£130,000
• Air pollution mitigation campaign – encouraging pupil involvement in STARS schools accreditation scheme	£27,233
• Sustainable Merton Neighbourhood Champions	£30,000
• The Library of Things	£37,320
Total	£981,142

Assessment of bids

Community Plan priorities

2.9. A key aspect of the criteria approved by Cabinet is a requirement for bids to demonstrate how they would contribute to the Community Plan priorities including bridging the gap.

2.10. In accordance with the resolution of September 2017 Cabinet, Community Plan priorities including of Bridging the Gap are strongly represented by the projects put forward to Neighbourhood CIL funding, with over £310k of funding recommended to projects that would directly meet this priority. This includes:

• Move More Mitcham	£27,820
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• Supporting Commonsense Community Development Trust	£130,000
• South Mitcham Community Centre signage	£1,500
• CSF Employability Programme	£60,904
• Shopping parade improvements – Bramcote Parade	£50,000
• Deen City Farm	£40,435
TOTAL Community Plan	£310,659

Addressing the demand of the Wimbledon Stadium development

2.11. Given the strategic importance of the Wimbledon Stadium development and that over £500,000 of Neighbourhood CIL income received to date (included in a total of over £2 million that will have been received by the end of August 2019) has been generated by that development, the recommended investment above is considered appropriate.

2.12. A number of bids that have been recommended for approval stand out as helping to support the demands that the Wimbledon Stadium development at Plough Lane in Wimbledon would place on the borough. They are as follows:

• Haydon’s Road Parade Improvements	£224,000
• Parades programme manager for 2019-20 to focus on Haydon’s Road Parade Improvements	£55,000
• Polka Theatre redevelopment	£95,000
TOTAL Wimbledon Stadium	£374,000

2.13. The Polka Theatre development will also enhance the outreach work that the theatre undertakes in supporting deprived and hard to reach families, helping to bridge the gap in terms of the Community Plan priorities.

2.14. A proposal in the bid submitted by Love Wimbledon for improvements to the façade of Wimbledon Theatre was also received positively in the context of supporting developments in Wimbledon including the Wimbledon Stadium. However, it is suggested that this be considered in the next bidding round, for delivery in subsequent financial years when the council is more likely to be in a position (following the completion of the Haydon’s Road and Bramcote Parade improvements) to programme the scheme for delivery and have capacity to oversee implementation.

2.15. Following the façade improvements to Haydon’s Road parades, bids to future bidding rounds will seek approved of further amounts of CIL funding for public realm improvements to the neighbourhood parades further supporting demands of the Wimbledon Stadium development.

- 2.16. Together with the above projects, the Council is moving ahead with other projects in Wimbledon using a combination of Neighbourhood Fund, Strategic CIL and S.106 funding previously approved for this area, and will continue to seek to secure investment. These projects include:
- Future Wimbledon – Wimbledon urban lunchtime zone (St Marks Place) and Wimbledon Hill Road green link – using Neighbourhood Fund (pre-implementation) and Section 106 funding (implementation)
 - Further Public realm improvements across Wimbledon Town Centre:
 - pre-implementation funding utilizing allocation of a proportion of the balance of Neighbourhood Fund remaining from and not needed for the Future Wimbledon allocation above. Allocation subject to approval of Appendix 1 with respect of list of amended spending parameters for 2018-19 allocations.
 - Implementation funding subject to a bid to Merton Capital Programme for allocation of Strategic CIL funding.

Other Selection Criteria

- 2.17. The bids that have been put forward for funding are considered to meet all other assessment criteria, including:

- 2.18. Supporting the demands that development places on the borough (criteria “a”)

All bids have been closely assessed under this criterion and the recommended bids all meet this priority. To meet this requirement projects must be considered to address a demand of development over the 15-year local plan period from 2011.

Two bids that have been rejected on this ground are Community Fridge, and Merton Park Bowling Club. The Community Fridge project is considered contrary to this requirement due to there not being any direct tangible benefit arising out of the investment, rather a report to help inform future strategic priorities of South London Partnerships. In terms of Merton Park Bowling Club, the link between development in the borough and the demand for better club facilities is considered too diffuse.

- 2.19. Deliverability/financial implications (criteria “c” and “d”)

Various proposals have not been recommended for funding at this stage because they are not sufficiently formed or supported proposals and/or due to their ongoing financial implications. These include:

- those that comprise lists of project aspirations/needs or projects that may be suitable for funding in the future but are currently insufficiently formed,

- those that may be more appropriate for alternative funding bids, such as for section 106 or Strategic CIL funding,
- due to their impact upon future financial resources, requiring unspecified or ongoing funding support for project preparation, design, consultation, delivery and maintenance.

A number of bids submitted by Sustainable Merton – Air Pollution Campaign and Community Champions – have been recommended on the condition that they are delivered as part of existing or prioritised programmes/actions directly by council’s waste or traffic services.

For the Air Pollution Campaign this will be delivered through the council’s road safety function to help raise awareness of sustainable modes of travel through pupil engagement in the STARS schools accreditation scheme to deliver a key recommendation of the Road Safety Task Group (also a report to this meeting). The campaign will support anti-idling and promote sustainable travel measures focussing on combatting poor air quality. For the Community Champions, the recommendation is on the basis that Sustainable Merton and Merton Council work together and agree the programme of work for Community Champions.

Regarding the Merton Parade Refurbishments (in addition to Haydon’s Road and Bramcote Parade’s, which have been put forward for the current financial year), the ongoing programme of parade refurbishments across Merton will be picked up when resource is available to deliver them.

2.20. Neighbourhood priorities (criteria “g”)

All bids that have been put forward for funding meet the neighbourhood priorities identified for the neighbourhoods that they would benefit. Included is investment in waste through the Sustainable Merton Neighbourhood Champions would contribute towards the investment in waste supported by respondents under the “other” priorities included in the neighbourhood priorities consultation over December 2016 and January 2017. A number of bids that have been recommended – CSF Employability, Move More Mitcham, Supporting Commonsense Development Trust, Library of Things, Air Pollution Mitigation Campaign, and Community Champions – would enhance social capital in Merton supporting the improvement of community facilities and result in improvements to town centres/streetscapes of residential areas/community facilities and/or open spaces.

3 ALTERNATIVE OPTIONS

- 3.1. Decision makers may choose to not allocate Neighbourhood CIL funding or allocate funding towards other bids that have not been recommended. However, the allocation of monies to the recommended bids are for deliverable projects that would meet Merton’s Community Plan priorities and help support the demands of development places on the borough benefiting local communities and attracting further investment into the borough. For this reason, allocation to alternative bids or not allocating any

Neighbourhood funding is not recommended. Allocations towards measures that have not been recommended because they do not support the demands development places on the area would be unlawful under the CIL Regulations 2010 (as amended).

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. Bids for the Neighbourhood Fund were sought between 20th March and 7th May 2019.
- 4.2. The opening of the bidding round was advertised on the council's website, via a press release and social media and via peer-to-peer publicity. We would like to thank everybody who spread the word about the consultation and who participated by submitting a bid.
- 4.3. A dedicated email address/telephone number was promoted to and well subscribed by bidders to help them through the bidding process.

5 TIMETABLE

- 5.1. As set out in the body of this report

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Community Infrastructure Levy, 15% of which is used for the Neighbourhood Fund, is payable when CIL-liable developments start to be built, not when planning permission is granted.
- 6.2. As at 31 March 2019 £1 million of Neighbourhood CIL was available for new bids following the £350k of this money put aside for the Ward Allocation Scheme and commitments/expenditure totalling £1.55 million under the Neighbourhood Fund approved in 2018.
- 6.3. As set out in the report, 30 project bids worth £2.4million in total were received at public consultation. This report recommends allocating funding totalling £981,000 to 14 of these projects that meet the CIL regulations and other agreed criteria.
- 6.4. The balance of Neighbourhood CIL not applied to bids approved by Cabinet will be rolled forward to support bids approved in future bidding rounds.
- 6.5. Forecasts based on planning permissions that attract Merton's CIL mean that the council expects to receive circa £300,000 into the Neighbourhood Fund per annum, excluding strategically significant developments.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. Under the CIL Regulations the Neighbourhood CIL, must be spent on local projects to support the demands development places on the area.
- 7.2. Government guidance states that local authorities should engage local communities and agree with them how to best spend Neighbourhood CIL, and that administration should be proportionate to the level of receipts.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. None for the purposes of this report. Projects will be selected against the criteria that Cabinet approved in September 2017 such as consideration of Merton's Community Plan, which include matters addressing equalities and community cohesion.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. None for the purposes of this report. Projects will be selected against the criteria that Cabinet approved in September 2017 such as consideration of Merton's Community Plan, which include matters relating to minimising crime and disorder.

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

- Appendix A: List of Recommended Neighbourhood Fund (CIL) Allocations
- Appendix B: Neighbourhood CIL bids for 2018-19

12 BACKGROUND PAPERS

- Cabinet meeting 18 September 2017: Minutes and Agenda Item 4 – Neighbourhood Fund
<https://mertonintranet.moderngov.co.uk/ieListDocuments.aspx?CId=146&MId=2773&Ver=4>

Appendix A – List of Recommended Neighbourhood Fund (CIL) Allocations

Bid Name	Amount	Purpose (include timescale)	Summary Justification
'Anima Una' or 'One Soul' Merton Priory Trust	£46,430 Subject to reduction due to availability of S106 funding.	To fund the performance space project at Merton Priory Chapter House.	<p><i>Supports the development of the heritage centre at Merton Priory Chapter House which celebrates one of the most historically significant sites in south London.</i></p> <ul style="list-style-type: none"> • Promotes Merton as a culturally vibrant and rich place to live, work and invest. • Legacy towards various priorities supported by the neighbourhoods including Community Facilities
Merton Park Green Walks - new surface on footpath	£13k	The project is for a new surface of coxwell gravel for the footpath on the Merton Park Green Walk linking Abbey Recreation Ground with Dorset Road Tram Stop. The Neighbourhood Fund would complement the £25k S.106 funding committed to the project	<p><i>The Green Walks is a natural oasis in this part of Merton and the proposal would enhance the experience for walkers and nature lovers, and attract residents of the many developments recently built and proposed in the area.</i></p> <ul style="list-style-type: none"> • Supports development (CIL statutory requirement). • Meets Community Plan priorities of Keeping Merton Moving and a Healthy Fulfilling Life. • Neighbourhood priorities would be supported through the supporting the functions of open spaces and community facilities.
Haydon's Road Rec works	£ 32.5k	Revitalisation of Haydon's Road Recreation Ground, which may include (but not be limited to) path resurfacing, painting railings and tree planting. Final	<p><i>The Recreation Ground with a number of football pitches and facilities for cricket and bowls as well as unstructured activities such as jogging/running and dog</i></p>

Bid Name	Amount	Purpose (include timescale)	Summary Justification
		<p>details of commitment to be agreed by Merton Council's Green Spaces Team, in consultation with local ward councillors.</p>	<p>walking provide additional opportunities for existing and new residents to exercise and improve their quality of life.</p> <ul style="list-style-type: none"> • Supports development (CIL statutory requirement). • Meets Community Plan priorities of Keeping Merton Moving and a Healthy Fulfilling Life. • Neighbourhood priorities would be supported through the supporting the functions of open spaces and community facilities.
<p>Signage for South Mitcham Community Centre</p>	<p>£1.5k</p>	<p>Design and installation of signage on the building facade advertising the facility with its name and logo.</p>	<p>enable customers, clients and patrons to more easily recognise where the centre is and to put the Community Centre well and truly on the map with a more corporate but welcoming aesthetic and feel</p> <ul style="list-style-type: none"> • Supports development (CIL statutory requirement). • Meets Community Plan priorities of Bridging the Gap. • Neighbourhood priorities would be supported through the supporting the functions of community facilities.
<p>Deen City Farm</p>	<p>£40,435</p>	<p>For a package of three essential measures:</p> <ul style="list-style-type: none"> • resurfacing of riding arena estimated cost £20,790; • upgrade LED lighting/wiring estimated cost £14,755; • muck heap upgrade estimated cost £4.8k <p>Commitment subject to £5k reduction in Merton Council revenue grant for 2020-21 (the grant for 2019-20 is £94.9k) on basis of share of revenue savings of £10.9k promoted by the bid as would be generated by implementing the project.</p>	<p>This would support Deen City Farm's continued ability to offer a range of free and low-cost activities and benefits to existing and future residents of Merton</p> <ul style="list-style-type: none"> • Supporting development (CIL statutory requirement) • Bridging the gap, Better opportunities for youngsters and A healthy and fulfilling life (Community Plan) • Provision of a community facility (neighbourhood priorities)

Bid Name	Amount	Purpose (include timescale)	Summary Justification
<p>Shopping Parade façade improvements (Haydon’s Road between Haydon’s Road Bridge and Plough Lane, Wimbledon and Bramcote Parade, Bramcote Avenue, Mitcham)</p>	<p>£224k for Haydon’s Road; £50k for Bramcote Parade</p>	<p>The work on proposed parades include improvements to:</p> <ul style="list-style-type: none"> • Shopfronts • Fascia Signs • Awnings • Projection signs • Planting • Brickwork cleaning and restoration • Pointing replacement • Downpipes and guttering 	<p><i>Allocation will help transform Merton’s most neglected (but most characterful) buildings and shops into our elegant, useable and attractive parades useable for the whole community and help boost trade, footfall, vibrancy and jobs. This will continue Merton’s parade improvement program across the borough, which has been very popular and achieved great results</i></p> <p>Improving the appearance of local parades helps to encourage footfall and promote an active, attractive, viable high street, meeting statutory CIL Requirements and keeping Merton moving in accordance with the Community Plan. The improvements to Haydon’s Road Parade responds to the demands the Wimbledon Stadium development places on the area. The Bramcote Parade improvement would contribute to the revitalisation of the Cricket Green area of Mitcham, helping to bridge the gap.</p>
<p>Parades programme management</p>	<p>£165k £55k per year for three years.</p>	<p>To fund the Town Centre Officer post in the future Merton Business and Economy team. The top priority for the Town Centre Officer would be managing the delivery of the Parades Improvement Programme, which subject to the approval of Cabinet would comprise: 2019-20 1st parade: Haydon’s Road Parade; 2nd parade: Bramcote Parade. This prioritisation of Haydon’s Road Parade has been predicated on neighbourhood CIL income funding received from</p>	<p><i>The front line officer post will manage the delivery and implementation of projects that improve, promote our town centres and parades to ensure the sustainability and economic prosperity of our town centres.</i></p> <p>This allocation of CIL would be would enable the delivery of the Parades Programme as above.</p>

Bid Name	Amount	Purpose (include timescale)	Summary Justification
		<p>Wimbledon Stadium development. 2020-21 and 2021-22 parades to be confirmed by Cabinet with respect to the next bidding round.</p>	
<p>Polka Theatre redevelopment</p>	<p>£95,000</p>	<p>Contribution towards the final 7% of partnership funding to unlock Arts Council and Mayor of London Good Growth Funding. Our approved plans (ref 16/P4619) is for major redevelopment which will enable Polka to make essential improvements to the venue</p>	<p><i>The development will help to retain Polka's standing as a leading national theatre for children and develop their site as an important cultural hub for children, families, artists, community groups and schools from across the Borough</i></p> <p>Helps to support demands development places on the borough including Wimbledon Stadium, with the venue a short bus ride from the residential buildings proposed on Plough Lane, which is expected to accommodate many young families with over 350 family sized dwellings. Meets neighbourhood priorities by improving community facilities and streetscape along the Broadway. Addresses Community Plan priorities in particular bridging the gap through enhancing Polka's outreach programme to combat deprivation and improving accessibility to hard to reach families.</p>
<p>CSF Employability Programme</p>	<p>£60,904</p>	<p>1 year gap funding for the programme to increase access to the labour market for Merton residents aged 16 – 25, including funding for a fulltime Employer Engagement and Employability Officer (EEEE) and associated incentives such as work experience vouchers and HGV driver placements.</p>	<p><i>The investment will ensure the success and learning from Children, Schools and Families department, (CSF), Towards Employment pilot is built on</i></p> <p>The project would help support the function of community facilities (neighbourhood priority) that enhance the employability of young Merton residents who need it most, including those finding it difficult managing change due to estate redevelopment, supporting the demands that development places</p>

Bid Name	Amount	Purpose (include timescale)	Summary Justification
			on the borough and bridging the gap (community plan).
Move More Mitcham	£27,820	<p>For Merton Council Vestry Hall service to run and manage initiatives to support members of the community (over 16 years) at risk of developing a mental health disorder so they are more resilient in dealing with change comprising:</p> <ul style="list-style-type: none"> • Fitness Programme • Nutrition workshops • Referral programme 	<p><i>The project aims to support Merton residents (primarily Mitcham) and to equip them with the tools & strategies to cope with the negative impact that development has on their wellbeing</i></p> <p>The project would help support the function of community facilities (neighbourhood priority) that enhance the resilience of Merton residents who need it most, including those finding it difficult managing change due to estate redevelopment, supporting the demands that development places on the borough and bridging the gap (community plan).</p>
Supporting Commonside Community Development Trust	£130,000	<p>To contribute to funding for the trust in supporting Pollards Hill Estate, including:</p> <ul style="list-style-type: none"> • £50k- Financial support to help the service provision to Vulnerable People, including booked appointments, drop-in support, and other support. • £40k - Creating a sense of place through: <ul style="list-style-type: none"> ○ Supporting and expanding Pollards PASS offer ○ Building social capital – creating and running volunteer opportunities for young residents to develop local community champions ○ Events celebrating diversity of language and at the same promoting ESOL classes (English classes). • £40k – Local Economy - providing STEM (Science, 	<p><i>The project aims to build resilience of Pollards Hill Residents introducing pathways into work and building civic pride.</i></p> <p>The project would help support the function of community facilities (neighbourhood priority) that enhance the resilience of Merton residents who need it most, including those finding it difficult managing change due to estate redevelopment, supporting the demands that development places on the borough and bridging the gap (community plan).</p>

Bid Name	Amount	Purpose (include timescale)	Summary Justification
		Technology, Engineering, Mathematics) activities to match the demands of the regional London economy over the next 15 or so years, alongside up-skilling workshops	
Air pollution mitigation campaign/ encouraging pupil involvement in STARS schools accreditation scheme	£27,233	The costs of an additional post working in Future Merton Commissioning to help raise awareness of sustainable modes of travel in support of anti-idling measures to combat poor air quality through pupil engagement in the STARS schools accreditation scheme to deliver a key recommendation of the Road Safety Task Group. The bid amount could fund someone working 3-4 days per week for a year (depending on grade)	<p><i>This would inspire young Merton school pupils to travel to school sustainably, actively, responsibly and safely by championing walking, scooting and cycling</i></p> <p>This proposal would accord with bid selection criteria, in particular:</p> <ul style="list-style-type: none"> • Supporting the demands of new development by combatting poor air quality around schools • Helping to keep neighbourhoods clean and tidy – tidy streets are more attractive to prospective residents/users of new development • Meets various community plan priorities including a healthy and fulfilling life • Addresses neighbourhood priorities supporting community facilities
Sustainable Merton Community Champions	£30k	Funding to support the 2019-20 Community Champions programme of activity/work. Allocation would be on the basis that Sustainable Merton and Merton Council work together and agree the programme of activity/work for Community Champions.	<p><i>This will help new residents and businesses understand what it means to be sustainable in Merton</i></p> <p>This proposal would accord with bid selection criteria, in particular:</p> <ul style="list-style-type: none"> • Supporting the waste demands of new development • Helping to keep neighbourhoods clean and tidy – tidy streets are more attractive to prospective residents/users of new development • Meets various community plan priorities and will focus on areas of most need helping to bridge the gap • Addresses neighbourhood priorities including maintaining

Bid Name	Amount	Purpose (include timescale)	Summary Justification
			the street scene and supporting community facilities and recycling
The Library of Things	£37,320	To support a Library of Things borrowing service in Merton including hosting collection point for the rental of items, booked via the Library of Things app, at the Morden Library, volunteer recruitment and promotion.	<p><i>This proposal builds on the proposition of why buy when you can borrow? It supports the development of a circular economy in Merton, recognising that, in many new housing developments, people just don't have the space to store items that might only be purchased for occasional or single use.</i></p> <p>This proposal would accord with bid selection criteria, in particular:</p> <ul style="list-style-type: none"> • Supporting the waste demands of new development • Helping to keep neighbourhoods clean and tidy – tidy streets are more attractive to prospective residents/users of new development • Meets various community plan priorities including contributing to your community • Addresses neighbourhood priorities including maintaining the street scene and supporting community facilities
<p>Amendment to 2018 bid:</p> <p>Future Wimbledon – Wimbledon Hill Road Green Link and Urban Lunchtime Zone</p>	£150k	Allow for scope of spend of balance remaining after funding pre-implementation costs required for the green link and the urban lunchtime zone, to be expanded to cover pre-implementation costs for public realm improvements throughout Wimbledon Town Centre, including in accordance with priorities identified through Future Wimbledon master planning, including continuation of spend in 2019-20 financial year.	<p><i>Investment into public realm improvements across the town centre meets the principles of the original bid approval by responding to demands of town centre development in making the town centre a more attractive place to work and visit and meets neighbourhood and community plan priorities.</i></p>
<p>Amendment to 2018 bid:</p> <p>Shopping Parade</p>	£460,400 max	Allow for flexibility as to the specific properties improved in the application of the funding within Colliers Wood and	<p><i>The delivery of Colliers Wood and Wimbledon Town Centre Parades has taken longer than originally envisaged in the 2018 bid and have</i></p>

Bid Name	Amount	Purpose (include timescale)	Summary Justification
improvements (four parades)		Wimbledon Town Centre. Allow for the funding to just be applied to these locations.	<i>been more costly, with alternative buildings improved (within these locations) where it was considered best to deliver the objectives of the Parades Programme. Further Neighbourhood Fund money has been identified to support the continued delivery of the programme across the borough, subject to Cabinet approval (see separate bid above).</i>

MERTON NEIGHBOURHOOD FUND - RESPONSES BIDDING ROUND 2019-1

Bid ref	Bidder	Proposal	Bid amount	Overall assessment of bid	total recommended	Recommendation for LSG/Cabinet final decision
TB10	Merton Priory Trust (Andrew Judge)	'Anima Una' or 'One Soul' Merton Priory Trust - internal paving = £15k - Electrical equipment will be obtained and fitted for the performance space = £14,930 (Lighting £6,340 Audio £3,070 Installation £5,520) - Seating for performance space = £6k (200 folding chairs estimated at £30.00 each). - funding shortfall unbudgeted conservation and legal works = £8.5k - Estimated extra cost of contractor returning to site to finish service connections = £2k Our Vision: One heart and soul in Merton (Adapted from the Augustinian motto "Anima una et cor unum in Deum": Translation: "One heart and soul in God") Promoting dialogue, drama and debate Our purpose: offering a unique venue to bring young people together, offering them space for personal development as well as building Merton's community spirit This bid is made of behalf of Merton Priory Trust https://www.mertonpriory.org/ with the support of the Trustees. ne of the most significant heritage sites in London: it was part of the site of a medieval Augustinian foundation of considerable influence, wealth and importance. This was a place for discussions of politics and learning, not just of the former priors and canons, but of monarchs and lords from the time of King John to that of King Henry VI. The first Act of Parliament, the 'Statute of Merton', was framed here. Now, following considerable work by the Trust and Merton Council, the site has been prepared for use as a visitor venue: equipped with a new entrance and glazed facade, meeting and exhibition space, a full suite of toilets and a kitchen. The only constraint on its use is a seasonal one. Because it is located under a concrete road bridge belonging to TfL, it cannot be heated, so that its use is effective from May to October. It is intended to showcase and explain the history of the Priory together with the works of William Morris and Arthur Liberty to local schools and residents.	£ 46,430	Supports the development of the heritage centre at Merton Priory Chapter House which celebrates one of the most historically significant sites in south London. • Promotes Merton as a culturally vibrant and rich place to live, work and invest. • Legacy towards various priorities supported by the neighbourhoods including Community Facilities	46,430.00	Approve. Caveats regarding double counting with s106 balance remaining re. £8.5k conservation & legal work and £2k service connection.
TC6	Hubert Child (on behalf of Merton Park Ward Residents Association)	Path - Dorset Rd to Morden Rd Tram Stop Cost for completing the path £20k "So nearly there..." The project is to complete a short section of footpath that will open up a pedestrian route from Dorset Road to Morden Road Tram stop. Most of the footpath has been constructed, the distance remaining from the point where the path ends to the northbound platform of the Tram stop is approximately 10m. The cost of completing the path is estimated at £20,000. The benefit tram users will derive from gaining access via this link is out of all proportion to the cost. Starting from the entrance to the path on Dorset Road, at present users must walk 300m to the end of the road and over the bridge on Morden Road to descend 27 steps to the south bound platform, then cross the tracks to reach the north bound platform. Morden Road bears heavy traffic and NO2 levels are well above legal limits on the bridge. Wheelchair users must travel a further 200m as far as Parkleigh Road to gain level access - 500m in total. The value of the project is officially recognised with the publication of the Draft Third Local Implementation Plan: Transport Plan. Para 5.17 states: Morden Road Southern Access: The development of a step free access from Dorset Road to Morden Road Tram stop is a long standing borough aspiration. Most of the proposed route has been safeguarded via s106 agreement together with around £20,000 of funding. However a very small triangle of land is needed from the adjoining cadet site to complete the path, which would need to be secured through negotiation with the land owner. TfL have made a preliminary assessment and confirmed that the project could be deliverable, subject to some equipment/infrastructure modifications on the stop itself. The proposal would support future tram growth and accessibility objectives. However, work to complete the path is not scheduled until 2022-24, to coincide with construction of the Sutton Link. This ambitious project has yet to apply for planning permission and the cost is estimated at £350m-£4	£ 20,000	Not appropriate for NFund due to uncertainties over costs/funding and deliverability given need to secure land.	-	Refuse.
TC 1	Wilmore End Residents Association	Merton Park Green Walks - new surface on footpath The project is for a new surface of coxwell gravel for the footpath on the Merton Park Green Walk. The cost is estimated to be about £38k. This involves replacing the edges and sub-base and laying a coxwell gravel surface. We have obtained this estimate from lilverde via , Andrew Kaufman , who have experience of dealing with many similar projects .06	£ 38,000	The Green Walks is a natural oasis in this part of Merton and the proposal would enhance the experience for walkers and nature lovers, and attract residents of the many developments recently built and proposed in the area. • Supports development (CIL statutory requirement). • Meets Community Plan priorities of Keeping Merton Moving and a Healthy Fulfilling Life. • Neighbourhood priorities would be supported through the supporting the functions of open spaces and community facilities.	13,000.00	Approve. £13k allocation (£25k S.106 funding already secured).
TB4	Jeff Gunn	Haydon's Road Rec items - Path resurfacing = £14k - Painting railings & associated costs = £13.5k - Tree planting £200/tree What we are proposing in the Haydon's Road Recreation Ground is as follows: A section of tarmac path along the northern side of the park is in need of urgent resurfacing. The current path is cracking up and there is a danger that it will be roped off for health and safety reasons, breaking the existing circuit that joggers/runners and dog walkers use to measure their daily exercise Of course the path also provides access to the northern section of the park which is currently under utilised and will assist accommodating new residents in our borough. Jonathan Turner from Parks has based his estimates on recent work carried out elsewhere in our borough and has provided a figure of £14,000. The railings in the park have not been painted for over 12 years and have started to rust. They are badly in need of painting to ensure that they retain their structural integrity. FoHRRG have planted hawthorn hedge along the Quick's Road side of the park and whilst this has provided some protection for the metal railings this will also potentially increase costs when it comes to painting. We are suggesting that this work takes place this Autumn 2019 after the last cut of the hedge by lilverde. That will limit the time available for this work to the second half of October until mid-December as it is important that this work is carried out in a frost free environment. We suggest that contractors use plywood boards to ease any foliage away from the railings to allow preparation of the existing surface and painting moving the boards along as the painting progresses. Jonathan has used costs for other such painting projects as his base and added a bit more to allow for the hedge obstruction slowing the painting process down to produce his estimate of £13,500. Dave Lofthouse has indicated a rough estimate for each tree would be about £200 but this would depend upon the species and size of the tree to be plante	£ 32,500	The Recreation Ground with a number of football pitches and facilities for cricket and bowls as well as unstructured activities such as jogging/running and dog walking provide additional opportunities for existing and new residents to exercise and improve their quality of life. • Supports development (CIL statutory requirement). • Meets Community Plan priorities of Keeping Merton Moving and a Healthy Fulfilling Life. • Neighbourhood priorities would be supported through the supporting the functions of open spaces and community facilities.	32,500.00	Approve, subject to ward cllr support. Allow flexibility.
TC 4	Age UK Merton	Upgrading (refurbishment) of Elmwood Centre Quoted breakdown of costs yet to be sought/secured. Established in 1950, Age UK Merton is an independent charity operating within the national Age UK network to provide services for older adults in the London Borough of Merton. Our role is to ensure that older adults can access the advice, support and care they need as they get older. We aim to enable older adults to age well, enjoy later life and get the right support at the right time, thus working towards our mission of making Merton a great place to grow old. Our comprehensive services help over 3,000 individuals each year and are carefully tailored to meet the varied and complex needs of older adults across Merton. Our priorities With a strong foundation in place we are seeking to move forward with our three key strategic priorities, improving health and wellbeing by: 1. Providing high quality advice and practical support 2. Building social connection 3. Creating opportunities for lifelong active ageing. Age UK Merton is seeking funding to invest in the development of its well-used Elmwood Centre. The property itself is owned by Merton Council but has been used for older people's services since it was built and is recognised throughout Merton as the home of Age UK Merton. We have sought the approval of Howard Joy at the Council to submit an application for an upgrade through the Neighbourhood Fund and received endorsement for our approach. In due course we will also contact the planning department to ensure our plans are compliant. Structurally, the building itself is in a good state but the interior of the property is tired and becoming unfit for purpose. We are seeking support for a significant upgrade of the facility which will comprise improvements to; entrance, reception and activity centre areas to create a warmer, more navigable entry to the building and a more enjoyable experience for all users; improvements to staff and volunteer work spaces to improve wellbeing and experience; and improved storage facility to improve health & safety, sp <END OF RESPONSE>	£ 50,000	This bid is premature - the bidder is yet to look at other funding sources and detailed costing. Strong promotion - meeting priorities for a broad section of the community - but premature and lack of clarity as to whether the funding is required, how much is needed and what for.	-	Refuse - suggest future bid.
SK 1	South Mitcham Community Centre	Signage for South Mitcham Community Centre We would like to put proper professional signage on the walls of the South Mitcham Community Centre to enable customers, clients and patrons to more easily recognise where the centre is and to put the Community Centre well and truly on the map with a more corporate but welcoming aesthetic and feel with our name and logo.	£ 1,500	enable customers, clients and patrons to more easily recognise where the centre is and to put the Community Centre well and truly on the map with a more corporate but welcoming aesthetic and feel • Supports development (CIL statutory requirement). • Meets Community Plan priorities of Bridging the Gap. • Neighbourhood priorities would be supported through the supporting the functions of community facilities.	1,500.00	Approve

Bid ref	Bidder	Proposal	Bid amount	Overall assessment of bid	total recommended	Recommendation for LSG/Cabinet final decision
SK 9	Deen City Farm & Riding School	Deen City Farm The project is a package of three essential measures (resurfacing of riding arena £20.790k; upgrade LED lighting/wiring £14.755k; muck heap upgrade £4.8k) which will support Deen City Farm's continued ability to offer a range of free and low-cost activities and benefits to existing and future residents of Merton. The package has a total cost of £40,345 and would provide estimated annual savings of £10,940. (1) Resurfacing of the Riding School's Arena. The Arena is a fenced area, 20m by 40m, surfaced with layers of sand and rubber chips. It is where most of the Riding School's activities take place: principally riding lessons (8,000 opportunities to ride each year) but also exercising horses and running competitions and events. The current surface was installed in 2005 with an expected lifespan of 5-10 years. Repairs in 2015 extended its useful life, but the surface is no longer fit for purpose and further repairs are not possible. Over time the layers have become mixed to the point where neither the sandy drainage layer nor the rubber riding surface function properly. More and more lessons are being cancelled during and after bad weather, and the Arena needs a new surface before next winter. Dust development is a well-known problem in riding arenas. Low humidity and intensive usage leads to dust and fine sand blowing up and through the arena. Riding under these circumstances is not pleasant nor very healthy for horse and rider. Resurfacing provides an opportunity to install under-surface irrigation using a network of porous rubber pipes, usable whilst lessons taking place and able to target specific areas that need watering. The ability to target watering minimises water use and eliminates wastage. The total project cost has been reduced as the rubber chip/sand mix from the old surface can be used on site to help improve the evenness of our outdoor riding track, saving on removal costs. Equestrian arenas are laid by specialist contractors, and the best estimate we have received is from Witham Vale Arenas (resurfacing) and Leaky Pipe Systems Ltd (irrigation). (i) SEE BID FOLDER FOR MORE INFO	£ 40,435	This would support Deen City Farm's continued ability to offer a range of free and low-cost activities and benefits to existing and future residents of Merton <ul style="list-style-type: none"> Supporting development (CIL statutory requirement) Bridging the gap, Better opportunities for youngsters and A healthy and fulfilling life (Community Plan) Provision of a community facility (neighbourhood priorities) 	40,435.00	Approve on basis of securing a £5k reduction to revenue support grant.
TC 10 (see also TC 11 Love Wimbledon; TB 9 Haydon's Road; TB8 Parades Programme Manager)	London Borough of Merton - Future Merton Economy	Merton Parade Refurbishment - 3 parades Merton High Street (10 buildings) = £320k Bramcote Parade (4 buildings) = £50k Wimbledon Town Centre (9 buildings) = £112.5k High streets lie at the heart of our communities and local economies. They create, jobs, nurture small businesses and injecting money into our local economy. Current local commercial vacancy rates are approximately just over 10% and in 2017 the residents of Merton expressed their desire to create better high streets by improving the appearance of the shops across the borough through a survey. As a result, the London Borough of Merton responded to this local requirement by commencing a parade improvement program across the borough, which has been very popular and achieved great results. To follow on from this work Future Merton have developed a 5-year parade improvement program which will significantly change Merton's High Streets. This improvement works could potentially save important and historic buildings from being converted into residential conversions and creating 'ghost town' high streets. The work on all proposed parades include improvements to: <ul style="list-style-type: none"> Shopfronts Fascia Signs Awnings Projection signs Planting Brickwork cleaning and restoration Pointing replacement Downpipes and guttering 	£ 482,500	Allocation will help transform Merton's most neglected (but most characterful) buildings and shops into our elegant, useable and attractive parades useable for the whole community and help boost trade, footfall, vibrancy and jobs. This will continue Merton's parade improvement program across the borough, which has been very popular and achieved great results Improving the appearance of local parades helps to encourage footfall and promote an active, attractive, viable high street, meeting statutory CIL Requirements and keeping Merton moving in accordance with the Community Plan. The improvements to Haydon's Road Parade responds to the demands the Wimbledon Stadium development places on the area. The Bramcote Parade improvement would contribute to the revitalisation of the Cricket Green area of Mitcham, helping to bridge the gap.	50,000.00	Approve: 1st parade 19-20 FY - Haydon's Road parade 2nd parade 19-20 FY - Bramcote Parade
TB8	Future Merton Economy (Sara Williams)	Parades programme management - To fund the Town Centre Officer post in the future Merton Business and Economy team. The cost of the officer including on costs is £50k p.a. for 3 years. The front line officer post will manage the delivery and implementation of projects that improve, promote our town centres and parades to ensure the sustainability and economic prosperity of our town centres.	£ 165,000	The front line officer post will manage the delivery and implementation of projects that improve, promote our town centres and parades to ensure the sustainability and economic prosperity of our town centres. This allocation of CIL would be would enable the delivery of the Parades Programme, meeting the assessment criteria as set out above, for three years.	165,000.00	Approve.
TB9	Wimbledon Park Ward Councillors (Clr Gretton)	The Parade at Haydon's Road £32k per building facade. Application by: Ward Councillors (Wimbledon Park) endorsed by: Wimbledon Park Residents Association, Haydon's Road North community site, WP Community Trust The context of this Proposal is: i) the location & its current state of decline and neglect ii) the adverse impact suffered from the high levels of traffic, engine emissions and HGV pollution iii) the imminent major impacts on the local community from the new stadium and the impact of weekly football crowds of c.20,000 fans iv) the community impact and the needs arising from the ongoing major residential developments (Galliard Homes, c.700 new units with 100s / 1000s of new residents, now enhanced to include levels of affordable /social housing; significant housing capacity will also increase demands on the local community v) regular fly-tipping deposited illegally at this local centre vi) the positive opportunities presented by the underlying historical characteristics of The Parade vii) the opportunity to improve this area as a 'Gateway to Merton' for the increasing visitor footfall arising from the Stadium development viii) an increased sense of local community with the arrival of the new residents at the Galliard Homes developments, and the common goal of facilitating positive neighbourhood improvement measures The Future Merton Team has responded positively to this Proposal in terms of viability and need, subject to approval, and has confirmed willingness to support the Project for the community in the face of the major developments. Responses from local freeholders: Ward councillors have held discussions with shopkeepers, freeholders & residents, who have expressed support for the re-establishment of The Parade faced with the new developments. The Proposal has also been publicized on the Haydon's Road North community website and received strong support.	£ 224,000	Approved as a priority for the Parades Programme - see TC 10.	224,000.00	Approve. See TC 10
TC 11 (see also TC 10 Parades; TB 9 Haydon's Road)	Love Wimbledon	Love Wimbledon Town Centre - Pavement Parade = 120k (duplication with TC10) - Railway path = £10k - The Broadway facades = £100k - New Wimbledon Theatre side façade = £35k - Hartfield Walk £50k Wimbledon town centre has recently undergone a vast amount of development which has affected the town centre. The Community Infrastructure Levy fund will have received significant financial contributions from these developments. There are further areas that have successful planning applications for which we also need to prepare to mitigate the impact now. There are areas of Wimbledon that could benefit significantly from a little investment to help the economic heart of the borough maintain its appeal to residents, shoppers, theatre goers, employers and employees. Feedback and communications from the recent masterplan consultation have identified areas that are enjoyed and loved and others that need further help. The projects we are proposing will help Wimbledon to retain its identity as a strong business base and at a time of economic uncertainty our Wimbledon town centre needs all the support it can get. This would help to ensure it has the ability to maintain its vitality through the challenging times that all town centres and retail centres are experiencing as it evolves. The recent restoration of the shopping parades on The Broadway, in Colliers Wood and Morden have demonstrated how successful a small investment can be on the historical presentation of the area. We are looking to emulate these examples in a couple of parades in Wimbledon, whilst smartening other 'forgotten' and neglected sites that require attention. This would ensure that Wimbledon continues to live up to its name and reputation. Love Wimbledon is proposing 5 key projects that are all related to the vitality of the town and its businesses, as well as improving its streetscape and providing a strong social environment to be the heart of the local community for all to enjoy. The Pavement parade - Worpole Road - £120k We currently have a parade of 7 independent shops in Worpole Road. The businesses and properties are locally owned and employ many local residents, particularly from Mor <END OF RESPONSE>	£ 315,000	Wimbledon Theatre facades, could be supported but is not a top priority for Parade Programme, so currently not deliverable but could be prioritised on the back of Wimbledon Stadium income for delivery in future years. Pavement Pde - Due to its reasonable condition, this parade is currently not a priority for investment Broadway facades - conservation areas but ongoing landowner's issue preventing delivery. Hartfield Walk - same function as St Marks Place project - priority is St Marks in terms of delivery resources. Railway Path - Not best use of council resources as outside town centre so no help to business rates retention and keeps getting graffiti.	-	Refuse. See parades TC 10 - support future bid for Wimbledon Theatre facade. Public realm proposals - refuse.
TC 6	Polka Children's Theatre Ltd	Polka Theatre redevelopment £95k Contribution towards the final 7% of partnership funding yet to be secured to unlock Arts Council and Mayor of London Good Growth Funding. Polka is in the final stage of fundraising towards the first major capital redevelopment of our much-loved Merton home of 40 years. Our approved plans (ref 16/P4619) will enable us to make essential improvements to our venue, help to retain our standing as a leading national theatre for children and Arts Council National Portfolio Organisation (with the substantial funding this brings to Merton's cultural offer) and develop our site as an important cultural hub for over 100,000 visitors per year including children, families, artists, community groups and schools from across the Borough. To date, we have raised over £6.5m towards total project costs of £7.037m. Merton Borough's £300,000 contribution (including Section 106 funding) has been an important catalyst in drawing investment into Polka and therefore the Borough. To secure the future of the project and maintain our budget and schedule we must now achieve 100% of the partnership funding required by July 2019 to unlock the £3.7m pledged by our largest funders - Arts Council England (£2.5m) and the Mayor of London's Good Growth Fund (£1.2m). Our plans will: enable Polka to continue to create innovative, world-class theatre for children from a venue where the facilities match the quality of the on-stage work; restate our position as an adventurous pioneer of best practice in children's theatre and creative learning; establish Polka as the national centre for Early Years arts; enhance our production partnerships nationally and internationally; develop our vision of a wholly child-centred venue that offers a complete experience; improve access to the building meaning we are continuing to break down barriers for children regardless of ability; offer improved free indoor and outdoor play areas providing fresh inspiration for self-directed play, for children to explore and keep active; and offer the best hire options for community and performance groups and businesses to help address the current shortage of space lo <END OF RESPONSE>	£ 95,000	The development will help to retain Polka's standing as a leading national theatre for children and develop their site as an important cultural hub for children, families, artists, community groups and schools from across the Borough Helps to support demands development places on the borough including Wimbledon Stadium, with the venue a short bus ride from the residential buildings proposed on Plough Lane, which is expected to accommodate many young families with over 350 family sized dwellings. Meets neighbourhood priorities by improving community facilities and streetscape along the Broadway. Addresses Community Plan priorities in particular bridging the gap through enhancing Polka's outreach programme to combat deprivation and improving accessibility to hard to reach families.	95,000.00	Approve

Bid ref	Bidder	Proposal	Bid amount	Overall assessment of bid	total recommended	Recommendation for LSG/Cabinet final decision
TC 9	LB Merton CSF	CSF Employability For the 1 yr FTE for the programme officer (including supervision/management) plus £10k for residents work experience vouchers and £7.7k for HGV driver placements. Our project increases access to the labour market for Merton residents aged 16 – 25 by: • sourcing and brokering work trials/placements for live apprenticeship and job vacancies, • commissioning and facilitating access to sector specific training informed by local and national labour market intelligence • delivering and/or coordinating multi-disciplinary, cross sector support to residents pre, during and post placement. • Delivering and/or coordinating bespoke support and advice to employers with a specific focus on increasing their apprenticeship offer. While priority is given to those with characteristics that make them vulnerable to poor economic outcomes, any Merton resident within the age range can access support. For the purposes of this project, Merton residents include those that live in the borough of Merton, Merton care leavers who reside outside of the borough and Merton young people receiving support from our youth offending team and/or special educational needs service who have been placed in residences outside of the borough. Residents taking part in non-salaried activities are allocated gift vouchers of their choice up to the value of £20pd for each full day of work experience completed. On average, residents will complete at least 10days on placement. A fulltime Employer Engagement and Employability Officer, (EEOO), will lead on the operational delivery of the activity described above. The EEOO will ensure opportunities are demand led and suitable to meet the presenting needs and aspirations of the residents who engage. The EEOO will lead on promoting the offer to internal and external stakeholders, (including eligible residents and their wider support networks) ensuring user friendly access that is complimentary to existing referral mechanisms. Funding for the project will ensure the success and learning from Children, Schools and Families department, (CSF), Towards Employment pilot is built on. Towards Employment is a Merton CSF pilot... further detail in email	£ 60,904	The investment will ensure the success and learning from Children, Schools and Families department, (CSF), Towards Employment pilot is built on The project would help support the function of community facilities (neighbourhood priority) that enhance the employability of young Merton residents who need it most, including those finding it difficult managing change due to estate redevelopment, supporting the demands that development places on the borough and bridging the gap (community plan).	60,904.00	Approve.
SK 6	Carol Warren - Vestry Hall	Move More Mitcham £12,480.00 = Personal Trainer fitness programme. Session 2 hr - inc set up, fitness programme, referrals/support, take down. £2,000.00 = Personal Trainer Workshop Delivery 4 X 4 £5,760.00 = Hall hire fitness programme £600.00 = Hall hire workshops £250.00 = Room hire referral service. Confidential 1 to 1 with client. £1,500.00 = Refreshments £750.00 = Referral Service £50 X 15 referrals £1,500.00 = Publicity Material £2,980.80 = Project Management. 10.71% of project costs. promotion, recruitment, enrolment, monitor & record, evaluation, reports etc. The project aims to support Merton residents (primarily Mitcham) and to equip them with the tools & strategies to cope with the negative impact that development has on their wellbeing. Target groups are those with or at risk of developing a mental health disorder. The project has 3 deliverables: 1. Fitness programme: 6 X 16 hours fitness programme delivered to 6 cohorts of 15 people – total 90. Each cohort will benefit from 16 hours of cardio, mindfulness and social interaction. Men and women will be in different groups in order to address the cultural and privacy concerns of individuals. 2. Nutrition Workshops 4 X 4 hour workshops to 4 cohorts of 15 people – total 60. Workshop contents - the positive and negative affect that food and drink has on our wellbeing. Eat yourself healthier & happier. 3. Referral programme A seamless referral system for 15 (10% of 150) Merton residents on early detection of additional support needs that are outside the project deliverables. The project will work with members of the community aged over 16 years who have or are at risk of developing a mental health disorder and focus on those who have the greatest difficulty in accessing mainstream fitness provision. Fitness programme Participants will be invited to form 'exercise buddies' and fitness focussed peer-support networks will be encouraged through social media and time after sessions (social interaction). The exercise session will be highly inclusive and designed with specific considerations. They will take the form of circuit-classes consisting of various functional movements that will help with daily living and improve overall strength and flexibility. There will be mindful movements focused on breathing and stress management. Weather permitting the fitness programme sessions will be delivered outside the building on the Cricket Green. Nutrition Workshops Coupled with the Fitness programme t <END OF RESPONSE>	£ 27,820	The project aims to support Merton residents (primarily Mitcham) and to equip them with the tools & strategies to cope with the negative impact that development has on their wellbeing The project would help support the function of community facilities (neighbourhood priority) that enhance the resilience of Merton residents who need it most, including those finding it difficult managing change due to estate redevelopment, supporting the demands that development places on the borough and bridging the gap (community plan).	27,820.00	Approve.
TC 12	Commonside Community Development Trust	Supporting Commonside Community Development Trust £50k- Financial support to help the service provision to Vulnerable People including booked appointments, drop-in support and other support - increasing capacity of team, training, staff support, supervision, explore opportunities to work with Merton Community Transport. Some capacity to provide services to support voluntary sector supporting Clarion estate regen. Booked appointments run by trained staff covering a wide range of areas in going about their everyday life where vulnerable people struggle. Drop-in sessions host guests from partner organisations such as Age UK Merton, Wimbledon Guild, Merton Vision, Carers Support Merton, Better Sports and Leisure services, linking people to the strong network of services and support that exists in Merton and helping to shape how and where this is best delivered. Other support covers a broad remit of areas from partnerships with Fulham Football Foundation, children's cooking classes to support in dealing with institutions or returning to work. £40k -Creating a sense of place - Supporting creating engagement in providing opportunities for work experiences in volunteer work including creating spaces within the courtyards Pollards Hill Estate and building upon this engagement by introducing pathways into work - working with football groups expanding Pollards PASS offer to include dance and performing arts and to recruit - support Pollards Graduates in variety of fields as civic ambassadors - and local community champions - Events celebrating diversity of language and at the same promoting ESOL classes (English classes). Three delivery strands: i) Pollards PASS and Graduates - partner driven approach working with over 20 partners in providing hope, ambition and opportunities to young people in Merton (from enhancing engagement through cadets membership to work experience for young journalists and DIs (at the local radio station)) - Design and delivery of this programme can be coordinated and communicated by the Pollards Hill Community Forum, led by PH Youth services; ii) Social Capital and Community Champions - creating and running volunteer opportunities, in partnership with Moat Housing in the local area and with MVSC's Volunteer Service to generate social capital, in particular for those wishing to become community champions, block gardening champions, school governors, PTA members, Library Readers etc. Organising thank-you events for the volunteers with partners - which will help to publicise the programme; iii) A special, multi-lingual place - 5 community events to celebrate linguistic diversity in partnership with PH Library, ESOL Learn English Together project, Adult Learning, Migrant Welfare Group and South Thames College £40k - Local Economy. Providing STEM (Science, Technology, Engineering, Mathematics) activities to match the demands of the regional London economy over the next 15 or so years, alongside up-skilling workshops for parents and carers who may be in low-paid employment. In partnership with local schools and colleagues, focussed preparing for the world of work building understanding of the opportunities and fostering ambition and drive. Includes bringing more employers and industry sector representatives to open community events to share first-hand experience (with learners and job seekers of all ages) of their careers and where opportunities are now and may be in the future. Self-employment/working from home support in partnership with Merton Chamber of Commerce. Running a course with the help of Delrose Earl to help people to declutter as part of local clean-up campaign. To develop a local newsletter raising awareness/advertisises small businesses based in the New Horizon Centre.	£ 130,000	The project aims to build resilience of Pollards Hill Residents introducing pathways into work and building civic pride. The project would help support the function of community facilities (neighbourhood priority) that enhance the resilience of Merton residents who need it most, including those finding it difficult managing change due to estate redevelopment, supporting the demands that development places on the borough and bridging the gap (community plan).	130,000.00	Approve
TB2	Sustainable Merton (Diana Sterck)	Air pollution mitigation campaign with schools No cost breakdown provided. (original bid proposal - see Appendix A of report/overall assessment of bid for amended proposal) We will work with 15 schools in Merton (5 schools per term) to run an engagement programme with each school to help the parents, children and staff fully understand the problems that poor air quality brings and the steps they all can take to reduce their exposure. We will work with the Council to select schools from the areas suffering from poor air quality, such as schools near or on main roads. Schools that are proactive in asking for support will also be supported. We will run a programme of engagement with each school that will include a school assembly on air quality, hands on air quality measuring with the older years and the development of a clean air route to school in partnership with schools governors and parents, which will be broadcast through school newsletters and conversations with the parents as they wait to collect their children. We will work to influence parents to adopt sustainable travel options, to avoid driving their children to school if they can, or if they do have to drive, to make sure they do not idle	£ 27,233	The bid as amended - i.e. funding the costs of an additional post working in Future Merton Commissioning to help raise awareness of sustainable modes of travel in support of anti-idling measures to combat poor air quality through pupil engagement in the STARS schools accreditation scheme to deliver a key recommendation of the Road Safety Task Group - would inspire young Merton school pupils to travel to school sustainably, actively, responsibly and safely by championing walking, scooting and cycling. This proposal would accord with bid selection criteria, in particular: • Supporting the demands of new development by combatting poor air quality around schools • Helping to keep neighbourhoods clean and tidy – tidy streets are more attractive to prospective residents/users of new development • Meets various community plan priorities including a healthy and fulfilling life • Addresses neighbourhood priorities supporting community facilities	27,233.00	Approve in a different form to pick up the costs (or part thereof) of another post working in Future Merton on Road Safety, as per the Road Safety Taskgroup, to deliver the outcomes promoted by this bid. The bid amount could fund someone working 3-4 days per week for a year (depending on grade).
TB3	Sustainable Merton (Diana Sterck)	Community Champions No cost breakdown provided. This is a borough wide initiative involving 50 Community Champions and 100 Street Champions, all working as volunteers to make Merton cleaner, neater and tidier. At least 2500 residents will be educated and informed and actively using the Council's waste collection system in the proper way to support increased targets for recycling and use of food waste system. The funding supports Sustainable Merton to take forward work, using our Community Champion model and the Council's Street Champion model, in the area of waste and environmental improvement. Specifically we will: Continue to use the theme of waste, recycling and food waste collections at the Environment Sub Group (reports to the Merton Partnership's Sustainable Communities and Active Transport Group, as well as introducing the theme of the circular economy, re-use strategies and air quality to raise awareness, share information and extend communication channels through the partnership groups and others who attend these meetings. Train Community Champions (Sustainable Merton volunteers) and Street Champions (LB Merton volunteers) to: (i) increase their knowledge of waste to support residents to correctly use the waste collection system in order to minimise contamination and meet the Council's targets for recycling, food waste and reduction in landfill (ii) be the eyes and ears of local communities by collecting light litter and reporting graffiti to make Merton's streets cleaner and tidier (iii) become waste coordinators in block of flats, housing estates and/or localities to support residents in using the waste collection system correctly and to increase the take-up of food waste collections Encourage and inform Community Champions (Sustainable Merton volunteers) and Street Champions (LB Merton volunteers) to adopt local trees to water them if required and to plant bedding plants around the trees to make Merton's streets more attractive	£ 30,000	This will help new residents and businesses understand what it means to be sustainable in Merton This proposal would accord with bid selection criteria, in particular: • Supporting the waste demands of new development • Helping to keep neighbourhoods clean and tidy – tidy streets are more attractive to prospective residents/users of new development • Meets various community plan priorities and will focus on areas of most need helping to bridge the gap • Addresses neighbourhood priorities including maintaining the street scene and supporting community facilities and recycling	30,000.00	Approve subject to the condition that the bidder works with Neighbourhood Client Officers in the council's Waste Services to deliver one programme.

Bid ref	Bidder	Proposal	Bid amount	Overall assessment of bid	total recommended	Recommendation for LSG/Cabinet final decision
TS7	Sustainable Merton (Diana Sterck)	The Library of Things No breakdown of costs provided. This is an initiative developed by Upper Norwood Library with the aim of making borrowing better than buying. The initiative has been running for 2 years and the Library of Things is now looking to expand their offer in London working in partnership with 10 local leaders and host sites by 2021. This proposal is being submitted by Sustainable Merton who would be the local leader, working with LB Merton who would host the Library of Things in Morden library. The local leader is defined as a group of well networked people with large local networks who can galvanise volunteers to get involved as well as the community to take up the offer. The host space is defined as somewhere that has at least 10m x 1.5m space along a wall and is able to provide the space at low or no rent for at least 2 years. Over the 2 years the initiative has been tried and tested and works as follows: Users join for £1 Users can borrow items, reserving them via the web app and can collect the items at their nearest library kiosk. The cost of rental ranges from £1 to £25 per day, with discounts available to those less able to pay. Currently the breakdown of users is 40% young families, 35% young people, 20% low income and 5% community groups. The pay per use pricing is set at less than 10% of the recommended retail price. A sewing machine or a circular saw would cost £7 a day as an example. There are 70 high quality Things to borrow, with an average borrowing price of £10. To take the initiative forward in Merton, the Library of Things operates the fully insured Thing borrowing service and takes on the majority of the risk and responsibility in the first 2 years	£ 37,320	This proposal builds on the proposition of why buy when you can borrow? It supports the development of a circular economy in Merton, recognising that, in many new housing developments, people just don't have the space to store items that might only be purchased for occasional or single use. This proposal would accord with bid selection criteria, in particular: • Supporting the waste demands of new development • Helping to keep neighbourhoods clean and tidy – tidy streets are more attractive to prospective residents/users of new development • Meets various community plan priorities including contributing to your community • Addresses neighbourhood priorities including maintaining the street scene and supporting community facilities	37,320.00	Approve.
TS9	Sustainable Merton (Diana Sterck)	Community Fridge The bid amount is to cover the costs for research/information gathering and generating a report. This proposal sets out a clear and practical mechanism for businesses, organisations and individuals to come together to distribute food that would otherwise go to waste, and to set up a Community Fridge. At present, in Merton there are too many people experiencing food poverty and too much good food being thrown away needlessly. We hope this proposal will go a long way to solving both problems. This proposal has two strands: (i) To connect producers and distributors of good quality food to those in need - thereby making best use of our food, reducing food waste and helping residents out of food poverty. In taking forward the Food Poverty Action Plan it has come to light that the network of giving and receiving is random and it is impossible to know whether best use is being made of surplus food. We therefore propose to undertake a mapping project to find out which businesses (supermarkets, local food producers, local food logistics and distributors and catering companies) are donating food, what they are donating, when and to who. We will also assess the appetite to get involved if they aren't already and what they could donate and how often. We anticipate the mapping will be done using questionnaires and either telephone or face to face meetings. The results of the food mapping survey will be a report that sets out the current situation, identifies new opportunities, addresses gaps and puts a system in place (a register) that matches "givers" to "receivers". The report would be shared with LB Merton Public Health and widely distributed to those involved in the current Food Poverty Operational Group, as well as through Sustainable Merton's website, e news and social media channels. Sustainable Merton will undertake the mapping with businesses using our links with Merton Chamber of Commerce and Business Improvement Districts, and with intermediaries such as MVSC, Faith in Action, Wimbledon Foodbank and lunch clubs to review the beneficiaries.	£ 21,000	The outcome is a report not delivery of tangible public benefits that meet the priorities.	-	Refuse.
TS6	Merton Chamber of Commerce (Diana Sterck)	1 year pilot for South London Partnerships - Enterprise Hub Financing: - Setting up of pop up kiosk (moving around borough across the year - set up at third party sites), branded items and technology £2000 - Promotional activity – website landing pages, links to other websites, in community forums, social media etc., regular communications – e news, social media forums £3000 - Project management, business information and advice, organisation of young people events and mentoring, reporting of findings through business reviews and discussions with businesses, links to available premises, travel and venue costs £20800 this proposal is about establishing an Enterprise Hub that will inform the Council and the Chamber of Commerce of the requirements of home based businesses as they look to move into established business premises and to inform and empower these business to take the next step in their development. The overall aim is to achieve a thriving business base, thereby creating a stronger local economy with more workers and consumers in our town centres. The proposal also forms a test bed approach for the work being undertaken by the South London Partnership on managed workspace, addressing the potential of setting up a hub and spoke approach in the 5 London boroughs it represents. MORE DETAIL IN FOLDER	£ 25,800	This is a 1 year pilot for an idea (for South London Partnerships) so deliverability of promoted benefits is yet to be established. No statement/demonstration of funding/revenue generation. Relies on third party sites for mobile kiosk, with no evidence of agreements with/expressions of interests from third parties to deliver.	-	Refuse
SK 4	Chris Mountford - on behalf of Friends of Cannizaro Park	Cannizaro Park - improvements to entrance & footway Cannizaro Park has an area called the Italian Garden and this is used by many hundreds of families a year for picnics. It is also a popular area for weddings as the whole area is enclosed by walls and can be secured. There are also arts programmes held in the area. The project would be the creation of improvements to enable the public better access through a new entrance for people with disabilities and a dedicated hard surface for a new "temple" like area for the exchange of vows and to improve the visual improvement to the area. The overall costs are estimated at approx. £53,000	£ 52,000	Not appropriate for NCIL at the moment, questions over whether this is prudent use Council funding and weakness in terms of meeting a variety of other priorities. Major question about commercial benefit vs local community benefit	-	Refuse.
TS8	Merton Library & Heritage Service	Improving Merton Heritage Centre Staffing: £75000 Training: £5000 Interactive displays: £29500 Conservation: £6000 Outreach/events: £19500 Printing: £10000 Promotion: £8000 Evaluation: £1000 Contingency: £5000 Total £159000 our project will use Merton's past to inform its future; engaging the community with 100 years of local history and improving Merton Heritage Centre to make collections more representative of Merton's diverse population. Visible storage and interactive displays will increase access to heritage resources, showing how communities have been changed by world war, immigration, housing, transport and industrial developments. Intergenerational teams drawn from Merton residents, schools, community groups and businesses will research the history of different localities. This material will form exhibitions, webpages, school packs, guided walks and high street displays to raise the heritage profile and encourage pride in each area, fostering closer links between new and existing communities.	£ 159,000	Provides cultural community facility so would meet some criteria. However, this is not best use of council resources and there's not enough certainty about whether promoted benefits will be delivered/sustained. The ongoing maintenance and management of the new facility is not secured and on this basis the proposed investment cannot be taken forward.	-	Refuse.
SK 10	Sustainable Merton Tim Sargeant, Clarion	Clarion plant nursery for their estates green infrastructure: - Supply and delivery of 50 additional specimen trees including planting boxes, soil and growing agent = £25,000 - Management and maintenance of the additional trees including all site preparation, tools, materials and supplies including water = £15,000 In autumn 2018 Sustainable Merton and Clarion Housing piloted an innovative tree planting project in Merton to support the sustainable regeneration of Merton's housing in the High Path (Abbey Ward) Ravensbury (Ravensbury Ward) and Eastfields (Figges Marsh Ward) neighbourhoods. Hundreds of whips have been planted by volunteers (including Abbey Primary School) in a Merton public park. These whips will form a permanent hedge around the planting area, which by its nature will provide a haven for insect's, birds and contribute to removing carbon from the air, while enhancing the visual effect for the users of the park. We have also containerised planted a first tranche of specimen trees that will be transplanted as larger specimens as part of the second phase of development in the High Path neighbourhood. The hedge and specimen trees are cared for by Sustainable Merton who oversee the health of the hedge and trees until they are ready to be transplanted to South Wimbledon's regenerated High Path estate in future years. Sustainable Merton and Clarion would now like to extend the pilot scheme to bring some disused leisure land back into use as a tree nursery to provide specimen and street trees for further phases of the regeneration programme. We have planted a number of specimen trees that will be transplanted as large specimens into the second phase of development in the High Path neighbourhood. Trees are being grown on spare land within the Morden recreation ground site (StHelier ward). Our aim is now to extend the successful pilot project to provide a semi mature landscape in further phases of the Merton Regeneration on the High Path (Abbey Ward) Ravensbury (Ravensbury Ward) and Eastfields (Figges Marsh Ward) neighbourhoods. Hundreds of saplings have been planted by volunteers (including Abbey Primary School) in a Merton public park. They form a new native species hedge to reflect the historical field he <END OF RESPONSE>	£ 40,000	CIL should not be used to offset developers' direct obligations under planning permissions to provide and sustain onsite landscape including green infrastructure in a sustainable way.	-	Refuse
TC 2	Raynes Park Little League	Raynes Park Little League Replenish Football Kits: We are looking at the neighbourhood fund in order to replenish the kits across all age groups given our now limited funds. The average price for a full kit is: £20 including the RPLL crest - total cost for kit replenishment would be in the region of £6000. The League, which sits in the idyllic setting of Sir Joseph Hood Memorial Ground, has been running since its inception in 1968. We are situated off of Motpur Park High Street, at the end of Marina Avenue, Raynes Park Little League has evolved and developed into one of the most popular and successfully run little leagues around. The League comprises of 3 different age divisions: The Bantams, The Juniors and The Seniors. The Bantams have 10 teams and play 7 aside, The Juniors have 12 teams and play 8 aside while the Seniors have 6 teams and play a full 11 sided match. The Bantams: Years 3 & 4 (100+ Boys & Girls) The Juniors: Years 5 & 6 (120+ Boys & Girls) The Seniors: Years 7 & 8 (100+ Boys & Girls) Total: 320+ kids Matches take place every Saturday from 9.30am to 12.00pm on 6 pitches across the playing fields. The league is a voluntary organisation run on the dedication and graft of many hard working people. Each Saturday between the months of September to May, they give up their mornings to help provide a safe and enjoyable environment for children to play their football. This is at the fore of every volunteer's wishes and is quintessentially what Little League Football should be about. We have been providing this on a voluntary fee basis up till 2018 where any money taken has gone into the purchasing of kits, trophies, insurance and training equipment etc., since the management of the parks has now been handed over to a contractor we as RPLL now have to charge a compulsory fee to cover pitch fees accordingly.	£ 6,000	Small bid (below £20k guideline) and would require project admin for grant agreement etc. Seems to be only very short term gain - only 1 year with top up required (not part of bid) every year but no information to support bid about long term longevity or case put forward to evidence funding streams. When cast against other bids with a broader benefit (vs. providing access to a little league football club in Raynes Park) even in the specific communities that they serve this bid may be considered of a lower priority.	-	Refuse.

Bid ref	Bidder	Proposal	Bid amount	Overall assessment of bid	total recommended	Recommendation for LSG/Cabinet final decision
TC 3	St Andrew's Church Wimbledon	St Andrew's Church landscaping & Community "remote working/rest" Space No information on how much of the funding will be spent on each element. Overview This application seeks funding to develop a community space including a co-working and rest place in St Andrew's Church, Herbert Road, SW19 3SH. St Andrew's Church has been a presence in the local community since 1908. In its recent history the late Rev. Dr Andrew Wakefield served the church and community for over 20 years and was a prominent member of the community and led the re-fresh of the Merton Neighbourhood and Community Plan. He was awarded the freedom on Wimbledon following his death in 2016. In 2018 Rev Charles Lamont took up post at St Andrew's and has been working to turn the building into a space that can be used widely by the community for a range of events. Part of St Andrew's vision is to engage the local community, among other initiatives one way is through establishing a community co-working and rest place in the church. We believe this contributes towards Merton's Community Plan; 'A place to work' and 'having a healthy working and fulfilling life' With 50% of workers projected to work from home by 2020 (ONS) Wimbledon becomes 'A place to work' from residential addresses, not just the office. St Andrew's wants to offer a space for remote workers, start-ups and entrepreneurs to get a change of scene, work in small groups, be encouraged and motivated by working alongside others and find a quiet space to put their minds to work. A space in the centre of Wimbledon town for home workers to work, connect & allow them to bring their work to Wimbledon. In addition to supporting Merton as 'a place to work' this initiative could contribute to reducing the impact on transport in the area, by creating an option to remain within Wimbledon to work remotely. St Andrew's also envisage developing the church space as a place of peace and tranquility in the centre of a busy town. This could be used, for example, by visitors wanting a space for reflection or workers wanting time out during a busy day or just a peaceful place for a lu <END OF RESPONSE>	£ 85,000	Benefit is too specific/localised, it is unlikely to attract other faiths and it is not located in a prominent location, rather tucked away in a residential street a long walk from the Town Centre. A significant proportion of the bid is for landscape improvements to the Church forecourt, and there's a lack of detail on how the funding for the community space would be spent.	-	Refuse.
TC 5	Wimbledon Bookfest	Wimbledon BookFest - new accommodation of admin function plus funding Events programme Nov 2019-Nov 2021 New accommodation Wimbledon Library (conversion of 1st floor store) = £30,082.21. Events programme £33,800: - Author & spoken events = £5.4k - BookFest Merton Read (2020 and 21) = £10k - Writing workshop = £4k - Staffing 3-4 days/month = £14.4k Project Vision: Conversion of Wimbledon Library storeroom into BookFest offices that can accommodate administrative and box office sales staff, and delivery of a 2 year programme of related free/low cost literacy based events for the community. Merton's award-winning arts festival, Wimbledon BookFest, seeks a permanent office to run the administrative office and box office service and further expand its cultural offering by developing the partnership with Wimbledon Library. The application also asks for funding to host a rolling programme of literacy based events for the community. These events would be hosted at Wimbledon Library, already developing itself as an artistic hub, bringing together a demographically diverse borough with an innovative new arts programme. Office Facility Conversion of Wimbledon Library Storeroom Into Offices. This will accommodate admin and box office sales staff for Wimbledon BookFest and create a further office for alternative use. To house the admin programming and box office function of the organisation. To date this has been in a sponsor's office, but this is no longer suitable for the Festival operation. Sales have previously been facilitated through Polka Theatre box office which is now closed for redevelopment, hence the need for services to be brought and delivered in-house. The project building proposal delivers 2 offices - one for the Festival and another for a business or community arts organisation to be leased by Merton Libraries. Costs are to deliver the project to convert store room into office space. A feasibility and cost appraisal has been carried out by Merton Facilities Management team for the conversion of the space and they delivered three options. The preferred option is a two office space that has a budget of £30,082.21. (attached) Artistic Programme of Events The location of these new offices would also enable a seamless programme of activities in the library premises and <END OF RESPONSE>	£ 63,882	The funding is considered to be sort to sustain/enhance Bookfest's appeal to existing easy to reach readers/residents. The bid has not demonstrated that it would be best use of Council funding. Bookfest has a large sponsorship/funding base, but the bid has not demonstrated that this has been exhausted for the purposes of supporting the bid. Lack of outreach to support Community Plan priorities including bridging the gap. If the proposal could be amended so that it includes a commitment to Bridging the Gap and community outreach it could be reconsidered for a Neighbourhood Fund grant as part of a future bidding round.	-	Refuse
SK 2	Vincent Leonard - resident of Thurlleston Ave	Morden Park Entrance Improvements The project I am submitting for consideration for the neighbourhood fund is to improve the entrance to Morden Park where Bow Lane, Lower Morden Lane and Hillcross Avenue leads into the park. The lane leading to the park presently is picturesque, but you would not know it was there and once you reach the park it is a soggy meeting with huge steel fence hiding the stream. This work would coincide with the new cycle and pedestrian path being build that leads all the way up to the new Leisure Centre. The work can be broken down into priorities; 1. Actual entrance to the park, preferably an arch with decorative signage. This would be where the concrete path meets the grass/mud/soil 2. Either cover the ugly uninviting fence surrounding the stream with foliage or replace with more a more attractive barrier to the drop off to the stream tunnel. This solution could use the stream as an inviting attraction and not made to look like an electrical sub station. 3. Concrete up to the entrance to the park from the new cycleway 4. Improve the dilapidated entrance to Bow Lane from Hillcross Avenue. There is no obvious signage from the lane that the park is there, the barriers are ugly and the walls crumbling. New signage, repair wall and replace barriers 5. Improve signage to Bow Lane from the Lower Morden Road end, not obvious park is at the end of the path. In terms of costs, this has not been quoted for so indicative prices follow; 1. Archway entrance - £3000 2. Foliage to hide fence for stream - £500 3. Replace fence with better solution £10,000 4. Run cycle path up to entrance - n/a 5. Improve Hillcross entrance inc signage - £3000 6. Improve Lower Morden entrance - £500	£ 15,000	Not currently deliverable. Scheme not worked up or costed, feasibility not investigated and no evidence of support confirmed from the Council's Green Spaces Team or Ward Councillors.	-	Refuse
SK 3	Tracy Fowler - resident of Hawkes Rd	Bond Road School - Fence Painting I would like to see the fences painted at the back of Bond road school London rd Mitcham. To make the traffic aware that there is a school there. Preferably in a bright colour.	£ 3,000	This is just an idea for a very local/small scheme insufficiently formed for appraisal for the purposes of awarding funding and without any evidence in support of the purported benefits of the proposal or support from the school.	-	Refuse
TC 7	London Borough of Merton - Future Merton Economy	The Merton Plant-it Project The expenditure will occur prior to the 1st session- which will be for the purchase of all horticulture and equipment, totalling £11,319 The Merton Plant-it Project is a volunteer programme which proposes to transform and revitalise locations that are in close proximity to the Wimbledon Stadium development - from their varying tired, shabby or uninspiring states into beautiful, rejuvenated areas of greenery. This would be achieved the planting of 30,000 bulbs - of various low maintenance flowers - that will upgrade and brighten the area with colour and, at the same time, enhance biodiversity. Merton Plant-it is proposed to take place over approx. four to six Saturdays or Sundays, with the focus on x2 main sites as well as x3 smaller sites, as detailed below. Site 1 is the walkway along the Wandle River, from the access point near Trewint St, leading towards Wimbledon Stadium. Along the pathway there are specific points to manure and bulb pockets / strips of land and also the fitting of a bench and an information board. The idea is to create a bucolic walkway and to further enhance the route for those who live and work around the area - as well as for the anticipated increase of visitors, in the future, who'll use the path to make their way to and from Earsfield Station to Wimbledon Stadium on match days. Site 2 is the pocket garden on the corner of Durnsford Road, Gap Road and Plough Lane; this site already has some funding for restorative works, therefore, it is proposed that Merton Plant-it will complement these works by creating a mini wildflower / urban meadow, to provide an attractive display of bloom and to enrich the ecosystem within the garden. The proposal for Sites 3-5 comprise of similar requirements - which is to revitalise lacklustre grass bank verges into mini wildflower meadows, providing a striking bloom in and around the area of Haydon's Road Station, namely A) Regents Place B) corner of Haydon's / Kohat Road and C) corner of Haydon's Road and Queens Road. The equipment and costings required for the project is: • x30,000 bulbs (alliums, crocosmia, crown imper	£ 11,319	Project doesn't have the support of the delivery authority, so is undeliverable.	-	Refuse.
SK 7	Keith Atkins - Merton Park Bowling Club	Merton Park Bowling Club - Facilities Improvements. No breakdown of costs provided. The History Merton Park Bowling Club (MPBC) was established in 1926 within the confines of the John Innes Park to provide lawn bowling facilities to the local community. Throughout its history the club has strived to offer the local community the opportunity to enjoy the benefits of the sport within a friendly and welcoming environment. The club offers weekly "turn up and play" coaching sessions as an introduction to the sport to local Merton residents, as well as hosting competitions for local Primary Schools to foster interest in the sport of lawn bowling and to enhance community spirit. The club ground enjoys a wide reputation among other bowling clubs as being one of the most picturesque in the South of England and has hosted Association finals, Surrey County Bowling Association quarter finals and anniversary matches for both County and London Parks, a privilege that the club is keen to continue to promote. The surrounding flower borders of the bowling rink are maintained on a voluntary basis by its members, providing further opportunity for outdoor activity and for the club to take responsibility for its neighbourhood and environment. The Proposal The current facilities within the ground are outdated and very basic and limit the clubs ability to fully realise the potential for increasing its involvement in local community activities. The Committee and Members of MPBC are therefore seeking to improve and extend the facilities within the clubhouse buildings in order that the Club can increase the usage of the buildings throughout the year, extend its membership and its profile within the Community. Currently the site has two buildings - one housing male and female changing rooms, very basic kitchen facilities and a club room, the second building houses male and female toilets. The buildings are of basic timber frame construction and have no heating facility.	£ 102,000	Too local/private and too specific a market. Unclear revenue potential in terms of whether Council funding is necessary or would deliverable a sustainable public benefit.	-	Refuse

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EXEMPT OR CONFIDENTIAL REPORT

The following paragraph of [Part 4b Section 10 of the constitution](#) applies in respect of information given in **Appendix 1, Appendix 2 and Appendix 4** of this report and it is therefore exempt from publication. Members and officers are advised not to disclose the contents of this report:

Information relating to the financial or business affairs of any particular person (including the Authority holding that information)

Committee: Cabinet

Date: 15th July 2019

Agenda Item:

Wards: ALL

Subject: Award of contract for the delivery of Highway Works and Services within Merton.

Lead officer: Chris Lee – Director of Environment and Regeneration

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

Contact officer: Gary Marshall

Recommendations:

- A. That Cabinet approve the award of the new contract for delivery of Highway Works and Services within Merton to the contractor that submitted the highest quality tender, as outlined in the confidential Appendix 1. The initial period is for seven years starting subject to the extension of the existing contract, 1 March 2020 at the latest with an estimated value of £35m with the option to extend for an additional three years at a total estimated value of £50m for the life of the contract.
 - A. That delegated authority is granted to the Director of Environment and Regeneration, after consultation with the Cabinet Member for, Regeneration Housing and Transport, to approve any further matters relating to the contract award and the additional three years extension.
-

Important notice: It should be noted that the names of any of the bidders, including the Preferred Bidder, are confidential at this point and should not be disclosed publicly even after Cabinet resolution on 15th July 2019 and any subsequent call-in period. In line with the Public Contract Regulations, all bidders need to be made aware of the intention award at exactly the same time (i.e. via a standstill letter via the E-Tendering portal). Disclosing the names of any of the bidders, including the Preferred Bidder, prior to the notification going out simultaneously via E-Tendering opens up the council to a potential legal challenge for failure to follow due process.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This report is to inform members of the process carried out to re-procure Merton's Highways Works and Services Term Contract and the proposal submitted to the council, following a competitive procurement exercise, for the continuous delivery of planned and reactive highway works and services from 31st August 2019.
- 1.2. The recommendation is that Cabinet agrees the award of the contract for highway works and services to the bidder that submitted, the highest quality tender after undergoing a competitive procurement exercise and achieving the highest total score for both quality and price.
- 1.3. The recommendation is also to delegate authority to the Director of Environment and Regeneration in consultation with the Cabinet Member to approve any further matters relating to the contract award and the three year extension.

2 DETAILS

- 2.1. Following a previous competitive procurement exercise, the Council's current Highway Works and Services Term Contract was awarded to F M Conway Limited for a five-year term from 1 September 2012 to 31 August 2017, with the option to extend for a further 2 years until 31 August 2019.

The procurement process

- 2.2. In October/November 2017 a market survey was carried out to determine the best route forward for the council to procure a new contract at the expiration of the 2-year extension. FM Conway, JB Riney, Kenson Contractors, Volker Highways, Kier Highways, Croydon Council, TfL, Richmond/Wandsworth Councils and the London Borough of Waltham Forest participated in this exercise.
- 2.3. Based on the outcome of that market survey a strategy was recommended to, and approved by Procurement Board to undertake a fully compliant procurement process in line with the Public Contracts Regulations 2015 (PRC2015).
- 2.4. A report to Merton's Sustainable Communities Scrutiny Panel on 4th September 2018 set out the reasoning that going out to full procurement gives the council the opportunity to tailor the scope of works/specification to meet its current needs and requirements while ensuring savings can be realised where possible and identifying any social value benefits. In addition an update of this procurement process was presented to Sustainable Communities Scrutiny Panel on 26 Feb 2019.
- 2.5. As part of preparation for the procurement exercise, a market/contractor engagement day was carried out in August 2018, which recorded a turnout of 9 attendees listed below:
 - AGS One Group
 - FM Conway
 - JB Riney & Co Ltd
 - Natinwide Traffic Solutions
 - Cappagh Ltd

- J McCann & Co Ltd
- Volker Highways Ltd
- Elm Surfacing Ltd
- Colas

2.6. Initially Competitive Dialogue was the preferred route to market. However following market engagement and consultation with the Council's Legal and Commercial Services teams, it was agreed that a competitive dialogue process would be too expensive for both the council and the potential bidders given the value of Merton's contract. As such it was deemed that the most suitable route to market was a restricted two-stage procurement process.

2.7. As part of the procurement process, a notice was placed in the Official Journal of the European Union (OJEU) on 1st February 2019. The Selection Questionnaire (SQ) was published on 6th February 2019 with a return deadline date of 15th March 2019. Five bidders responded to the SQ and four were selected to submit an Invitation to Tender (ITT). (For details of the evaluation methodology for both SQ and ITT, please see Appendix 3 procurement evaluation breakdown).

2.8. The contract is based on the Engineering Contract Term Services (NEC4) which is based on a partnering ethos. This type of contract was chosen because it encourages employers, designers and contractors to work collaboratively, its simplicity and clarity, which is designed to minimise the incidence of disputes.

2.9. When writing the scope for the new contract, the council sought to achieve efficiencies by having a broader range of works and services within the contract that we can call on if they are needed. This will enable the council to avoid unnecessary procurement costs and mobilise for works more swiftly. The scope of the new highways contract includes the following works that the council can commission when needed.

- Routine maintenance of carriageways, footways and parking locations. *(parking element is a new activity included in this contract)*
- Routine maintenance of structures including retaining walls, culverts, bridges and underpasses *(more in depth activities included in this contract including concrete, brickwork and waterproofing)*
- Emergency repairs of carriageways and footways.
- In hours and out of hours emergency response to incidents on the highway network, and parking locations including weather emergencies.
- Reactive cut back of vegetation *(new activity included in this contract)*
- Provision, maintenance & removal of posts, bollards and other items of street furniture.
- Drainage cleansing, including soakaways, culverts, gully emptying and jetting, and watercourse maintenance. *(Cleansing of high risk gullies is new activity included in this contract)*

- Drainage installation and remedial works.
 - Proprietary surfacing, asphaltic concrete and hot rolled asphalt surfacing of carriageways and other areas.
 - Anti-skid surfacing.
 - Kerbing.
 - Patching and repair of footways paved areas and Car Parks. *(parking element is a new activity included in this contract)*
 - Paving and surfacing of footways and paved areas.
 - Provision and maintenance of Traffic Management for third parties.
 - Provision, maintenance & removal of road markings, and Signs
 - Sign cleaning
 - Improvement Projects
 - Highways Structures Inspections *(new activity included in this contract)*
 - Contractor's Design *((more in depth activities included in this contract)*
 - Contractor Resources
 - Professional Services,
- 2.10. By including measures in the new contract that are useful to the council's Parking Services, it will create efficiencies in delivering Parking services without having to carry out additional procurement.
- 2.11. The new contract has capacity for the use of new materials incorporated into the bill. It also takes the circular economy approach,, for example the council can now require eligible materials to be recycled into other works instead of disposing of these materials.
- 2.12. The new contract has taken an innovative approach to the delivery of the works in line with changing technology. For example, there is now a requirement to provide real time update on-site, which will greatly improve the information available and the council's reputation in managing highway works.
- 2.13. The price schedule had extensive and additional element added to it from the current price list. The current contract's price list was more limited and led to a lot of variation within the current contract. Adding additional elements to the price list will potentially save the council carrying out numerous variations with subsequent cost implications.
- 2.14. The new Highways Contract allows the council to seek external quotes for any project with a value of £500,000 and over. This approach allows the council to compare different rates for projects over that value, which potentially provide savings for the council.
- 2.15. Ten Key Performance Indicators (KPI's) have been specifically developed to measure the performance of the contractor and ensure continuous improvement throughout the term of the contract.
- 2.16. Low service damages have been included within this contract showing parity with utility companies, therefore if the service does not meet the service level stated within the contract, low services damages can be applied to the contractor.

- 2.17. 9 contractors attended the market engagement event. 4 contractors chose to participate in the ongoing procurement process. A few of the reasons for the lower bid rate return include:
- 2.17.1 Merton is a relatively small borough and as such the total contract value was not as attractive as some of the other contracts currently on offer to the market, while the costs borne by the contractors for participating in the procurement process would have been similar. It should be noted that when the 2012 Highways contract was procured the council also received four bids.
- 2.17.2 As other boroughs had differing timescales for their Highways Contracts expiring, collaboration was not possible with neighbouring boroughs to improve economies of scale as others were already further along in the process. For information some of the current highway contracts in London and Surrey that were undertaking procurement at similar but different timescales:
- London Highway Alliance Contract 2 (LoHAC2) – Due to commence April 2021
 - Surrey County Council – Commencement April 2021
 - Richmond and Wandsworth – Commencement – either late 2019 or early 2020
 - Sutton and Kingston – Commencement – early 2020
- 2.18. The evaluation criteria for the ITT was set at 40% quality and 60% price. In addition, a minimum quality threshold was set at 25% or more out of a total of 40% available. Only bidders that achieved a total quality score of 25% or more would be in a position to be awarded the contract, irrespective of their price score. This was put in place to ensure that the contract would not be awarded to a bidder submitting a very low price bid with a poor quality submission.
- 2.19. A total of seven method statements, with varying quality score weightings, were set for bidder to submit against. There was also a comprehensive price list containing historic data for bidders to complete as part of the ITT stage. ITT documents was published on the 3rd April with response submission deadline of 24th May 2019. In between these dates extensions were given where required. (See details in Appendix 3 procurement evaluation breakdown)
- 2.20. Four service-specific evaluators evaluated all six quality question. Two officers from Commercial Services evaluated the one social value question. Seven questions were evaluated in total. The moderation team comprised of all evaluators as well as representatives from Commercial Services
- 2.21. A breakdown of each bidder's score is detailed in the confidential appendix 1.

3 ALTERNATIVE OPTIONS

- 3.1. One alternative would be not to award this contract and allow the current contract to end by the 30 August 2019, leaving the council with no contractor to carry on with the delivery of the highways works and services.
- 3.2. This is not considered a realistic alternative as it carries a huge risk to the council. In not awarding a contract, the council will fail to provide a statutory service to maintain the public highway and the public safety risks of the damage of not having a contract in place will be too significant a risk for the council to consider. There is no capacity in-house to carry out these works.
- 3.3. At their meeting in September 2018, Merton Council's sustainable communities' overview and scrutiny panel considered a report on the procurement of the highways services and works contract. At this meeting councillors considered another alternative option to procuring the contract which was to deliver the service by using the LoHAC Framework.
- 3.4. Councillors were informed that due to the difficulties experienced by other local authorities with regards to utilising the LoHAC framework agreement, the framework was currently not allowing new local authorities to call off it. As a result of this, the option of a call off is not considered a viable option. Although, LoHAC2 is currently in the process of being procured, local authorities are unaware of its context and how this will differ from the original LoHAC framework. The proposed go live date for LoHAC2 is April 2021 which does not align with Merton's contract end date.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. As set out in the body of the report, soft market testing was undertaken in October/November 2017 with the following organisations participating: FM Conway, JB Riney Kenson Contractors, Volker Highways, Kier Highways, Croydon Council, Transport for London, Richmond/Wandsworth Councils and the London Borough of Waltham Forest.
- 4.2. A market engagement event was carried out on the 2nd August 2018 to determine the market interest and a PIN notice (notifying the public of the Council's intention to go out to procurement) was published on the 7th July 2018.
- 4.3. As part of the procurement process, an OJEU notice was published on 1st February 2019 with relevant Selection Questionnaire (SQ) published on 6th February 2019 with a return deadline date of 15th March 2019

5 TIMETABLE

- 5.1. Should councillors resolve the recommendation in this report, a contract mobilisation plan will be requested from the winning bidder soon after award notification and a project implementation plan will be requested from them immediately after award which will include details of how they intend to carry out LBM staff training in the new NEC4 contract as part of their commitment.

- 5.2. The initial Highways Works and Services contract as set out in this report will run for seven years from the agreed date of commencement of this contract. A further report to this meeting recommends extending the existing Highways Works and Services Contract for up to six months from 30th August 2019 until 28 February 2020 to allow for mobilisation between council and the new contractor. Should Cabinet agree the recommendations in this report, the latest date that the new contract could start is 28th February 2020. However it may be possible to achieve mobilisation at an earlier date within those six month by mutual agreement between the council and the new contractor. If this is achieved, Recommendation B of this report delegates any further matters relating to the contract award to the Director of Environment and Regeneration in consultation with the Cabinet Member.
- 5.3. After the contract has run for five years, the new 7-year contract allows the council to consider a further extension for an additional 3 years. This report recommends that this decision is delegated to the Director of Environment and Regeneration in consultation with the Cabinet Member.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. In order to provide an indicative revenue cost comparison between the current and preferred supplier's schedule of rates, a sample of three typical months of activity from the previous financial year was analysed. This showed a c20% increase in costs.,
- 6.2. However, some of the larger percentage increases relate to relatively low monetary values, so carrying out the same analysis for the top five areas of spend, for example highways reactive maintenance, results in a c11% increase in costs.
- 6.3. In addition, as set out in Section 2 of this report, particularly paragraphs 2.9 onwards, the proposed new contract differs in certain/many aspects from the current contract, and additional items have been included that should help reduce certain costs.
- 6.4. It is also important to note that as the contract costs are based on a schedule of rates, precise costs cannot be determined at this stage, and will fluctuate depending on the types and levels of work carried out.
- 6.5. In addition, there is no base or minimum payment required as part of this contract – if Merton Council did not require any highways works or services then no funds would be spent with the preferred supplier. The contractor is paid according to the works and services commissioned by the council and the schedule of rates that apply to these particular works.
- 6.6. Therefore, it is expected that the new contract will be delivered within existing revenue resources, and associated costs will continue to be monitored, and reported upon on a monthly basis in the usual way.
- 6.7. The council will also operate within the new requirements set out in the Well Managed Code of Practice (October 2018) which is a risk based approach. This new approach requires all highways authorities, including Merton Council, to base highways interventions/inspections on this risk-based

approach. This in turn has led us to change our processes and programmes to comply with the new requirement set out in the new code of practice. This will now change the way response times are dealt with and processes we use to commission works/services via our new highways contractor and will have positive and negative impacts on costs depending on the works being commissioned.

6.8. The cost of procuring the highways contract is c£155,000, made up of specialist procurement expertise (£102,152), staff time (£53,000) and legal fees of £18,556 (as at May 2019)

6.9. The budget implications are contained within the confidential appendices

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. Public contracts must be advertised in the Official Journal of the European Union where the price is above the relevant threshold. The conduct of the bid process must also be undertaken in accordance with the Public Contracts Regulations 2015 (PCR).

7.2. This report describes a procurement process undertaken in accordance with the above requirements. As such upon notification of award of contract the Council is required to observe the mandatory ten day standstill period as required by the PCR prior to entering into the contract.

7.3. The Council is also required to draw up a report under regulation 84 of the PCR and make notification of contract award under regulation 50.

7.4. Merton has a duty to maintain highways maintainable at the public expense under Section 41 of the Highways Act 1980.

7.5. Officers and Members should note that the names of any of the bidders, including the Preferred Bidder, should not be disclosed publicly even after Cabinet resolution on 15th July 2019 and any subsequent call-in period. In line with the Public Contract Regulations, all bidders need to be made aware of the intention award at exactly the same time (i.e. via a standstill letter via the E-Tendering portal).

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. The effective maintenance and improvement of the adopted highway network in the borough is essential to meet our statutory duty to maintain a safe environment for residents, businesses and users of the network. This is especially important for disadvantaged groups such as those with mobility difficulties and the elderly.

8.2. There are no human rights, equalities and community cohesion impacts connected with the decision to award the contract to the Preferred Bidder.

9 CRIME AND DISORDER IMPLICATIONS

9.1. Section 17 of the Crime and Disorder Act 1998 requires all Local Authorities to consider crime and disorder while exercising their duties. The design of highway improvements and maintenance on existing roads complies with

nationally agreed Codes of Practice and Design Guides and assists with delivering the Council's ambitions of "A Safe and Secure place to Live" and contributes to the objectives of the Thematic Partnerships contained in the Community Plan 2009-19 namely the Sustainable Communities and the Stronger Communities strategic themes.

- 9.2. There are no crime and disorder impacts connected with the decision to award the contract to the Preferred Bidder.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. Effective maintenance and improvement of the Highway Network will minimise insurance or injury risks to the Council by ensuring that the public highway is safe and serviceable.
- 10.2. Insurance levels set out in the contract requirements have been assessed by the Council's Risk and Insurance team and have been deemed to be of an acceptable level.

11 APPENDICES

- 11.1. Appendix 1 (Exempt): quality and price breakdown
- 11.2. Appendix 2 (Exempt) spend on highways maintenance contract
- 11.3. Appendix 3 (Non Exempt) Procurement evaluation breakdown
- 11.4. Appendix 4 (Exempt) Tenderers pricing schedule breakdown

12 BACKGROUND PAPERS

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Appendix 3 – Highways Award report – Cabinet (15 July 2019)

1. Selection Criteria (SQ) –First published on the portal on 6th February 2019 with a return deadline of 15th March 2019. Extensions were given at different times when required
2. On return of the SQ questionnaire, five contractors responded and were evaluated on the basis of the below criteria
3. The five contractors that responded to the SQ are:
 - Bidder A
 - Bidder B
 - Bidder C
 - Bidder D
 - Bidder E

Table 1

section	criteria	weighting
1	Supplier Information	N/A
2	Grounds for mandatory discretion (Reg.57(1) &(2)	Pass/Fail
3	Grounds for discretionary exclusion (Reg.57(8)	Pass/Fail
4	Economic and Financial Standing (Annual Turnover)	Pass/Fail
5	Accounts Details (For information)	N/A
6	Technical and Professional Ability- Relevant experience	Pass/Fail
7	Modern Slavery-	Yes/No
8	Insurance Levels	Yes/No
8.3a	Additional questions (response time)	Yes/No
8.3(b)	Quality Questions based on experience of delivery similar project in size and value	100%

4. Contractors who fail the pass/fail section could not proceed to the next stage (ITT)
5. Evaluation of the technical abilities of the contractors was based on the value and type of contract experience submitted and financial turnover of £6m pa was required. Failure to meet these requirement resulted in exclusion.
6. The SQ had one quality question (8.3b) and the below scoring criteria was used in the evaluation.

Quality Question	Weighting
Please provide your organisations past experience in delivering a	100%

<p>highways works and service contract Your response must demonstrate and detail your experience of delivering all elements of a highways works and service contract preferably within a public sector. Maximum of 3000 words</p>	
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Table 2

Score	Performance
0	<p>Completely unsatisfactory/unacceptable response</p> <p>No response to the question or serious deficiencies in being able to demonstrate past experience of delivering a highways works and service contract.</p>
1	<p>Poor response</p> <p>The response significantly fails to demonstrate the bidder's past experience of delivering all elements of a highways works and service contract.</p>
2	<p>Partially Compliant response</p> <p>The response partially demonstrates the bidder's past experience of delivering elements of a highways works and service contract but not all elements.</p>
3	<p>Acceptable response</p> <p>The response demonstrates the bidder's past experience of delivering all elements of a highways works and service contract. Any concerns are only of a minor nature.</p>
4	<p>Good response</p> <p>The response fully and clearly demonstrates the bidder's past experience of delivering all elements of a highways works and service contract to a high standard.</p>

SQ Selection Outcome –

- After evaluation and moderation of the SQ submission, one contractor did not qualify to the next ITT stage because they failed both the financial turnover – Section 4 and section 6 technical ability (regardless of their score in the quality question). All other four bidders were invited to the ITT stage. Of the four that went through to the ITT stage, one had scored low on the quality question, but because of technicalities they could not be disqualified as they had passed all of the pass/fail sections.

Table 3

Name	SQ Quality question score	SQ Pass/fail	Outcome
Bidder A	50%	Fail	Could not go through to the next stage as they failed to meet the financial turn over that was required and experience was only as a sub-contractor with low value projects.
Bidder B	25%	Pass	Selected although with low score. Passed qualifying sections. Low score was because, their response was based largely on utilities contract, but with large contract value
Bidder C	75%	Pass	Selected through because they met the requirement
Bidder D	100%	Pass	Selected through because they met the requirement
Bidder E	75%	Pass	Selected through because they met the requirement

8. Invitation to Tender Stage (ITT) published on the 3rd April 2019 with a return deadline of 24th May 2019. Extensions were given at different times when required.
9. As bidder A failed the SQ, the ITT was sent to the successful bidders below:
 - Bidder B
 - Bidder C
 - Bidder D
 - Bidder E
10. To mitigate the risk of awarding to a contractor that could potentially submit a low quality bid we included a clause within the ITT. Therefore, for the contract to be awarded, the Bidders must score 25% and above out of the 40% available for quality.
11. Although four bidders were successful to the ITT stage, only three of those four submitted a bid. The three bidders that submitted a bid are the following from the SQ listed above:
 - Bidder C

- Bidder D
- Bidder E

12. The award criteria within the ITT was split at 60% price and 40%. Quality was assessed based on the below criteria:

Table 4

Number	Question	Weighting
1	Service Delivery (comprising of 21 elements in the specification)	20%
2	Contract management (comprising of 4 elements)	5%
3	Real time/Service Update	3%
4	Recycle	2%
5	Supply chain management	5%
6	Innovation	3%
7	Social Value	2%
Total quality weighting		40%

13. Question one had 21 elements and question 2 had 4 elements and evaluators were required to evaluate each element of every question using the below scoring criteria:

Table 5

Score	Performance
0	Completely unsatisfactory/unacceptable response No response to the question or serious deficiencies in meeting the required standards set out in the contract documents.
1	Poor response The response significantly fails to meet the required standards set out in the contract documents, contains significant shortcomings or is inconsistent with other proposals.
2	Partially Compliant response The response is partially compliant with some shortcomings in meeting the required standards set out in the contract documents.
3	Acceptable response The response is compliant and meets the basic contract standards set out in the contract documents. Any concerns are only of a minor nature.
4	Good response The response is fully compliant and clearly indicates a full understanding of the contract documents so as to consistently deliver the service in line with all the required standards.

Below is a breakdown of each bidders quality score:

Quality Score Breakdown:

Table 6

Question	Weighting	C	D	E
1	20%	18.8%	6.67%	5.71%
2	5%	4.38%	3.13%	3.44%
3	3%	2.25%	0.75%	2.25%
4	2%	2%	1%	1%
5	5%	5%	2.5%	2.5%
6	3%	3%	1.5%	1.5%
7	2%	1.97	1.57%	1.7%
Total	40%	37%	17%	18%

Quality and Price score breakdown:

Table 7

Bidder	Quality score	Price Score	Final score	Ranking
C	37%	53.76%	90.76%	1
D	17%	60%	77%	2
E	18%	47.97%	65.97%	3

14. As part of the ITT bidders were required to sign up to the Councils employability pathway. As part of the submission, bidders were required to commit to numbers for the duration of the contract. See below:

Employability Pathway:

15. It is a requirement of this contract that the successful contractor sign's up to the Council's employability pathway (see Appendix 1A).

Please indicate the number you can commit to as provided in Appendix 1A	
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Note: The number of opportunities articulated is given as a guide only. It is LBM's expectation that the actual number of opportunities indicated will either exceed those articulated or represent a nominal reduction in the numbers articulated.

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Committee: Cabinet

Date: 15 July 2019

Agenda Item:

Wards: All

Subject: Variation to the existing Highway Works and Service Contract of up to 6 months extension for mobilisation after award of replacement contract presently being procured.

Lead Officer: Chris Lee – Director of Environment and Regeneration

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

Contact Officer: Gary Marshall – futureMerton Infrastructure Manager

Recommendations:

1. That Cabinet agree a variation to the current Highway Works and Services Term Contract with F M Conway for an extension of up to 6 months from 31 August 2019, as provided for in CSO 27 of the Contract Standing Orders (CSO) and in particular S.27.12.2 in line with the procurement activities currently on going for a new contract to be in place. This is to allow enough time for mobilisation after contract award.
2. Approval of the specific terms of the variation be delegated to the Lead Officer.

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. This report recommends that Cabinet approve an extension and variation to the current Highways Works and Services Term Contract and that the Lead Officer be delegated authority to approve the form of the relevant extension documents. The duration of the extension so delegated should be for a duration of up to 6 months. The current Highways Works and Services Term Contract is between the London Borough of Merton and F M Conway Limited (the Contract).
- 1.2. It is proposed to extend the agreement from the end date (30 August 2019) otherwise with no further change to the terms and conditions of the Contract including price.
- 1.3. This extension will only be taken up should it be required as it is intended to facilitate a seamless transition from the current supplier to the new contract following the current procurement process for replacement services and mobilisation period. The proposed extension of the Contract, is intended to

reduce the risk of potential disruption to service for the start of the replacement services while ensuring continuity of service as the council delivers on-going public realm regeneration work.

- 1.4. The variation to the contract to allow for extension of up to six months will help to deliver value for money in accordance with S.27.8 of the CSOs, as contract price for the last 7 years will be applicable. The current contractor has confirmed there won't be any changes to the current terms including price.

2 DETAILS

- 2.1. The Contract was awarded to F M Conway Ltd for a five-year term from 1 September 2012 to 31 August 2017. The Contract allowed for its term to be extended for up to a further two years and on 19 September 2016, Cabinet approved the 2 years extension which ends on 30 August 2019.

3 OPTIONS CONSIDERED

- 3.1. Two options were available to the council to consider:
 - Agree a variation to the current contract to allow for an extension of up to 6 months for mobilisation after award of a contract for the replacement services.
 - Do nothing and allow no mobilisation time or award the contract based on tight mobilisation timescales following award of the contract currently being procured.
- 3.2. The recommended option is to agree a variation to extend the existing contract to allow adequate time for mobilisation for the new contract following the current procurement process.
- 3.3. Varying the Contract to allow for an extension of up to 6 months, with no changes to the terms and conditions, is considered the most expedient and risk free approach to allow a seamless transition and continue to deliver planned and reactive highway works during the mobilisation period.
- 3.4. The variation to the contract will allow enough time for TUPE requirement to be implemented as required by statute.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. A verbal update of the timeline and key milestones for the current ongoing procurement activities for a new highways works and service contract, was presented to the council's internal Procurement Board on the 11th June 2019. Procurement Board officers recommended that a contract variation for an extension of up to 6 months should be considered in light of ongoing obligations to undertake planned and reactive works on the public highway

and also allow for mobilisation of the new contract as well as facilitating the operation of TUPE obligations in relation to staff transfers between the existing and new contractor as applicable.

- 4.2. On 12 June 2019 FM Conway agreed to the council's request to extend the existing contract for up to 6 under the existing terms, conditions and prices.

5 TIMETABLE

- 5.1. The timetable is as follows:

- Cabinet – 15 July 2019: decision on this report and decision on new Highways Works and Services Term Contract Award, followed by call in process.
- 30th August 2019 – existing Contract term due to end.
- 31st August 2019 commencement of further extension for a period of up to six months
 - Start of mobilisation with new Highways Contractor, including TUPE of staff as statutorily required.
 - Existing Highways Terms and Services Contract with FM Conway due to for up to six months continue under the existing terms conditions and price while mobilisation with the new contractor takes effect.

- 5.2. If Cabinet agreed to the recommendations, once the call-in procedure has been followed, the council could formalise FM Conway's acceptance of the proposed extension period.

- 5.3. If Cabinet decide not to agree a variation to extend the existing contract, depending upon its recommended course of action, the Council will be at risk of awarding the new contract potentially without sufficient time for mobilisation of the new contract which may cause disruptions to service delivery.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. The cost of carrying out a variation to the existing contract will be met from within existing budgets. F M Conway Ltd, the current highways term contractor, has agreed to the variation for up to six months from the end of the existing contract term with no change to the Terms and Conditions of the Contract including price.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The variation or modification of public contracts by local authorities should be compliant with the Public Contracts Regulations 2015 and in particular with regulation 72 which allows modification of contracts within pre-defined 'safe-harbours'.
- 7.2. Should the variation be required such variation must be compliant with one of these safe-harbours the risk of procurement challenge in relation to the proposed variation appears relatively low given that the Council is presently undertaking a procurement for replacement services.
- 7.3. There are several options under regulation 72 that allow modification of public contracts. In particular regulation 72 allows for modifications, irrespective of their value, that are determined not to be substantial (regardless of cost) and as such a lawful contract modification where such modifications do not:
- 7.3.1 render the relevant contract materially different in character from the one initially concluded; alter the terms of the original procurement such that another bidder could have been awarded the contract or allow others to bid; change the economic balance of the contract in favour of the contractor in a manner which was not provided for in the initial contract; modify the scope of the contract considerably. Considering that the contract is to be extended for a relatively short period, it is to be on the same terms and prices as originally awarded, risk of challenge therefore appears to be low.
- 7.5. Additionally contract variations which are valued in the case of works contracts below 15% of the original total contract value and also the applicable procurement threshold, is £4,551,413 are allowed.
- 7.6. The report notes the relevant Contract Standing Order being number 27 which allows for contract variations and sets out the requirements officers must demonstrate in the approval of a variation.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. The effective maintenance and improvement of the adopted highway network in the borough is essential to meet our statutory duty to maintain a safe environment for residents, businesses and users of the network. This is especially important for disadvantaged groups such as those with mobility difficulties and the elderly. The extension of the existing Highways Contract for up to six months while mobilisation of the new contractor takes place is the most expedient and risk averse approach to allow a seamless transition and continue to deliver planned and reactive highway works during the mobilisation period.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. Section 17 of the Crime and Disorder Act 1998 requires all Local Authorities to consider crime and disorder while exercising their duties. The design of

highway improvements and maintenance on existing roads complies with nationally agreed Codes of Practice and Design Guides and assists with delivering the Council's ambitions of "A Safe and Secure place to Live" and contributes to the objectives of the Thematic Partnerships contained in the Community Plan 2009-19 namely the Sustainable Communities and the Stronger Communities strategic themes.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. Effective maintenance and improvement of the Highway Network will minimise insurance or injury risks to the Council by ensuring that the public highway is safe and serviceable.
- 10.1. Insurance levels set out in the existing contract requirements have been assessed by the Council's Risk and Insurance team and have been deemed to be of an acceptable level.
- 10.2. The recommendations in this report to extend the contract from 31st August 2019 for up to six months is to mitigate the risks set out in this report of not having enough time to allow a seamless transition and to continue to deliver planned and reactive highways works during the mobilisation period.
- 10.3. The original timetable was for mobilisation to take place from April / May 2019 onwards. The provision for the contract extension was not considered necessary until recently as the dates between new contract award and the end of the old contract were reduced and did not allow for adequate mobilisation to take place.

11 APPENDICES – NONE

12 BACKGROUND PAPERS

- 12.1. Merton's Highways Works and Services Contract September 2012
- 12.2. Merton's Highways Works and Services tender 2019

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Committee: Cabinet

Date: 15 July 2019

Wards: Borough wide

Subject: Floating Car Club Expansion

Lead officer: Chris Lee Director of Environment and Regeneration

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

Contact officer: Chris Chowns

Recommendations:

That Cabinet:

- A. Agree to the launch of DriveNow and UbeeQo Car Clubs in Merton.
- B. Agree to fix the permit fee for floating car clubs paid to the council at £1,260 pa per vehicle for a three year period to the end of March 2023.
- C. Agree a 20% time limited discount for “electric only” vehicles on the full floating permit fee for a three year period to the end of March 2023.
- D. Give delegated authority to the Director of Environmental Services to approve the launch of additional accredited car clubs in Merton on a phased basis in consultation with the Cabinet Member.

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 In 2017 the council approved the making of a dedicated floating car club parking permit. The permit allows specified vehicles to park in any permit holder, resident only, shared use bay and un-regulated kerb space across the borough.
- 1.2 This permit was initially taken up by Zip Car on a non-exclusive basis, who launched their Flex service in spring 2017.
- 1.3 Typically at any one time there are now an average of 60 vehicles operating in the borough and over 6000 members.
- 1.5 Following the success of the Zip Car Flex scheme, this report seeks approval to expand the number of COMOUK (a nationally recognised charitable shared mobility organisation) accredited operators in the borough, including DriveNow, and UbeeQo.
- 1.6 The expansion of floating car clubs would meet a number of Local Implementation Plan (LIP3) and Mayor’s Transport Objectives (MTS), including reducing the need for residents to own a private car, improved air quality/health outcomes and indirectly supporting a switch to walking, cycling and public transport. Members are asked to:
 - Agree to the launch of DriveNow and UbeeQo Car Clubs in Merton.
 - Agree to fix the permit fee for floating car clubs paid to the council at £1,260pa per vehicle for a three year period to the end of March 2023.

- Agree a 20% time limited discount for “electric only” vehicles on the full floating permit fee for a three year period to March 2023.
- Give delegated authority to the Director of Environmental Services to approve, the launch of additional accredited car clubs in Merton on a phased basis in consultation with the Cabinet Member.

2. BACKGROUND

- 2.1 The free floating car club model was first launched in London by Drivenow in December 2014. Zip Car flex was subsequently launched in Wandsworth and Merton between March and June 2017. Floating car clubs have since gone on to expand rapidly across the capital with schemes now operating across 19 boroughs and Heathrow Airport. There are now over 2000 free floating vehicles across London.
- 2.2 This operating model continues to expand from its central/northeast London core with the larger operators all announcing expansion plans in 2019. The car fleet principally comprises of petrol vehicles with electric vehicles increasingly joining the fleet. It is expected that this move towards electric vehicles will accelerate with major players all indicating an ambition to move towards an all electric fleet.
- 2.3 Residents and businesses in London are resigned to high travel costs, which is a major factor influencing travel choices. In particular, people doing less than 4000 miles per years can make significant savings on running costs. Car clubs provide a convenient means of access to a car for those journeys not easily undertaken by public transport, walking and cycling or as a reserve backup.

Enforcement/Operations

- 2.4 Under the operating contract providers are required to supply a “white list” of all their vehicle registration numbers within the operator’s scheme boundary. Whilst the vehicle branding acts as initial visual check for enforcement. Follow up inspection of vehicle registrations on the “white list” can be undertaken if needed.
- 2.5 The council’s enforcement officers and parking management team who are responsible for enforcement of parking controls and permit allocations, were invited to meetings with operators. Parking attendants will be briefed prior to the launch of new providers to ensure the rollout is done effectively.
- 2.6 Air pollution has a significant negative impact on the health of all Londoners. The adverse effects range from worsening respiratory symptoms and poorer quality of life, to premature deaths from cardiovascular and respiratory diseases. It is therefore proposed to offer a 20% time limited discount for electric vehicle in recognition of higher purchase costs and to promote the rollout of cleaner vehicles into the operators’ fleets.
- 2.7 The council’s floating car club contract will also stipulate a minimum 25% (rising from 15%) of the fleet in Merton should be electric by the contract end. Subsequent contract renewals will raise this percentage.
- 2.8 The no-street electric vehicle charging network in Merton currently comprises of 92 (7Kw) Source chargers and 2 (43/50Kw) rapid chargers. By the time of launch (October 2019) this is expected to increase to approximately 135 Source

Charges (including 1 double bay 22kw charge station) and 5 (43 -50kw) rapid charge stations.

Policy

- 2.9 There are a number of strategic and local priorities. These can broadly be described under the cross cutting themes of accommodating growth, improving the environment and reducing congestion. Car Clubs have an increasing role to play in achieving each of these objectives.
- 2.10 The Mayor's Transport Strategy sets a number of core outcome indicators including:-
- Overarching mode share aim – changing the transport mix.
 - London's streets will be healthy and more Londoners will travel actively.
 - Walking or cycling will be the best choice for shorter journeys.
 - London's Streets will be used more efficiently and have less traffic on them.
 - London's streets will be clean and green.
- 2.11 Increasing the take up of car club membership will indirectly support the above outcomes.
- 2.12 In addition to supporting the above, the councils Third Local Implementation Plan sets the following car club specific objectives:-
- *LO14 supports the growth of car clubs, where this can be delivered in a managed way to facilitate the doubling of car club membership to around 10,000 members.*
 - *LO15 The Council will explore the potential of using car club vehicles as an alternative to staff using their own vehicles (grey fleets) as well as by health providers and local business to reduce car trips..*

Proposed Rollout Approach

- 2.13 It is proposed to allow new COMOUK (a nationally recognised charitable shared mobility organisation) accredited operators to launch services in the borough on a phased basis. Operators will be encouraged to reach as wide as possible populace.
- 2.14 However, it is recognised that operators are likely to focus on more densely developed areas, where car ownership rates are lower and financial viability is more assured. The Council will therefore continue to urge operators to expand their respective operating areas in Merton.
- 2.15 Where possible individual scheme launches will be staggered and the rollout of vehicles phased in over a number of weeks, thereby reducing the likelihood of vehicle clusters occurring and concerns from residents.
- 2.16 Each operating contract currently allows providers a maximum of 200 vehicles in the borough. Above this threshold financial penalties apply. There are no plans to change this threshold. Current operations sit well below this level.
- 2.17 Although most car clubs users are Merton residents, the visual prominence of the vehicles (all vehicles are branded) can raise issues regarding the use of resident parking bays, especially when vehicles remain static for a number of

days. Although the existing operator Zip Car has proved pro-active in responding to requests to relocate vehicles.

- 2.18 Some residents are therefore sceptical about the role and growth of car clubs and hence their potential to reduce car use and ownership. Operators will therefore be asked to promote more widely the community benefits in their marketing campaigns to help allay resident's concerns.
- 2.19 With population and employment growth, the online economy and home deliveries more streets are becoming inundated by parked cars and service vehicles to the detriment of road safety, air quality and people's health.

Car Clubs in Merton

- 2.20 There are currently 3 car clubs operating in Merton including Zip Car (Flex and traditional back to base model), Enterprise (back to base model) and Blue City (point to point). Zip car is by far the largest operator.

Zip Car Flex

- 2.21 The flex operational zone principally covers the northern half of the borough, although some minor expansion has occurred since it first launched. Following launch:-
- Merton car club membership now exceeds 6,000.
 - An average of 40 - 60 flex vehicles across the borough on any one day
 - Typically vehicle utilisation around 35%
 - Around 40% of vehicles operate within the borough
 - Around 60% trips enter and exit the borough.
- 2.22 Floating car club vehicles are able to park in Permit Holder, Shared Used Pay & Display, Resident Only Bays and unregulated kerb space across the borough.

Details

- 2.23 Merton's population is currently around 209,421 people of these 165,233 are between the age of 16 and 64 who may aspire to drive. This number is projected to grow to 232,473 by 2030. Existing car ownership is approximately 78,497 (2016) vehicles or one per household.
- 2.24 Merton is currently delivering around 611 houses per year and its London Plan target is currently set at 1328 new homes. Assuming a modest 25% of these new homes have a car then car ownership over the next 10 years could easily increase in the range of 1,500 – 3,320 addition vehicles. Modelling by TfL also shows that by 2041 many more of our streets will be congested. It is therefore important that alternative travel choices are put in place.
- 2.25 Floating car clubs could play an important role in accommodating growth and meeting the council policy objectives of improving people's health, cleaner air, better streets and reduced traffic congestion.
- 2.26 Backroom management systems can allow the borough to request for specific bays to be barred to prevent users from parking e.g. in locations where more pro-active management is required e.g. adjacent to Wimbledon Theatre. However, these barred locations need to be kept to an absolute minimum to avoid compromising wider scheme viability and customer understanding.

- 2.27 Individual schemes would be managed via a legal agreement, this has been excluded for commercial confidentiality, but could be made available outside this Committee. This includes a formula to compensate the borough for operational variations in car numbers and monitoring regime.
- 2.28 Whilst it is not in the operators' interest to allow clustering to occur, should this occur then a number of management tools can be applied to encourage members to move the vehicles or if necessary customer service staff will relocate the vehicles. Based on the operation of Zip /car flexi in Merton, response times to borough queries has been very quick.

Ubeeque

- 2.29 Operate a slightly different operating model of car club. This can best be described as back to area, although vehicle will be regulated using the floating car club permit and contract. The core differences being vehicles are geo-fence within Merton. This means that hires have to finish in the borough. Vehicles also have to be returned to a specific geo-fenced location, this might be a specific zone or number of streets. This approach helps to ensure a more even spread of hire vehicles and the need to rebalance where vehicles are parked. Similarly it avoids the need for dedicated spaces. Ubeeque also have an electric vehicle subsidiary.

DriveNow

- 2.30 Already a significant floating car club operator in London with an expanding presence. Currently merging with Car2Go it is expected to operate with a mix of BMW and Mercedes vehicles, including electric only vehicles.

Overview of operators

- 2.31 All the car club operators tend to target slightly different market segments, through pricing, vehicles and overall hire experience, although there is clearly a lot of commonality. Similarly vehicle management practices and member incentives also differ.

Benefits of Car Clubs

- 2.32 Air quality and health concerns continue to rise up the political and health agenda, especially health issues associated with exposure to vehicle emissions. Experts believe the combined death toll from nitrogen dioxide and PM2.5 pollution in London is more than 9,000 a year. In Merton Road transport contributes around 135,000 of Tonnes/year of CO₂ and 478 Tonnes /year NO_x to the atmosphere. Cars contribute a sizable 65% of CO₂ and 41% NO_x of these emissions. Car clubs offer a means to reduce the harmful impacts of cars as well as reducing congestion.
- 2.33 It is envisaged that 15% of the car club vehicles will be electric in year 1 rising to 25% in year 3. The electric vehicle discount will reinforce this message to operators. The presence of more electric vehicles on-street will help promote the switch to cleaner vehicles and allow members to try electric vehicles for the first time.
- 2.34 Back in 2016, Comouk, the national body that promotes accessible shared transport including car clubs, shared bikes, and car sharing, published research on car club operations. Relevant findings are detailed below: -

Benefits of car clubs

- **Free up parking spaces** – through members selling a car or deferring a planned purchase of a car.
- **Environmental benefits** – including improved air quality, reduced CO₂/NO₂/PM emissions through use of cleaner vehicles (particularly if electric vehicles are used in the fleet) and greater use of sustainable transport
- **Increased familiarity with electric vehicles** – making them more visible, desirable and accessible to a wider audience
- **Reduced costs of owning** – the true costs of owning a car (including upkeep, maintenance and depreciation) are often under-estimated by owners. Car club users can make significant savings when switching from private ownership.
- **Reduced costs of doing business** – car clubs can have financial benefits for businesses through rationalised business travel and reduced commuting by car.

. 2.35 Based on a DriveNow frequently asked questions note.

- For each round-trip car club vehicle, car club members sell or dispose of more than 10 private cars.
- A third of round-trip car club members reported that they would have bought a private car if they had not joined a car club.
- Joining a car club leads to lower levels of car ownership. 25% of new round-trip car club members and 22% of new flexible car club members had sold or disposed of a car in the last 12 months.
- Round-trip members reported an average reduction in miles driven of 730 miles a year. Flexible members reported a reduction of 840 miles a year.
- After joining a car club, new car club members often reduce their car use.
- Car club member's cycle and use trains and the Underground more than the average Londoner.
- 14% of round-trip members and 20% of flexible members have not used a car club vehicle in the last six months or have not yet made a car club journey. Membership is often seen as a backup option.
- Car club cars are safer than the average car: 88% achieve NCAP 5+ Star or 5 Star standard.
- Car clubs emit one tonne of carbon a year less than an average car for the same mileage and carbon emissions of London club cars are on average 20% lower than the typical UK private car.

3. ALTERNATIVE OPTIONS

- 3.1 **Do- nothing option** - Based on membership growth the existing Zip car flex service is deemed a significant success story, if Merton chooses not to allow new services to operate within the borough then choice and competition would be limited thereby denying resident's access to more flexible and potentially much cheaper travel alternatives to owning a private car and a wider range of vehicles choices. It would also be increasing difficult to achieve borough and the London Mayor's transport objectives.

- 3.2 The way people travel and use services in London is changing rapidly with mobility as a service (MAAS) increasingly seen as a preferred choice for many people. Car clubs are seen as an integral part of this mix of emerging transport services.
- 3.3 **Option 1** - To offer a bigger floating car club permit fee discount for electric only vehicles to encourage operators to accelerate a switch to an all-electric fleet

Floating car club permit charge	Percentage discount (%)	Discount per permit (£)	Discounted cost per permit (£)
£1,260	20	252	1008
	30	378	882
	40	504	756
	50	630	630

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1 New operators are expected to undertake pre-launch marketing campaigns explaining the benefits of their respective schemes as well as recruiting new members.
- 4.2 Members of wards where new floating providers will operate will also be notified to help explain the benefits and mechanics of how individual floating schemes will operate. Different operators manage their fleets in slightly different ways and slightly different market segments, although there is clearly a lot of overlap.
- 4.3 No statutory consultations are required as the floating car club permit is already approved.
- 4.4 The Head of Parking and CCTV Services has been kept fully informed of the proposals.

5. TIMETABLE

- 5.1 Both operators are expected to launch in October, Drivenow with 30 - 40 vehicles and Ubeevo with 18 vehicles (these vehicles would be geo-fenced within Merton). Pre- launch marketing is expected to last 2-3 months. The operators will be encouraged to built-up their on-street presence over a couple of months to enable an early operational issues to be picked up quickly.

6. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1 Based on a total of 48 additional vehicles operators might be expected to have a daily presence of around 108 vehicles across the borough,
- 6.2 When compared to around 78,497 (2016 figure) private vehicles in Merton (average of one per household and 20,000 + CPZ bays) this represents a small percentage of the overall demand for on-street parking spaces. This number

would be easily off-set by fewer residents purchasing new vehicles or retaining existing vehicles.

- 6.3 Based on a permit cost of £1,260 and 20% (applied on an average pro rata basis) discount for electric car club vehicle this could result in a total additional permit income of £66,528 pa. However, some existing income could be lost from deferred resident permits and lost Pay & Display revenue, although this is difficult to quantify.
- 6.4 For clarity all “Pay and Display” only bays and other specially designated bays e.g. disabled parking bays would remain to be excluded at this time, although this is allowed in some boroughs.
- 6.5 The expansion of car club operations in the borough would result in some legal costs in contract preparation and execution. Contract management and monitoring demands are expected increase within the future Merton team, especially during rollout.

7. LEGAL AND STATUTORY IMPLICATIONS

- 7.1 The Director for Environmental Services has delegated powers to approve the signing of the legal contract setting out the terms and conditions for the issue of the floating car club permit to operators
- 7.2 It is not necessary to modify consolidated CPZ Traffic Management Orders as provisions have already been made. Similarly the floating car club permit type is already available.
- 7.3 If the recommendations at accepted there will be no need to use powers contained with Section 6 and Section 45 of the Road Traffic Regulation Act 1984 (as amended). The Council is required by the Local Authorities Traffic Order (Procedure) (England and Wales) Regulations 1996 to give notice of its intention to modify the Traffic Order (by publishing a draft traffic order).
- 7.4 Each operator, would be expected to sign a 3-year legal agreement setting how the scheme would operate, including annual fees, operator’s obligations and monitoring regime.

8. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1 Car clubs provide opportunities for less affluent members of society to gain access to modern and safer cars, which might otherwise be unaffordable.
- 8.2 The expansion of car clubs would offer residents a greater choice of products and vehicles to use.

9. CRIME AND DISORDER IMPLICATIONS

- 9.1 There is no evidence to suggest that car clubs vehicle are more prone to crime.

10. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1 Car Clubs operate with newer and hence cleaner fleets (including electric vehicles), which will help to reduce air quality impacts.
- 10.2 With expansion there is increased risk that in some high attractor locations and at zonal boundaries some clustering could occur. However, demand management tools are available to control this. As a last recourse locations can be excluded, although this can also have negative implications.
- 10.3 Clustering has not been issue with the existing Zip Car Flex scheme. On the few occasions where problems have arisen vehicles have been quickly relocated upon request by the council. Phasing the rollout of vehicles will also help balance demand.
- 10.4 Based on car club operations in the neighbouring borough of Wandsworth where 5 car clubs already operate (including 2 free floating car clubs) membership has reached over 14,000 which no significant issues being reported.
- 10.5 Mobility services are a fast evolving area and less well managed car sharing operational models could fill a service vacuum.

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

None for the purpose of this report.

BACKGROUND PAPERS

None for the purpose of this report.

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Cabinet

Date: 15 July 2019

Wards: Cricket Green

Exempt or confidential report

The following paragraph of Part 4b Section 10 of the constitution applies in respect of information given in **Appendix 1** of this report and it is therefore exempt from publication. Members and officers are advised not to disclose the contents of this report:

Information relating to the financial or business affairs of any particular person (including the Authority holding that information).

Subject: Worsfold House Site, Church Road, Mitcham CR4 3BE

Lead officer: Chris Lee, Director of Environment and Regeneration

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

Contact officer: Howard Joy, Property Management and Review Manager

Recommendations:

- A. The Worsfold House Site be declared surplus to Council requirements.
- B. The disposal of Worsfold House Site by private treaty on the main terms identified within the confidential appendix of this report be approved.
- C. That the Director of Environment and Regeneration be authorised to use his authority under the constitution to approve any variation in these terms.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. To declare Worsfold House site surplus to council requirements and to approve the disposal by private treaty on the main terms within the confidential appendix of this report.

2 DETAILS

- 2.1. The Worsfold House site is owned by the council and comprises an area of approximately 6,884 sq. m (1.70 acres) within which lies Worsfold House a former council housing office.
- 2.2. Worsfold House is let to Evolve Housing who have given formal notice that they will end their tenancy on 30th November 2019. The property is sublet by Evolve Housing to twelve occupiers and Evolve have confirmed that it will serve notice on each of them ending their tenancies on 30th November 2019

thereby providing the Council with vacant possession. Council officers have written to the existing tenants at Worsfold House to offer support in seeking alternative accommodation.

- 2.3. Publication of this report has resulted in the emails. The emails express concerns that there should be public debate to inform the decision making process. These concerns are acknowledged and the confidential information has been separated so that the main report can be considered in public session.
- 2.4. Clarion Housing Group (CHG) has made an offer to purchase the site from the council to provide a decant site for the regeneration of the Eastfields Estate and thereby bring forward the redevelopment of this estate and the provision of housing in the borough. The terms of their offer are within the confidential papers to this report.
- 2.5. The regeneration of Eastfields Estate will provide up to 800 new homes details of the regeneration proposals are online at <https://www.mertonregen.org.uk/ravensbury/#>
- 2.6. Eastfields Estate is part of the wider Estate Regeneration Project led by CHG. The overall project enables the delivery of 2,600 new homes, 1,200 replacement and 1,400 additional, with a unique residents offer which ensures that people living on the estates will be offered a new replacement home as part of the project. This aspect of the project is essential to maintaining a sustainable community throughout the delivery of the scheme and minimising the impact of gentrification, which is prevalent in many other regeneration projects.
- 2.7. The impact of the offer from CHG is the need to provide sufficient relocation opportunities and the Worsfold House site provides sufficient capacity for the Eastfields scheme. Local relocation also minimises disruption as well as having positive health and well-being benefits by keeping communities together and ensuring vulnerable residents can stay in familiar locations.
- 2.8. The Worsfold House site, being part of a wider project means that the planning process and viability of the project is interlinked with the regeneration of Eastfields, Ravensbury and High Path as a single business plan. This link is enshrined in the Council's planning policies and has been subject to an Enquiry in Public.
- 2.9. The linking of all three estates, and the disposal of the Worsfold House site in this respect means that the Worsfold House site is integral to unlocking the benefits of the larger scheme.
- 2.10. Not only does the wider project represent over £1bn investment in Merton. The scheme delivers 100% lifetime homes standards, £30m for community infrastructure, 500+ local construction jobs, an extra £2m council tax revenue per year and a clawback package, negotiated as part of the Stock Transfer to CHG estimated to be c£30-50m over the lifetime of the project.
- 2.11. If the Worsfold House site was sold on the open market, these additional benefits would not be realised to the maximum extent outlined above.
- 2.12. Disposal to CHG would be subject to planning permission and the expectation is that, subject to planning permission, the Worsfold House site

would accommodate sixty homes consisting of twenty one bed, nineteen two bed, plus twenty one three bed homes. The redevelopment of this site and the regeneration of the Eastfields Estate can proceed as soon as the planning permission is obtained and the Council's land is transferred to CHG. The final unit mix will be determined through the planning application by CHG.

2.13. The main benefits of selling the Worsfold House site to CHG are listed below:

(i) Regeneration. The Worsfold House site will provide 60 units to relocate existing tenants and house owners in Eastfields Estate into new homes. This enables the delivery of the wider regeneration of Eastfields Estate. Without the decant units, the regeneration project would take longer to deliver and require compulsory purchase of properties with the cost, delay and uncertainty inherent in this process.

(ii) Delivery. The Council, in disposing of the Worsfold House site to CHG is speeding up the delivery of regeneration and minimising the potential impact on residents by providing direct decant capacity.

(iii) Homeless accommodation. The disposal and subsequent redevelopment will help provide much needed housing and reduce the need for temporary accommodation and the need for temporary and permanent homeless accommodation that the Council needs to provide.

(iv) Affordability. The 60 homes to be provided by this scheme will be used to decant CHG tenants and homeowners in the early phases of Eastfields Estate regeneration to bring Phase 1 forward at an accelerated rate. NB If any resident insists on remaining in the Worsfold House site the Council will immediately gain access to the replacement dwelling (or take appropriate action to ensure the tenant does vacate).

(v) Nomination rights. Merton will have nomination rights to six additional units within the regenerated Eastfields redevelopment, which may not occur if the scheme had been a private sector market led proposal. The development of the Eastfields Estate requires that, as a minimum, a like for like replacement of affordable housing is provided.

2.14. The sale of the Worsfold House site to CHG is therefore critical to starting the re-housing of residents in Eastfields and critical to the speed of delivery of the larger Merton Regeneration Programme and masterplans.

2.15. The Council is under an obligation to be able to demonstrate in the sale of the freehold interest in property that the best consideration reasonably obtainable (section 123 Local Government Act 1972) had been achieved.

2.16. In addition to the purchase price, the council will receive nomination rights to six additional affordable units for rent. These will go towards satisfying the council's obligation under section 123 of the Local Government Act 1972 to obtain best consideration. NB. A precise timescale for the provision of the units is not possible at present as it is dependent upon the provision of detailed planning permission and the redevelopment process but is scheduled to occur within the next ten years.

- 2.17. As stated within paragraph 2.13 above the sale to CHG will provide 60 homes which are to provide decant accommodation for Phase 1 of the Eastfields regeneration. In addition, Merton will have nomination rights to six units within the Eastfields regeneration, which would not occur if the scheme had been a private sector market led proposal and these nomination rights will be for a period of 50 years (NB “perpetuity” is undefined and so is unenforceable and any longer period than 50 years would be open to challenge).
- 2.18. The sale to CHG of the Worsfold House site is of critical importance. Without this land the phased redevelopment and regeneration of the Eastfields Estate at best will not progress as quickly as the proposed redevelopment of Worsfold House site by CHG allows. It is therefore of vital importance to the success of the regeneration of the estate that the disposal is completed as soon as possible.
- 2.19. The sale to CHG, provided planning permission for the sixty units referred to is obtained, will provide all the benefits identified within paragraph 2.13 above. These benefits will be lost should the site be sold on the open market.
- 2.20. The sale of Worsfold House site to CHG is critical to starting the re-housing of residents in Eastfields and critical to the speed of delivery of the larger Merton Regeneration Programme and masterplans.

3 ALTERNATIVE OPTIONS

- 3.1. Retain the property. The property is of minimal benefit to the Council for occupation and is surplus to the council’s needs at present although sale would prevent use for school expansion. There is the possibility of leasing to generate revenue income as identified within the confidential agenda item.
- 3.2. Disposal on the open market. This is unlikely to achieve a better redevelopment or the benefits to the Council contained within the body of this report and would prevent the acceleration of the regeneration of the Eastfields Estate that disposal to CHG allows but could result in a higher capital receipt.
- 3.3. Transfer the property to the Council’s Local Authority Property Company. This would prevent the acceleration of the estate regeneration that disposal to CHG allows.
- 3.4. Disposal to CHG for nil consideration. This would not satisfy the duty to obtain the best consideration reasonably obtainable and would require the Council to obtain consent from the secretary of state.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. Through the planning application process.
- 4.2. Through the Estates Local Plan process.

5 TIMETABLE

- 5.1. Exchange of contracts will take place as soon as the necessary legal documentation is agreed. Completion of the disposal will take place once an acceptable planning consent is granted.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Property implications are contained within the “Details” section of this report.
- 6.2. The capital budget implications are contained within the body of this report.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The council is under an obligation under s123 of the Local Government Act 1972 when disposing of an interest in land to obtain best consideration reasonably obtainable
- 7.2. Consideration for the purposes of section 123 of the Local Government Act 1972 can be money or money’s worth. A local authority is entitled to take in to account elements of the transaction which have a monetary or commercial value to the local authority. This would include the value gained to council through the nomination rights.
- 7.3. The council has a duty to act fairly and reasonably in carrying out its functions and duties.
- 7.4. Decisions taken in accordance with the Recommendations of this report will not, in themselves, give rise to any state aid and/or European procurement implications. In addition, paragraph 2.15 of the report provides that the disposal is subject to obtaining the best consideration reasonably obtainable. On this basis, the disposal of the Worsfold House site will not engage the state aid rules or the European procurement rules.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. None for the purpose of this report

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. None for the purpose of this report

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. None for the purpose of this report

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

- Appendix 1 (exempt)
- Appendix 2. Location Plan.

12 BACKGROUND PAPERS

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Cabinet

Date: 15 July 2019

Subject: Financial Report 2018/19 – Outturn 2018-19

Lead officer: Roger Kershaw

Lead member: Mark Allison

Recommendations:

- A. That Cabinet note the revenue outturn for 2018/19
 - B. That Cabinet consider the outturn position on Capital and approve the Slippage into 2019/20 and other adjustments detailed in Appendix 2C and Section 7 of the report
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

This report outlines the outturn position for the last financial year (2018/19) and the issues that arise from it.

Section 2 – Summarises the outturn position of the Authority.

Section 3 – Reviews the detailed outturn position for service departments

Section 4 – Reviews the outturn position for corporate items

Section 5 – Provides other information

Section 6 – Provides information on Reserves

Section 7 - Provides information on the capital outturn

Section 2 – REVENUE OUTTURN 2018/19

The following table summarises the outturn position for 2018/19

18/19 OUTTURN	2018/19 Current Budget (Net)	2018/19 Current Budget (excl. overheads)	2018/19 Outturn (excl. overheads)	2018/19 Variance excl. overheads	Jan 2019 (P10) Forecast Variance	Outturn to P10 forecast variance	2017/18 variance excl. overheads
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Department							
Corporate Services	10,433	25,623	23,112	(2,511)	(1,958)	(553)	(812)
Children, Schools and Families	59,083	54,068	56,339	2,271	2,932	(661)	2,249
ASC	58,607	55,337	55,168	(169)	(376)	207	646
Housing	1,543	1,250	1,177	(73)	217	(290)	256
Libraries & Merton Adult Learning	2,869	2,161	2,206	45	27	19	20
Public Health	0	(143)	(143)	0	0	(0)	0
Environment & Regeneration	18,111	12,758	11,232	(1,526)	(1,294)	(232)	(1,211)
Net recharges	0	0	0	(33)	0		
NET SERVICE EXPENDITURE	150,646	151,053	149,090	(1,995)	(452)	(1,510)	1,148
Corporate Provisions	(1,889)	(2,296)	(333)	(5,661)	(2,030)	(3,631)	(926)
TOTAL GENERAL FUND	148,757	148,757	148,757	(7,656)	(2,482)	(5,141)	222

Net underspend transferred to reserves	7,656
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Business Rates	(51,463)	(51,463)	(55,315)	(3,852)			
Grants	(9,855)	(9,855)	(9,855)	0			
Council Tax and Collection Fund	(87,439)	(87,439)	(87,439)	0			
FUNDING	(148,757)	(148,757)	(152,609)	(3,852)	0	0	0

Funding transferred to reserves	3,852
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At the end of the financial year 2018/19 the overall underspend was £7.656k, 1.42% of the gross budget (£222k overspend, 0.04% of the gross budget in 2017/18)

The overall underspend on the General Fund was transferred to the following reserves:

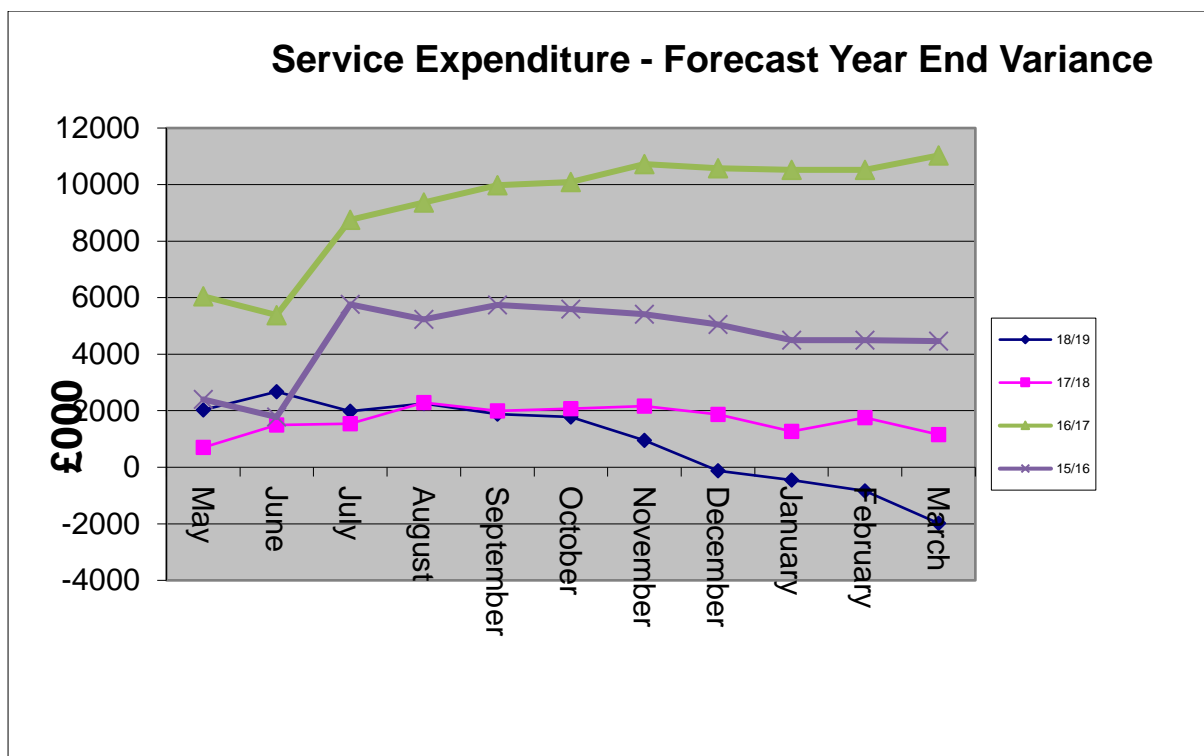
<u>Transfers to Reserves</u>	£'000
Revenue reserve for capital	1,000
Apprenticeship reserve	1,000
Repairs and Renewals	1,000
General Fund balances	1,000
Spending review reserve	3,100
OCPB Reserve	500
Balancing the Budget Reserve	56

The surplus on the business rates retention scheme of £3,852k was transferred to Balancing the Budget reserve.

Net service expenditure was underspent by £1.995m

Although there was an overall underspend, the Children's, Schools and Families department outturn position was an overspend of £2.3m. This was mainly due to placements costs as the demand for these services remains high and these pressures are expected to continue. This was offset by underspends on Corporate Services and Environment and Regeneration. The Corporate Services underspend was mainly due to a reduction in the provision for housing benefits, additional income from the Department of Works and Pensions (DWP) and an overachievement of fee income from the bailiffs service. Environment and Regeneration underspend was mainly due to higher penalty charge notice (PCN) income and a reduction in waste disposal costs.

Chief Officers and Finance Officers will need to continue monitoring budgets closely in 2019/20 to prevent overspending and calls on reserves due to budget pressures on demand led services. Equally budget monitoring will focus on accuracy of forecasting as the 2018/19 outturn underspend demonstrates some over cautious forecasting in certain services. It is equally important to forecast expected underspends as it is overspends to ensure the overall Council forecast position is accurate.



Section 3 Detailed Service Spending

Corporate Services

Division	2018/19 Current Budget (£000)	2018/19 Outturn (£000)	Variance (£000)	Forecast variance at year-end - January (£000)	2017/18 Outturn Variance (£000)
Customers, Policy & Improvement	3,477	3,232	(246)	(62)	46
Infrastructure & Transactions	11,305	11,241	(64)	(218)	71
Corporate Governance	2,205	1,911	(294)	(176)	(229)
Resources	6,218	5,511	(707)	(489)	(515)
Human Resources	1,978	1,994	16	14	(207)
Corporate Other	439	(777)	(1,216)	(1,027)	22
Total (controllable)	25,623	23,112	(2,511)	(1,958)	(812)

Overview

At the end of 2018/19, the Corporate Services (CS) department has underspent by £2,511k. This is an increased underspend of £553k from that reported at the end of January (period 10).

Customers, Policy and Improvement - £246k under

Across Policy and Strategy there has been an underspend of £31k due to delays in commissioning community engagement work for the community plan offset in part by small overspends on IT and staffing costs.

Over-achievement of income in both the translation and registrars service has resulted in underspends of £110k and £92k respectively, reflecting increased demand levels.

Press and PR, combined with marketing and communication as well as community engagement, has overspent by £78k. This is principally due to the underachievement of advertising income which is partly offset by reduced staffing costs as a result of vacancies in year and lower than budgeted marketing spend.

The remaining underspend within the division is due to a vacancy in year within the programme office (£11k), less than budgeted costs for the Blue Badge service (£13k) and cash collection service (£10k). There have also been underspends across various other small running cost budgets, including within the AD's budget and Merton Link which both underspent by £27k.

Infrastructure & Transactions - £64k under

There are a number of areas within I&T with significant over and underspends which largely offset one another to deliver the total £64k underspend.

Buildings management has overspent by £294k. The biggest factor in this was an unachieved energy saving of £465k (CS2015-10) due to the capital spend required to deliver the saving having been delayed. £100k of this saving is expected to be achieved in 2019/20 with the full saving expected to be achieved in 2020/21. Security services have overspent by £26k due mainly to additional security being required at the Civic Centre whilst works were being undertaken. The works have been completed and an ongoing pressure is not expected. The Professional Development Centre (Chaucer Centre) has overspent by £61k as income has been less than budgeted, owing to the number of room bookings. Offsetting these are underspends on building maintenance for E&R and leisure buildings totalling £34k and a further £197k underspend across the Civic Centre and Garth Road buildings mainly due to additional rental income achieved.

Transactional services have underspent by £56k due to the team generating income by recovering expenses from prior years. This is, in part, offset by additional costs from staff overtime. Emergency planning has underspent by £42k due to numerous small running costs being less than budgeted and staffing underspends on Local Authority Liaison Officers.

IT has underspent by £112k. £141k underspend was achieved by the corporate print strategy due to recharges to client departments and there were further underspends against IT licence budgets. These were partly offset by a £49k overspend on telecoms following delays in the implementation of new systems

and further overspends from the use of agency staff to cover vacancies in the IT service delivery team.

IT systems and projects underspent by £88k. This is due to the business systems team achieving additional income from CHAS 2013 Ltd and from address searches which were partly offset by additional costs for agency staff.

The post and print room was underspent by £46k, largely due to an underspend on staffing costs as a result of a vacancy during the year.

The remaining variance within I&T is from small underspends across commercial services, client financial affairs and the AD's budget.

Corporate Governance - £294k under

The underspend within Corporate Governance is mainly due to LBM legal services income which achieved a £129k underspend from over-achievement of income relating to court costs, property, planning and schools buyback outside of the shared service model. The South London Legal Partnership (SLLp) achieved an overall surplus of £140k, of which Merton has retained £30k.

Electoral services underspent by £33k, mainly due to the household notification exercise not being carried out as no 2019 elections were planned. Information governance has underspent by £30k due to unbudgeted government grant income and underspends on running costs.

Democracy services and the AD budget have underspent by £27k and £36k respectively due to small staffing and other running costs coming in less than budgeted. Internal audit is £11k underspent on the contribution made to the shared service.

Resources - £707k under

Within the Revenues and Benefits team, bailiff enforcement working across LBM and LB Sutton over-achieved on income from bailiff fees, resulting in an underspend of £335k. Recovery of costs relating to the Business Improvement Districts (BIDs) delivered a further £21k underspend. A £288k underspend came from benefits administration, principally due to additional one-off unbudgeted income from DWP for a number of schemes, as well as underspends across various supplies and services budgets. The local taxation service also underspent, by £63k, due to additional income contributing to the cost of collection for council tax and NDR which was part offset by higher postage and IT costs.

There is an underspend of £88k on the Chief Executive's budget due to lower than budgeted subscription costs. Consultancy budgets not required in year have resulted in underspends across the Director of Corporate Services and Resources AD budgets of £55k and £53k respectively.

Accountancy has overspent by £62k, mainly due to the use of agency staff within the budget management team and corporate accountancy to cover vacancies and additional work pressures. Also contributing to the overspend was an under-achievement of schools buyback income and additional banking charges.

Capital and financial strategy underspent by £57k due to vacancies in year. This in part offsets the overspend of £117k on the financial information system team for additional staffing resources required to support the system pending a business case to permanently increase budget for the team.

Human Resources – £16k over

Underspends and pressures have in HR largely offset one another, resulting in an overspend of £16k.

The AD budget has underspent by £98k due to a vacancy throughout the year and less than budgeted subscription costs. Learning and development has underspent by £16k due to lower than budgeted costs of room hire for training whilst occupational health charges were £23k less than budgeted.

Offsetting these was a £39k shortfall in income from schools as part of the buyback scheme and £94k higher than budgeted costs of the shared payroll system, iTrent client team and DBS service contribution that are charged by the London Borough of Kingston.

Corporate Items - £1,216k under

The housing benefit budget has achieved a surplus of £1.796m against a budgeted surplus of £1m. The unbudgeted surplus relates to a £500k budget to top up the bad debt provision not being required and instead the provision was reduced by £441k. This was part offset by reduced subsidy income being receivable due to the 17/18 error rate which was identified by the housing benefit audit. This resulted in a £190k clawback as the subsidy receivable on local authority overpayment errors reduced from 100% to 40%.

The remaining underspend relates to the budget held for corporately funded items which was not required in year, a £151k underspend on redundancy payments and additional unbudgeted income from the Magistrates Court grant of £32k. This is partly offset by a £235k overspend on the Coroners' Court due to the unbudgeted coroner costs for Grenfell and the Westminster Bridge inquest. There is also an underachievement of the budgeted charges to clients for the use of the Comensura agency staff service as the internal administration charge was ceased in year.

Environment & Regeneration

Description	2018/19 Current Budget £000	Outturn Variance (March) £000	Forecast Variance at year end (Jan) £000	2017/18 Variance at year end £000
Overspend within Regulatory Services	594	112	186	78
Underspend within Parking Services	(12,750)	(964)	(1,081)	(1,633)
Overspend within Safer Merton & CCTV	910	99	70	(47)
Total for Public Protection	(11,246)	(753)	(825)	(1,602)
Underspend within Waste Services	13,598	(1,611)	(1,668)	97
Underspend within Leisure & Culture	855	(222)	(77)	(166)
Overspend within Greenspaces	1,210	146	194	754
Overspend within Transport Services	(926)	238	210	(53)
Total for Public Space	14,737	(1,449)	(1,341)	632
Underspend within Senior Management & Support	1,009	(17)	(7)	3
Total for Senior Management	1,009	(17)	(7)	3
Overspend within Property Management	(2,961)	368	556	(422)
Overspend within Building & Development Control	(32)	275	252	397
Overspend within Future Merton	11,250	51	71	(219)
Total for Sustainable Communities	8,257	694	879	(244)
Total Excluding Overheads	12,757	(1,525)	(1,294)	(1,211)

Environment & Regeneration	2018/19 Current Budget £000	Full year Outturn (March) £000	Outturn Variance (March) £000	Forecast Variance at year end (Jan) £000	2017/18 Outturn Variance £000
Public Protection	(11,246)	(11,999)	(753)	(825)	(1,602)
Public Space	14,737	13,288	(1,449)	(1,341)	632
Senior Management	1,009	992	(17)	(7)	3
Sustainable Communities	8,257	8,951	694	879	(244)
Total (Controllable)	12,757	11,232	(1,525)	(1,294)	(1,211)

Overview

The department has a year-end direct underspend of £1,525k. The main areas of variance are Parking Services, Waste Services, Leisure & Culture, Transport Services, Property Management, and Building & Development Control.

Public Protection

Parking Services underspend of £964k

The underspend is mainly the result of a slower than anticipated motorist compliance rate leading to a higher rate of PCNs following the implementation of the ANPR system across the borough (£1,101k).

Included within the outturn is employee related overspend of £151k due to a combination of savings not yet implemented and increased demand. There have been delays in implementing all of the parking savings to date. In terms of ANPR, there was an initial assumption that there would be a peak in the processing work and, balanced with on-going compliance, the processing volume would drop. However, although the section still expects compliance to further increase, it has not yet occurred to the level expected as processing volumes remain above estimated levels, leading to the need to continue to employ additional agency staff.

Public Space

Waste Services underspend of £1,611k

The underspend predominantly relates to disposal costs (£1.9m), which can be attributed to two main factors. Firstly, the section has continued to experience a reduction in total waste tonnages being generated across all of the authority's waste streams. Secondly, during the testing phase of the new ERF facility between July and February, the authority benefitted from reduced disposal costs leading to a cost reduction of c£1,100k this financial year only.

This forecast underspend on disposal costs was partially offset by the mobilisation costs relating to the October 2018 service change, and IT integration costs (£190k).

Leisure & Culture underspend of £222k

There was a year-end underspend relating to the authority's leisure centres of £167k, mainly as a result of the improved and extended contractual arrangements with our service provider implemented part way through the year. The section also over-achieved at its watersports centre by £51k due to a very good summer and increased private school bookings. In addition to this, £14k was achieved across a variety of budgets both in increased income and reduced expenditure.

Transport Services overspend of £238k

The overspend relates largely to the Operations side of the service, which ended the year with an employee overspend of £101k mainly as a result of additional agency and overtime requirements to cover sick leave and vacancies. This also caused 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 resulted in further unrecoverable costs of c£71k.

Finally, the Operations service also overspent on vehicle repairs and maintenance by £60k which reflects the ageing nature of a large portion of the current fleet. To help mitigate this cost next year the service has undertaken a vehicle replacement programme which has seen six of the older buses being replaced with new vehicles.

Sustainable Communities

Property Management overspend of £368k

The principal reason for the overspend relates to unavoidable and unexpected security costs involved with the management and demolition of Battle Close, which is now the responsibility of the Authority following the departure of the leaseholder (£614k).

The section also incurred some significant, but essential, costs during the year on several of the buildings the Authority manages, attributing to a premises related overspend of £136k. In addition, the section also incurred some one-off, but un-budgeted, external audit fees of c£72k as a result of additional audit work required for the 2017/18 Statement of Accounts.

These pressures were partially mitigated by exceeding their commercial rental income expectations by £525k. Approximately £323k relates to ongoing rental income but £202k is one-off due this year only.

Building & Development Control overspend of £275k

The section underachieved on income expectations by £343k, in particular within building control, which reflects the continued reduction in the Authority's market share (52%) against target (54%).

Children Schools and Families

Children, Schools and Families	2018/19 Current Budget £000	Outturn (Mar) £000	Outturn Variance (Mar) £000	Forecast Variance at year end (Jan) £000	2017/18 Variance at year end £000
Education	22,180	22,143	(37)	244	(703)
Social Care and Youth Inclusion	21,408	24,619	3,211	3,574	3,596
Cross Department budgets	388	368	(20)	(34)	(95)
PFI	7,968	7,614	(354)	(353)	(342)
Redundancy costs	2,124	1,595	(529)	(499)	(207)
Total (controllable)	54,068	56,339	2,271	2,932	2,249

Overview

At the end of March Children Schools and Families overspent by £2.271m on local authority funded services; a reduction in overspend from January's forecast of £661k. The overspend is mainly due to the volatile nature of placement and SEN transport budgets, and the current volume of CSC activity and Education, Health and Care Plan (EHCP) requests. Despite an increasing population, Merton is managing to keep our number of looked after children in care stable through a combination of actions, which is detailed in the management action section below.

The CSF department received £500k growth for 2018/19 that has mainly been used to fund the additional eight social workers that were previously funded through contingency for three years and were previously part of the departmental overspend.

Local Authority Funded Services

Significant budget variances identified to date are detailed in the table below:

Description	Budget £000	Mar £000	Jan £000	2017/18 £000
Procurement & School organisation	643	(411)	(381)	(319)
SEN transport	4,142	1,223	1,164	566
Short breaks	217	219	192	64
My futures team	509	(192)	(135)	(212)
Early Years services	3,065	(349)	(294)	(114)
Other small over and underspends	13,604	(527)	(302)	(688)
Subtotal Education	22,180	(37)	244	(703)
Fostering and residential placements (ART)	7,094	1,078	1,232	813
Un-accompanied asylum seeking children (UASC)	902	774	642	693
Community Placement	0	500	500	750
No Recourse to Public Funds (NRPF)	21	301	290	353
MASH & First Response staffing	1,587	354	324	403
Legal costs	514	280	298	126
Other small over and underspends	11,290	(76)	288	458
Subtotal Children's Social Care and Youth Inclusion	21,408	3,211	3,574	3,596

Education Division

The procurement and school organisation budgets underspent by £411k because of lower spend on revenue budgets. This budget relates to the revenue cost of construction projects and is affected by slippage of capital schemes. 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 overspent by £1.223m at the end of the financial year, which includes £917k maintained school taxi cost and £238k direct payments. The outturn for maintained school taxis was £3.285m, circa £562k more than last year. Substantial management action was undertaken over the summer period such that at the end of October, 17 extra children were being transported compared to the end of June using the same number of taxi routes. At the end of March 292 children were transported using 194 taxi routes. The taxi cost at the end of March is £19k higher than forecast in January due to a small variance in forecast calculation. The direct payments is £7k less than was forecast in January. Although there continues to be significant pressure on the direct payments budget, it provides a more cost and customer effective home to school travel option for SEND children.

The overall overspend reflects increased demand over a number of years although the budget for taxi commissioning has not been increased for demographic pressures since 2015/16. Over the period from September 2015 to September 2018 there has been a 30% increase in the number of children transported by taxi. The £500k growth allocated to the department in 2019/20 has been allocated against this budget.

The number of children needing transport has increased significantly due to the increase in EHCPs requiring a specialist placement, and there continue to be pressures. Strategies are in place to alleviate this pressure, including continuing to maximise any further opportunities for placing more children on the buses, re-tendering routes, considering any consolidation possible and encouraging parents to accept personal budgets to directly arrange transport. The expansion of Cricket Green School will enable extra local places from September 2019 and the draft capital programme includes further proposals to increase the range of in-borough special educational needs provision to reduce the reliance on transporting children significant distances to out of borough special schools. A review of the in-house transport provision is also planned for 2019/20 to review the efficiency of this service.

The children's short breaks budget overspent by £219k. This relates to an increase in caseload from last year. The review of short break services delivered across the department with the aim of reducing the overall cost pressure of short breaks is expected to impact positively on cost in 2019/20.

The My Futures team underspent by £192k due to vacancies held during the year as part of management action to reduce the departmental in-year overspend.

As part of management action, where possible in the Early Years' service, recruitment to vacancies in some areas was delayed with the aim of reducing the overall in-year departmental overspend. Additional work has also been undertaken to maximise income generating opportunities. This resulted in an overall underspend of £349k, an increase over the forecast of £294k in January.

There are various other small over and underspends across the division netting to a £527k underspend. These combine with the items described above to arrive at the total divisional underspend of £37k.

Children's Social Care and Youth Inclusion Division

The numbers of Looked after Children (LAC) in Merton remains relatively stable and we continue to maintain relatively low levels of children in care as detailed in the table below.

Overview	2016	2017	2018	2019
Number of children in care as at 31st March	163	152	154	160
Of which UASC	22	20	28	34
Rate per 10,000	35	33	33	tbc
London Rate	51	50	tbc	tbc
England Rate	60	62	tbc	tbc

At the end of March we had 160 LAC. The complexity of a significant proportion of cases is causing cost pressures as detailed below. Placement costs are reviewed on a monthly basis to ensure that projections of spend are as accurate as possible. The March placements overspend has reduced by £175k, mainly due to a re-classification of some supported housing cases from indigenous care leavers to UASC resulting in an offsetting increase in UASC cost.

Service	Budget £000	Outturn spend £000	Variance		Placements	
			Mar £000	Jan £000	Mar No	Jan No
Residential Placements	2,271	2,621	350	391	19	18
Independent Agency Fostering	1,816	1,967	151	160	37	38
In-house Fostering	978	1,421	443	450	59	61
Secure accommodation	136	157	21	(4)	1	1
Mother and baby	101	141	40	(12)	2	1
Supported lodgings/housing	1,792	1,844	52	247	57	56
Total	7,094	8,151	1,057	1,232	175	175

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

- The residential placement expenditure overspent by £350k. This is a reduction of £41k in cost to January because, although the number increased, the overall cost reduced when respite take-up was lower than estimated and the unit cost of two placements reduced,
- The agency fostering expenditure overspent by £151k. The reduction of £9k in March is due to a net reduction in placements of 1.
- The in-house foster carer expenditure overspent by £443k. The reduction of £7k in March is due to a net reduction in placements of 2.

- The secure accommodation expenditure overspent by £21k in March. The increase of £25k from January is due to a refund expected in 2018/19 which will now be going through in 2019/20.
- The mother and baby assessment unit expenditure overspent by £40k. The increase of £52k is due to one new placement for three people that was funded from January.
- The budget for the semi-independent accommodation and supported lodgings/housing placements overspent by £52k in March. The reduction is mainly due to movement of costs between UASC supported housing and indigenous care leavers.

At the end of March, UASC placements and previously UASC that are now Care Leavers overspent by £774k, up from £642k in January.

Service	Budget £000	Outturn spend £000	Variance		Placements	
			Mar £000	Jan £000	Mar No	Jan No
Independent Agency Fostering	372	383	11	35	9	9
In-house Fostering	363	563	200	174	25	25
Supported lodgings/housing	167	730	563	433	24	24
Total	902	1,676	774	642	58	58

At the end of March, we had 34 placements for UASC young people under 18. This will increase over the next few months due to political commitment to increase our quota to 37 (0.08% of the child population). Merton receives UASC grant towards these placements although it is not sufficient to cover the full cost. The overall overspend for UASC fostering has increased from £209k in January to £211k at the end of March.

The overall cost for Semi-Independent accommodation has increased from £433k to £563k from last month. This is due to movement of costs between UASC supported housing and indigenous care leavers. At the end of March we had 24 young people aged 18+ in semi-independent accommodation who were formerly UASC in our care. Once UASC young people reach age 18, we retain financial responsibility for them as Care Leavers until their immigration status is agreed.

The UASC grant allocation is about three months in arrears. Based on the January confirmed data, a best estimate of the grant income was calculated at year-end which resulted in the grant increasing from January to March by £286k.

We accrued £500k at year-end for the un-budgeted community placement. This provision relates to a complex case currently under discussion between the CCG and the local authority. The figure is our best current estimate and is subject to change as we are still in negotiation. A review was underway to change the current provision with the expectation that, once resolved, this should reduce the cost to Merton. Forecast costs are currently based on an interim arrangement in place while further work is undertaken to secure the right long term support arrangements. The CCG seems to be retreating from its understood position that this is accepted as a continuing care case and that the council should be responsible for the education cost only.

The NRPF budget overspent by £301k in the current financial year. This is £77k less than last year's overspend. The NRPF worker is working closely with housing colleagues to manage cases as they arise and also reviews historic cases to identify ones where claimant circumstances have changed and they can therefore be stepped down from services. We continue to use the Connect system to progress cases and continue to review open cases with the aim of limiting the cost pressure on the council. Strong gate-keeping has resulted in a reduction of overall numbers from a peak of about 30 in 2016/17 to a current caseload of 15.

We overspent by £354k on the MASH and First Response teams' staffing costs. This is because the team is covering 15 vacancies out of an establishment of 30 (excluding Common and Shared Assessments and management also included in this service area on iTrent) with agency staff due to difficulty in recruiting permanent members of staff in this area.

Legal costs overspent by £280k. This cost relates to third party legal fees including Counsel, court and medical fees as well as independent expert witness and Family Drug and Alcohol Court (FDAC) costs. The investment in the FDAC is intended to reduce placement costs due to fewer children coming into care.

There are various other small over and underspends across the division netting to a £76k underspend. These combine with the items described above to arrive at the total reported divisional overspend of £3.211m.

Dedicated Schools Grant (DSG)

DSG funded services overspent by £3.523m. Of this overspend £494k was funded from the DSG reserve. The DSG ended with a deficit at year-end of £2,909k. This will be carried forward as a negative reserve, similar to other boroughs.

The main reasons for the overspend relates to £3.601m on Independent Day School provision. This is a £34k decrease from January. At the end of March we had 210 placements, an increase of 8 since January.

Other overspends include £661k on EHCP allocations to Merton primary and secondary schools, £879k on EHCP allocations to out of borough maintained primary, secondary and special schools, and £1.426m on one-to-one support, OT/SLT and other therapies as well as alternative education. We also had a £119k overspend on post 16 further education and independent special school provision. There are underspending budgets in four areas which are reducing the overall overspend. We had a £1,045k underspend on independent residential placements, £609k on the Early Years budgets, £305k on the growth fund and £186k on de-delegated parenting cover. Additional High Needs grant has also been received from the ESFA of £483k. The table below shows the increase in number of EHCPs over the past 4 years as the entitlement changed. At the end of March there were 1,729 EHCPs.

Type of provision	Jan 2016 Total Statements and EHCPs		Jan 2017 Total Statements and EHCPs		Jan 2018 Total Statements and EHCPs		Jan 2019 Total Statements and EHCPs	
	No	%	No	%	No	%	No	%
Early Years (inc. Private & Voluntary Settings)	0	0%	1	0%	7	0%	7	0%
Mainstream School (inc. Academies)	422	39%	461	37%	526	35%	584	34%
Additional Resourced Provision	110	10%	111	9%	116	8%	125	7%
State Funded Special School	358	33%	388	31%	416	27%	440	26%
Independent Schools	132	12%	153	12%	176	12%	228	13%
Post 16 College and traineeships	25	2%	93	7%	183	12%	212	12%
Post 16 Specialist	10	1%	25	2%	44	3%	37	2%
Alternative Educative	15	1%	10	1%	22	1%	28	2%
No placement (including NEET)	3	0%	0	0%	28	2%	51	3%
Total	1075	100%	1242	100%	1518	100%	1712	100%

There are various other smaller over and underspends forecast across the DSG netting to a £535k underspend which, combined with the items above, equates to the net overspend of £3.523m. This will be shown as a negative reserve and conversations continue with government over the funding of this.

We continue to keep abreast of proposed changes to the National Funding Formula, especially in relation to risks associated with services currently funded by de-delegated elements of the DSG. We are also working with other authorities on the deficit DSG issue and have responded to the national consultation relating to the treatment of DSG deficits.

The Early Years block of the DSG is normally adjusted in the June following the end of the financial year as it is based on January census information. We processed an estimated adjustment of £332k at year-end to account for this.

Although the pressures on the high needs block are clear from the budget monitoring figures highlighted above and continue into 2019/20, some schools are also having trouble in setting balanced budgets with the funding provided to them through the funding formula. The number of schools setting deficit budgets has increased from five in 2017/18 to fourteen in 2018/19. We will not know the position for 2019/20 until June 2019. There are various reasons for schools requiring to set deficit budgets including unfunded pay increases, increased costs relating to children that require additional support but do not meet statutory thresholds for additional funding, reduction in pupil numbers and reduced levels of individual reserves that schools would previously have used to balance their budgets as the overall level of school balances has increased.

Management action

Quarter four staffing report

The number of employed Social Workers reduced slightly in Q4 to 124 (from 125 in Q3). There has been ongoing strong recruitment during 2018/19, with 28 new starters in the last year. Additionally, there has been a number of internal transfers where staff have had opportunities for career development. Vacancy rates increased in Q4 to 20.84% (from 19.84% in Q3) although it has been on a general downward trend since September 2017. Turnover reduced this quarter to 20.24% (from 21.14% in Q3).

Agency social workers in Q4 make up 17% of the Social Worker workforce, an increase from Q3 (14%). However, the average number of agency SW's used in 2018/19 reduced to 23.43 WTE (from 30.89 WTE in 2017/18). Agency expenditure increased this quarter to £472,368, although the annual expenditure (2018/19) decreased to £1,768,716 from £2,262,568 (2017/18). 33% (8.01 WTE) of all agency workers are working in S&CP and 29% (7.09 WTE) in First Response. Most agency workers are covering vacant posts. We have further reduced the use of agency by continuing to impose a three month recruitment drag where appropriate for non-social work posts.

Placements

We continue to use the Panel processes to provide an overview of the use of IFAs as well as continuing our scrutiny on residential children's home placements.

Our ART Fostering Recruitment and Assessment team is continuing to recruit new foster carers who will offer locally based placements with a campaign targeted at attracting foster carers for teenagers and UASC young people. We have now recruited 18 new foster care placements of which 3 are for Supported Lodgings, 3 are for Connected Persons and 12 are new foster carers. Of the 12 new foster carers, 2 have been recruited direct from an IFA and another 3 had been with an IFA but had left their employ and have now subsequently come to work for Merton.

Our aim is to slow down the increase in more expensive agency foster placements. In addition, we are implementing actions to retain our experienced existing foster carers such as increasing the support offer to them through the trauma based training and support to enable them to take and retain children with more challenging behaviours in placement and implementing the Mockingbird Model. We are also targeting our recruitment to increase our number of in-house mother and child foster placements.













Our ART Placement service is working with providers to establish more local provision and offer better value placements to the Council. We continue to convene the Semi-Independent Accommodation (SIA) Panel which will record costs incurred. We are working to identify our Housing Benefit payments and what we should be getting and what are the actuals received. This work has reduced the overspend towards year-end and we will continue to review this into 2019/20.

We have contracted with a provider to block purchase five independent units for care leavers aged 18+. This will act as a step down into permanent independent living. For the total five placements in the provision, this cost is £1,800 per week including support costs (£1400 + £400). This is a better financial deal than using the semi-independent market for our care leavers where the average cost for five placements averages at £3,200 per week for a similar service. We had five young people living there in March, fully utilising these cost-effective placements. We expect to be able to procure further placements of this type in 2019/20.

Our average placements costs against each budget code are reported each month. Due to the low numbers in UASC IFAs, secure accommodation and mother and baby

units, small changes in numbers result in large variations in the average weekly unit costs as detailed in the following table.

Weekly cost 2018-19

	Oct	Nov	Dec	Jan	Feb	Mar	Movement from last month
Description	£	£	£				£
ART Independent Agency Fostering	889	901	904	906	907	900	 -7
ART In-house Fostering	442	437	442	445	444	440	 -4
UASC Independent Agency (Grant)	794	797	803	804	804	803	 -1
UASC In house Fostering (Grant)	496	497	500	492	494	490	 -4
UASC Independent Agency (Non-Grant)	764	791	792	548	806	237	 -569
UASC In house Fostering (Non-Grant)	436	445	456	487	484	589	 105
ART Residential Placements	4,032	4,071	4,068	3,977	3,974	3,978	 4
ART Secure Accommodation	3,823	2,663	2,822	2,841	2,841	3,374	 533
ART Mother & Baby Unit	3,357	3,357	3,357	3,516	3,749	3,589	 -160
Supported Housing & Lodgings (Art 16+ Accommodation)	644	659	677	661	640	585	 -55
Supported Housing & Lodgings - UASC (Grant)	793	788	771	772	779	782	 3
Supported Housing & Lodgings - UASC (Non Grant)	500	499	487	447	447	642	 195

We have updated our Staying Put policy for young people aged 18+ to enable them to remain with their foster carers in line with statutory requirements and as recommended by Ofsted in our inspection. However, the increased use of Staying-Put for young people aged 18+ impacts on available placements for younger teenagers, therefore highlighting again the need for targeted recruitment for foster carers for teenager and UASC young people. We continue to focus our foster carer recruitment on carers for teenagers to mitigate these potential additional costs.

Children with additional needs

We are working with colleagues in CCGs through the tripartite process in order to secure appropriate health contribution to children with complex needs, particularly through continuing healthcare funding. This is an area we need to improve with closer working with the CCG a focus going forward. This will mainly affect the CWD budget as many of the children discussed will be placed at home with shared packages of care. Details of any arrangements made will be recorded and reflected in budget returns.

We have tried to reduce costs associated with SEND transport through a number of strategies but this is a continuing challenge with the increasing numbers of children eligible for this service. Strategies introduced include: the introduction of a dynamic taxi purchasing system; the re-provisioning of taxi routes to ensure best value for money; the introduction of bus pick up points where appropriate; promotion of independent travel training and personal travel assistance budgets where this is option is cheaper.

We have a multi-agency SEND panel providing strategic oversight of the statutory assessment process to ensure that at both a request for assessment stage and the agreement of a final EHCP, criteria and thresholds are met and the best use of resources is agreed.

To limit the increased costs, to the DSG High Needs block, of the increased number of children with EHCPs we have expanded existing specialist provision and have approved a contract to expand Cricket Green special school. We have increased Additionally Resourced Provision (ARP) in Merton mainstream schools and have further plans for new ARP provision and expansion of existing bases. Additional local provision should also assist with minimising increases to transport costs.

We are also part of a South West London consortium, which uses a dynamic purchasing system for the commissioning of specialist independent places, this enables LAs together to challenge any increases in cost and ensure best value for money in the costs of these placements.

New burdens

There are a number of duties placed on the Local Authority that have not been fully funded or not funded at all through additional burdens funding from Central Government. Excluding the cost of these duties would leave a net departmental overspend of £1.144m, however that figure masks substantial one 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	Mar overspend forecast £000	Jan overspend forecast £000	2017/18 over £000
Supported lodgings/housing- care leavers	1,792	52	247	156
Supported lodgings/housing- UASC	167	563	433	520
UASC	735	211	209	173
No Recourse to Public Funds (NRPF)	21	301	290	353
Total	2,715	1,127	1,179	1,202

Following changes introduced through the Children & Social Work Act, local authorities took on new responsibilities in relation to children in care and care leavers. Local authorities are required to offer support from a Personal Adviser to all care leavers to age 25. New burdens funding of £21k was provided to support implementation of this change. There has been no on-going funding for the additional work required.

Other unfunded burdens include:

- the increase in the age range of EHCPs, particularly for those young people aged 18-25, due to legislation changes, which are causing cost pressures in both the general fund (in education psychology and SEN transport) and the DSG (High Needs Block costs relating to most EHCP services);
- new statutory duties in relation to children missing from education has increased the cases dealt with by the Education Welfare Service by 79% (from 290 in the 6 months from September to March 2016 to 519 in the same 6 months the following year and the level of referrals has remained at this level).

Further new burdens are expected for 2019/20 including:

- Social Care Act requirement for new assessment process for all social workers
- SEND tribunals will cover all elements of children care packages, not just education, and therefore cost.
- New requirement of social work visits to children in residential schools and other provision.

Community and Housing

Overview

Financial year 2018-19 has proved to be a year of recovery for Community and Housing (C&H). The department improved processes and implemented various changes to not only improve service delivery but to manage their finances more efficiently. The final outturn as at March 2019 is an underspend of £195k.

Throughout the financial year the main areas of pressures were in Housing temporary accommodation and Libraries

Community & Housing Summary Outturn Position

Community and Housing	2018/19 Current Budget £000	2018/19 Outturn £'000	2018/19 Variance £000	Forecast Variance (Jan'19) £000	2017/18 Outturn Variance £000
Access and Assessment	45,554	45,296	(258)	(275)	455
Commissioning	4,009	4,004	(5)	(212)	211
Direct Provision	4,576	4,582	6	49	(195)
Directorate	1,197	1,287	90	62	181
Adult Social Care	55,336	55,169	(167)	(376)	652
Libraries and Heritage	2,172	2,217	45	27	20
Merton Adult Learning	(11)	(11)	0	0	(6)
Housing General Fund	1,250	1,177	(73)	217	256
Sub-total	58,747	58,552	(195)	(132)	922
Public Health	(143)	(143)	0	0	0
Grand Total	58,604	58,409	(195)	(132)	922

Access & Assessment -£258k Underspend

This service has performed as expected and this is primarily due to the effective management of the placements budgets, the imbedding of the outcomes forum and frequent budget meetings concentrating mainly on placements.

This is the most volatile area within the Community and Housing service. It is a demand led service which is affected by changes in legislation, market forces, provider failures and the high demand of an aging population with more complex needs. There is also the uncertainty regarding future central government funding for Adult Social Care.

During 2018-19 the service utilised winter pressures grant to increase bed capacity and to work with the voluntary sector to expand preventative interventions.

Direct Provision -£6k overspend

The Direct Provision team performed better than forecasted despite the pressures of additional staffing, transport and utilities costs during the year.

This service received grants contributions for Mascot via the Better Care Fund (BCF) and Disabled Facilities Grant (DFG) which were utilised in line with the Better Care Fund with arrangements with Merton Clinical Commissioning Group (CCG). The DFG was used to fund a process to expedite the adaptation of customers' homes to prevent delayed discharges for hospitals.

C&H-Other Services

Libraries- Overspend £45k

In January 2019 this service forecasted an over spend of £27k however outturn was slightly more at £45k. This is due to an expected underperformance in income collected from the Schools Library Service due to the service ceasing last summer. Additionally agency costs to cover maternity leave and the resourcing for the implementation of the new library management system.

A trend is emerging that indicates that income from the traditional sources in libraries are in decline due to improved technology which alerts users of overdue books, and thus reduces income collection from charges

Merton Adult Learning – Breakeven

Merton Adult Learning performed as expected and achieved a breakeven position as forecasted.

Housing - £73k underspend

The Housing Team were predicting an overspend of £217k in January 2019 but due to additional HMO (Houses in Multiple Occupation) licence fee collection from, winter pressures, reduction in expenditure on supplies and services and transfer payments resulted in an underspend of £73k.

However, despite the volatility of the temporary accommodation budget the service continues to prevent homelessness.

Homelessness prevention remains a central plank of the work of this service and continues to prevent episodes of homelessness.

The diagram below shows number of homelessness prevented for the financial year 2018-19. In the same period 1,427 households have presented to the Council as homeless or threatened with homelessness. This represents a 67.5% increase in case work prior to the introduction of the Homelessness Reduction Act 2017. On a positive note and despite this increase the numbers of households in temporary accommodation have remained fairly static and for the period to 2018-19 the average

occupancy rate was 171. This compares favourably with 2017-18 when the average was 180.

Period	Homelessness Prevention Targets
Full Year Target	450
Target YTD	375
Achieved - Sept'18	243
Achieved - Oct'18	263
Achieved - Nov'18	313
Achieved - Dec'18	346
Achieved - Jan'19	387
Achieved - Feb'19	426
Final for the year	504

Analysis of Housing and Temporary Accommodation Outturn

The diagram below shows analysis of the housing outturn for the financial year 2018-19.

Housing	Budget 2018/19 £000	Outturn Variance (Mar'19) £'000	Forecast Variances (Jan'19) £000	Outturn Variances (Mar'18) £000
Temporary Accommodation-Expenditure	2,330	562	574	909
Temporary Accommodation-Client Contribution	(140)	(518)	(532)	(595)
Temporary Accommodation-Housing Benefit Income	(2,000)	(26)	135	(160)
Temporary Accommodation-Subsidy Shortfall	322	455	388	517
Temporary Accommodation- Grant	-	(531)	(481)	(406)
Subtotal Temporary Accommodation	512	(58)	84	259
Housing Other Budgets- Over/(under)spend	1,336	(15)	133	(3)
Total	1,848	(73)	217	256

Temporary Accommodation (TA) movement for financial year 2018-19

The data below shows the number of households i.e. families and single (placements) in temporary accommodation during 2018-19.

Based on data below the service had an average occupancy rate of 171 during 2018-19. This is 15 less than the average number for 2017-18. This downward trend could be due to the onset of the new prevention responsibilities on this service which means that customers are supported before they become homeless.

Temporary Accommodation	Numbers IN	Numbers OUT	Total for the Month
March 2017	-	-	186
March 2018	16	16	165
April 2018	22	17	170
May 2018	21	16	175
June 2018	14	17	172
July 2018	15	12	175
August 2018	16	15	176
September 2018	11	13	174
October 2018	14	20	168
November 2018	14	13	169
December 2018	11	13	167
January 2019	19	15	171
February 2019	13	14	170
March 2019	15	11	174

Public Health

Public Health achieved a breakeven position as predicted despite a further £276k (2.6%) reduction in grant. The gap created by this loss of income has been offset through efficiencies and effective management of commissioning, supplies and services and staffing budgets

During the year Public Health identified pressures in the Sexual Health service due to an increase in activity at some South West London providers and high tariff prices in Sutton and Croydon services. These were successfully mitigated by channel shifting of asymptomatic clients from use of clinics, to online Pan London Services.

However the open access and volatile nature of Sexual Health services will continue to create pressure on future budgets.

Section 4 Corporate Items

- These budgets cover a wide range of significant areas including treasury management, contingency, contributions to past service deficiency on the pensions fund and contributions from government grants and use of reserves. The details comparing actual expenditure with budget are contained in Appendices 1 and 2. Following the transfer of some underspends to reserves, the summary position is as follows:-

Corporate Items	Current Budget 2018/19 £000s	Full Year Forecast (March) £000s	Forecast Variance at year end (March) £000s	Forecast Variance at year end (Jan.) £000s	2017/18 Year end Variance £000s
Impact of Capital on revenue budget	10,214	10,617	403	527	(103)
Investment Income	(759)	(1,123)	(364)	(272)	408
Pension Fund	3,260	3,006	(254)	(250)	(389)
Pay and Price Inflation	378	0	(378)	(378)	(736)
Contingencies and provisions	2,092	1,078	(1,014)	(1,033)	(2,447)
Income Items	(1,367)	(1,780)	(413)	(624)	(104)
Appropriations/Transfers	6,273	6,266	(6)	0	2,445
Central Items	9,877	7,548	(2,429)	(2,557)	(823)
Levies	938	938	0	0	0
Depreciation and Impairment	(22,917)	(22,913)	4	0	0
TOTAL CORPORATE PROVISIONS	(1,888)	(3,910)	(2,022)	(2,030)	(926)
Add back Transfers to Reserves					
Pay inflation – Corporate			(744)		
Cyber security			(92)		
Balance of Corporate Contingency			(1,398)		
Business Rates Levy Surplus Grant			(543)		
Balance of Redundancy Strain Provision			(862)		
			(5,661)		

From an early stage in the financial year, it became clear that there would be severe pressures on service department budgets, particularly in demand led services such as Adult Social Care and Children's Social Care. It was therefore necessary to monitor corporate provisions carefully throughout 2018/19 in order to offset the forecast overspend as far as possible by underspends in corporate budgets, mainly in contingencies held to provide flexibility in the event of such pressures. The main variances (greater than £100k) in corporate items are:

Capital Financing Costs (Overspend £0.403m)

There was an overspend mainly due to a change to the forecast for the contribution towards capital financing costs from the South London Waste Project (SLWP). This

reduced from the budgeted contribution of £0.835m to £0.276m in 2018/19. There was also some reprofiling of the capital programme during the year.

Investment income (Underspend £0.364m)

The increase in income is due to improved interest rates and amounts invested than assumed in the budget.

Pension Fund (Underspend £0.254m)

The underspend was mainly due to the non-utilisation of the budget for auto enrolment. These costs were met within service departments' employees budgets.

Corporate Provision for Pay Award (£0.744m)

The budget for the 2018/19 pay award provided for the national average increase of 2.8% but the Council's staffing profile resulted in a smaller average increase. The surplus amount has been taken to reserves and will provide a buffer against future year's pay for which 1% is currently provided.

Provision for Excess Inflation (Underspend £0.378m)

This provision was closely protected during the year as cover for a potential overspend in services which was effectively managed and was not applied as a result.

Corporate Contingency (Underspend £1.398m)

The Corporate Contingency of £1.5m was underutilised as it was held throughout the year as cover for a potential overspend in services which was effectively managed and was not applied as a result.

Loss of income arising from P3/P4 (Underspend £0.200m)

The level of income from these car parks was not impacted by these developments in 2018/19 and the budget was therefore not utilised.

Apprenticeship Levy (Underspend £0.217m)

Our overall pay bill was less than anticipated, therefore a lower levy was charged.

Revenuisation and Miscellaneous (Underspend £0.397m)

This underspend arises mainly from not calling upon a contingency to cover for loss of special and specific government grants.

Pension Fund Strain (Underspend £0.862m)

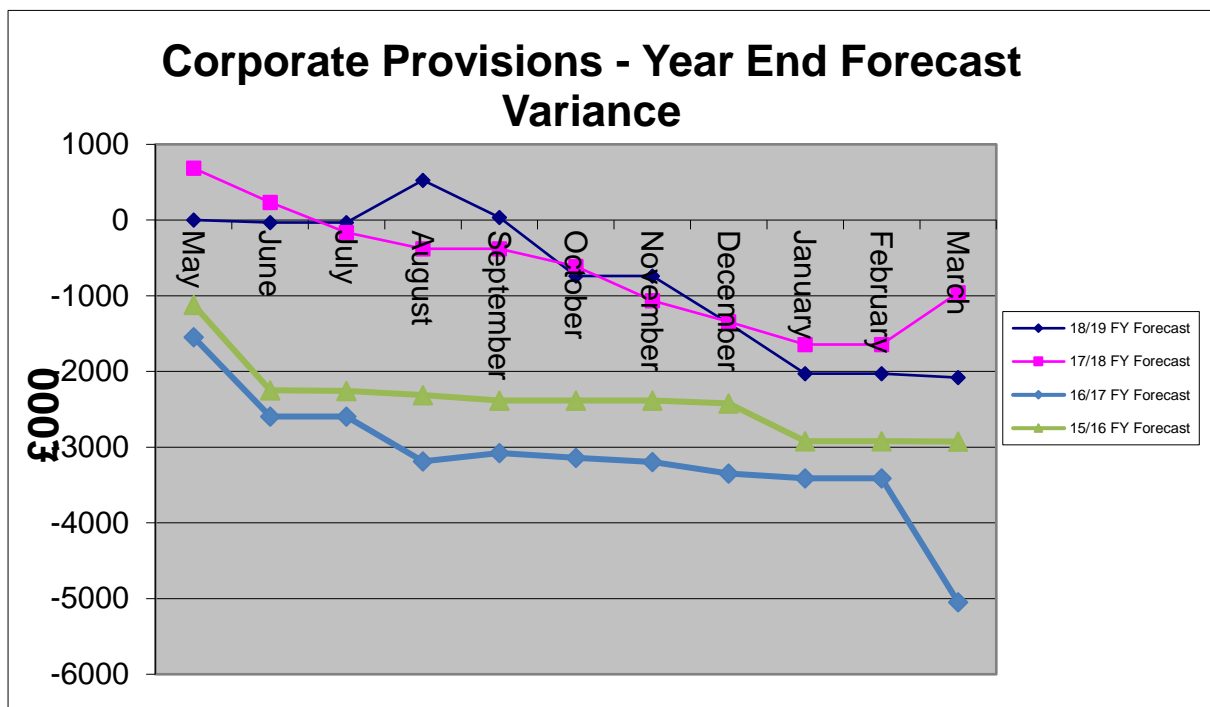
A budget of £1m was provided for the lump sum costs of potential early retirements but only £0.138m was utilised during the year due to careful management with less redundancies and early retirements.

Income items (Underspend £0.480m)

The additional income arose from a review that confirmed that there was a balance of creditors in the accounts not supported by uncleared invoices of c. £624k and it is possible to recoup this credit balance in the current financial year as reported to Standards and General Purposes Committee on 8 November 2018.

Funding

The level of corporate funding was c. £3.3m more than budgeted. This is largely due to the benefit arising from participation in the 100% Business Rates Retention London pilot pool. As previously reported, the level of business rates income was based on a “No worse” off position but a net payment from the Pool of c £3m and additional net income from Section 31 grants of c £0.3m has resulted based on the latest estimates provided by all members of the pool from the City of London. Final figures will not be known until all borough’s NNDR3 returns have been audited.



Section 5 - Other Information

Debt Report

The report on debt at year end is provided in Appendix 4

Quality of forecasting

The quality of forecasting had improved significantly in recent years but the 18/19 outturn is a significant variance compared to the period 10 forecast, the last forecast reported to members. A large part of this is the central contingency which was held to offset demand led overspending but was not needed at the year end.

The forecasting by department and reasons for variances is attached as Appendix 5.

Narrative Report

CIPFA's 2016/17 Code of Practice requires Authorities to preface Statement of Accounts with a Narrative Report which provides an overview of the performance for the year and commentary on the future strategy and developments in service delivery.

The narrative report is attached as Appendix 6 and has been presented to the External Auditors as part of our Final Accounts 2018/19.

Section 6 Reserves Position

Usable Reserves	Balance 31st Mar 2017 £000	Transfers out 2017/18 £000	Transfers in 2017/18 £000	Balance at 31st Mar 2018 £000	Transfers out 2018/19 £000	Transfers in 2018/19 £000	Balance at 31st Mar 2019 £000
General Fund:							
Balances held by schools	(8,246)	426	0	(7,820)	351	(627)	(8,096)
General Fund Balances	(12,778)	0	0	(12,778)	0	(1,000)	(13,778)
Earmarked reserves	(41,105)	3,183	(2,200)	(40,122)	18,489	(23,562)	(45,195)
Total General Fund	(62,129)	3,609	(2,200)	(60,720)	18,840	(25,189)	(67,069)
Capital:							
Capital Receipts Reserves (CRR)	(22,986)	12,001	(4,528)	(15,513)	17,320	(11,035)	(9,228)
Capital Grants Unapplied (CGU)	(7,251)	185	(3,413)	(10,479)	7,018	(13,546)	(17,007)
Total Capital	(30,237)	12,186	(7,941)	(25,992)	24,338	(24,581)	(26,235)
Total Usable Reserves	(92,366)	15,795	(10,141)	(86,712)	43,178	(49,770)	(93,304)

Earmarked Reserve	Balance at 31st Mar 2017 £000	Net Transfer (to)/from Reserve £000	Balance at 31st Mar 2018 £000	Transfers out 2018/19 £000	Transfers in 2018/19 £000	Balance at 31st Mar 2019 £000
Outstanding Council Programme Board	(4,919)	374	(4,545)	1,019	(906)	(4,432)
For use in future years' budgets	(7,789)	(2,472)	(10,261)	11,943	(11,363)	(9,680)
Revenue Reserve for Capital/Revenuisation	(6,815)	3,317	(3,498)	0	(1,112)	(4,610)
Renewable energy reserve	(1,522)	1	(1,521)	0	0	(1,521)
Repairs and renewals fund	(1,147)	57	(1,090)	0	(1,000)	(2,090)
Pension fund additional contribution	(497)	44	(453)	0	0	(453)
Local land charges	(1,903)	(135)	(2,038)	0	(220)	(2,258)
Apprenticeships	(302)	42	(260)	167	(1,000)	(1,093)
Community care reserve	(1,386)	(1)	(1,387)	0	0	(1,387)
Local welfare support reserve	(443)	67	(376)	0	0	(376)
Economic development strategy	(101)	99	(2)	2	0	0
Corporate services reserves	(776)	(995)	(1,771)	0	(478)	(2,249)
Spending Review Reserve	0	0	0	0	(3,100)	(3,100)
Wimbledon tennis courts renewal	(127)	(23)	(150)	0	0	(150)
Governor support reserve	(42)	14	(28)	0	0	(28)
Redundancy costs reserve	(600)	600	0	0	0	0
BRS Reserve	(870)	0	(870)	0	0	(870)
New homes bonus scheme	(291)	169	(122)	0	0	(122)
Adult social care contributions	0	(2,160)	(2,160)	594	(2,627)	(4,193)
Culture & environment contributions	(14)	0	(14)	11	(400)	(403)
Culture & environment grants	(250)	(267)	(517)	382	(131)	(266)
Children & education grants	(306)	(119)	(425)	161	(210)	(474)
Housing GF grants	(106)	0	(106)	0	(598)	(704)
Public health grant reserve	(347)	347	0	0	0	0
Insurance reserves	(1,955)	0	(1,955)	0	0	(1,955)
DSG reserve	(3,664)	2,736	(928)	3,837	0	2,909
Refund of school PFI contributions	(100)	100	0	0	0	0
School standard Fund	(6)	(366)	(372)	372	0	0
Schools PFI fund	(4,827)	(421)	(5,248)	0	(382)	(5,630)
CSF Reserves	0	(25)	(25)	0	(35)	(60)
Grand Total	(41,105)	983	(40,122)	18,489	(23,562)	(45,195)

Section 7 CAPITAL

Outturn and Budget Management

The table (a) below shows that Total Capital Expenditure for 2018/19 is £31.4 million compared to the total projected by budget managers in November 2018 of £36.4 million (this equates to a negative variance of 13.7%). November is used for capital variances due to the funding decisions taken at this time of the capital programme. This variance is lower than last year and is mainly caused by the Customer Contact and Housing Company Budgets within Corporate Services.

Department	Revised Capital programme (approved November 2018 used in MTFS)	Subsequent Adjustments (taken to Cabinet)	Final Budget 2018-19	Final Outturn	Outturn Variance to Final 2018-19 Budget	November Forecast For Year	November Forecast Variance to Outturn	% Variance to November Forecast	% Variance to Final Budget
Column	£000S	£000S	£000S	£000S	£000S	£000S	£000S	£000S	£000S
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8)
					(2)-(4)		(1)-(4)	(5)/(4)	(6)/(4)
Corporate Services	8,636	(1,565)	7,071	4,918	(2,152)	8,632	(3,714)	(43.0)	(30.4)
Community and Housing	1,118	0	1,118	893	(225)	1,118	(225)	(20.2)	(20.2)
Children, Schools & Families	8,124	777	8,901	8,333	(568)	8,124	209	2.6	(6.4)
Environment & Regeneration	18,017	(314)	17,703	17,280	(423)	18,016	(736)	(4.1)	(2.4)
Total	35,895	(1,102)	34,793	31,424	(3,369)	35,890	(4,466)	(12.4)	(9.7)
Leasing/School Capital Loan	528	0	528	0	(528)	528	(528)	(100.0)	(100.0)
Total	36,423	(1,102)	35,321	31,424	(3,897)	36,418	(4,994)	(13.7)	(11.0)

Appendix 2a provides additional information on the individual variances on schemes.

Movement in the 2018/19 Original Approved Programme

The Capital Programme for 2018/19 as approved in March 2016 was £61.3 million. Subsequently, slippage from 2017/18 of £7.1 million was added, and new funding of £16.8 million giving an effective opening programme of £72.4 million. However, during the financial year there was a net reduction in the overall programme mainly from budget being re-profiled into subsequent financial years. These movements are shown in Table (b) below. When final capital outturn is compared to the original capital programme the total slippage is 51%.

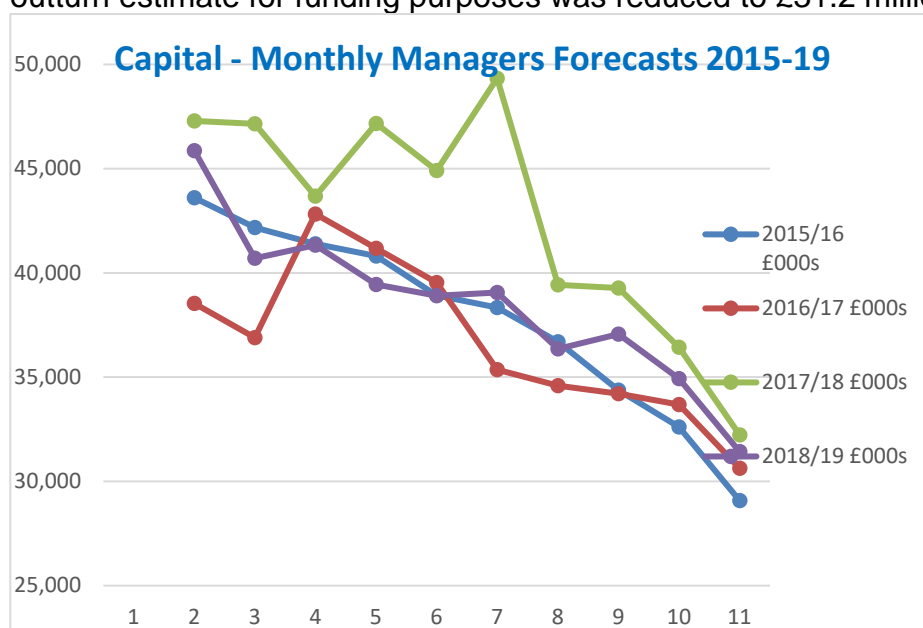
Table (b) – Movement in the Capital Programme since Approval March 2018 (£000's)

Depts.	Original Budget 18/19	Net Slippage 2017/18	Adjustments	New External Funding	New Internal Funding	Re-profiling	Revised Budget 2018/19
Corporate Services	23,482	5,051		88	336	*(21,887)	7,071
Community & Housing	773	165	(5)	146	40	0	1,118
Children Schools & Families	15,158	924		1,831	15	(8,532)	9,396
Environment and Regeneration	21,853	919		1,513	114	(6,663)	17,737
Total	61,266	7,059	(5)	3,578	505	(37,081)	35,321

* Re-profiling includes Housing Company £9.7m, Acquisitions Budget £7.1m, IT Development Budgets £3.0m, and Bidding Fund £1.2m.

Capital - Monthly Managers Forecast Spend to Outturn

The graph below shows the monthly forecasting by managers of the outturn spend on capital over the last 4 years. The forecasting trend during 2018/19 followed the pattern of previous years and there was a continuing problem with the quality of forecasting around November when the Medium Term Financial Strategy is being prepared. The overestimate in spending feeds through into an overestimate of the budget for capital charges in the following year. It should be noted that centrally finance officers adjust the total projected capital spend from departments downwards for optimism bias when funding the programme. This year the outturn estimate for funding purposes was reduced to £31.2 million.



Considerable time was spent with budget managers profiling their budgets in 2018-19 and this has improved the accuracy of forecasting non-corporate items at year end. This work will continue in 2019-20.

The Level of Re-Profiling / Slippage from 2018/19

The table below summaries management proposals for treatment of slippage and overspends from the 2018/19 programme.

Table (d) – Management Proposals for under/Overspends with the 2018/19 Capital Programme

Department	Total Year End Variance 2018/19	Reprofiled in December & January	Recommend Accept Slippage	Justification Required	Surrender/ Lease/Loan	Funded from Reserves etc.	Bring Forward from 2019/20
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Corporate Services	(3,714)	1,565	1,782	302	163	0	(96)
Community and Housing	(225)	0	225	0	0	0	0
Children, Schools & Families	209	(777)	660	0	0	0	(95)
Environment & Regeneration	(736)	314	432	0	38	(14)	(28)
Leasing/School Loans	(528)	0	0	0	528	0	0
Total	(4,994)	1,102	3,100	302	729	(14)	(219)

After offsetting minor under and overspends within the programme four schemes require clawback of budget from 2019-20, this clawback totals £219k. The four schemes are Waste Bins £28k, Cricket Green School Expansion £95k, Replacement Social Care System £62k and Invest to Save £34k. This timing difference in spending and budget provision has been offset by drawing back the budget from 2019/20.

Appendix 2B provides details of the proposed slippage into 2019/20 split by departments.

Revised Capital Programme 2019-23: Appendix 2C details the proposed movements in the approved Capital Programme 2019-23 for approval, this is summarised in the two tables below:

Movement in the Approved Capital Programme 2019-20

Department	Original Budget 2019-20	Changes During December 2018 and January 2019 Monitoring	Slippage (Clawback) into 2019-20 from 2018-19	Reprofiled into 2020-21	Virement	New 19-20	Revised Budget 2019-20
Corporate Services	28,857,250	1,499,010	1,685,910	0	0	0	32,042,170
Community and Housing	970,890	0	225,350	0	0	0	1,196,240
Children, Schools and Families	10,202,770	(63,000)	565,810	(1,800,000)	207,000	347,890	9,460,470
Environment and Regeneration	13,498,310	435,850	403,910	0	0	234,920	14,572,990
Total	53,529,220	1,871,860	2,880,980	(1,800,000)	207,000	582,810	57,271,870

Movement in the Approved Capital Programme 2020-23

Department	2020-21			2021-22			2022-23		
	Budget 2020-21	Reprofiled	Revised Budget 2020-21	Budget 2021-22	Reprofiled	Revised Budget 2021-22	Budget 2022-23	Reprofiled	Revised Budget 2022-23
Corporate Services	4,269,980	0	4,269,980	3,870,000	0	3,870,000	14,166,580	1,800,000	15,966,580
Community and Housing	1,118,000	0	1,118,000	913,000	0	913,000	882,000	0	882,000
Children, Schools and Families	5,618,000	0	5,618,000	3,150,000	0	3,150,000	1,900,000	0	1,900,000
Environment and Regeneration	7,782,000	0	7,782,000	7,503,790	0	7,503,790	4,400,890	0	4,400,890
Total	18,787,980	0	18,787,980	15,436,790	0	15,436,790	21,349,470	1,800,000	23,149,470

8 CONSULTATION UNDERTAKEN OR PROPOSED

8.1 All relevant bodies have been consulted.

9 TIMETABLE

9.1 In accordance with current financial reporting timetables.

10. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

10.1 All relevant implications have been addressed in the report.

11. LEGAL AND STATUTORY IMPLICATIONS

11.1 All relevant implications have been addressed in the report.

12 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

12.1 Not applicable

13 CRIME AND DISORDER IMPLICATIONS

13.1 Not applicable

14. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

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

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

Appendix 1	Corporate items
Appendix 2A	Capital Programme Outturn Position 2018/19
Appendix 2B	Proposed Budget to be Slipped to 2019/20
Appendix 2C&C1	Current Capital Programme 2019-23 including Slippage
Appendix 3	Progress on savings 18/19
Appendix 3A	Progress on savings 17/18
Appendix 4	Debt Report
Appendix 5	Quality of 18/19 forecasting
Appendix 6	Narrative Report

16 **BACKGROUND PAPERS**

16.1 Budgetary Control files held in the Corporate Services department.

17. **REPORT AUTHOR**

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APPENDIX 1

3E. Corporate Items	Council 2018/19 £000s	Original Budget 2018/19 £000s	Current Budget 2018/19 £000s	Year to Date Budget (March.) £000s	Year to Date Actual (March) £000s	Full Year Forecast (March) £000s	Forecast Variance at year end (March) £000s	Forecast Variance at year end (Jan.) £000s	Outturn Variance 2017/18 £000s
Cost of Borrowing	8,403	8,403	10,214	10,214	10,617	10,617	403	527	(103)
Revenue Impact of Capital	8,403	8,403	10,214	10,214	10,617	10,617	403	527	(103)
Investment Income	(759)	(759)	(759)	(759)	(1,123)	(1,123)	(364)	(272)	408
Pension Fund	3,346	3,346	3,260	3,260	3,006	3,006	(254)	(250)	(389)
Corporate Provision -Pay	2,108	2,108	0	0	0	0	0	0	0
Excess inflation Provision	378	378	378	378	0	0	(378)	(378)	(436)
Utilities Inflation Provision	0	0	0	0	0	0	0	0	(300)
Pay and Price Inflation	2,486	2,486	378	378	0	0	(378)	(378)	(736)
Contingency	1,500	1,500	102	102	102	102	(0)	(500)	(1,500)
Single Status/Equal Pay	100	100	100	100	16	16	(84)	(50)	(96)
Bad Debt Provision	500	500	500	500	467	467	(33)	0	395
Loss of income arising from P3/P4	200	200	200	200	0	0	(200)	(200)	(400)
Loss of HB Admin grant	179	179	83	83	0	0	(83)	(83)	(179)
Apprenticeship Levy	450	450	450	450	233	233	(217)	(200)	(235)
Revenuisation/Misc.	1,361	1,361	657	657	260	260	(397)	0	(432)
Contingencies/provisions	4,291	4,291	2,092	2,092	1,078	1,078	(1,014)	(1,033)	(2,447)
Other income	0	0	0	0	(410)	(410)	(410)	(624)	(56)
CHAS IP/Dividend	(1,367)	(1,367)	(1,367)	(1,367)	(1,370)	(1,370)	(3)	0	(48)
Income items	(1,367)	(1,367)	(1,367)	(1,367)	(1,780)	(1,780)	(413)	(624)	(104)
Appropriations: CS Reserves	0	0	72	72	72	72	0	0	0
Appropriations: E&R Reserves	4	4	234	234	234	234	0	0	2
Appropriations: CSF Reserves	49	49	343	343	343	343	(0)	0	0
Appropriations: C&H Reserves	(104)	(104)	511	511	511	511	0	0	(600)
Appropriations: Public Health Reserves	(1,200)	(1,200)	0	0	0	0	0	0	600
Appropriations: Corporate	(91)	(91)	5,112	5,112	5,106	5,106	(6)	0	2,443
Appropriations/Transfers	(1,342)	(1,342)	6,273	6,273	6,266	6,266	(6)	0	2,445
Depreciation/Impairment	(19,008)	(19,008)	(22,917)	(22,917)	(22,913)	(22,913)	4	0	0
Central Items	(3,950)	(3,950)	(2,826)	(2,826)	(4,848)	(4,848)	(2,022)	(2,030)	(926)
Levies	938	938	938	938	938	938	0	0	0
TOTAL CORPORATE PROVISIONS	(3,012)	(3,012)	(1,888)	(1,888)	(3,910)	(3,910)	(2,022)	(2,030)	(926)

Description	Final Budget 2017-18	Outturn 2018-19	Variance	Reason for Variance
Corporate Services				
Customer, Policy & Improvement				
0000006	Customer Contact Programme	400,000	98,186.88	(301,813.12) Actual Spend below that Forecast
00001375	Customer Contact - Echo Integr	100,300	26,647.79	(73,652.21) Actual Spend below that Forecast
Facilities Management - Works to Other Buildings				
0000066	Morden Park House Courtyard	45,040	17,919.57	(27,120.43) Actual Spend below that Forecast
00000627	Capital Building Works	216,250	163,927.81	(52,322.19) Actual Spend below that Forecast
00000911	Asbestos Safety Works	250,000	47,279.63	(202,720.37) Actual Spend below that Forecast
00000912	Water Safety Works	100,000	90,850.59	(9,149.41) Actual Spend below that Forecast
Facilities Management - Civic Centre				
0000627	Capital Building Works	83,750	83,746.00	(4.00)
00000019	Civic Centre Boilers	100,000	98,525.00	(1,475.00)
00000021	Civic Centre Staff Entrance	198,610	87,153.50	(111,456.50) Actual Spend below that Forecast
00000024	Civic Centre Block Paving	69,820	1,097.84	(68,722.16) Actual Spend below that Forecast
00001376	Regulatory System	25,000	17,627.40	(7,372.60) Actual Spend below that Forecast
00001395	Improve and adapt cmttee rooms	88,000	2,894.40	(85,105.60) Actual Spend below that Forecast
Facilities Management - Invest to Save				
00000000	Project General	2,037,750	2,071,315.48	33,565.48 Will draw on budget for 2019-20 to fund
Business Systems				
00000008	Environmental Asset Management	26,240	447.00	(25,793.00) Actual Spend below that Forecast
00000698	Planning&Public Protection Sys	138,000	117,776.17	(20,223.83) Actual Spend below that Forecast
00001026	e-Forms Platform Transition	0	1,811.00	1,811.00
00001376	Regulatory System	71,250	49,976.31	(21,273.69) Actual Spend below that Forecast
00001377	Parking System	20,000	0.00	(20,000.00) Actual Spend below that Forecast
00000011	Replacement SC System	62,500	124,757.90	62,257.90 Will draw on budget for 2019-20 to fund
Infrastructure & Technology				
0000628	Disaster recovery	394,290	393,637.80	(652.20)
00000000	Project General	208,570	194,581.98	(13,988.02) Actual Spend below that Forecast
00000020	Data Centre Support Equipment	10,000	0.00	(10,000.00) Actual Spend below that Forecast
00000032	PABX Replacement	776,000	516,924.74	(259,075.26) Actual Spend below that Forecast
00000046	Network Switch Upgrade	0	291.35	291.35
0000629	IT Equipment	510,000	519,827.40	9,827.40
Resources				
00001370	e5.5 Project	97,000	72,029.13	(24,970.87) Actual Spend below that Forecast
00000013	ePayments Project	32,050	0.00	(32,050.00) Scheme delayed to May/June 2019
00000729	Kofax Scanning	82,800	54,000.00	(28,800.00) Actual Spend below that Forecast
Corporate Items				
00000000	Acquisitions Budget	66,500	65,000.00	(1,500.00)
00000000	Housing Company	861,000	0.00	(861,000.00) £161k accounted for outside the Capital Programme, £700k Slippage on the programme
Total Corporate Services		7,070,720	4,918,232.67	(2,152,487.33)
Community and Housing				
Adult Social Care				
00000031	Telehealth	43,750	0.00	(43,750.00) Start of Scheme delayed to 2019-20
Housing				
00000000	Disabled Facilities Grant	917,520	826,251.98	(91,268.02) Actual Spend below that Forecast
Libraries				
00000037	Colliers Wood Library Re-Fit	21,240	7,483.72	(13,756.28) Actual Spend below that Forecast
00000039	Library Management System	135,500	58,869.90	(76,630.10) Actual Spend below that Forecast
Total Community and Housing		1,118,010	892,605.60	(225,404.40)

Description	Final Budget 2017-18	Outturn 2018-19	Variance	Reason for Variance
Children, Schools and Families				
Primary				
00000880	Hollymount - Schools Capital maint	59,000	59,004.69	4.69
00000880	Hatfeild - Schools Capital maintena	41,000	40,842.90	(157.10)
01200042	Hatfield School Expansion	0	0.47	0.47
00000880	Joseph Hood - Schools Capital mai	2,900	2,835.90	(64.10)
00000880	Dundonald - Schools Capital mainte	29,490	29,379.82	(110.18)
01150042	Dundonald School Expansion	30,700	(445.43)	(31,145.43) Programme slipped to Forecast
00000880	Merton Abbey - Schools Capital ma	50,560	50,164.86	(395.14)
00000880	Poplar - Schools Capital maintenanc	47,590	47,591.40	1.40
01340042	Poplar School Expansion	0	(3,745.00)	(3,745.00)
00000880	Wimbledon Park - Schools Capital r	43,580	41,780.64	(1,799.36)
00000880	Morden - Schools Capital maintena	76,380	72,406.05	(3,973.95)
00000880	Cranmer - Schools Capital maintena	54,600	54,596.45	(3.55)
00000880	Gorrige Park - Schools Capital mai	30,670	30,655.40	(14.60)
00000880	Haslemere - Schools Capital mainte	52,230	52,216.70	(13.30)
00000880	Liberty - Schools Capital maintenanc	74,440	60,855.35	(13,584.65) Programme slipped to Forecast
01370042	Singlegate School Expansion	11,000	0.00	(11,000.00) Programme slipped to Forecast
00000880	St Marks - Schools Capital mainten	100,920	101,402.67	482.67
00000880	Lonesome - Schools Capital mainte	81,290	79,989.41	(1,300.59)
00000880	Stanford - Schools Capital mainten	112,700	114,406.81	1,706.81
Secondary				
00000880	Harris Academy Morden - Schools	104,000	65,435.60	(38,564.40) Programme slipped to Forecast
00000044	Harris Academy Merton	444,090	439,523.02	(4,566.98)
00000073	Raynes Park Synthetic Pitch	495,000	0.00	(495,000.00) Accounted for outside the Capital Programme
00000880	Raynes Park - Schools Capital main	79,000	74,105.10	(4,894.90)
00000880	Ricards Lodge - Schools Capital ma	15,000	14,314.30	(685.70)
00000880	Rutlish - Schools Capital maintenanc	21,500	21,281.54	(218.46)
00000044	Harris Academy Merton	0	405.00	405.00
00000048	Harris Academy Wimbledon	3,641,840	3,244,639.84	(397,200.16) Programme slipped to Forecast
Special				
01800042	Perseid School Expansion	1,271,120	1,219,906.70	(51,213.30) Programme slipped to Forecast
00000880	Cricket Green - Schools Capital mai	0	0.00	0.00
01790042	Cricket Green School Expansion	1,200,000	1,294,570.57	94,570.57 Will draw on budget for 2019-20 to fund
00000697	Further SEN Provision	100,020	0.00	(100,020.00) Programme slipped to Forecast
Other				
00000053	Children's Safeguarding	58,310	57,866.00	(444.00)
00000631	Devolved Formula Capital	1,067,250	1,067,250.00	0.00
Total Children, Schools and Families		9,396,180	8,333,236.76	(1,062,943.24)

Description	Final Budget 2017-18	Outturn 2018-19	Variance	Reason for Variance	
Environmental and Regeneration					
Public Protection & Development					
00000000	On Street Parking - P&D	36,720	36,720.00	0.00	
00000000	CCTV Investment	33,730	33,725.00	(5.00)	
00000644	CCTV (match funding)	39,490	34,396.00	(5,094.00)	
00001366	Schools ANPR Project	190,480	134,021.03	(56,458.97)	Programme slipped to Forecast
Street Scene & Waste					
00000643	Replacement of Fleet Vehicles	472,600	426,602.60	(45,997.40)	Programme slipped to Forecast
00000000	GPS Vehicle Tracking Equipment	0	2,460.24	2,460.24	
00000000	Alley Gating Scheme	25,000	18,717.27	(6,282.73)	
00000000	Smart Bin Leases - Street Scen	0	401.00	401.00	
00000127	Smart Bin Leases - Street Scen	5,500	0.00	(5,500.00)	Funded outside the Capital Programme
00000000	Waste SLWP - Project General	56,230	38,544.97	(17,685.03)	Programme slipped to Forecast
00000075	Waste Bins	1,884,730	1,913,008.55	28,278.55	Will draw on budget for 2019-20 to fund
00000643	Replacement of Fleet Vehicles	2,670,000	2,669,535.47	(464.53)	
Highways					
00000642	Street Tree Programme	57,690	31,656.40	(26,033.60)	Programme slipped to Forecast
00001374	Raynes Park Station Pub Realm	26,110	0.00	(26,110.00)	Programme slipped to Forecast
00000098	s 106 Mawson Close (B719)	0	163.30	163.30	
00000101	Street Lighting Replacement Pr	287,070	338,290.10	51,220.10	Funded from underspends elsewhere in the programme
00000103	Accessability Programme	166,700	155,504.16	(11,195.84)	Programme slipped to Forecast
00000105	Casualty Reduction & Schools	275,800	275,877.47	77.47	
00000117	Traffic Schemes	142,720	134,189.18	(8,530.82)	
00000144	Surface Water Drainage	69,300	53,304.26	(15,995.74)	Programme slipped to Forecast
00000149	20mph Zone - TFL	74,000	74,214.03	214.03	
00000634	Repairs to Footways	975,930	964,308.03	(11,621.97)	Programme slipped to Forecast
00000638	Maintain AntiSkid and Coloured	86,600	88,362.43	1,762.43	
00000639	Borough Roads Maintenance	1,655,290	1,654,185.49	(1,104.51)	
00000645	Highways bridges & structures	150,000	148,507.71	(1,492.29)	
00000726	Tfl Principal Road Maint	100,000	100,000.00	0.00	
00000728	B706 Boxley Road	13,810	7,306.68	(6,503.32)	
00000917	Safer Walking Routes/Streets	2,000	0.00	(2,000.00)	
00000918	School part time road closure	14,000	10,579.41	(3,420.59)	
00000924	Commonside East/Windmill Rd	28,970	32,737.63	3,767.63	
Transport Improvements					
00000095	TfL Cycle Quietways	60,150	9,067.40	(51,082.60)	Programme slipped to Forecast
00000104	Cycle access/parking	60,000	59,296.02	(703.98)	
00000109	Cycle Improvements	54,830	54,850.00	20.00	
00000686	Beddington Lane Cycle Route	126,000	126,395.08	395.08	
00000916	Cycle Improve Residential Stre	180,000	179,063.03	(936.97)	
00000113	Mitcham Town Centre	33,900	28,448.92	(5,451.08)	
01860000	Figges Marsh	105,000	113,007.84	8,007.84	
Regeneration					
00000091	Mitcham Major schemes - TfL	14,360	14,369.11	9.11	
00000689	Canons - Parks for People	122,000	103,745.90	(18,254.10)	Programme slipped to Forecast
00001372	Crowded Places-Hostile Vehicl	66,290	41,592.49	(24,697.51)	Programme slipped to Forecast
00000093	Wandle Project	217,050	196,355.48	(20,694.52)	Programme slipped to Forecast
00000102	Shop Front Improvement	343,000	250,831.00	(92,169.00)	Programme slipped to Forecast
Property Management					
00000000	Property Management Enhancemen	41,840	41,841.30	1.30	
Leisure and Culture					
00810081	Morden Leisure Centre	5,864,530	5,848,144.17	(16,385.83)	Programme slipped to Forecast
00000083	Wimbledon Park Lake De-Silting	33,000	7,145.00	(25,855.00)	Programme slipped to Forecast
00000640	Leisure Centre Plant & Machine	204,010	190,013.42	(13,996.58)	Programme slipped to Forecast
00001326	Polka Theatre S106	149,950	149,950.00	0.00	
Parks Investment					
00000057	Parks Bins - Finance Lease	27,500	0.00	(27,500.00)	Funded outside the Capital Programme
00000445	S106 Ravensbury Park Open Space	87,000	97,240.00	10,240.00	
00000635	Parks Investment	304,090	310,128.43	6,038.43	Funded from underspends elsewhere in the programme
00000689	Canons - Parks for People	101,000	81,244.74	(19,755.26)	
Total Environmental and Regeneration		17,735,970	17,280,047.74	(455,922.26)	
Total Capital		35,320,880	31,455,572.33	(3,865,307.67)	

Proposed Budget to be slipped 2017/18 to 2018/19

Description	£	Justification
Total Slippage	2,880,980	
Corporate Services		
Customer Contact Programme	0	
Customer Contact - Echo Integr	73,650	Required to complete integration works
Asbestos	202,720	Will be used to undertake Asbestos works
Capital Building Works	52,330	Delayed results from conditions survey
Water Safety Works	9,150	Will be used to undertake Water Safety works
Morden Park House Coutyard	27,120	Spend below that forecast, scheme to be completed in 19-20
Civic Centre Boilers	1,480	Spend below that forecast, scheme to be completed in 19-20
Civic Centre Staff Entrance	111,460	Spend below that forecast, scheme to be completed in 19-20
Civic Centre Block Pavement	68,720	Spend below that forecast, scheme to be completed in 19-20
Invest to Save	(33,560)	Spend ahead of profile draw down from 19-20 Budgets
Regulatory Services	7,370	Spend below that forecast, scheme to be completed in 19-20
Improve and Adapt Committee Rooms	85,110	Spend below that forecast, scheme to be completed in 19-20
Environmental Asset Management	25,790	Spend below that forecast, scheme to be completed in 19-20
Planning&Public Protection Sys	20,220	Spend below that forecast, scheme to be completed in 19-20
Regulatory System	21,270	Spend below that forecast, scheme to be completed in 19-20
Parking System	20,000	Start of the scheme delayed to 2019-20
Replacement SC System	(62,260)	Spend ahead of profile draw down from 19-20 Budgets
Data Centre Support Equipment	10,000	Start of the scheme delayed to 2019-20
PABX Replacement	259,080	Spend below that forecast, scheme to be completed in 19-20
e5.5 Project	24,970	Spend below that forecast, scheme to be completed in 19-20
ePayments Project	32,050	Spend below that forecast, scheme to be completed in 19-20
Kofax Scanning	28,800	Spend below that forecast, scheme to be completed in 19-20
Housing Company	700,440	Spend below that forecast, scheme continues in 19-20
Total Corporate Services	1,685,910	
Community and Housing		
Telehealth	43,750	Start of the scheme delayed to 2019-20
Disabled Facilities Grant	91,270	Spend below that forecast, Council funding for scheme continues in 19-20
Colliers Wood Library Re-Fit	13,700	Spend below that forecast, scheme to be completed in 19-20
Library Management System	76,630	Spend below that forecast, scheme to be completed in 19-20
Total Community and Housing	225,350	
Children, Schools and Families		
Dundonald School Expansion	31,150	Spend below that forecast, scheme continues in 19-20
Liberty - Schools Capital maintenance	13,580	Spend below that forecast, scheme continues in 19-20
Singlegate School Expansion	11,000	Spend below that forecast, scheme continues in 19-20
Lonesome - Schools Capital maintenance	1,300	Spend below that forecast, scheme continues in 19-20
Wimbledon Park - Schools Capital maintenance	1,800	Spend below that forecast, scheme continues in 19-20
Morden - Schools Capital maintenance	3,970	Spend below that forecast, scheme continues in 19-20
Children's Safeguarding	440	Spend below that forecast, scheme continues in 19-20
Harris Academy Morden - Schools Capital m	38,560	Spend below that forecast, scheme continues in 19-20
Harris Academy Merton	4,570	Spend below that forecast, scheme continues in 19-20
Raynes Park - Schools Capital maintenance	4,890	Spend below that forecast, scheme continues in 19-20
Ricards Lodge - Schools Capital maintenanc	690	Spend below that forecast, scheme continues in 19-20
Harris Academy Wimbledon	397,200	Spend below that forecast, scheme continues in 19-20
Perseid School Expansion	51,210	Spend below that forecast, scheme continues in 19-20
Cricket Green School Expansion	(94,570)	Spend ahead of profile draw down from 19-20 Budgets
Further SEN Provision	100,020	Spend below that forecast, scheme continues in 19-20
Total Children, Schools and Families	565,810	

Proposed Budget to be slipped 2017/18 to 2018/19

Description	£	Justification
Environment and Regeneration		
CCTV (match funding)	10,340	Section 106 Funded Scheme that has Slipped into 19-20
Schools ANPR Project	56,460	Spend below that forecast, scheme to be completed in 19-20
Replacement of Fleet Vehicles	37,660	Bailiff Vehicles ordered in 2018-19 delivered in 19-20
Waste SLWP - Project General	17,690	Required as part of SLWP Contract to be slipped into 19-20
Waste Bins	(28,280)	Spend ahead of profile draw down from 19-20 Budgets
Raynes Park Station Pub Realm	26,110	Section 106 Funded Scheme that has Slipped into 19-20
Transport for London	66,090	TfL Scheme Slipped into 19-20
Canons - Parks for People	18,250	HLF Funded Scheme which has slipped
Crowded Places-Hostile Vehicle	24,700	Funded by Network Rail - scheme has slipped into 19-20
Wandle Project	20,690	Section 106 Funded Scheme that has Slipped into 19-20
Shop Front Improvement	92,170	Neighbourhood CIL Funded Scheme
Morden Leisure Centre	16,400	Spend below that forecast, scheme to be completed in 19-20
Wimbledon Park Lake De-Silting	25,870	Spend below that forecast, scheme continues in 19-20
Canons - Parks for People	19,760	HLF Funded Scheme which has slipped
Total Environment and Regeneration	403,910	

Movement in the Approved Capital Programme 2019-20

Department	Budget 2019-20	Changes During December 2018 and January 2019 Monitoring	Slippage (Clawback) into 2019-20 from 2018-19	Reprofiled into 2020-21	Virement	New 19-20	Revised Budget 2019-20
Corporate Services							
Customer Contact Programme	250,000	1,499,010	0	0	0	0	1,749,010
Customer Contact - Echo Integr	0	0	73,650	0	0	0	73,650
Morden Park House Courtyard	0	0	27,120	0	0	0	27,120
Other Buildings - Capital Building Works	650,000	0	52,330	0	0	0	702,330
Other Buildings - Asbestos Safety Works	0	0	202,720	0	0	0	202,720
Other Buildings - Water Safety Works	0	0	9,150	0	0	0	9,150
Civic Centre Boilers	200,000	0	1,480	0	0	0	201,480
Civic Centre Staff Entrance	0	0	111,460	0	0	0	111,460
Civic Centre Lightning Upgrade	300,000	0	0	0	0	0	300,000
Civic Centre Block Paving	0	0	68,720	0	0	0	68,720
Regulatory System - Accommodation Works	0	0	7,370	0	0	0	7,370
Improve and adapt cmttee rooms	0	0	85,110	0	0	0	85,110
Invest to Save schemes	300,000	0	(33,560)	0	0	0	266,440
Aligned Assets	75,000	0	0	0	0	0	75,000
Environmental Asset Management	0	0	25,790	0	0	0	25,790
Revenue and Benefits	400,000	0	0	0	0	0	400,000
Capita Housing	100,000	0	0	0	0	0	100,000
ePayments Project	0	0	32,050	0	0	0	32,050
Planning&Public Protection Sys	329,730	0	20,220	0	0	0	349,950
Spectrum Spatial Analyst Repla	50,000	0	0	0	0	0	50,000
Regulatory System IT Implementation	0	0	21,270	0	0	0	21,270
Parking System	106,000	0	20,000	0	0	0	126,000
Youth Justice IT Systems	100,000	0	0	0	0	0	100,000
Replacement SC System	487,500	0	(62,260)	0	0	0	425,240
Planned Replacement programme	880,000	0	0	0	0	0	880,000
Data Centre Support Equipment	290,000	0	10,000	0	0	0	300,000
PABX Replacement	0	0	259,080	0	0	0	259,080
Network Switch Upgrade	200,000	0	0	0	0	0	200,000
IT Equipment	100,000	0	0	0	0	0	100,000
Office 365	815,000	0	0	0	0	0	815,000
Financial Systems - e5.5 Project	0	0	24,970	0	0	0	24,970
Kofax Scanning	0	0	28,800	0	0	0	28,800
Westminster Coroners Court	460,000	0	0	0	0	0	460,000
Housing Company	22,764,020	0	700,440	0	0	0	23,464,460
Total Corporate Services	28,857,250	1,499,010	1,685,910	0	0	0	32,042,170

Movement in the Approved Capital Programme 2019-20

Department	Budget 2019-20	Changes During December 2018 and January 2019 Monitoring	Slippage (Clawback) into 2019-20 from 2018-19	Reprofiled into 2020-21	Virement	New 19-20	Revised Budget 2019-20
Corporate Services							
Customer Contact Programme	250,000	1,499,010	0	0	0	0	1,749,010
Customer Contact - Echo Integr	0	0	73,650	0	0	0	73,650
Morden Park House Courtyard	0	0	27,120	0	0	0	27,120
Other Buildings - Capital Building Works	650,000	0	52,330	0	0	0	702,330
Other Buildings - Asbestos Safety Works	0	0	202,720	0	0	0	202,720
Other Buildings - Water Safety Works	0	0	9,150	0	0	0	9,150
Civic Centre Boilers	200,000	0	1,480	0	0	0	201,480
Civic Centre Staff Entrance	0	0	111,460	0	0	0	111,460
Civic Centre Lightning Upgrade	300,000	0	0	0	0	0	300,000
Civic Centre Block Paving	0	0	68,720	0	0	0	68,720
Regulatory System - Accommodation Works	0	0	7,370	0	0	0	7,370
Improve and adapt cmttee rooms	0	0	85,110	0	0	0	85,110
Invest to Save schemes	300,000	0	(33,560)	0	0	0	266,440
Aligned Assets	75,000	0	0	0	0	0	75,000
Environmental Asset Management	0	0	25,790	0	0	0	25,790
Revenue and Benefits	400,000	0	0	0	0	0	400,000
Capita Housing	100,000	0	0	0	0	0	100,000
ePayments Project	0	0	32,050	0	0	0	32,050
Planning&Public Protection Sys	329,730	0	20,220	0	0	0	349,950
Spectrum Spatial Analyst Repla	50,000	0	0	0	0	0	50,000
Regulatory System IT Implementation	0	0	21,270	0	0	0	21,270
Parking System	106,000	0	20,000	0	0	0	126,000
Youth Justice IT Systems	100,000	0	0	0	0	0	100,000
Replacement SC System	487,500	0	(62,260)	0	0	0	425,240
Planned Replacement programme	880,000	0	0	0	0	0	880,000
Data Centre Support Equipment	290,000	0	10,000	0	0	0	300,000
PABX Replacement	0	0	259,080	0	0	0	259,080
Network Switch Upgrade	200,000	0	0	0	0	0	200,000
IT Equipment	100,000	0	0	0	0	0	100,000
Office 365	815,000	0	0	0	0	0	815,000
Financial Systems - e5.5 Project	0	0	24,970	0	0	0	24,970
Kofax Scanning	0	0	28,800	0	0	0	28,800
Westminster Coroners Court	460,000	0	0	0	0	0	460,000
Housing Company	22,764,020	0	700,440	0	0	0	23,464,460
Total Corporate Services	28,857,250	1,499,010	1,685,910	0	0	0	32,042,170

Movement in the Approved Capital Programme 2019-20

Department	Budget 2019-20	Changes During December 2018 and January 2019 Monitoring	Slippage (Clawback) into 2019-20 from 2018-19	Reprofiled into 2020-21	Virement	New 19-20 incl TFL Adjustments	Revised Budget 2019-20
Community and Housing							
Telehealth	0	0	43,750	0	0	0	43,750
Disabled Facilities Grant	735,890	0	91,270	0	0	0	827,160
Colliers Wood Library Re-Fit	0	0	13,700	0	0	0	13,700
West Barnes Library Re-Fit	200,000	0	0	0	0	0	200,000
Public Toilet Mitcham Library	35,000	0	0	0	0	0	35,000
Library Management System	0	0	76,630	0	0	0	76,630
Total Community and Housing	970,890	0	225,350	0	0	0	1,196,240

Department	Budget 2019-20	Changes During December 2018 and January 2019 Monitoring	Slippage (Clawback) into 2019-20 from 2018-19	Reprofiled into 2020-21	Virement	New 19-20 incl TFL Adjustments	Revised Budget 2019-20
Children, Schools and Families							
Hollymount - Schools Capital maintenance	0	0	0	0	16,240	0	16,240
West Wimb. - Schools Capital maintenance	0	0	0	0	70,370	0	70,370
Hatfeild - Schools Capital maintenance	0	0	0	0	87,150	0	87,150
Hillcross - Schools Capital maintenance	0	0	0	0	232,740	0	232,740
Joseph Hood - Schools Capital maintenance	0	0	0	0	21,800	0	21,800
Joseph Hood - Healthy Schools	0	0	0	0	20,000	0	20,000
Dundonald School Expansion	0	0	31,150	0	0	0	31,150
Garfield - Schools Capital maintenance	0	0	0	0	75,780	0	75,780
Merton Abbey - Schools Capital maintenance	0	0	0	0	23,790	0	23,790
Pelham - Schools Capital maintenance	0	0	0	0	37,890	0	37,890
Poplar - Schools Capital maintenance	0	0	0	0	27,070	0	27,070
Wimb. Chase - Schools Capital maintenance	0	0	0	0	75,780	0	75,780
Wimb. Park - Schools Capital maintenance	0	0	1,800	0	0	0	1,800
Abbotsbury - Schools Capital maintenance	0	0	0	0	59,540	0	59,540
Abbotsbury - Healthy Schools	0	0	0	0	12,000	0	12,000
Morden - Schools Capital maintenance	0	0	3,970	0	0	0	3,970
Bond - Schools Capital maintenance	0	0	0	0	86,600	0	86,600
Bond - Healthy Schools	0	0	0	0	30,000	0	30,000
Cranmer - Schools Capital maintenance	0	0	0	0	97,430	0	97,430
Gorringer - Healthy Schools	0	0	0	0	10,000	0	10,000
Haslemere - Schools Capital maintenance	0	0	0	0	102,840	0	102,840
Liberty - Schools Capital maintenance	0	0	13,580	0	48,720	0	62,300
Liberty - Healthy Schools	0	0	0	0	15,000	0	15,000
Links - Schools Capital maintenance	0	0	0	0	32,480	0	32,480
Links - Healthy Schools	0	0	0	0	25,000	0	25,000
Singlegate School Expansion	0	0	11,000	0	0	0	11,000
St Marks - Schools Capital maintenance	0	0	0	0	54,130	0	54,130
Lonesome - Schools Capital maintenance	0	0	1,300	0	0	0	1,300
Lonesome - Healthy Schools	0	0	0	0	20,000	0	20,000
Sherwood - Schools Capital maintenance	0	0	0	0	54,130	0	54,130
William Morris - Schools Capital maintenance	0	0	0	0	86,600	0	86,600
William Morris - Healthy Schools	0	0	0	0	15,000	0	15,000
Unallocated - Schools Capital maintenance	1,900,000	(63,000)	0	0	(1,693,840)	0	143,160
Harris Academy Morden - Schools Capital maintenance	0	0	38,560	0	0	0	38,560
Harris Academy Merton	0	0	4,570	0	0	0	4,570
Raynes Park - Schools Capital maintenance	0	0	4,890	0	62,790	0	67,680
Ricards Lodge - Schools Capital maintenance	0	0	690	0	21,000	0	21,690
Rutlish - Schools Capital maintenance	0	0	0	0	147,220	0	147,220
Harris Academy Wimbledon New School	3,153,510	0	397,200	0	0	0	3,550,710
Perseid - Schools Capital maintenance	0	0	0	0	217,000	0	217,000
Perseid School Expansion	0	0	51,210	0	0	0	51,210
Cricket Green - Schools Capital maintenance	0	0	0	0	81,750	0	81,750
Cricket Green School Expansion	4,151,730	0	(94,570)	0	0	0	4,057,160
Melrose - Healthy Schools	0	0	0	0	7,000	0	7,000
Melrose Primary SEMH annexe 16	100,000	0	0	0	0	0	100,000
Harris Morden Sec Autism Unit	272,000	0	0	0	0	0	272,000
Further SEN Provision	188,000	0	100,020	0	0	0	288,020
Primary ASD base 1-20 places	100,000	0	0	0	0	0	100,000
Secondary SEMH/medical PRU	20,000	0	0	0	0	0	20,000
Melbury College - Schools Capital maintenance	0	0	0	0	80,000	0	80,000
Melbury College - Healthy Schools	0	0	0	0	30,000	0	30,000
Melbury College - Secondary SEMH/medical PRU	20,000	0	0	0	0	0	20,000
Capital Loans to Schools	108,900	0	0	0	0	0	108,900
Unallocated Healthy Schools	188,630	0	0	0	(184,000)	0	4,630
Children's Safeguarding	0	0	440	0	0	0	440
Devolved Formula Capital	0	0	0	0	0	347,890	347,890
Total Children, Schools and Families	10,202,770	(63,000)	565,810	0	207,000	347,890	11,260,470

Movement in the Approved Capital Programme 2019-20

Department	Budget 2019-20	Changes During December 2018 and January 2019 Monitoring	Slippage (Clawback) into 2019-20 from 2018-19	Reprofiled into 2020-21	Virement	New 19-20 incl TFL Adjustments	Revised Budget 2019-20
Environmental and Regeneration							
Pay and Display Machines	60,000	0	0	0	0	0	60,000
CCTV (match funding)	0	0	10,340	0	0	0	10,340
Schools ANPR Project	0	0	56,460	0	0	0	56,460
Replacement of Fleet Vehicles	300,000	0	37,660	0	0	0	337,660
Alley Gating Scheme	30,000	0	0	0	0	0	30,000
Waste SLWP IT & Premises	0	0	17,690	0	0	0	17,690
Waste Bins	789,270	0	(28,280)	0	0	0	760,990
Street Tree Programme	60,000	0	0	0	0	0	60,000
Raynes Park Station Pub Realm	0	0	26,110	0	0	0	26,110
Street Lighting Replacement Pr	290,000	0	0	0	0	0	290,000
Accessibility Programme	129,000	30,980	10,670	0	0	0	170,650
Casualty Reduction & Schools	230,000	73,770	230	0	0	0	304,000
Traffic Schemes	150,000	0	0	0	0	0	150,000
Surface Water Drainage	77,000	0	0	0	0	0	77,000
20mph Zone - TFL	184,000	0	0	0	0	0	184,000
Repairs to Footways	1,000,000	0	0	0	0	0	1,000,000
Maintain AntiSkid and Coloured	90,000	0	0	0	0	0	90,000
Borough Roads Maintenance	1,700,000	0	0	0	0	0	1,700,000
Highways bridges & structures	370,000	0	0	0	0	0	370,000
Tfl Principal Road Maint	100,000	0	0	0	0	0	100,000
Safer Walking Routes/Streets	37,000	16,000	2,000	0	0	0	55,000
School part time road closure	37,000	60,000	3,420	0	0	0	100,420
Culverts Upgrade	150,000	0	0	0	0	0	150,000
Schools Superzones Proj	37,000	0	0	0	0	0	37,000
TFL Cycle Quietways	496,000	0	108,890	0	0	0	604,890
Cycle access/parking	17,000	0	0	0	0	0	17,000
Beddington Lane Cycle Route	28,000	135,000	(12,510)	0	0	60,000	210,490
Cycle Improve Residential Stre	138,000	45,000	(45,000)	0	0	0	138,000
Mitcham Town Centre	425,000	30,100	(7,880)	0	0	0	447,220
Figges Marsh	850,000	45,000	6,270	0	0	15,720	916,990
Regeneration - Canons - Parks for People	1,301,040	0	18,250	0	0	0	1,319,290
Mitcham Cricket Green Improvem	50,000	0	0	0	0	0	50,000
Crowded Places-Hostile Vehicl	300,000	0	24,700	0	0	92,800	417,500
Transportation Enhancements	500,000	0	0	0	0	0	500,000
Wandle Project	0	0	20,690	0	0	0	20,690
Shop Front Improvement	0	0	92,170	0	0	66,400	158,570
XMAS Lighting	95,000	0	0	0	0	0	95,000
42 Graham Road	50,000	0	0	0	0	0	50,000
Vacant Premises Upgrade	25,000	0	0	0	0	0	25,000
Morden Leisure Centre	580,420	0	16,400	0	0	0	596,820
Wimbledon Park Lake De-Silting	1,367,290	0	25,870	0	0	0	1,393,160
Leisure Centre Plant & Machine	250,000	0	0	0	0	0	250,000
Polka Theatre	150,000	0	0	0	0	0	150,000
Parks Investment	295,000	0	0	0	0	0	295,000
Parks - Canons - Parks for People	695,540	0	19,760	0	0	0	715,300
Merton Park Green Walks	25,000	0	0	0	0	0	25,000
Abbey Recreation Ground	39,750						39,750
Total Environmental and Regeneration	13,498,310	435,850	403,910	0	0	234,920	14,572,990
Total Capital	53,529,220	1,871,860	2,880,980	(1,800,000)	207,000	582,810	57,271,870

Movement in the Approved Capital Programme 2020-23

	2020-21			2021-22			2022-23		
Department	Budget 2020-21	Reprofiled	Revised Budget 2020-21	Budget 2021-22	Reprofiled	Revised Budget 2021-22	Budget 2022-23	Reprofiled	Revised Budget 2022-23
Corporate Services	4,269,980	0	4,269,980	3,870,000	0	3,870,000	14,166,580	1,800,000	15,966,580
Community and Housing	1,118,000	0	1,118,000	913,000	0	913,000	882,000	0	882,000
Children, Schools and Families	5,618,000	0	5,618,000	3,150,000	0	3,150,000	1,900,000	0	1,900,000
Environment and Regeneration	7,782,000	0	7,782,000	7,503,790	0	7,503,790	4,400,890	0	4,400,890
Total	18,787,980	0	18,787,980	15,436,790	0	15,436,790	21,349,470	1,800,000	23,149,470
Department	Budget 2020-21	Reprofiled	Revised Budget 2020-21	Budget 2021-22	Reprofiled	Revised Budget 2021-22	Budget 2022-23	Reprofiled	Revised Budget 2022-23
Corporate Services									
Customer Contact Programme	0	0	0	1,900,000	0	1,900,000	0	0	0
Capital Building Works	650,000	0	650,000	650,000	0	650,000	650,000	0	650,000
Project General	300,000	0	300,000	300,000	0	300,000	300,000	0	300,000
Environmental Asset Management	0	0	0	0	0	0	240,000	0	240,000
Capita Housing	0	0	0	0	0	0	100,000	0	100,000
ePayments Project	125,000	0	125,000	0	0	0	0	0	0
Schools Admission System	125,000	0	125,000	0	0	0	0	0	0
Spectrum Spatial Analyst Repla	150,000	0	150,000	0	0	0	0	0	0
Ancillary IT Systems	0	0	0	50,000	0	50,000	0	0	0
Project General	390,000	0	390,000	870,000	0	870,000	705,000	0	705,000
Network Switch Upgrade	0	0	0	0	0	0	200,000	0	200,000
IT Equipment	120,000	0	120,000	100,000	0	100,000	100,000	0	100,000
e5.5 Project	0	0	0	0	0	0	700,000	0	700,000
Acquisitions Budget	0	0	0	0	0	0	6,985,180	0	6,985,180
Capital Bidding Fund	0	0	0	0	0	0	1,186,400	0	1,186,400
Multi-Functioning Device (MFD)	600,000	0	600,000	0	0	0	0	0	0
Housing Company	1,809,980	0	1,809,980	0	0	0	0	0	0
Corporate Capital Contingency	0	0	0	0	0	0	3,000,000	1,800,000	4,800,000
Total Corporate Services	4,269,980	0	4,269,980	3,870,000	0	3,870,000	14,166,580	1,800,000	15,966,580
Community and Housing									
Telehealth	0	0	0	0	0	0	0	0	0
Disabled Facilities Grant	280,000	0	280,000	280,000	0	280,000	280,000	0	280,000
Learning Dsbility Aff Housing	488,000	0	488,000	633,000	0	633,000	462,000	0	462,000
Library Self Service	350,000	0	350,000	0	0	0	0	0	0
Library Management System	0	0	0	0	0	0	140,000	0	140,000
Total Community and Housing	1,118,000	0	1,118,000	913,000	0	913,000	882,000	0	882,000
Children, Schools and Families									
Schools Capital maintenance	1,900,000	0	1,900,000	1,900,000	0	1,900,000	1,900,000	0	1,900,000
Harris Academy Wimbledon New School	0	300,000	300,000	0	0	0	0	0	0
Melrose Primary SEMH annexe 16	1,500,000	0	1,500,000	0	0	0	0	0	0
Harris Morden Sec Autism Unit	1,088,000	200,000	1,288,000	0	0	0	0	0	0
Primary ASD base 1-20 places	800,000	(500,000)	300,000	0	0	0	0	0	0
New ASD Provision	250,000	0	250,000	450,000	0	450,000	0	0	0
Secondary SEMH/medical PRU	80,000	0	80,000	800,000	0	800,000	0	0	0
Total Children, Schools and Families	5,618,000	0	5,618,000	3,150,000	0	3,150,000	1,900,000	0	1,900,000
Environmental and Regeneration									
Public Protection and Developm	0	0	0	35,000	0	35,000	0	0	0
Replacement of Fleet Vehicles	300,000	0	300,000	300,000	0	300,000	300,000	0	300,000
Alley Cating Scheme	30,000	0	30,000	30,000	0	30,000	30,000	0	30,000
Replacement of Fleet Vehicles	0	0	0	0	0	0	340,000	0	340,000
Street Tree Programme	60,000	0	60,000	60,000	0	60,000	60,000	0	60,000
Street Lighting Replacement Pr	290,000	0	290,000	290,000	0	290,000	290,000	0	290,000
Traffic Schemes	150,000	0	150,000	150,000	0	150,000	150,000	0	150,000
Surface Water Drainage	77,000	0	77,000	77,000	0	77,000	77,000	0	77,000
Repairs to Footways	1,000,000	0	1,000,000	1,000,000	0	1,000,000	1,000,000	0	1,000,000
Maintain AntiSkid and Coloured	90,000	0	90,000	90,000	0	90,000	90,000	0	90,000
Borough Roads Maintenance	1,200,000	0	1,200,000	1,200,000	0	1,200,000	1,200,000	0	1,200,000
Highways bridges & structures	260,000	0	260,000	260,000	0	260,000	260,000	0	260,000
Culverts Upgrade	250,000	0	250,000	250,000	0	250,000	0	0	0
Regeneration - Canons - Parks for People	1,000,000	0	1,000,000	533,020	0	533,020	0	0	0
Transportation Enhancements	2,000,000	0	2,000,000	2,500,000	0	2,500,000	0	0	0
Vacant Premises Upgrade	25,000	0	25,000	0	0	0	0	0	0
Leisure Centre Plant & Machine	250,000	0	250,000	250,000	0	250,000	250,000	0	250,000
Parks Investment	300,000	0	300,000	300,000	0	300,000	300,000	0	300,000
Parks - Canons - Parks for People	500,000	0	500,000	178,770	0	178,770	0	0	0
Mortuary Provision	0	0	0	0	0	0	53,890	0	53,890
Total Environmental and Regeneration	7,782,000	0	7,782,000	7,503,790	0	7,503,790	4,400,890	0	4,400,890
Total Capital	18,787,980	0	18,787,980	15,436,790	0	15,436,790	21,349,470	1,800,000	23,149,470

APPENDIX 3

Department	Target Savings 2018/19	Projected Savings 2018/19	Period 12 Forecast Shortfall	Period 9 Forecast Shortfall	Period Forecast Shortfall (P12)	2019/20 Expected Shortfall
	£000	£000	£000	£000	%	£000
Corporate Services	2,024	1,519	505	505	25.0%	385
Children Schools and Families	489	489	0	0	0.0%	0
Community and Housing	2,198	1,756	442	200	20.1%	30
Environment and Regeneration	1,874	1,351	523	473	27.9%	0
Total	6,585	5,115	1,470	1,178	22.3%	415

77.68%

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2018/19

Ref	Description of Saving	2018/19 Savings Required £000	2018/19 Achieved Savings £000	Shortfall £000	RAG	2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments
Adult Social Care										
CH55	Less 3rd party payments through "Promoting Independence" throughout the assessment, support planning and review process and across all client groups. Aim to reduce Res Care by £650k and Dom Care by £337k.	987	987	0	G	987	0	G	John Morgan	Achieved
CH73	A review of management and staffing levels of the AMH team in line with the reductions carried out in the rest of ASC.	100	77	23	R	100	0	G	Richard Ellis	Balance deferred to 2019/20
CH36	Single homeless contracts (YMCA, Spear, Grenfell) - Reduce funding for contracts within the Supporting People area which support single homeless people -Reduced support available for single homeless people - both in terms of the numbers we could support and the range of support we could provide. In turn this would reduce their housing options. (CH36)	38	0	38	R	38	0	G	Steve Langley	£38k deferred to 2019/20
CH71	Transport: moving commissioned taxis to direct payments. Service users can purchase taxi journeys more cheaply than the council.	50	0	50	R	50	0	A	Phil Howell	Not Achieved- Overspent on Transport
CH72	Reviewing transport arrangements for in-house units, linking transport more directly to the provision and removing from the transport pool.	100	0	100	R	100	0	G	Richard Ellis	£100k deferred to 2019/20. Part of the Transport review
CH74	The implementation of the MOSAIC social care system has identified the scope to improve the identification of service users who should contribute to the costs of their care and assess them sooner, thus increasing client income. Assessed as a 3% improvement less cost of additional staffing	231	0	231	R	231	0	G	Richard Ellis	Client income did not increase. Timeliness of FA improved through additional resource funded by MIB. Earlier FA means more weeks billed. Reduction in income would have been greater without this resource.
Subtotal Adult Social Care		1,506	1,064	442		1,506	0			
Library & Heritage Service										
CH56	Introduce a coffee shop franchise across 6 libraries	30	30	0	G	30	0	G	Anthony Hopkins	
Housing Needs & Enabling										
CH42	Further Staff reductions. This will represent a reduction in staff from any areas of the HNES & EHH :	62	62	0	G	62	0	G	Steve Langley	
Public Health										

REVIEWED 17/05/19										
										APPENDIX 3
Mar-19										
CH75	Public Health: health related services in other budgets	600	420	180	G	420	180	R	Dagmar Zeuner	Shortfall offset by CH85 and CH86 (see below)
CH85	Review of external Woodland Day Care Contract	0	30	(30)	G	30	(30)	G	Phil Howell	Offset CH75 above

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - PROGRESS ON SAVINGS 18-19

Ref	Description of Saving	2018/19 Savings Required £000	Shortfall	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
	<u>Schools</u>								
CSF2015-03	Increased income from schools and/or reduced LA service offer to schools	200	0	G	0	G	Jane McSherry		N
	<u>Commissioning, Strategy and Performance</u>								
CSF2015-04	Commissioning rationalisation	60	0	G	0	G	Leanne Wallder		N
	<u>Cross cutting</u>								
CSF2017-01	Review of non-staffing budgets across the department	106	0	G	0	G	Jane McSherry		N
CSF2017-02	Reduction in business support unit staff	33	0	G	0	G	Jane McSherry		N
	<u>Children Social Care</u>								
CSF2017-03	Delivery of preventative services through the Social Impact Bond	45	0	G	0	G	Allison Parkinson		N
CSF2017-04	South London Family Drug and Alcohol Court commissioning	45	0	G	0	G	Allison Parkinson		N
	Total Children, Schools and Families Department Savings for 2017/18	489	0		0				

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2018-19

Ref	Description of Saving	2018/19 Savings Required £000	2018/19 Savings Achieved £000	Shortfall	18/19 RAG	2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
SUSTAINABLE COMMUNITIES											
E&R6	Property Management: Reduced costs incurred as a result of sub-leasing Stouthall until 2024.	18	18	0	G	18	0	G	James McGinlay		N
ENV14	Property Management: Increase in income from rent reviews of c60 properties.	100	100	0	G	100	0	A	James McGinlay	Performance dependent on full implementation of commercial property review.	N
ENV16	Traffic & Highways: Further reductions in the highways maintenance contract costs following reprourement	65							James McGinlay	For both 2018-19 and 2019-20 these savings are covered by Growth (ERG1)	N
ENV17	Traffic & Highways: Reduction in reactive works budget	35							James McGinlay	For both 2018-19 and 2019-20 these savings are covered by Growth (ERG1)	N
ENV20	D&BC: Increased income from building control services.	35	0	35	R	35	0	A	James McGinlay	This has not been possible due to staff shortages and difficulty with filling posts	Y
ENV34	Property Management: Increased income from the non-operational portfolio.	40	40	0	G	40	0	G	James McGinlay		N
ENR8	Property Management: Increased income from rent reviews	150	150	0	G	150	0	A	James McGinlay	Performance dependent on full implementation of commercial property review.	N
PUBLIC PROTECTION											
E&R7	Parking: 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	G	163	0	G	Cathryn James		N
ENV08	Parking: Reduction in supplies & services/third party payment budgets.	60	13	47	R	60	0	A	Cathryn James	Saving is being reviewed and an alternative saving may be required.	Y
ENV08	Regulatory Services: Funding of EH FTE by public health subsidy. As agreed between DPH and Head of PP .	40	0	40	R				Cathryn James	Alternative saving has been agreed for 2019/20.	Y
ENV09	Regulatory Services: Investigate potential commercial opportunities to generate income	50	0	50	R	50	0	A	Cathryn James	This saving is conditional on income being generated from chargeable business advice/consultancy. A new income generating Business Development team is proposed as part of the 2018/19 restructure of the Regulatory Services Partnership.	Y
ENR2	Parking & CCTV: Pay & Display Bays (On and off street)	44	0	44	R	44	0	G	Cathryn James	Saving is being reviewed and an alternative saving may be required. However, saving is being met from other income streams.	Y
ENR3	Parking & CCTV: Increase the cost of existing Town Centre Season Tickets in Morden, Mitcham and Wimbledon.	17	0	17	R	17	0	G	Cathryn James	Saving is being delayed as it will now form part of the wider discussion on parking charges.	Y
ALT1	Parking: 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.	440	390	50	R	440	0	A	Cathryn James		N

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2018-19

Ref	Description of Saving	2018/19 Savings Required £000	2018/19 Savings Achieved £000	Shortfall	18/19 RAG	2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
PUBLIC SPACE											
E&R1	Leisure Services: Arts Development - further reduce Polka Theatre core grant	4	4	0	G	4	0	G	Anita Cacchioli		N
E&R2	Leisure Services: Water sports Centre - Additional income from new business - Marine College & educational activities.	5	5	0	G	5	0	G	Anita Cacchioli		N
E&R4	Leisure Services: Morden Leisure Centre	100	100	0	G	100	0	G	Anita Cacchioli		N
E&R20	Waste: To contribute to a cleaner borough, enforcement of litter dropping under EPA/ ASB legislation with FPN fines for contraventions.	-2	-2	0	G	-2	0	G	Anita Cacchioli	The level of income from the successful issuing and processing of FPN has remained constant . High payment rates (72-74%) are being achieved supported by the prosecution of non payment with full cost being award. We are currently forecasting an increase in the revenue recieved. This increase will be offered as a alternative saving.	N
ENV18	Greenspaces: Increased income from events in parks	100	100	0	G	100	0	A	Anita Cacchioli	Works on going to secure additional income from events.	Y
ENV31	Waste: Commencing charging schools for recyclable waste (17/18) and food waste (18/19) collection	9	9	0	G	9	0	G	Anita Cacchioli	COMPLETED - Guaranteed income being achieved. Risk is now managed by our collections contractor.	N
ENV32	Transport: Review of Business Support requirements	30	0	30	R				Anita Cacchioli	Alternative saving has been agreed for 2019/20.	Y
ENV35	Waste: Efficiency measures to reduce domestic residual waste rounds by 1 crew following analysis of waste volumes and spread across week	150	150	0	G	150	0	A	Anita Cacchioli	Saving forms part of Phase C.	Y
ENV36	Transport workshop: develop business opportunities to market Tacho Centre to external third parties	35	35	0	G	35	0	G	Anita Cacchioli	Saving forms part of Phase C.	Y
ENV37	Transport Services: Delete 1 Senior Management post	76	76	0	G	76	0	G	Anita Cacchioli	Completed - establishment and budget has been amended to reflect the reduction of post.	Y
ENV38	Waste: Wider Department restructure in Waste Services	200	0	200	R	200	0	A	Anita Cacchioli	This will not be delivered in 2018. Review and restructure still outstanding. Scheduled for May 2019	Y
ENV39	Transport Services: Shared Fleet services function with LB Sutton	10	0	10	R				Anita Cacchioli	Alternative saving has been agreed for 2019/20.	Y
Total Environment and Regeneration Savings 2018/19		1,874	1,351	523		1,794	0				

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 18-19

Ref	Description of Saving	2018/19 Savings Required £000	Shortfall	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend?
	Customers, Policy & Improvement								
CSD19	Staff reductions - Delete 1 FTE	49	0	G	0	G	James Flynn	Achieved via 0.5fte reduction in Community Engagement and remainder replaced with reduced Press & PR agency budget	Y
CS2015-11	Reduction in corporate grants budget	19	0	G	0	G	John Dimmer		Y
CSREP 2018-19 (7)	Translation - increase in income	10	0	G	0	G	Sean Cunniffe		Y
CSREP 2018-19 (16)	Operating cost reduction	11	0	G	0	G	Sophie Ellis		Y
	Infrastructure & Technology								
CS71	Delete two in house trainers posts	43	0	G	0	G	Richard Warren		Y
CSD2	Energy Savings (Subject to agreed investment of £1.5m)	150	0	G	0	G	Richard Neal		Y
CS2015-09	Restructure of Safety Services & Emergency Planning team	30	0	G	0	G	Adam Vicarri		Y
CS2015-10	FM - Energy invest to save	465	465	R	365	A	Richard Neal	The capital spend to achieve this was slipped and hence the saving will be delayed with £100k expected in 19/20 and the balance in 20/21. Saving in 18/19 has been met from other underspends within I&T	Y
CSREP 2018-19 (1)	Renegotiation of income generated through the corporate catering contract	20	0	G	0	G	Edwin O Donnell		Y
CSREP 2018-19 (2)	Review the specification on the corporate cleaning contract and reduce frequency of visits	15	0	G	0	G	Edwin O Donnell		Y
CS2015-01	Reduction in IT support / maintenance contracts	3	0	G	0	G	Clive Cooke		Y
CS2015-02	Expiration of salary protection	16	0	G	0	G	Clive Cooke		Y
CSREP 2018-19 (13)	Business Improvement - Business Systems maintenance and support reduction	10	10	R	10	R	Clive Cooke	This saving will be met in the year from other underspends within I&T.	Y
CSREP 2018-19 (14)	M3 support to Richmond/Wandsworth	20	20	R	0	A	Clive Cooke	This is dependent on agreement with RSSP, may be at risk in 19/20 if they don't migrate to M3 system. Saving in 18/19 has been met from other underspends within I&T	Y
CSREP 2018-19 (15)	Street Naming and Numbering Fees/Charges Review	15	0	G	0	G	Clive Cooke		Y
	Corporate Governance								

APPENDIX 3

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 18-19

Ref	Description of Saving	2018/19 Savings Required £000	Shortfall	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend?
CSD43	Share FOI and information governance policy with another Council	10	10	R	10	R	Karin lane	This saving was met in the year from a salary underspend due to 2 staff members working slightly reduced hours. For 19/20 onwards this will be replaced by non salary budgets in Corporate Governance AD budget.	Y
CS2015-06	Delete auditor post and fees	50	0	G	0	G	Margaret Culleton		Y
CS2015-12	Savings in running expenses due to further expansion of SLLP	41	0	G	0	G	Fiona Thomsen		Y
CSREP 2018-19 (9)	Corp Gov -Reduction in running costs budgets	11	0	G	0	G	Julia Regan		Y
CSREP 2018-19 (10)	SLLp - Increase in legal income	25	0	G	0	G	Fiona Thomsen		Y
CSREP 2018-19 (11)	Audit and investigations	50	0	G	0	G	Margaret Culleton		Y
	<u>Resources</u>								
CSD20	Increased income	16	0	G	0	G	Nemashe Sivayogan		Y
CSD27	Further restructuring (2 to 4 posts)	100	0	G	0	G	Roger Kershaw		Y
CS2015-05	Staffing costs and income budgets	75	0	G	0	G	Roger Kershaw		Y
CSREP 2018-19 (6)	Reduction in running costs budgets	9	0	G	0	G	David Keppler		Y
CSREP 2018-19 (3)	Miscellaneous budgets within Resources	13	0	G	0	G	Roger Kershaw		Y
CSREP 2018-19 (4)	Recharges to pension fund	128	0	G	0	G	Nemashe Sivayogan		Y
	<u>Human Resources</u>								
CSREP 2018-19 (12)	Reduction in posts across the department	185	0	G	0	G	Kim Brown		Y
	<u>Corporate</u>								
CSREP 2018-19 (5)	Council tax and business rates credits	220	0	G	0	G	Roger Kershaw		Y
CSREP 2018-19 (8)	Dividend from CHAS 2013 Limited	215	0	G	0	G	Ian McKinnon		Y
	Total Corporate Services Department Savings for 2018/19	2,024	505		385				

APPENDIX 3A

Department	Target Savings 2017/18	2017/18 Shortfall	2018/19 shortfall	2019/20 Projected shortfall
	£000	£000	£000	£000
Corporate Services	2,316	196	0	0
Children Schools and Families	2,191	7	0	0
Community and Housing	2,673	201	0	0
Environment and Regeneration	3,134	2,188	694	45
Total	10,314	2,592	694	45

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

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Expected Shortfall £000	17/18 RAG	2018/19 Shortfall £000	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
CSF2012-07	Children Social Care Family and Adolescent Services Stream - Transforming Families (TF), Youth Offending Team (YOT) and in Education, Training and Employment (ETE). 2016/17 savings will be achieved by the closure of Insight and deletion of YJ management post.	100	7	R	0	G	0	G	Paul Angeli	The ETE saving was delivered from July 2017 and the short for the first quarter covered through reduced grant-funding for targeted intervention services.	N
	Total Children, Schools and Families Department Savings for 2017/18		7		0		0				

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 17-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Shortfall	17/18 RAG	2018/19 Shortfall £000	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments
	Business improvement									
CSD42	Restructure functions, delete 1 AD and other elements of management	170	70	R					Sophie Ellis	Replacement saving identified and approved for 18/19 - CSREP 2018-19 (1-16)
CS2015-	Staffing support savings	13	13	R					Sophie Ellis	Replacement saving identified and approved for 18/19 - CSREP 2018-19 (1-16)
	Infrastructure & transactions									
CS70	Apply a £3 administration charge to customers requesting a hard copy paper invoice for services administered by Transactional Services team	35	35	R					Pam Lamb	Replacement saving identified and approved for 18/19 - CSREP 2018-19 (1-16)
	Resources									
CSD26	Delete 1 Business Partner	78	78	R	0	G		G	Caroline Holland	Due to delays in projects this saving was not achieved until 18/19
	Total Corporate Services Department Savings for 2017/18		196		0		0			

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2017/18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Shortfall £000	17/18 RAG	2018/19 Shortfall £000	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R / A Included in Forecast Over/Underspend ? Y/N
Adult Social Care											
CH57	Staff savings: transfer of savings from housing	50	19	R	0	G	0	G	Richard Ellis	Complete	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	100	R	0	G	0	G	Richard Ellis	Complete	Y
Library & Heritage Service											
CH7	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	33	R	0	G	0	G	Anthony Hopkins	Complete	Y
Housing Needs & Enabling											
CH43	Further Staff reductions. This will represent a reduction in staff from any areas of the HNES & EHH :	100	49	R	0	G	0	G	Steve Langley	Complete	Y
Total C & H Savings for 2017/18			201		0		0				

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2017-18

Ref	Description of Saving	2017/18 Savings Required £000	2017/18 Savings Achieved £000	Shortfall	17/18 RAG	2018/19 Savings Expected £000	2018/19 Shortfall £000	18/19 RAG	2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Under spend? Y/N
SUSTAINABLE COMMUNITIES														
ER23b	Restructure of team to provide more focus on property management and resilience within the team.	18	0	18	R	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
D&BC1	Fast track of householder planning applications	55	0	55	R							James McGinlay	A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
D&BC2	Growth in PPA and Pre-app income	50	0	50	R							James McGinlay	A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
D&BC3	Commercialisation of building control	50	0	50	R							James McGinlay	A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
D&BC4	Deletion of 1 FTE (manager or deputy) within D&BC	45	0	45	R	45	0	G	45	0	G	James McGinlay		N
D&BC5	Eliminate the Planning Duty service (both face to face and dedicated phone line) within D&BC	35	0	35	R							James McGinlay	A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
D&BC6	Stop sending consultation letters on applications and erect site notices only	10	0	10	R							James McGinlay	A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
ENV15	Reduction in street lighting energy and maintenance costs. Would require capital investment of c£400k, which forms part of the current capital programme - Investment in LED lights in lamp Colum stock most capable of delivering savings	148	100	48	R	148	0	G	148	0	G	James McGinlay		N
ENV20	Increased income from building control services.	35	0	35	R							James McGinlay	A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
PUBLIC PROTECTION														
E&R14	Further expansion of the Regulatory shared service.	100	0	100	R	100	0	G	100	0	G	Cathryn James		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	0	190	R	190	0	A	Cathryn James	This saving is not currently being achieved as there has been slippage in the timetable for the restructure. Mitigation could come from increased revenue.	Y
ENV03	Reduction number of CEO team leader posts from 4 to 3	45	0	45	R	0	45	R	0	45	R	Cathryn James	Alternative saving required	Y
ENV06	Reduction in transport related budgets	46	0	46	R							Cathryn James	A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
ENV09	Investigate potential commercial opportunities to generate income	50	7	43	R	0	50	R	50	0	A	Cathryn James		Y
PUBLIC SPACE														
E&R16	joint procurement of waste, street cleansing, winter maintenance and fleet maintenance services (Phase C)	1,500	795	705	R	1,257	243	R	1500	0	A	Anita Cacchioli	Actual savings delivered are being monitored closely	N
E&R25	Joint procurement of greenspace services as part 2 of the Phase C SLWP procurement contract with LB Sutton	160	44	116	R	160	0	G	160	0	G	Anita Cacchioli		N
ENV12	Loss of head of section/amalgamated with head of Greenspaces	70	0	70	R	0	70	R	70	0	A	Anita Cacchioli	Saving has been delayed but expected to be implemented next year.	N
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	70	0	G	Anita Cacchioli		N
ENV18	Increased income from events in parks	100	0	100	R							Anita Cacchioli	A replacement saving (ALT1) implemented in 2018/19, was agreed by Cabinet in November 2017.	N
ENV21	Reduction in the grant to Wandle Valley Parks Trust	6	0	6	R	6	0	G	6	0	G	Anita Cacchioli		N
ENV23	Further savings from the phase C procurement of Lot 2.	160	0	160	R	82	78	R	160	0	A	Anita Cacchioli	Saving forms part of Phase C, but will not be achieved this financial year.	N
ENV25	Department restructure of the waste section	191	0	191	R	191	0	G	191	0	G	Anita Cacchioli		Y
Total Environment and Regeneration Savings		3,134	946	2,188		2,059	694		2,708	45				

Appendix 4

Subject: Miscellaneous Debt Update March 2019

1. LATEST ARREARS POSITION – MERTON'S AGED DEBTORS REPORT

- 1.1 A breakdown of departmental net miscellaneous debt arrears, as at 31 March 2019, is shown in column F of the table below.
- 1.2 Please note that on the 6 February 2017 the new financial computer system E5 went live and this included the raising and collection of invoices and the debt recovery system.

Sundry Debtors aged balance – 31 March 2019 – not including debt that is less than 30 days old (Please note the new system reports debt up to 30 days whereas previously we reported up to 39 days)

Department a	30 days to 6 months b	6 months to 1 year c	1 to 2 years d	Over 2 years e	Mar 19 arrears f	Dec 18 arrears f	Direction of travel
	£	£	£	£	£	£	
Env & Regeneration	515,895	343,505	669,050	205,987	1,734,438	2,176,095	↓
Corporate Services	608,553	17,290	103,294	86,263	815,400	738,831	↓
Housing Benefits	634,176	652,991	1,075,618	2,321,005	4,683,791	4,868,600	↓
Children, Schools & Families	282,555	157,809	355,620	308,907	1,104,890	1,038,762	↓
Community & Housing	1,263,683	797,388	1,252,969	1,835,876	5,149,915	5,285,898	↓
Chief Executive's					-	-	↓
CHAS 2013	13,300	1,609	3,661	11,012	29,583	29,317	↑
Total	3,318,163	1,970,592	3,460,212	4,769,050	13,518,017	14,137,503	↓

- 1.3 Since the position was last reported on 31 December 2018, the net level of arrears, i.e. invoices over 30 days old, has reduced by £619,486.
- 1.4 The new financial system (E5) was implemented on 6 February 2017 and there was an initial delay in raising new invoices. There was also a backlog of issuing invoices for Adult Social Care debt which was linked with the implementation of the new Social Care computer system (Mosaic). However, this backlog has now been addressed and invoicing was back on track in February 2018 as initially planned.

- 1.5 All departments debts have reduced since last reported in December in September 2018.
- 1.6 Actions being taken to collect housing benefit overpayments and Adult Social Care debt are detailed below in the report.

2 THE PROCESS FOR COLLECTION OF MISCELLANEOUS DEBT

- 2.1 In considering the current levels of debt, it is important to outline the general process Merton currently has in place to collect its arrears. In general terms the process has 5 stages, as detailed below, although processes employed vary by debt type. It is important to note that most debtors can not pay their outstanding liabilities other than by payment arrangements. Once a payment arrangement has been made it can not be changed without the debtors consent.

The process for collecting debt

Stage 1	Stage 2	Stage 3	Stage 4	Stage 5
Invoice issued to debtor with 30 days allowed for payment.	After 30 days and following two requests for payment, a final warning notice is issued and the case passed to the Debt Recovery team.	The debt and debtor is evaluated to ensure the most effective recovery action is taken. This will include contacting debtors' direct and collecting payment or agreeing repayment plans and passing the debt to collection agents to collect on our behalf, bankruptcy proceedings, attachment to benefit etc.	If the debt remains unpaid then County Court action is taken by the Debt Recovery team's solicitor who administers this process.	The final stage is consideration of the debt for write-off if all other attempts to collect the debt have failed.

3. ACTION BEING TAKEN TO COLLECT OUTSTANDING DEBT

- 3.1 Adult Social Care Debt
- 3.2 One of the two largest debts owed to the council is for Adult Social Care debt and the current level of this debt is £4.463 million, a reduction of £443,000 since last reported in December 2018.
- 3.3 Over the past few year's council staff have been working closely and following new processes to manage this debt. This work involves regular joint meetings between the financial assessments, social services, client financial affairs and debt recovery teams to review the debts of individual clients and establish action plans for each one.

- 3.4 These actions include, but are not limited to: early intervention from social workers to prevent debts from getting out of control and to ensure that clients are supported earlier to get their finances in order; as part of their induction all new Social Workers spend time with the Financial Assessment Team, to understand how financial assessments are carried out; social workers also check to see if there any safeguarding issues around non-payment of bills and work very closely with the Welfare Benefits Officer; there is more use of credit checks and land registry checks when assessing/investigating debt issues; increased involvement from the client financial affairs team to take appointeeship for those without capacity or appropriate deputyship; Increased identification of cases where we will consider legal action to secure the debt and generally to share information and support each other in the collection and prevention of this debt. New deferred payment arrangements are excluded from the debt position as the cases are managed separately within Community and Housing. Although the debt has grown the actions being taken are mitigating the impact.
- 3.5 A new working group chaired by the Director of Community and Housing has been set up to monitor Community Care debt and to work across departments to improve processes and ensure best practice is in place to maximise collection of debts at all stages.
- 3.6 The table below shows the breakdown of Community Care debt by recovery action

Total Community Care Debt by recovery action as at March 2019 compared to March 2018, June 2018, September 2018 and December 2019

Adult Social Care Debt	Mar 18	% at stage	Jun-18	% at stage	Sep-18	% at stage	Dec 18	% at stage	Mar-19	% at stage
Invoice stage	959,618	17%	360,575	7%	385,921	8%	547,523	11%	257,451	5%
Charge & Deferred Payment	258,470	5%	255,870	5%	47,673	1%	32,061	1%	48,496	1%
Payment arrangement	232,088	4%	178,224	4%	180,288	4%	116,261	2%	88,263	2%
Probate, DWP & Deputyship	491,306	9%	476,696	10%	468,353	9%	321,603	7%	340,580	8%
Court action	84,958	1%	84,598	2%	84,598	2%	84,598	2%	84,598	2%
Dept or service query	71,185	1%	25,097	1%	22,615	1%	60,035	1%	26,114	1%
No action secured	2,420,165	46%	2,271,872	45%	2,296,871	46%	2,241,334	46%	2,359,519	53%
J&P	920,885	0.17	1,323,327	26%	1,426,309	29%	1,503,138	30%	1,258,778	28%
Total Debt	5,438,675		4,976,259		4,912,628		4,906,553		4,463,799	

Please note that debt at invoice stage is where the invoice is less than 30 days old so not included in table 1 above under Community and Housing.

- 3.7 Every four weeks the council raises approximately £490,000 in Adult Social Care invoices and of this collect £120,000 by direct debit.
- 3.8 This results in approximately £370,000 of debt (approximately 34%) needing to be collected each month (£1.1 million a quarter) for the level of outstanding debt to remain static.
- 3.9 For the financial year 2018/19 approximately £5.8 million in invoices for Adult Social Care charges were issued and of that amount £1.33 million (23%) remains outstanding at 31 March 2019.
- 3.10 An initiative was commenced in April 2019 to issue communication with all non direct debit payer invoices to encourage the take up of direct debit payment method.
- 3.11 In February 2018 agreement was reached with a specialist Adult Social Care debt collection company to collect some of our larger debts and debts for deceased debtors for a one year trial. At the end of the year we had passed 34 cases totalling £1.86 million. Of these cases 6 totalling £478,000 were returned as uncollectable after investigations. Another 4 cases totalling £153,000 were paid in full and a further 2 cases totalling £120,000 have been paid although the money has not been transferred to the council by the end of March 2019.
- 3.12 Of the remaining 22 cases they have identified 11 (£630,000) as 70% to 100% prospect of payment, 7 (£480,000) as 50% to 69% prospect of collection and the remaining 4 (£223,000) less than 50% prospect of collection.
- 3.13 Discussions are ongoing with the Shared Legal Service to undertake this work in the future.
- 3.14 Housing Benefit Overpayments
- 3.15 The largest area of debt owed to the council is for housing benefit overpayments with the total level of debt being £7.926 million, which is a reduction of £120,872 since last reported at the end of December 2018.
- 3.16 The Department of Work and Pensions commenced a "Real Time" Information initiative at the end of September 2014 which was aimed at ensuring that earnings and pensions data within the housing benefit system matched that held by HMRC. At the same time they also commenced another initiative to identify fraud and error.

- 3.17 The DWP have provided additional funding to the council to undertake this work and up until March 2017 granted additional income based on targets met.
- 3.18 The Real Time information initiative continued throughout 2017/18 and will again run in 2018/19 under Verification of Earnings and Pension (VEP) initiative. The council receives notifications every week for cases where the DWP suggests we check earnings details using the real time information.
- 3.19 Since the start of the Real Time information initiative over £5.4 million of overpayments have been identified. Where possible these overpayments are being recovered from on-going benefit payments. We are entitled to deduct between £10.95 and £23.35 per week from on-going housing benefit dependant on circumstances. Where the change has resulted in housing benefit being cancelled or nil entitlement we can contact the claimants employer and are paid a percentage deduction of their salary each month.
- 3.20 Although the overall housing benefit debt has increased over the years there has also been an increase in the amount of debt either being recovered from on-going benefit or on arrangements, with £2.55 million being recovered from on going benefit by reducing current housing benefit payments. Just over £5.8 million is on a payment arrangement or recovery from on going benefit
- 3.21 The table below shows breakdown of all housing benefit overpayments by recovery action.

Total Housing Benefit Debt by recovery action from March 2017 to March 2019 by quarter

Recovery Stage	Mar-17	Jun-17	Sep-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
Invoice and Reminder stage	723,613	284,713	379,477	340,008	312,186	347,861	407,687	151,889
On-going recovery	2,928,992	3,363,611	3,354,237	3,032,656	2,775,552	2,618,115	2,477,390	2,550,198
Payment Arrangements	2,314,257	2,353,352	2,511,028	2,647,525	2,826,435	3,012,437	3,249,997	3,256,461
No Arrangements secured	2,113,587	2,665,410	2,387,794	2,427,693	2,384,329	2,216,787	1,912,306	1,967,960
Total HB Debt	8,080,449	8,667,086	8,632,536	8,447,882	8,298,502	8,195,200	8,047,380	7,926,508

3.22 We have continued to review and target all housing benefit debt. We have tried to improve the procedures at the beginning of the process when a debt is first identified by ensuring that invoices are raised as soon as possible to give the best chance of recovery, we are targeting debtors who are now in work and we will be applying to recover the overpayments from their employers and we are looking at the oldest debts to consider if they are still collectable. However, it should be noted that a lot of the housing benefit debt is very difficult to recover as the Council's powers of recovery are very limited unless the debtor works or owns their own property.

3.23 We commenced another new DWP initiative to assist with the collection of unpaid overpayments. On a monthly basis we provide a list of debts to the DWP who will compare it to HMRC data and highlight where customers are now working so that we can apply for an attachment to their earnings. This commenced in May 2018 and since then we have applied for in excess of 260 new attachment to earnings. We currently have £851,301 set to recover by this method. We have also been provided with up to date contact details of debtors which has enabled us to make contact and secure further payment arrangements and payments.

3.24 The table below shows the value of housing benefit overpayments created and collected by year in millions.

Year	2014/15	2015/16	2016/17	2017/18	2018/19
Overpayments raised	4.67	4.56	3.66	3.74	3.10
Overpayments collected	2.22	2.88	2.75	2.92	3.00
Recovered from ongoing benefit	1.33	1.69	1.64	1.74	1.40

3.25 It should be noted that in 2018/19 collection was higher than in previous years. The amount recovered from ongoing benefit is included in the overpayments collected.

3.26 A new initiative will commence in mid-May with an external company to review and try to collect housing benefit overpayments that have been written off by the council over the past five years. Approximately £1.8 million of debt will be incorporated in this initiative.

3.27 An update of this initiative will be provided in the June 2019 report.

3.28 Debt Written Off

- 3.29 The table below shows the amount of debt written off in accordance with financial regulations and scheme of management for the period 2014/15 to 2017/18 plus for this year.

Debt written off since 2014/15 to date by debt type

	2014/15	2015/16	2016/17	2017/18	2018/19				2018/19
	Total	Total	Total	Total	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Debt type									
Sundry Debt	£347,726	£581,419	£129,338	£443,317	£0	£124,754	£376,875	£70,672	£572,301
Housing benefit overpayments	£1,050,105	£510,352	£517,467	£512,379	£110,922	£173,825		£79,802	£364,549
Council Tax	£526,881	£951,280	£623,486	£804,987	£0	£226,884	£55,687	£142,365	£424,936
Business Rates	£790,373	£659,514	£567,908	£378,155	£0	£0	£194,942	£172,357	£367,299
Total	£2,715,085	£2,702,565	£1,838,199	£2,138,838	£110,922	£525,463	£627,504	£465,196	£1,729,085

- 3.30 Of the business rates debt written off a large proportion relates to debts owed by businesses that went into liquidation. From 2014/15 to 2017/18 £2.395 million of business rates debt was written off and £1.276 million (53%) related to businesses that went into liquidation. So far in 2018/19 £367,299 has been written off of which £224,656 (61%) related to businesses that went into liquidation.

- 3.31 Although the debt written off within any of the years does not relate to one specific year it should be noted that in 2018/19 the council was collecting a net debt of £111.5 million in council tax (this includes the GLA portion), a net debt of £94.3 million in business rates (this includes Business Rates Supplement) and approximately over £83 million raised through sundry debts.

- 3.32 Every effort is made to collect all outstanding debts and debts are only written off as a last resort. The council is still collecting some council tax debts that are greater than 6 years old or will have secured the debts against properties where possible.

4. SUNDRY DEBT COLLECTED

- 4.1 Based on previous years performance (2013/14 to 2015/16) an average of £56 million invoices were raised each year and 97.9% collected. This data is based at 31 December 2016 prior to the implementation of E5.
- 4.2 Of the £83 million sundry debt raised in 2018/19 we have already collected over £76.6 million (92%)
- 4.3 Active recovery action continues to be undertaken on all outstanding debts. Some of the debt owed for previous years would be secured against a charge on the property or deferred payment arrangement.

5. PROVISION FOR BAD AND DOUBTFUL DEBTS

- 5.1 Provision has been made in the draft 2018/19 accounts for writing off bad and doubtful debts held within the ASH, E5 and Housing benefits systems. These provisions are £3.442m for Accounts Receivable (including former ASH) miscellaneous debt and £5,890m for debt held in the Housing Benefits system, making a total General Fund provision for bad and doubtful debts of £9,332m. Clearly, every attempt is made to collect debts before write-off is considered. The current level of General Fund provision is analysed in the table below.
- 5.2 The Council adheres to the principles of the SORP when calculating its provisions. Merton's methodology is to provide on the basis of expected non collection using estimated collection rates for individual departmental debt which take account of the age of the debt.

Provision for Bad and Doubtful Debts

Department	Total Provision	
	At 31/03/2018	At 31/03/2019
	£000's	£000's
Env & Regeneration	608	701
Corporate Services	171	119
Housing Benefits	6504	5890
Children, Schools & Families	413	426
Community & Housing	2249	2196
Total	9945	9332

6. TOTAL DEBT DUE TO MERTON

The total amount due to Merton as at 31 March 2019 is detailed in the table below.

Total debt outstanding as at 31 March 2019 and compared with previous periods over the past 18 months

	Sep-17	Mar 18	Jun-18	Sep-18	Dec-18	Mar-19
	£	£	£	£	£	£
Miscellaneous sundry debt Note 1	17,256,834	15,778,776	14,758,378	13,492,395	14,496,116	17,532,710
Housing Benefit debt	8,632,539	8,447,884	8,298,503	8,195,200	8,047,380	7,926,508
Parking Services	4,692,186	4,876,618	4,398,706	4,352,661	4,658,685	4,508,378
Council Tax Note 2	6,262,466	8,239,656	7,340,722	6,587,840	6,127,652	8,157,533
Business Rates Note 3	2,160,057	2,892,639	2,806,594	2,099,948	1,822,228	2,979,843
Total	39,004,082	40,235,573	37,602,903	34,728,044	35,152,061	41,104,972

Note 1 The amount shown against miscellaneous sundry debt above differs from the amount shown in table 1 as it shows all debt, including debt which is less than 30 days old and table 1 only includes debt over 30 days old and also includes housing benefit overpayments which is shown separate in the table above.

Note 2 Council tax debt now includes unpaid council tax for 2018/19 in March 19 figures hence the increase.

Note 3 Business rates debt now includes unpaid business rates for 2018/19 in March 19 figure hence the increase.

Note 4 From April 2017 council tax and business rates debt is being reported and monitored different. From April 2017 we report the gross debt position whereas previously we have reported the net debt position (netting off credits on accounts).

- 6.1 The overall debt outstanding has increased by £5,952,911 since last reported at the end of December 2018.
- 6.2 The debt for sundry debt has increased by over £3 million since December 18, although the debt that is less than 30 days old, which we are unable to take proactive action on, has increased by £3.5 million.
- 6.3 Debt under 30 days as at the end of March 2019 was £8.7 million, of this £4.8 million was for Community Infrastructure Levy and the majority of the £4.8 million was paid by the end of April 2019.
- 6.4 Both housing benefit and Parking debts have reduced since December 2018.
- 6.5 A more relevant comparison is between March 2018 and March 2019. The changes in outstanding debt are as follows

Overall £870,000 increase
Sundry debt £1.75 million increase
Housing Benefit £520,000 decrease

Council Tax £82,000 decrease
 Parking £368,000 decrease
 Business Rates £87,000 increase

6.5 Detailed breakdowns of the Council Car Parking figures are shown in the table below:

Car Parking Aged Debtors – 31 March 2019

Age of Debt	Outstanding £	Number of PCNs	Average Value £
0-3 months	£1,364,992	11,683	117
3-6 months	£888,649	5,554	160
6-9 months	£620,341	3,639	170
9-12 months	£493,910	2,762	179
12-15 months	£413,744	2,317	179
Older than 15 months	£726,742	4,351	167
Total	£4,508,378	30,306	149

Total December 2018 **£4,658,685** **31,768**

Increase/-decrease **£150,307-** **1,462-**

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APPENDIX 5

Quality of Forecasting

This section explains the reasons for variances between the period 10 forecast, which was the last forecast reported to Cabinet, and the final outturn.

The quality of forecasting had improved generally in recent years but the 18/19 final outturn position has resulted in a bigger underspend than the period 10 forecast. As budgets have continued to be reduced by significant savings targets delivering services within budget allocation has become more difficult. This has resulted in some budget managers being overly cautious and not declaring potential underspends in forecasting as part of the monthly budget monitoring process.

Budget monitoring and forecasting will continue to be reviewed and challenged in 19/20 to improve the quality of forecasting. There will also be a focus on identifying and reporting areas of underspends.

Corporate Services – Reasons for January-Outturn variances

Division	December Forecast £'000	January Forecast £'000	February Forecast £'000	Outturn £'000	January – Outturn Variance £'000
Customers, Policy & Improvement	(8)	(62)	(91)	(246)	(184)
Infrastructure & Transactions	(228)	(218)	(291)	(64)	154
Corporate Governance	(138)	(176)	(196)	(294)	(118)
Resources	(470)	(489)	(522)	(707)	(218)
Human Resources	11	14	14	16	2
Corporate Other	(795)	(1,027)	(1,027)	(1,216)	(189)
Total	(1,629)	(1,958)	(2,113)	(2,511)	(553)

Customers, Policy & Improvement

The forecast variance moved from a £62k expected underspend at period 10 to being £246k underspent at year end. £108k of this favourable movement was due to a number of supplies and services budget lines within marketing and communication & press and PR being forecast in line with budget and not reduced in year when it became apparent that the full budgets wouldn't be required. The budget monitoring of these areas will be closely monitored in the coming year to improve accuracy of forecasts.

Translations and registrars had favourable movements due to additional income relating to lengthy CSF and legal translation work and the adoption of the European settlement verification service as well as promotion of online booking systems for registrars.

Offsetting these was an adverse movement on the customer contact programme as the division funded a £75k licence which was part of the settlement agreement.

Infrastructure and Transactions

The outturn position of £64k underspent moved adversely from the period 10 forecast of £218k underspent. The unachieved £465k energy saving (CS2015-10) was due to be funded by reserves but has instead been funded by the underspend within I&T.

A review of expenditure at year end resulted in the transfer of spend to revenue budgets which had been coded incorrectly to capital during the year, increasing the adverse movement further. The review identified expenditure which did not meet the definition of capital expenditure per the CIPFA code of practice.

Offsetting these items was a favourable movement of circa £100k resulting from a e5 system commitments issue which caused difficulty in producing accurate forecasts. This issue has since been addressed. Credit notes received late in the year relating to the business system team's software spend in previous years hadn't been included in the forecast and resulted in another favourable movement.

Spend on gas in corporate buildings reduced by £36k from the period 10 forecast and greater income was achieved from rental of buildings and room hire than had been forecast, contributing to a favourable movement of £33k across the Garth Road and Chaucer Centre buildings. The spend on safety services and emergency planning is £33k less than forecast due to a contingency amount being included at period 10, some of which was highlighted and released by the period 11 forecast review exercise.

Corporate Governance

Corporate Governance had a £118k favourable movement since the period 10 forecast to achieve an underspend of £294k. LBM's share of the SLLp surplus increased from a £10k forecast to £30k at year end. The income forecast for SLLp at period 10 was accurate but expenditure was overstated, largely due to the forecast omitting the impact of year-end adjustments for prepayments.

Outside of the SLLp model, legal income from property, planning and court costs increased from the period 10 forecast by £37k. £20k of which had been indicated by the period 11 review exercise.

Information governance and internal audit both had favourable movements of £18k since period 10 forecasts, reflecting final information received from LB Richmond for the shared audit service and a transparency agenda grant received late in the year for information governance. Democracy services had a further favourable movement of £21k due to a number of small changes across supplies and services.

Resources

The outturn in resources had a favourable movement of £218k from the period 10 forecast position. The majority of this change came from revenue and benefits, mainly due to; supplies and services being overstated in the forecast, an additional £20k income relating to grants received after period 10, £11k lower court cost and £86k higher than expected contributions towards the cost of collection for council tax and NDR. LBM bailiffs underspend by an additional £50k compared to the period 10 forecast position, in part due to additional bailiff fee income.

Human Resources

The variance on HR remained in line with the forecast at period 10, with only a £2k adverse movement.

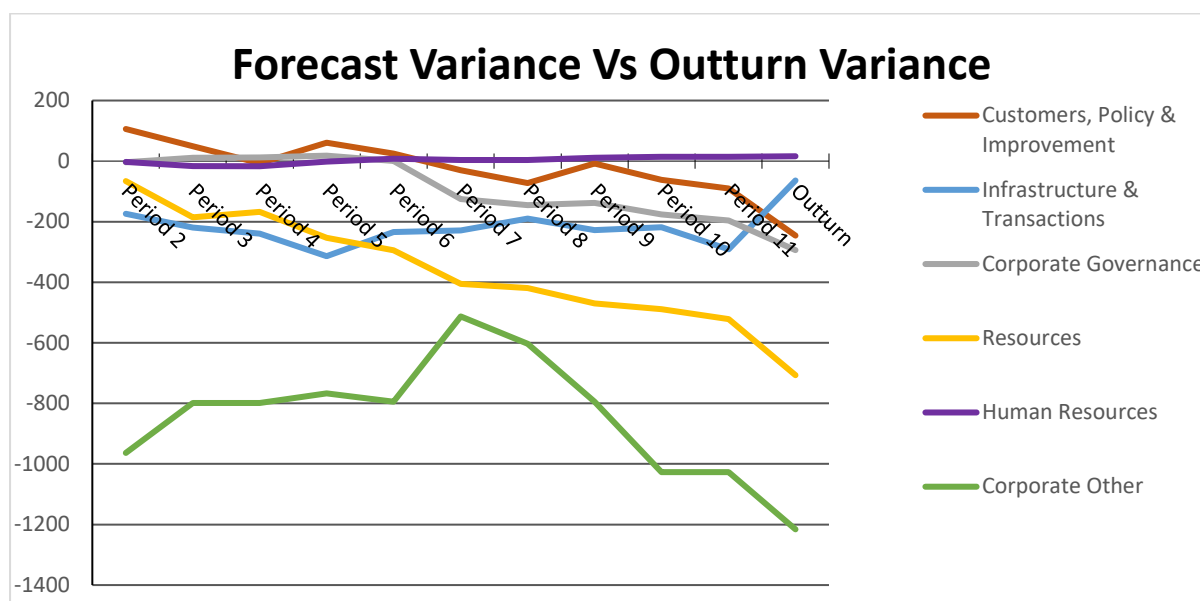
There were adverse movements on staff side as a recharge of staff time hasn't materialised as expected and higher than anticipated costs from LB Kingston for the iTrent client team. These were offset by favourable movements from lower occupational health charges and schools buyback income being slightly more than expected at period 10.

Corporate Items

Compared to period 10, the outturn variance has moved favourably by £189k. This was caused by a favourable movement on the housing benefits account of £475k, mainly due to the reduction of the bad debt provision following the year end review of debt levels and the rate of recovery.

Offsetting this were adverse movements relating to the coroner's court due to information being received from LB Westminster late in the year.

The following graph represents the monthly forecast variances reported by each division throughout 2018/19, compared to the final outturn position:



Environment & Regeneration – Reasons for Jan-Outturn variances

Division	December £'000	January £'000	February £'000	Outturn £'000	Jan – Outturn £'000
Public Protection	(950)	(826)	(740)	(753)	73
Public Space	(1,330)	(1,341)	(1,317)	(1,449)	(108)
Senior Management	(36)	(7)	(7)	(18)	(11)
Sustainable Communities	849	879	520	694	(185)
TOTAL	(1,467)	(1,295)	(1,544)	(1,526)	(231)

Public Protection

The forecast variance remained relatively steady when comparing January to outturn, with a reduction in underspend of £73k. It should also be noted that the change in variance between February and outturn was only £13k.

One of the main reasons for the £73k change relates to a reduction in permit (£47k), P&D (£51k), and PCN (£21k) income within Parking Services. Due to the nature of this income, it is difficult to precisely forecast.

The Regulatory Services overspend reduced by £73k between January and Outturn. A contributing factor to this change could be the infrequency and/or accuracy of returns, as the main reasons for the change related to RSP and employee costs.

Public Space

Again, the forecast variance remained relatively steady when comparing January to outturn, with an increase in underspend of £108k.

The most significant increase in underspend between January and outturn was seen within Leisure & Culture, notably leisure centre utility costs (£84k) and income (£23k). The income generated by the watersports centre was only £20k higher at outturn.

Waste Services experienced a net decrease in underspend of £57k as a result of increased disposal costs of £210k, which was largely offset by lower than expected ECHO integration costs (£142k).

Relatively minor variations were experienced within Greenspaces and Transport Service. The forecast overspend within Greenspaces reduced by £48k at outturn, whilst the overspend within Transport Services increased by £28k.

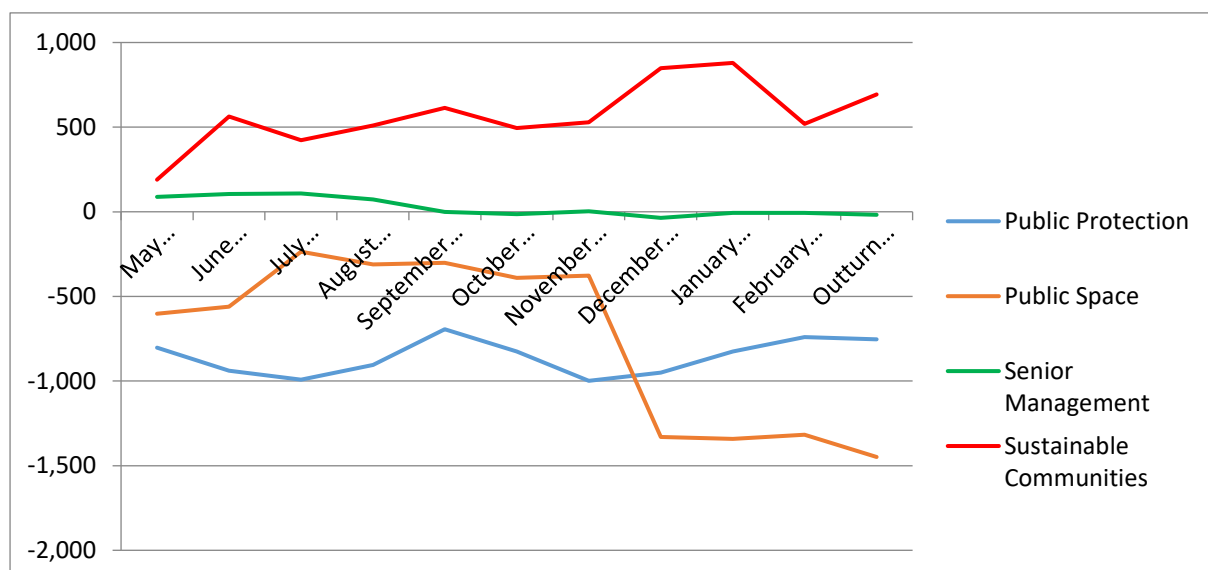
Sustainable Communities

Between January and outturn the overspend reduced by £185k.

Property Management saw its forecast overspend reduce by £188k during this time, which relates to over achieving on their commercial rental income expectations over and above that forecast by £81k as a result of continuing to conduct the back log of rent reviews in line with the tenancy agreements. In addition, the unavoidable costs associated with the security and subsequent demolition of Battle Close turned out to be c£79k lower than forecast.

Relatively minor variations were experienced within D&BC and Future Merton. The forecast overspend within D&BC increased by £23k, which related to employee costs, whilst Future Merton's forecast overspend reduced by £20k mainly as a result of lower than expected CPZ costs.

The following graph represents the monthly forecast variances reported by each division throughout 2018/19, compared to the final outturn position:-



Children, Schools and Families – Reasons for Jan-Outturn variances

Division	December Forecast £'000	January Forecast £'000	February Forecast £'000	Outturn £'000	Jan – Outturn Variance £'000
Education	380	244	255	(37)	(292)
Social Care & Youth Inclusion	3,498	3,574	3,569	3,211	(358)
Cross Department budgets	(30)	(34)	(34)	(20)	14
PFI	(363)	(353)	(353)	(354)	(1)
Redundancy cost	(397)	(499)	(499)	(529)	(30)
Total	3,088	2,932	2,938	2,271	(667)

Education

The education service reduced costs by £292k from the January's forecast to the year-end outturn. The majority of the change relates to staffing cost in youth services where the My Futures team had vacancies whilst restructuring (£57k) and the Education Welfare service where additional income to recover overheads through charging was not included in the forecast (£56k).

The early years underspend increased by £55k from January to outturn due to the difficulty in forecasting the facilities management costs where budgets sit with the department but actual spend is managed in the corporate centre.

There were other smaller favourable variances including the reversionisation underspend which increased by £30k and the over achievement of income and vacancies held by the Children Safeguarding Board which underspent by £34k more than forecast in January.

Although the SEN taxi transport and direct payment overspends were close to the January forecast, there was a net increase in SEN transport due to £144k escort costs which was not included in forecasts during the year as this was included in the core bus route SLA costs.

Social Care and Youth Inclusion

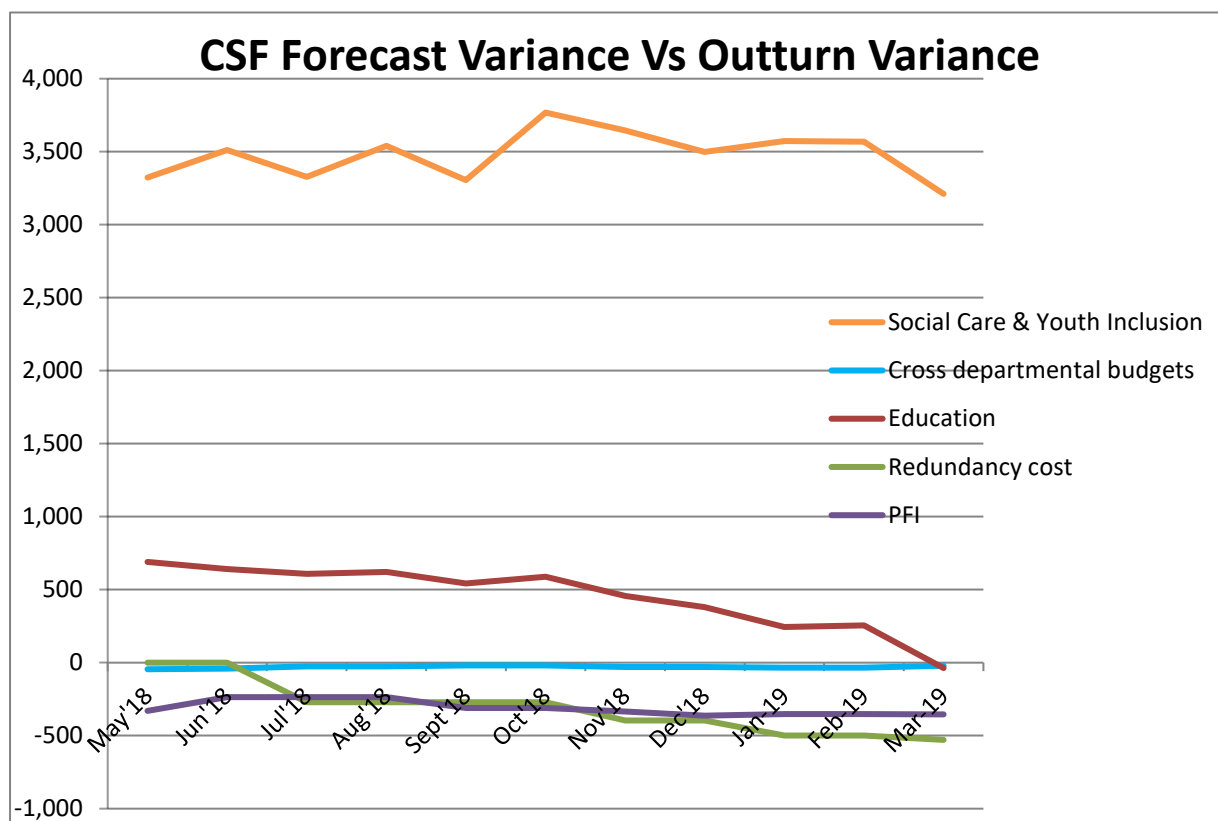
The UASC grant was forecast to budget in January. Based on the latest available information in March, the grant is expected to be £286k higher than the budget.

The safeguarding and care planning section 17 placement budget underspent by £61k compared to a forecast overspend of £10k in January.

The Children with Disabilities placements underspent increased by £93k compared to the January forecast. This was mainly due to health contributions which were invoiced in March and not included in the January forecast.

Cross Departmental, PFI and Redundancy cost

The services all had small variances due to the difference in January estimates compared to the actual outturn figures.



Community & Housing – Reasons for Jan'19-Outturn variances

Division	December Forecast £'000	January Forecast £'000	February Forecast £'000	Outturn £'000	Jan– Outturn Variance £'000
Adult Social Care	(320)	(375)	(167)	(167)	208
Housing	185	216	(73)	(73)	(289)
Libraries & Merton Adult Learning	22	27	45	45	18
Public Health	0	0	0	0	0
TOTAL	(113)	(132)	(195)	(195)	(63)

Adult Social Care

Adult Social Care began the final year forecasting an overspend of over £500k which was gradually reduced through the final year by not only careful management of the service but by a number of factors such as a better than expected winter, closer working with Merton Clinical Commissioning Group around health funded placements.

In January this service was forecasting £376k an under spend however outturn position is £167k underspend. This is due to a number of reasons such as overspend of transport, and additional staffing costs.

Housing

The housing service outturn variance is an under spend of £73k which is much better than the £217k overspend forecasted in January. Fees from HMO (Houses in Multiple Occupation) £100k and underspend on supply and services and third party payments contributed to the improved provision.

Libraries

This service forecasted a £27k overspend as at January however outturn was slightly more at £45k which is due to under performance in income collection , increase security costs and, agency cost for maternity cover.

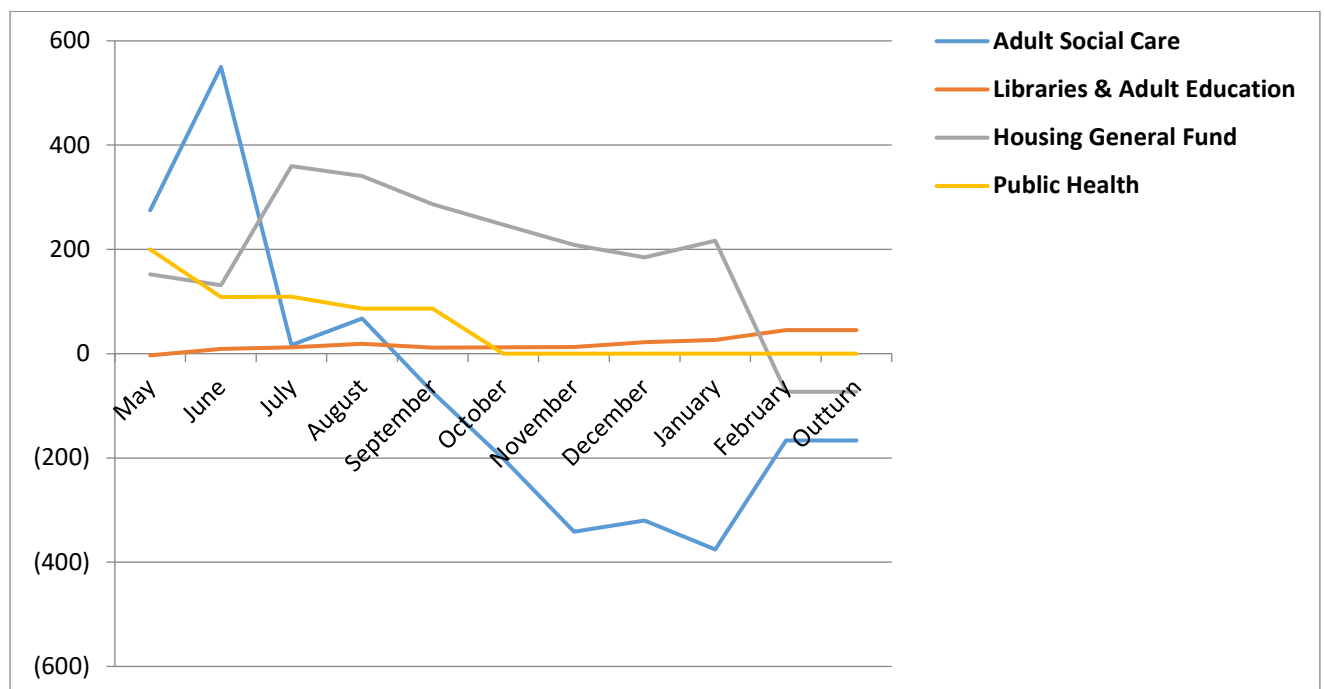
Merton Adult Learning

Merton Adult Learning forecasted a break even position through-out the financial year and achieved a breakeven position.

Public Health

This service commenced the financial year forecasting a £200k overspend but due to the implementation of mitigation actions surrounding a number of its contracts it was able to achieve a breakeven position.

The following graph represents the monthly forecast variances reported by each division in community & housing throughout 2018-19, compared to the final outturn position:-



Appendix 6

Narrative Statement

This Narrative Statement gives an overview of the Authority's financial and service delivery performance in the year.

It follows approved accounting standards and where complex language is required a glossary of key terms can be found at the end of this publication.

Introduction

Welcome to the London Borough of Merton's 2018/19 Statement of Accounts, which reports the Authority's financial performance during the year and its financial position at 31st March 2019. The format and content of the financial statements have been prepared in line with the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 and the Service Reporting Code of practice 2018/19.

Organisational overview

Merton Council is going through a transformation phase with a number of change projects which will maximise the use of information technology and streamline processes and service provision. Providing value for money services to residents is at the heart of Merton's business and the priority is to continue to find innovative solutions to maximise future efficiency.

Continued discussions about reshaping the way local authorities are financed, and changes to business rates retention will have a significant impact on the services that the council provides. In addition to further anticipated reduction in Government funding the Council expects to see rising demand for services from an increasing demographic in adult social care and children's services in particular.

The financial reality facing local government dominates the choices the Council will make for the future of the borough. The strategic priorities and principles are:

- To continue to provide a certain level of essential services for residents. The priorities of 'must' services are:
 - Continue to provide everything that is statutory
 - Maintain services – within limits – to the vulnerable and elderly
- After meeting these obligations Merton will do all that it can to help residents who aspire. This means addressing the following as priorities:
 - Maintain clean streets and keep council tax low.
 - Keep Merton as a good place for young people to go to school and grow up.
 - Be the best it can for the local environment.

The top priority continues to be to provide safe services of the best possible quality within financial constraints, delivering services that customers want and need.

Key Achievements in 2018/19

Despite the financial pressures the Council have in the last financial year opened:-

- a new leisure centre in Morden,
- a new day centre for adults with learning difficulties at Leyton Road and
- the Colliers Wood library.

The new waste contract with Veolia, shared with three other boroughs, has led to an increase in recycling rates as well as saving the Council money.

Collection of council tax improved again in 2018/19 and in year collection is at a record high for Merton.

Business rates collection remained static but collectable debt for business rates increased from the prior year. This is the result of the Council's ongoing dedication to pursuing collection from the minority of taxpayers and businesses that try to avoid paying. In these circumstances the approach is to make full use of legal powers to pursue these debts.

Universal Credit has now been rolled out fully across the borough for all new claims.

CHAS 2013 Limited, wholly owned subsidiary of LB Merton, provides supply chain risk management and compliance services. The company continues to grow with an increase in turnover and profit year on year. Building on its safety pre-qualification assessments, delivered to nationally recognised standards, the company increased the number of services offered to compete in the marketplace in the face of the increasing competition.

Merantun Developments Limited is a wholly owned housing subsidiary company of LB Merton, incorporated to deliver a mix of housing on small sites to contribute to Merton's housing targets and generate a revenue return to the Council's general fund. Four sites were identified for development and the company is making good progress on the design, site capacity, planning strategy and community engagement programme.

Operational Model

The Council delivers some services itself, commissions others to provide some services on its behalf and works in partnership with other boroughs and organisations to deliver services. The voluntary sector is a key partner in the Borough.

The Council is organised into four directorates:

- Children, Schools and Families
- Community and Housing
- Corporate Services

- Environment and Regeneration

Financial performance

Revenue Summary

Outturn

The Authority's financial performance is summarised by the table below

	2018/19 Current Budget £000	2018/19 Outturn £000	2018/19 Variance £000
Department			
Corporate Services	10,433	7,465	(2,968)
Children, Schools & Families	59,083	61,535	2,452
Community & Housing	63,019	62,914	(105)
Environment & Regeneration	18,111	16,737	(1,374)
Net Service Expenditure	150,646	148,651	(1,995)
Corporate Provisions	(1,889)	(7,550)	(5,661)
Total General Fund	148,757	141,101	(7,656)

Net General Fund underspend		(7,656)
Net underspend transferred to Earmarked Reserves		7,656

Grants	(9,855)	(9,855)	0
Business Rates	(51,463)	(55,315)	(3,852)
Council Tax and Collection Fund	(87,439)	(87,439)	0
Funding	(148,757)	(152,609)	(3,852)
Funding transferred to Earmarked Reserves			3,852

Net service expenditure was underspent by £1.995m. There was an overspend on children's placements costs as the demand for these services remains high and these pressures are expected to continue. This was offset by underspends on Corporate Services and Environment and Regeneration. The Corporate Services underspend was mainly due to a reduction in the provision for housing benefits, additional income from the Department of Works and Pensions (DWP) and an overachievement of fee income from the bailiffs service. Environment and

Regeneration underspend was mainly due to higher penalty charge notice (PCN) income and a reduction in waste disposal costs.

Corporate provisions underspent by £5.7m which was primarily due to underspends on contingencies set aside for unforeseen service pressures and potential overspends, the provision for the pay award, excess inflation, and pension costs of early retirement and some additional credits arising from previous years.

There was an overall underspend of £7.654m against the budget which was transferred to various earmarked reserves.

Reserves

During 2018/19 the Authority's overall usable reserves increased by £6.592m. This was composed of a £6.350m increase in revenue reserves and fund balances and a £0.242m increase in capital balances.

The increase in revenue reserves was composed of a net increase in schools' general fund balances of £0.276m and a net £5.074m increase in earmarked revenue reserves. The general fund balance increased by £1m to £13.778m. The earmarked revenue reserves include the underspend of £7.656m and the additional income from the Business Rates Retention London Pilot Pool.

The net increase in capital reserves was composed of a net reduction in usable capital receipts (£6.285m) and a net increase in usable capital grants of £6.527m.

Usable Reserves	2018/19 Opening Balance £000	2018/19 Movement £000	2018/19 Closing Balance £000
General Fund Balances	12,778	1,000	13,778
General Fund Balances held by schools	7,820	276	8,096
Earmarked Revenue Reserves	40,122	5,074	45,196
Sub Total-Fund Balances and Revenue Reserves	60,720	6,350	67,070
Capital Receipts Reserve	15,513	(6,285)	9,228
Capital Grants Unapplied*	10,479	*6,527	17,006
Capital Reserves	25,992	242	26,234
Total Usable Reserves	86,712	6,592	93,304

* Movement in 2018/19 reflects 2019/20 grants received in advance

Risks

A key risk affecting the Council relates to its financial position. Local government continues to be affected by reductions in the level of funding it receives from central government. Strong financial management is vital to ensure that the Council is financially resilient and prepared to meet any future challenges.

Whilst the Council has managed to set a balanced budget for each year in accordance with statutory requirements, there continues to be a significant budget gap over the four year period of the Medium Term Financial Strategy. At the same time, delivery of the annual budget is also dependent upon the delivery of savings which have been identified and agreed by Council as part of the annual budget process.

Economic Outlook

The uncertainty about future funding makes effective medium term financial planning extremely challenging.

Some government funding, often in response to particular issues identified over the short term does not enable the long term strategic planning which is essential to enable local authorities to function effectively. There is also currently a key dependence on funding sources such as the Better Care Fund but considerable uncertainty about their continuity and longevity.

Cost pressures as well as demand pressures are significant elements in local authority financial pressures.

Since 2010 local government finance issues have been dominated by cuts in government funding and pressure to keep council tax increases down with a recent change in emphasis to allow council tax increases to help alleviate service pressures, particularly in adult social care.

It is one of the Council's stated priorities to keep council tax low. To achieve this, the Council must have regard to the major risks to its financial position and in particular:

- The current economic position including future risks relating to Brexit
- Demand pressures on the budget
- Identifying and achieving cost and income improvements
- Risks to Government funding levels, particularly in light of the impending Spending Review 2019 and the Fair Funding Review currently both due to take effect in 2020/21
- Risks to other income streams including Business Rates Retention

Major Issues impacting over the medium term financial strategy and areas of uncertainty

Brexit

Since the UK voted to leave the European Union in 2016 it has become clear that Brexit will create both risks and opportunities for local government but the biggest issue at the current time is the uncertainty that it is creating and the resulting pressure on all aspects of government policy. This is having an impact on future funding certainty.

With this in mind, the council is putting processes in place and has a Brexit task group who meet regularly to identify the possible issues and strengthen its resilience and develop contingency plans in key areas such as workforce, regeneration, funding, legislation and community cohesion.

Spending Review 2019

A Spending Review is a Treasury-led process to allocate resources across all government departments, according to the Government's priorities. Historically, Spending Reviews have usually covered a period of at least three years which are preferential as they give departments' greater certainty over their future budgets, which can aid long term planning and make for better policymaking. However, given heightened uncertainty particularly concerning the potential economic impact of Brexit, the Government may decide to have a review that covers a shorter period, perhaps even a one-year review. This lack of clarity makes forward planning extremely difficult.

Fair Funding Review

Central government funding for local authorities is based on an assessment of its relative needs and resources. The overarching methodology that determines how much funding each authority receives each year was introduced over ten years ago and has not been updated since funding baselines were set at the start of the 50 per cent business rates retention scheme in 2013/14.

The government is therefore undertaking the Fair Funding Review to update the needs formula and set new funding baselines for the start of the new 75 per cent business rates retention scheme, from April 2020.

Business Rates Baselines Reset 2020

The business rates retention system is due to be "re-set" for 2020-21.

Notwithstanding the wider reforms to the local government finance and business rates retention systems, the Government currently envisage that the re-set will establish new baseline funding levels and business rates baselines for each local authority that is party to the rates retention system.

Business Rates Retention

In 2018/19, Merton, along with all other London boroughs participated in the 100% London Pilot Pool. This had some financial advantages to London. However, the Government has subsequently decided to reduce the level of local government Business Rates Retention to 75% and London is piloting this in 2019/20 ahead of the Government's plan to fully implement 75% Business Rates Retention for all local authorities in 2020/21. There are risks around estimating the level of Business Rates income that can support the Council's budget. These can emanate from the pressures on the high street from online retail and possibly the repercussions from Brexit, leading to an increase in empty properties, rates relief defaults appeals and late payments.

Business Rates and the High Street

In the Autumn Budget 2018, the government announced a business rates discount scheme for small-sized high street properties in England which have a rateable value

below £51,000. This means that small businesses will receive a one-third discount on their rates bills from April 1 2019 for the next two years. The Government is still under pressure to reform business rates to help high streets.

Use of Reserves

Reserves have been used to protect services and although unsustainable in the medium term, it has helped in the management of the significant underlying financial pressure and its ultimate impact on service users and residents. The Council maintains a minimum level of general fund reserves to protect against uncertainty and fluctuations in demand led budgets.

The Authority's full Business Plan including performance indicators is published at <https://www.merton.gov.uk/council-and-local-democracy/finance/budgets>

Capital Summary

Capital investment amounted to £31.6m in 2018/19 (£32.7m in 2017/18), this sum comprises £31.4m capital expenditure and £0.2 million investment in a wholly owned housing company. The programme was financed through the application of capital grants/contributions (£15.1m), capital receipts (£16.4m) and revenue contributions (£0.1m). Capital receipts received in year totalled £10.1m (£4.5m in 2017/18), this included £5.9m from the Department of Education for the development of a new secondary school site.

Of the total £31.6m capital expenditure, £28.1 million was spent on the purchase/enhancement of property, plant and equipment, £0.8 million on the purchase/enhancement of intangible assets, £0.2 million investment in a wholly owned housing company and £2.5 million was revenue expenditure funded from capital under statute.

Capital Investment Plans

The Authority's capital investment budget for the next four years, as at March 2019, is shown in the following table, alongside 2018/19 outturn. Capital investment is required both to maintain existing levels of service and to expand service provision in some areas.

Department	Outturn 2018/19 £000s**	Capital Budget (£000's)			
		2019/20*	2020/21	2021/22	2022/23
Corporate Services	4,918	28,857	4,270	3,870	14,167
Community and Housing	893	971	1,118	913	882
Children, Schools & Families	8,333	10,203	5,618	3,150	1,900
Environment & Regeneration	17,280	13,498	7,782	7,504	4,401

Total	31,424	53,529	18,788	15,437	21,350
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* Excludes any proposed slippage from 2018-19 ** Excludes investment in the Housing Company

The following projects, whose cost is included in the above table, are expected to expand service provision:

Capital projects aimed at service expansion	Capital Budget (£000's)			
	2019/20	2020/21	2021/22	2022/23
Secondary school expansions	3,154	6,352	2,552	0
Special Educational Needs school expansions	4,852	3,178	1,250	0
Replace Morden Leisure Centre and Lake De-silting	1,517	0	0	0
Total	9,523	9,530	3,802	0

Further information about capital investment plans can be found in the Authority's Business Plan, located at:

<https://www.merton.gov.uk/council-and-local-democracy/finance/budgets>

Investments and Borrowing

The Authority's Treasury activities are managed in accordance with Councils' Treasury Management Strategy (approved by full Council in March 2019)

The Authority manages its cash in-house, placing investments for periods ranging from overnight to over 12 months depending on anticipated cash flow requirements.

As at 31 March 2019 the Authority held all its investments in short-term deposits totalling £60m (2017/18 £59m) and none in long term deposits (2017/18 £5m). In the year the Authority earned £1.123m of income from these deposits (2017/18- £0.78m). This represents a 44% increase from 2017/18 and £223k above the budgeted interest income (£900k) for the year.

As at 31st March 2019 Long-term borrowing remained at £113.0m and no short term borrowing. In the year the Authority paid £6.315m in interest (£6.420m in 2017/18) on these borrowings.

Pensions

The Merton Pension Fund is a LGPS defined benefit pension scheme administered by London Borough of Merton. The scheme is managed in accordance with the Local Government Pension Scheme Regulations 2013. As at 31 March 2018 the Fund's net asset value was £722.1m and it had 13,668 members in total.

The Council is the largest employer of the Fund (95%) and as at 31 March 2019 there were 12,473 Council employees in the Fund. At the 2016 Triennial valuation, the Fund was 94% funded with the assets of £525m against its liability of £558m. Currently the Fund is carrying out its 2019 Triennial valuation and to be completed by 31 March 2020.

Statement of Accounts

The Statement of Accounts is comprised of the following statements:

- **Core Financial Statements**
 - **The Comprehensive Income and Expenditure Statement (CIES)** – shows the accounting cost in the year of providing services for the functions for which the Authority is responsible and demonstrates how they have been financed.
 - **The Movement in Reserves Statement (MIRS)** – shows the movement in the year on the different reserves held by the Authority and is used to adjust the net surplus or deficit on the Comprehensive Income and Expenditure Statement (CIES) to the amount chargeable under statute to the Authority’s general fund.
 - **The Balance Sheet** - summarises the Authority’s financial position at year-end.
 - **The Cash Flow Statement** - summarises the inflows and outflows of cash arising from transactions with third parties for revenue and capital purposes.
- **Notes to the Core Financial Statements** - provides additional information which supports and explains the figures in the core financial statements. It also includes a technical annex which contains the accounting policies.
- **The Collection Fund** - reflects the statutory requirement for billing authorities to maintain a separate account that shows the transactions of the Authority in relation to non-domestic rates and council tax.
- **Pension Fund Accounts** - shows the contributions to and the benefits paid from the pension fund and identifies the investments which make up the assets of the fund.
- **Group Financial Statements** which combine the core financial statements of this authority with those of its subsidiaries, CHAS and Merantun Developments Limited, comprise the following -
 - **Group Comprehensive Income and Expenditure Statement**
 - **Group Movement in Reserves Statement (MIRS)**
 - **Group Balance Sheet**
 - **Group Cash Flow Statement**

- **Statements of Responsibilities for the Statement of Accounts** – sets out the different responsibilities of the Authority and the Director of Corporate Services.

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CABINET

Date: 15 July 2019

Subject: Financial Report 2019/20 – May 2019

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 £1.98 million, 0.11% of gross budget.
- B. That Cabinet note the contents of Section 4 of the report and approve the amendments below.

Scheme	2019/20 Budget	2020/21 Budget	Narrative
Corporate Service			
Spectrum Spatial Analysis (GIS)	120,000	(60,000)	Merton Improvement Board £60k Funding and re-profiling
Children, Schools and Families			
Primary ASD base	200,000	(200,000)	Re-profiled in line with projected spend
Total	320,000	(260,000)	

- C. Cabinet are requested to approve releases from Outstanding Council Programme Board (OCPB) reserve of £152,007 relating to Project Management and £149,219 relating to SCIS – Post Go Live.
- D. That Cabinet approves the release from the Outstanding Council Programme Board (OCPB) reserve of £181,422 relating to the Community and Housing MIB project bid for the scanning and digital archiving of files.
- E. That Cabinet approve the release of £100k that was set aside in the Culture, Environment & Planning Contribution reserve to meet the demolition costs of Battle Close. Demolition of the site has now been completed.
- F. That Cabinet approve the release of £150k that was set aside in the Culture, Environment & Planning Contribution reserve to contribute towards projects to promote long-term sustainable transport provision in Council–managed car parks. This includes the provision of charging points for electric vehicles, cycle storage, pedestrian safety and help points across all relevant car parks.
- G. That Cabinet approve a virement of £52k from Parking Services to Regulatory Services. As part of the Air Quality Action Plan 2018-23 Cabinet previously agreed the recommendations, which included the recruitment of an Air Quality Officer, to be funded from the revenue generated from the vehicle emissions charge.
- H. Cabinet to approve the virement of £102k from the Children and Education grant reserve to social care budgets.
- I. Cabinet to approve the virement of £631k from the vulnerable children's social worker team (VCT) to safeguarding and care planning team 6.

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This is the financial monitoring report for period 2, 31st May 2019 presented in line with the financial reporting timetable.

This financial monitoring report provides-

- The income and expenditure at period 2 and a full year forecast projection.
- An update on the capital programme and detailed monitoring information;
- An update on Corporate Items in the budget 2019/20;
- Progress on the delivery of the 2019/20 revenue savings

2. THE FINANCIAL REPORTING PROCESS

- 2.1 The budget monitoring process in 2019/20 continues to focus on children's social care, which overspent in 2018/19 and continues to have budget pressures. There will also be focus on adult social care placements where there is continued pressure. Equally budget monitoring will focus on accuracy of forecasting as the 2018/19 outturn underspend demonstrates some over cautious forecasting in certain services. It is equally important to forecast expected underspends as it is overspends to ensure the overall Council forecast position is accurate.
- 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; however this action is not sustainable longer term.

2.3 2019/20 FORECAST OUTTURN BASED UPON LATEST AVAILABLE DATA

Executive summary – At period 2 to 31st May 2019, the year-end forecast is a net £1.98m overspend compared to the current budget.

Summary Position as at 31st May 2019

	Current Budget 2019/20 £000s	Full Year Forecast (May) £000s	Forecast Variance at year end (May) £000s	Outturn variance 2018/19 £000s
Department				
3A. Corporate Services	11,080	10,314	(766)	(2,511)
3B. Children, Schools and Families	60,933	63,778	2,845	2,271
3C. Community and Housing	63,753	64,027	274	(197)
3D. Public Health	0	0	0	0
3E. Environment & Regeneration	15,832	15,459	(373)	(1,526)
Overheads	0	0	0	(33)
NET SERVICE EXPENDITURE	151,597	153,578	1,980	(1,996)
3E. Corporate Items				
Impact of Capital on revenue budget	10,481	10,481	0	403
Other Central budgets	(19,763)	(19,763)	0	(6,064)
Levies	949	949	0	0
TOTAL CORPORATE PROVISIONS	(8,333)	(8,333)	0	(5,661)
TOTAL GENERAL FUND	143,265	145,245	1,980	(7,657)
FUNDING				
Revenue Support Grant	0	0	0	0
Business Rates	(44,026)	(44,026)	0	0
Other Grants	(8,169)	(8,169)	0	0
Council Tax and Collection Fund	(91,070)	(91,070)	0	0
FUNDING	(143,265)	(143,265)	0	0
NET	(0)	1,980	1,980	(7,657)

The current level of GF balances is £13.778m and the minimum level reported to Council for this is £12.53m. This means that another reserve or further savings will need to be found to offset the remaining £0.732m overspend.

Corporate Services

Division	2019/20 Current Budget	2019/20 Full year Forecast (May)	2019/20 Full Year Forecast Variance (May)	2018/19 Outturn Variance
	£000	£000	£000	£000
Customers, Policy & Improvement	3,624	3,481	(143)	(246)
Infrastructure & Technology	11,568	11,652	84	(64)
Corporate Governance	2,432	2,320	(112)	(294)
Resources	5,791	5,371	(420)	(707)
Human Resources	1,900	1,918	18	16
Corporate Other	853	660	(193)	(1,216)
Total (Controllable)	26,168	25,402	(766)	(2,511)

Overview

At the end of period 2 (May) the Corporate Services (CS) department is forecasting an underspend of £766k at year end.

Customers, Policy and Improvement - £143k under

There is a forecast underspend of £29k on cash collections, capturing part of a future year saving early in 2019/20. The translations service has a forecast underspend of £53k, mainly as a result of additional income from internal translation requests and a vacancy within the team. Marketing and communications have a £45k underspend forecast from less than budgeted spend on the council magazine and graphic design, this is in line with level of spend in 2018/19. A further £46k underspend is forecast on press and PR, this is a result of maternity leave in the team as well as there being no resident survey planned for 2019/20.

A £17k overspend is forecast on the registrars service relating to various running cost budgets such as ground maintenance and marketing. This is partly offset by the overachievement of income, however income for 19/20 is expected to be £100k less than that achieved in 18/19 due to the Home Office no longer providing additional work.

Infrastructure & Technology - £84k over

The main areas of overspend forecast within I&T are telecoms (£102k) due to delays in the PABX telecoms implementation and the Professional Development Centre (Chaucer Centre) (£84k) due to the underachievement of rental income. The business systems team is forecasting a further £34k overspend due to the underachievement of income and an unmet saving on support and maintenance from 2018/19 (CSREP 2018-19 (13)).

Various underspends within the division are partly offsetting the above overspends. IT service delivery is forecasting a £72k underspend due to less than budgeted licence costs and additional recharges to clients. The Civic Centre is forecasting a £33k underspend due

to additional rental income and the print and post room are forecasting a £40k underspend with a vacancy held in the team.

Corporate Governance – £112k under

The underspend within Corporate Governance is formed of £26k from various running cost budgets held by the AD, £23k from democracy services largely due to a vacancy and £15k inflation. A further £25k underspend is forecast in the information governance team due to vacancies and consultants budget not required in year. The South London Legal Partnership (SLLp) are forecasting a £106k surplus, of which £20k is to be retained by Merton.

Resources - £420k under

There are various underspends forecast within senior management, made up of the Chief Executive's budget (£48k under), Director of Corporate Services (£71k under) and AD Resources (£89k under) due to subscription and consultancy budgets not expected to be required in year.

Accountancy has a £204k overspend forecast on corporate accountancy due to agency spend and additional bank charges being incurred in relation to RingGo payments. Mitigating actions to reduce the additional bank charges are being reviewed and the current forecast represents a worst case scenario if no changes were to be implemented. This is part offset by a £20k underspend within budget management due to vacancies within the team.

A £34k overspend is forecast on the financial information system team mainly due to staffing costs, with a business case pending to review ongoing budget pressures within the team.

The insurance and treasury teams are forecasting a £66k underspend due to recovery of insurance premiums and additional recharges to the pension fund, part offset by an underachievement of schools buyback income.

The Merton bailiff service is forecasting to underspend by £247k due to additional income in excess of the budget. Benefits administration is forecasting a £148k underspend mainly due to additional income from DWP for various schemes, though this is in part offset by agency spend. There is a forecast overspend of £18k on local taxation services due to various running costs and agency spend which is not fully offset by additional income relating to the cost of collection for NDR and council tax.

Human Resources – £18k over

A £31k underspend on the AD budget is forecast as a result of a vacancy being held for part of the year. Staffing underspends within learning and development and the payroll teams are as a result of a restructure in year which captures a future year saving early.

Overspends are forecast on staff side (£30k) pending confirmation on the amount to be recharged to UNISON. The underachievement of schools buy back income is also contributing to the HR overspend. A significant budget pressure within HR is from the transactions budget which is currently forecasting a £75k overspend. This is due a £15k budget pressure on DBS recharges to clients which no longer include an internal admin charge as the work is conducted by the London Borough of Kingston. The remainder relates to the shared payroll system and iTrent client team charges by the London Borough of Kingston.

Corporate Items - £193k under

The Housing Benefit budget shows a forecast surplus of £1.23m on the account against a budgeted surplus of £1m. The unbudgeted surplus relates to an underspend against the budget to top-up the bad debt provision, part offset by an overpayment recovery shortfall.

The Coroners court is forecasting an overspend, pending updated information from Westminster. This part offsets with additional income from the Magistrates court.

There is a budget pressure of £388k as an admin charge is no longer applied to users of the corporate agency contract. This pressure is currently being mitigated by the corporately funded items budget which, at this stage, is not expected to be fully utilised in year.

Environment & Regeneration

Environment & Regeneration	2019/20 Current Budget	Full year Forecast (May)	Forecast Variance at year end	2018/19 Outturn Variance
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	£000	£000	(May) £000	£000
Public Protection	(13,064)	(13,188)	(124)	(753)
Public Space	14,682	14,752	70	(1,449)
Senior Management	975	937	(38)	(17)
Sustainable Communities	8,074	7,793	(281)	694
Total (Controllable)	10,667	10,294	(373)	(1,525)

Description	2019/20 Current Budget	Forecast Variance at year end (May)	2018/19 Variance at year end
	£000	£000	£000
Overspend within Regulatory Services	481	116	112
Underspend within Parking Services	(14,409)	(452)	(964)
Overspend within Safer Merton & CCTV	864	212	99
Total for Public Protection	(13,064)	(124)	(753)
Overspend within Waste Services	13,716	113	(1,611)
Nil variance within Leisure & Culture	416	0	(222)
Underspend within Greenspaces	1,245	(119)	145
Overspend within Transport Services	(695)	76	239
Total for Public Space	14,682	70	(1,449)
Underspend within Senior Management & Support	975	(38)	(17)
Total for Senior Management	975	(38)	(17)
Underspend within Property Management	(2,792)	(340)	368
Overspend within Building & Development Control	4	109	275
Underspend within Future Merton	10,862	(50)	51
Total for Sustainable Communities	8,074	(281)	694
Total Excluding Overheads	10,667	(373)	(1,525)

Overview

The department is currently forecasting an underspend of £373k at year end. The main areas of variance are Parking Services, Safer Merton & CCTV, and Property Management.

Public Protection

Parking Services underspend of £452k

The underspend is mainly as a result of additional penalty charge notices being issued, following the implementation of the ANPR system across the borough (£1,279k), and P&D income (£428k).

The section has a £1,900k saving this year relating to the review of parking charges, based on an October start date. As the implementation date for the revised charges is still subject to Cabinet approval and subject to change, the forecast reflects a prudent approach to the likely implementation date, and associated income of £950k.

Included within this forecast is employee related overspend of £122k due to a combination of savings not yet implemented and increased demand, and a £75k overspend in relation to debt registration and Parking and Traffic Appeals Service (PATAS) costs due to the increased volume of PCNs following the implementation of ANPR system. A piece of work is currently being

undertaken to realign the parking budgets, which will include the associated costs involved with operating the ANPR system.

There have been delays in implementing all of the parking savings to date. In terms of ANPR, there was an initial assumption that there would be a peak in the processing work and, balanced with on-going compliance, the processing volume would drop. However, although the section still expects compliance to further increase, it has not yet occurred to the level expected as processing volumes remain above estimated levels, leading to the need to continue to employ additional agency staff.

Safer Merton & CCTV overspend of £212k

The section is forecasting to overspend on annual network and connection costs by £28k, and by c£40k on one-off CCTV upgrade and relocation costs. In addition, the section has a 2019/20 saving of £100k relating to charging local businesses for monitoring of their CCTV, which will not be achieved.

The CCTV budgets are currently being reviewed by the Safer Merton & CCTV manager and the AD of Public Protection in order to mitigate these pressures, which may include an alternative saving being presented to Cabinet in due course.

Sustainable Communities

Property Management underspend of £340k

The principal reason for the forecast underspend relates to exceeding the commercial rental income expectations by £468k mainly due to conducting the back log of rent reviews in line with the tenancy agreements.

This is being partially offset by an overspend of £89k on premises related expenditure, for example, utility and repairs & maintenance costs.

Virements

During 2018/19 £100k was set aside in a reserve to meet the demolition costs of Battle Close. Demolition at the site has now been completed so Cabinet are requested to approve the release of these funds.

During 2018/19 £150k was set aside in a reserve to contribute towards projects to promote long-term sustainable transport provision in Council–managed car parks. This will include the provision of charging points for electric vehicles, cycle storage, pedestrian safety and help points across all relevant car parks. Cabinet are now requested to approve the release of these funds.

As part of the Air Quality Action Plan 2018-23 Cabinet previously agreed the recommendations which included the recruitment of an Air Quality Officer, to be funded from the revenue generated from the vehicle emissions charge. Therefore, Cabinet are now requested to approve a virement of £52k from Parking Services to Regulatory Services.

Children Schools and Families

Children, Schools and Families	2019/20 Current Budget £000	Full year Forecast May £000	Forecast Variance at year end (May) £000	2018/19 Variance at year end £000
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Education	22,985	23,603	618	(37)
Social Care and Youth Inclusion	21,562	24,504	2,942	3,211
Cross Department budgets	519	519	0	(20)
PFI	8,573	8,228	(345)	(354)
Redundancy costs	2,183	2,183	(370)	(529)
Total (controllable)	55,822	59,037	2,845	2,271

Overview

At the end of May Children Schools and Families forecast to overspend by £3.215m on local authority funded services; an increase in overspend from March's outturn of £944k. The overspend is mainly due to the volatile nature of placement and SEN transport budgets, and the current volume of CSC activity and Education, Health and Care Plan (EHCP) requests. Despite an increasing population, Merton has managed to reduce our number of looked after children in care slightly through a combination of actions, which is detailed in the management action section below.

Due to the SEN inspection coinciding with May's budget monitoring, some services were not able to return full monitoring information for May. These areas were either put to budget or variances forecast in line with outturn figures. These forecasts will be reviewed during June monitoring. Some underspends which reduced cost pressures last year, i.e. redundancy cost, have also not been quantified yet as this can only be done later in the year once the September school redundancies have been finalised.

The CSF department received £500k growth for 2019/20 which was all allocated against the SEN transport cost due to the pressure in this area.

Local Authority Funded Services

Significant budget variances identified to date are detailed in the table below:

Description	Budget £000	May £000	2018/19 £000
Procurement & School organisation	594	(207)	(411)
SEN transport	4,705	978	1,223
Other small over and underspends	17,686	(153)	(849)
Subtotal Education	22,985	618	(37)
Fostering and residential placements (ART)	7,111	871	1,057
Un-accompanied asylum seeking children (UASC)	550	1,195	774
UASC grant	(475)	(537)	(286)
Community Placement	0	500	500
No Recourse to Public Funds (NRPF)	21	141	301
MASH & First Response staffing	1,618	346	354
Legal costs	526	251	280
Other small over and underspends	11,736	175	231
Subtotal Children's Social Care and Youth Inclusion	21,562	2,942	3,211

Education Division

The procurement and school organisation budget is forecast to underspend by £207k because of lower spend on revenue budgets. This budget relates to the revenue cost of construction projects and is affected by slippage of capital schemes. 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 forecast to overspend by £978k at the end of May. The forecast for maintained school taxis is £3.535m, circa £250k more than last year. This is our best estimate based

on the information available at the end of May. More work is being undertaken to forecast the full year effect of the packages that started from September 2018. A more accurate forecast for the current financial year is expected in October once all the changes of the new academic year have been procured. To support the cost pressure in this area, the £500k growth allocated to the department in 2019/20 has been allocated against this budget.

There are various other small over and underspends forecast across the division netting to a £153k underspend. These combine with the items described above to arrive at the total divisional overspend forecast of £618k.

Children's Social Care and Youth Inclusion Division

At the end of May we had 148 looked after children (LAC). This is a reduction of 12 children from the previous report (at March 2019). This is considerably lower than the rate at which children are looked after across London and nationally as per the table below. The reasons for the reduction are that, five turned 18 years and became adults, five returned home to live with parents, relatives, or another person with parental responsibility, one was referred to the National Asylum Support Service and the other child was adopted.

Overview	2015/16	2016/17	2017/18	2018/19
Number of children in care as at 31st March	163	152	154	160
Of which UASC	22	20	28	34
Rate per 10,000	35	33	33	tbc
London Rate	51	50	49	tbc
England Rate	60	62	69	tbc

The complexity of a significant proportion of cases is causing cost pressures as detailed below.

Service	Budget £000	May spend £000	Variance		Placements	
			May £000	Mar £000	May No	Mar No
Residential Placements	2,306	2,606	300	350	17	19
Independent Agency Fostering	1,753	1,953	200	151	32	37
In-house Fostering	992	1,426	434	443	62	59
Secure accommodation	138	138	0	21	2	1
Mother and baby	103	103	0	40	0	2
Supported lodgings/housing	1,819	1,756	(63)	52	58	57
Total	7,111	7,982	871	1,057	171	175

The ART service seeks to make placements with in-house foster carers wherever possible and in line with presenting needs, however, the capacity within our in-house provision and 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 overspend by £300k. We currently have 17 Residential (including 9 Respite) in May. We have made adjustment in anticipation of increase in expenditure over this financial year which will be updated as part of budget monitoring throughout the year.
- The Agency Fostering expenditure is forecast to overspend by £200k. We currently have 32 placements in May. We have made adjustment in anticipation of increases in expenditure over this financial year.
- The In-house Foster carer expenditure is forecast to overspend by £434k. We currently have 62 placements in May.

- The secure accommodation expenditure is projected to be on budget in May. We have 2 placements in May but we normally get more during the year which is why we are predicting to budget at this stage.
- The mother and baby assessment expenditure is projected to be within budget in May. We currently have no placements in units but based on past experience this is expected to change later in the year.
- We are forecasting that the budget for the semi-independent accommodation and supported lodgings/housing placements is forecast to underspend by £62k in May. We have 58 placements in May but based on past experience we would expect this to increase later in the year.

At the end of May, UASC placements and previous UASC that are now Care Leavers were forecasting to overspend by £1.195m, up from £774k in March. Some of this will be offset by the overachievement of grant by £537k.

Service	Budget £000	May spend £000	Variance		Placements	
			May £000	Mar £000	May No	Mar No
Independent Agency Fostering	380	469	89	11	11	9
In-house Fostering	0	534	534	200	24	25
Supported lodgings/housing	170	742	572	563	26	24
Total	550	1,745	1,195	774	61	58

At the end of May, we had 35 placements for UASC young people under 18. This will increase over the next few months due to political commitment to increase our quota to 37 (0.08% of the child population). Merton receives UASC grant towards these placements although it is not sufficient to cover the full cost.

Merton had 26 young people aged 18+ in semi-independent accommodation who were formerly UASC in our care. Once UASC young people reach age 18, we retain financial responsibility for them as Care Leavers until their immigration status is agreed.

We are currently forecasting to over-achieve our UASC grant income by £537k. This is based on the funding Merton received last year. Rate increases have been announced and these will be forecast next month and both grant and expenditure budgets adjusted to reflect the latest position.

We accrued £500k at year-end for the un-budgeted community placement and are estimating that this will continue in the current financial year. This provision relates to a complex case currently under discussion between the CCG and the local authority. The figure is our best current estimate and is subject to change as we are still in negotiation. Forecast costs are currently based on an interim arrangement in place while further work is undertaken to secure the right long term support arrangements.

The NRPF budget is forecast to overspend by £141k in the current financial year. This is £160k less than last year's overspend. The NRPF worker is working closely with housing colleagues to manage cases as they arise and also reviews historic cases to identify ones where claimant circumstances have changed and they can therefore be stepped down from services. We continue to use the Connect system to progress cases and continue to review open cases with the aim to limit the cost pressure on the council.

We are forecasting to overspend by £346k on the MASH and First Response teams' staffing costs. This is because the team is covering 16 vacancies out of an establishment of 30 (excluding Common

and Shared Assessments and management also included in this service area on iTrent) with agency staff due to difficulty in recruiting permanent members of staff in this area.

Legal costs are forecast to overspend by £251k. This cost relates to third party legal fees including Counsel, court and medical fees as well as independent expert witness and Family Drug and Alcohol Court (FDAC) costs. The investment in the FDAC is intended to reduce placement costs due to fewer children coming into care.

There are various other small over and underspends forecast across the division netting to a £175k overspend. These combine with the items described above to arrive at the total divisional forecast overspend of £2.942m.

Dedicated Schools Grant (DSG)

DSG funded services are forecast to overspend by £6.822m. The DSG had a cumulative overspend of £2.909m at the end of 2018/19. The overspend in the current financial year will be adding to this balance and will be carried forward as a negative reserve, similar to other boroughs.

The main reasons for the overspend relates to £3.682m on Independent Day School provision. This is a £81k increase from March 2019. More work is required to forecast the additional placements in the current year and the full year effect of new placements which started last year.

Other overspends include £994k on EHCP allocations to Merton primary and secondary schools, £1.180m on EHCP allocations to out of borough maintained primary, secondary and special schools, and £1.089m on one-to-one support, OT/SLT and other therapies as well as alternative education.

The table below shows the increase in number of EHCPs over the past 4 years as the entitlement changed. At the end of May there were 1,803 EHCPs.

Type of provision	Jan 2016 Total Statements and EHCPs		Jan 2017 Total Statements and EHCPs		Jan 2018 Total Statements and EHCPs		Jan 2019 Total Statements and EHCPs	
	No	%	No	%	No	%	No	%
Early Years (inc. Private & Voluntary Settings)	0	0%	1	0%	7	0%	7	0%
Mainstream School (inc. Academies)	422	39%	461	37%	526	35%	584	34%
Additional Resourced Provision	110	10%	111	9%	116	8%	125	7%
State Funded Special School	358	33%	388	31%	416	27%	440	26%
Independent Schools	132	12%	153	12%	176	12%	228	13%
Post 16 College and traineeships	25	2%	93	7%	183	12%	212	12%
Post 16 Specialist	10	1%	25	2%	44	3%	37	2%
Alternative Educative	15	1%	10	1%	22	1%	28	2%
No placement (including NEET)	3	0%	0	0%	28	2%	51	3%
Total	1075	100%	1242	100%	1518	100%	1712	100%

There are various other smaller over and underspends forecast across the DSG netting to a £123k underspend which, combined with the items above, equates to the net overspend of £6.822m. This will be added to Merton's negative reserve, and conversations continue with government over the funding of this estimated £9.731m deficit (£2.909m in 2018/19).

We continue to keep abreast of proposed changes to the National Funding Formula, especially in relation to risks associated with services currently funded by de-delegated elements of the DSG. We are also working with other authorities on the deficit DSG issue and have responded to the national consultation relating to the treatment of DSG deficits.

The Early Years block of the DSG is normally adjusted in the June following the end of the financial year as it is based on January census information. We are not in a position to estimate this adjustment until year-end.

Although the pressures on the high needs block are clear from the budget monitoring figures highlighted above and continue into 2019/20, some schools are also having trouble in setting balanced budgets with the funding provided to them through the funding formula. The number of schools setting deficit budgets has increased from five in 2017/18 to fourteen in 2018/19. We will not know the position for 2019/20 until the end of June 2019. There are various reasons for schools requiring to set deficit budgets including unfunded pay increases, increased costs relating to children that require additional support but do not meet statutory thresholds for additional funding, reduction in pupil numbers and reduced levels of reserves that schools would previously have used to balance their budgets.

Management action

Quarter four staffing report

The number of employed Social Workers reduced slightly in Q4 to 124 (from 125 in Q3). There has been ongoing strong recruitment during 2018/19, with 28 new starters in the last year. Additionally, there has been a number of internal transfers where staff have had opportunities for career development. Vacancy rates increased in Q4 to 20.84% (from 19.84% in Q3) although it has been on a general downward trend since September 2017. Turnover reduced this quarter to 20.24% (from 21.14% in Q3).

Agency social workers in Q4 make up 17% of the Social Worker workforce, an increase from Q3 (14%). However, the average number of agency SW's used in 2018/19 reduced to 23.43 WTE (from 30.89 WTE in 2017/18). Agency expenditure increased this quarter to £472,368, although the annual expenditure (2018/19) decreased to £1,768,716 from £2,262,568 (2017/18). 33% (8.01 WTE) of all agency workers are working in S&CP and 29% (7.09 WTE) in First Response. Most agency workers are covering vacant posts. We have further reduced the use of agency by continuing to impose a three month recruitment drag where appropriate for non-social work posts.

Placements

We continue to use the Panel processes to provide an overview of the use of IFAs as well as continuing our scrutiny on residential children's home placements.

Our ART Fostering Recruitment and Assessment team is continuing to recruit new foster carers who will offer locally based placements with a campaign targeted at attracting foster carers for teenagers and UASC young people. We have recruited 2 new foster carers this year so far. However, the target for this financial year is to recruit 20 new foster carers, so we will need to pick up pace if we are to succeed in meeting the target.

Our aim is to slow down the increase in more expensive agency foster placements. In addition, we are implementing actions to retain our experienced existing foster carers such as increasing the support offer to them through the trauma based training and support to enable them to take and retain children with more challenging behaviours in placement and implementing the Mockingbird Model. We are also targeting our recruitment to increase our number of in-house mother and child foster placements.

Our ART Placement service is working with providers to establish more local provision and offer better value placements to the Council. We continue to convene the Semi-Independent Accommodation (SIA) Panel which will record costs incurred. We are working to identify our Housing Benefit payments and what we should be getting and what are the actuals received. This

work is continuing with the aim to further reduce under-achievement of housing benefits during this year.

We have contracted with a provider to block purchase five independent units for care leavers aged 18+ to act as a step down into permanent independent living. Building on these cost reductions, we expect to be able to procure further placements of this type in 2019/20 and 2020/21.

We have updated our Staying Put policy for young people aged 18+ to enable them to remain with their foster carers in line with statutory requirements and as recommended by Ofsted in our inspection. However, the increased use of Staying-Put for young people aged 18+ impacts on available placements for younger teenagers, therefore highlighting again the need for targeted recruitment for foster carers for teenager and UASC young people. We continue to focus our foster carer recruitment on carers for teenagers to mitigate these potential additional costs.

Children with additional needs

We are working with colleagues in CCGs through the tripartite process in order to secure appropriate health contribution to children with complex needs, particularly through continuing healthcare funding. This is an area we need to improve with closer working with the CCG a focus going forward. This will mainly affect the CWD budget as many of the children discussed will be placed at home with shared packages of care. Details of any arrangements made will be recorded and reflected in budget returns.

We have tried to reduce costs associated with SEND transport through a number of strategies but this is a continuing challenge with the increasing numbers of children eligible for this service. Strategies introduced include: the introduction of a dynamic taxi purchasing system; the re-provisioning of taxi routes to ensure best value for money; the introduction of bus pick up points where appropriate; promotion of independent travel training and personal travel assistance budgets where this is option is cheaper.

We have a multi-agency SEND panel providing strategic oversight of the statutory assessment process to ensure that at both a request for assessment stage and the agreement of a final EHCP, criteria and thresholds are met and the best use of resources is agreed.

To limit the increased costs, to the DSG High Needs block, of the increased number of children with EHCPs we have expanded existing specialist provision and have approved a contract to expand Cricket Green special school. We have increased Additionally Resourced Provision (ARP) in Merton mainstream schools and have further plans for new ARP provision and expansion of existing bases. Additional local provision should also assist with minimising increases to transport costs.

We are also part of a South West London consortium, which uses a dynamic purchasing system for the commissioning of specialist independent places, this enables LAs together to challenge any increases in cost and ensure best value for money in the costs of these placements, although there is evidence that other LAs are not making best use of this and it is likely to be decommissioned.

New burdens

There are a number of duties placed on the Local Authority that have not been fully funded or not funded at all through additional burdens funding from Central Government. Excluding the cost of these duties would leave a net departmental overspend of £1.319m, however that figure masks substantial one 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	May overspend forecast £000	2018/19 over £000
Supported lodgings/housing- care leavers	1,819	(63)	52
Supported lodgings/housing- UASC	170	1,195	774
UASC	380	623	211
No Recourse to Public Funds (NRPF)	21	141	301
Total	2,390	1,896	1,338

Following changes introduced through the Children & Social Work Act, local authorities took on new responsibilities in relation to children in care and care leavers. Local authorities are required to offer support from a Personal Adviser to all care leavers to age 25. There has been no on-going funding for the additional work required.

Other unfunded burdens include:

- the increase in the age range of EHCPs, particularly for those young people aged 18-25, due to legislation changes, which is causing cost pressures in both the general fund (in education psychology and SEN transport) and the DSG (High Needs Block costs relating to most EHCP services);
- new statutory duties in relation to children missing from education have increased the cases dealt with by the Education Welfare Service by 79% (from 290 in the 6 months from September to March 2016 to 519 in the same 6 months the following year and the level of referrals has remained at this level).

Further new burdens are expected for 2019/20 including:

- DfE requirement for new assessment process for all social workers (National Assessment and Accreditation System).
- SEND tribunals will cover all elements of children care packages, not just education.
- New requirement of social work visits to children in residential schools and other provision

Virements

Children and Education grant reserve virement

Reserves were put aside from Controlling Migration fund received in 2018/19 to build capacity for providing support and integration for young unaccompanied asylum seekers in Merton. Cabinet is asked to approve the virement of £102k from reserves to social care budgets where these service will be delivered.

Safeguarding and care planning restructure virement

Following the safeguarding and care planning restructure this virement is to create the new Team 6 in this service and close down the vulnerable children's social worker team (VCT), both of which are contained within the children social care service area. Cabinet is asked to approve the virement of £631k from VCT to safeguarding and care planning team 6.

Community and Housing

Overview

Community & Housing is currently forecasting an overspend of £274k as at May 2019. There is a growth in the costs of adult social care placements, which is currently being managed through increased income. There are forecast overspends in Housing £223k and Libraries £51k. However Public Health and Merton Adult Learning are currently forecasting a breakeven position.

Community & Housing Summary Outturn Position

Community and Housing	2019/20 Current Budget £000	2019/20 Forecast £'000	2019/20 Forecast Variance £000	2018/19 Outturn Variance £000
Access and Assessment	45,199	45,165	(34)	(258)
Commissioning	4,449	4,290	(159)	(5)
Direct Provision	4,700	4,756	56	6
Directorate	1,142	1,279	137	90
Adult Social Care	55,490	55,490	0	(167)
Libraries and Heritage	2,186	2,237	51	45
Merton Adult Learning	(8)	(8)	0	0
Housing General Fund	1,905	2,128	223	(73)
Sub-total	4,083	4,357	274	(195)
Public Health	(148)	(148)	0	0
Grand Total	59,425	59,699	274	(195)

Access & Assessment -£34k underspend

This is the most volatile area within the Community and Housing service as it is a demand led service governed by national eligibility criteria. There was a steady decrease in spend on care placements during 2018/19 due to careful management of the budget. However, this decrease started to plateau towards the year end with increased activity out of hospital. This is starting to show as a pressure on the placements budget.

This pressure is currently offset by increased income, including from the Integration Better Care Fund (iBCF), and managed underspends on non-care budgets. The detail shows that the main cause of this pressure is the increased needs of existing service users, with older service users in particular requiring double-up care or a move into residential and nursing care. We will continue to track the detailed trends on a monthly basis, which will inform actions to ensure the budget remains balanced.

Direct Provision-£56k overspend

The Direct Provision service has forecast an overspend of £56k which is mainly on its salary budgets. However, the service will undertake further investigations on additional salary cost incurred during April and early May at Riverside to support a resident who has subsequently moved.

C&H-Other Service

Libraries-£51k overspend

The library service is currently forecasting an overspend of £51k which is due mainly to the increased cost of libraries security staff and cost of electricity.

Merton Adult Learning – Breakeven

Merton Adult Learning is currently forecasting a breakeven position which is similar to the service performance in 2018-19.

Housing - £223k overspend

The Housing Team is forecasting an overspend of £223k, the majority of which is due to the increased cost of temporary accommodation and grant shortfall. It should be noted that the temporary accommodation budget is volatile and is subject to change throughout the financial year.

This forecast overspend arises as a consequence of temporary accommodation subsidy loss. The Council has a statutory duty to provide temporary accommodation to households where it has reason to believe that a person is homeless, eligible for assistance and has a “priority need” for accommodation.

There are unknown factors involved in both the supply and demand side of the equation which influence budget spend. On the demand side of the equation, officers have no way of knowing how many households will approach the council for housing assistance and be eligible for a placement into expensive temporary accommodation. However what is known, that since the introduction of the Homelessness Reduction Act 2017 the service has seen a 67% increase in the number of homeless applications. One of the key features of the HRA is that all households (regardless of priority need) are entitled to have their homelessness prevented and personal housing plans issued. The service continues to prevent homelessness in accordance with the Housing Act and the Government’s published code of guidance, through a range of measures including legal advice and assistance, rent deposits, money and debt management

One of the challenges is that once a household is accommodated in temporary accommodation and a duty accepted, that duty can only be discharged in certain limited circumstances which includes the offer of a social housing tenancy. It is almost impossible to accurately predict how many housing association homes will become available as we have no way of knowing which tenants will die, move away, be evicted , abandon their tenancies and therefore how many true voids will be offered to the council for nomination. By way of an illustration, for the period 2018-19 only 255 homes were let by the borough via nominations to Housing Associations.

Whilst the service can discharge its statutory duties by rehousing households into the private rented sector, such homes become available to the council infrequently given Landlords’ perceived difficulties with welfare reform, Local Housing Allowance and Universal Credit

Given these issues, the temporary accommodation budget remains volatile but officers continue to give this area of work considerable scrutiny.

Homelessness prevention remains on the agenda for this service and the team will continue to prevent episodes of homelessness.

The table below shows the number of homelessness prevented to May 2019-20

Period	Homelessness Prevention Targets 2019-20
Full Year Target	450
Target YTD	75
Achieved – Apr'19	57
Achieved - May'19	86

Analysis of Housing and Temporary Accommodation Expenditure

The table below shows analysis of the housing expenditure to May 2019

Housing	Budget 2019/20 £000	Forecast (May'19) £'000	Forecast Variances (May'19) £000	Outturn Variances (March'19) £000
Temporary Accommodation-Expenditure	2,368	2,956	588	562
Temporary Accommodation-Client Contribution	(140)	(600)	(460)	(518)
Temporary Accommodation-Housing Benefit Income	(2005)	(2,152)	(147)	(26)
Temporary Accommodation-Subsidy Shortfall	322	940	618	455
Temporary Accommodation- Grant	0	(250)	(250)	(531)
Subtotal Temporary Accommodation	544	893	350	(58)
Housing Other Budgets- Over/(under)spend	1,361	1,435	74	(15)
Total	1,905	2,328	423	(73)

Temporary Accommodation (TA) movement to May 2019

The data below shows the total number of households (i.e. families and single occupants) in temporary accommodation as at May 2019.

Temporary Accommodation	Numbers IN	Numbers OUT	Total for the Month
March 2017	-	-	186
March 2018	16	16	165
March 2019	15	11	174
April 2019	15	11	178
May 2019	15	16	177

There was a net increase of 4 more households between March and April

Public Health -Breakeven

Public Health is forecasting a breakeven position as at May 2019. A further £276k (2.6%) grant reduction has been mitigated by budget cuts and efficiencies across Public Health. The service is however anticipating potential budget pressure in the Sexual Health and Substance Misuse services during 2019-20. Further details will be made available once the amount is quantifiable.

Corporate Items

The details comparing actual expenditure up to 31 May 2019 against budget are contained in Appendix 2. There are no areas of significant variance as at 31 May 2019:-

Corporate Items	Current Budget 2019/20 £000s	Full Year Forecast (May) £000s	Forecast Variance at year end (May) £000s	Forecast Variance at year end (Apr.) £000s	Outturn Variance 2018/19 £000s
Impact of Capital on revenue budget	10,481	10,481	0	0	403
Investment Income	(664)	(664)	0	0	(364)
Pension Fund	3,429	3,429	0	0	(254)
Pay and Price Inflation	1,327	1,327	0	0	(1,122)
Contingencies and provisions	4,852	4,852	0	0	(3,366)
Income Items	(1,503)	(1,503)	0	0	(956)
Appropriations/Transfers	(4,300)	(4,300)	0	0	(6)
Central Items	3,142	3,142	0	0	(6,068)
Levies	949	949	0	0	0
Depreciation and Impairment	(22,903)	(22,903)	0	0	4
TOTAL CORPORATE PROVISIONS	(8,332)	(8,332)	0	0	(5,661)

The utilisation of corporate budgets is greatly influenced by the pressures and challenges that service departments face and the extent to which they require support from corporate contingency budgets.

4 Capital Programme 2019-23

4.1 The Table below shows the movement in the 2019/23 corporate capital programme since the last meeting of Cabinet:

Department	Current Budget 19/20	Variance	Revised Budget 19/20	Current Budget 20/21	Variance	Revised Budget 20/21	Revised Budget 21/22	Variance	Revised Budget 21/22	Revised Budget 22/23	Variance	Revised Budget 22/23
CS	32,042	120	32,162	4,270	(60)	4,210	3,870	0	3,870	15,967	0	15,967
C&H	1,196	0	1,196	1,118	0	1,118	913	0	913	882	0	882
CSF	9,461	200	9,661	5,618	(200)	5,418	3,150	0	3,150	1,900	0	1,900
E&R	14,573	47	14,620	7,782	0	7,782	7,504	0	7,504	4,401	0	4,401
TOTAL	57,272	367	57,639	18,788	(260)	18,528	15,437	0	15,437	23,149	0	23,149

4.2 The table below summarises the position in respect of the 2018/19 Capital Programme as at May 2019. The detail is shown in Appendix 5

Capital Budget Monitoring May 2019

Department	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Forecast 2019/20	Full Year Variance
Corporate Services	94,998	90,000	4,998	32,162,170	32,162,170	0
Community and Housing	64,916	85,000	(20,084)	1,196,240	996,240	(200,000)
Children Schools & Families	692,789	116,000	576,789	9,660,470	9,660,030	(440)
Environment and Regeneration	109,822	809,000	(699,178)	14,620,470	14,615,469	(5,001)
Total	962,525	1,100,000	(137,475)	57,639,350	57,433,909	(205,441)

- Corporate Services – This department’s budgets include the budget for the Housing Company of £23million - officers are looking to review the likely profile of spend of this budget and it is likely that a sum is pushed back into 2020-21. Currently all budget areas are projecting full spend and there are no amendments to the budget this month. An additional £60k contribution from reserves and £60k re-profiling from 2020-21 has been utilised to increase the Spectral Spatial Analysis (GIS) Budget by £120k.
- Community and Housing – All budget managers are projecting a full year spend apart from West Barnes Library Re-Fit which is showing a £200k slippage, officers are currently considering how best to progress this scheme and will profile the budget spend appropriately once this is decided. There are no proposed amendments to departmental budgets this month.
- Children, Schools and Families – All budget managers are projecting a full year spend. There is one virement proposed this month from Haslemere Primary to Links Primary that is required to reflect contractor bids for Capital Maintenance work. In addition, £200k is being re-profiled from 2020-21 to 2019-20 to progress the Primary ASD Base.
- Environment and Regeneration – All budget areas are projecting full spend apart from Alley Gating which is showing a £5k underspend. This month, one virement of £60k is proposed from Pay and Display Machines within Parking Budgets to CCTV with the Highways budget. The following additions are proposed this month by departmental officers:
 - Additional Section 106 funding to be added to the Street Lighting Replacement Programme £6,960
 - Additional S106 funding to be added to the Wandle Project £5,520
 - Additional Transport for London (TfL) funding to be added to the TfL Principal Roads Budget

Officers are currently reviewing the outturn position in respect of the Bishopsford Road Bridge and how best to progress the works required by the recent flooding/heavy rain in that area.

- 4.4 The table below compares capital expenditure (£000s) to May 2019 to that in previous years :

Depts.	Spend To May 2016	Spend To May 2017	Spend to May 2018	Spend to May 2019	Variance 2016 to 2019	Variance 2017 to 2019	Variance 2018 to 2019
CS	131	79	169	95	(36)	16	(74)
C&H	(13)	(26)	105	65	78	91	(40)
CSF	1,869	699	264	693	(1,176)	(7)	428
E&R	376	1,051	807	110	(266)	(941)	(697)
Total Capital	2,363	1,803	1,345	963	(1,401)	(841)	(383)

Outturn £000s	30,626	32,230	31,424	
Budget £000s				57,639
Projected Spend May 2019 £000s				57,434
Percentage Spend to Budget				1.67%
% Spend to Outturn/Projection	7.72%	5.59%	4.28%	1.68%
Monthly Spend to Achieve Projected Outturn £000s				5,647

- 4.5 May is two months into the financial year and departments have spent just under 2% of the budget. Spend to date is lower than all three previous financial years shown.

Department	Spend To April 2019 £000s	Spend To May 2019 £000s	Increase £000s
CS	(25)	95	120
C&H	11	65	54
CSF	(105)	693	798
E&R	(263)	110	373
Total Capital	(382)	963	1,345

- 4.6 During May 2019 officers spent £1.345 million, which highlights that it is highly unlikely that a projected Authority wide spend of £57 million will be achieved. Time will be spent with budget managers to re-profile budgets into subsequent financial years, particularly confirming the likely profile of spend for the Housing Company which is currently nearly £23million of this outturn figure.

5. DELIVERY OF SAVINGS FOR 2019/20

Department	Target Savings 2019/20	Projected Savings 2019/20	Period 2 Forecast Shortfall	Period Forecast Shortfall (P2)	2020/21 Expected Shortfall
	£000	£000	£000	%	£000
Corporate Services	1,484	1,439	45	3.0%	30
Children Schools and Families	572	572	0	0.0%	0
Community and Housing	1,534	1,383	151	9.8%	0
Environment and Regeneration	3,370	2,136	1,234	36.6%	100
Total	6,960	5,530	1,430	20.5%	130

Appendix 6 details the progress on savings for 2019/20 by department.

Progress on savings 2018/19

Department	Target Savings 2018/19	2018/19 Shortfall	2019/20 Projected shortfall	2020/21 Projected shortfall
	£000	£000	£000	£000
Corporate Services	2,024	505	375	10
Children Schools and Families	489	0	0	0
Community and Housing	2,198	442	0	0
Environment and Regeneration	926	523	35	0
Total	5,637	1,470	410	10

Appendix 7 details the progress on unachieved savings from 2018/19 by department and the impact on the current year and next 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 2018/19
Appendix 5b -	Detail of Virements
Appendix 5c -	Summary of Capital Programme Funding
Appendix 6 –	Progress on savings 2019/20
Appendix 7 –	Progress on savings 2018/19

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 May 2019

	Original Budget 2019/20 £000s	Current Budget 2019/20 £000s	Year to Date Budget (May) £000s	Year to Date Actual (May) £000s	Full Year Forecast (May) £000s	Forecast Variance at year end (May) £000s	Outturn variance 2018/19 £000
Department	-	-	-	-	-	-	-
3A. Corporate Services	10,930	11,080	4,370	5,490	10,314	(766)	(2,511)
3B. Children, Schools and Families	60,819	60,933	10,556	3,334	63,778	2,845	2,271
3C. Community and Housing	-	-	-	-	-	-	-
Adult Social Care	58,657	58,656	9,053	12,432	58,655	(1)	(169)
Libraries & Adult Education	2,878	2,878	694	1,030	2,929	51	45
Housing General Fund	2,219	2,219	235	200	2,443	224	(73)
3D. Public Health	0	0	(743)	(2,247)	0	0	0
3E. Environment & Regeneration	15,832	15,832	1,146	(4,625)	15,459	(373)	(1,526)
Overheads	0	0	0	0	0	0	(33)
NET SERVICE EXPENDITURE	151,335	151,597	25,311	15,613	153,578	1,980	-1,996
3E. Corporate Items	-	-	-	-	-	-	-
Impact of Capital on revenue budget	10,481	10,481	1,053	1,170	10,481	0	403
Other Central items	(19,500)	(19,763)	(3,998)	(629)	(19,763)	0	(6,064)
Levies	949	949	157	157	949	0	0
TOTAL CORPORATE PROVISIONS	(8,070)	(8,333)	(2,788)	698	(8,333)	-	(5,661)
TOTAL GENERAL FUND	143,264	143,265	22,523	16,312	145,245	1,980	(7,657)
Funding	-	-	-	-	-	-	-
- Business Rates	(44,026)	(44,026)	0	0	(44,026)	0	0
- RSG	0	0	0	0	0	0	0
- Section 31 Grant	0	0	0	0	0	0	0
- New Homes Bonus	(2,108)	(2,108)	(527)	(527)	(2,108)	0	0
- PFI Grant	(4,797)	(4,797)	(1,199)	(1,199)	(4,797)	0	0
- Brexit Grant	(210)	(210)	(105)	(105)	(210)	0	0
- Adult Social Care Grant	(1,054)	(1,054)	(1,023)	(1,023)	(1,054)	0	0
Grants	(52,195)	(52,195)	(2,855)	(2,855)	(52,195)	0	-
Collection Fund - Council Tax Surplus(-)/Deficit	(1,949)	(1,949)	0	0	(1,949)	0	0
Collection Fund - Business Rates Surplus(-)/Deficit	3,250	3,250	0	0	3,250	0	0
Council Tax	-	-	-	-	-	-	-
- General	(92,028)	(92,028)	0	0	(92,028)	0	0
- WPCC	(343)	(343)	0	0	(343)	0	0
Council Tax and Collection Fund	(91,070)	(91,070)	0	0	(91,070)	0	-
FUNDING	(143,265)	(143,265)	(2,855)	(2,855)	(143,265)	0	-
NET	(0)	(0)	19,668	13,457	1,980	1,980	(7,657)

3E. Corporate Items	Council 2019/20 £000s	Original Budget 2019/20 £000s	Current Budget 2019/20 £000s	Year to Date Budget (May) £000s	Year to Date Actual (May) £000s	Full Year Forecast (May) £000s	Forecast Variance at year end (May) £000s	Outturn Variance 2018/19 £000s
Cost of Borrowing	10,481	10,481	10,481	1,053	1,170	10,481	0	403
Use for Capital Programme							0	0
Impact of Capital on revenue budget	10,481	10,481	10,481	1,053	1,170	10,481	0	403
Investment Income	(664)	(664)	(664)	(111)	(95)	(664)	0	(364)
Pension Fund	3,429	3,429	3,429	0	0	3,429	0	(254)
Corporate Provision for Pay Award	877	877	877		0	877	0	(744)
Provision for excess inflation	450	450	450		0	450	0	(378)
Pay and Price Inflation	1,327	1,327	1,327	0	0	1,327	0	(1,122)
Contingency	1,500	1,500	1,500		0	1,500	0	(1,398)
Single Status/Equal Pay	100	100	100		0	100	0	(84)
Bad Debt Provision	500	500	500		0	500	0	(33)
Loss of income arising from P3/P4	200	200	200		0	200	0	(200)
Loss of HB Admin grant	83	83	83		0	83	0	(83)
Apprenticeship Levy	450	450	450	413	20	450	0	(217)
Revenuisation and miscellaneous	2,070	2,070	2,019		0	2,019	0	(1,351)
Contingencies and provisions	4,904	4,904	4,852	413	20	4,852	0	(3,366)
Other income	0	0	0	0	(59)	0	0	(953)
CHAS IP/Dividend	(1,407)	(1,407)	(1,503)		0	(1,503)	0	(3)
Income items	(1,407)	(1,407)	(1,503)	0	(59)	(1,503)	0	(956)
Appropriations: CS Reserves	(711)	(711)	(711)	(711)	0	(711)	0	0
Appropriations: E&R Reserves	(146)	(146)	(146)	(146)	0	(146)	0	0
Appropriations: CSF Reserves	9	9	(105)	(105)	(495)	(105)	0	0
Appropriations: C&H Reserves	(104)	(104)	(104)	(104)	0	(104)	0	0
Appropriations: Public Health Reserves	(1,200)	(1,200)	(1,200)	(1,200)	0	(1,200)	0	0
Appropriations: Corporate Reserves	(2,034)	(2,034)	(2,034)	(2,034)	0	(2,034)	0	(6)
Appropriations/Transfers	(4,186)	(4,186)	(4,300)	(4,300)	(495)	(4,300)	0	(6)
Depreciation and Impairment	(22,903)	(22,903)	(22,903)	0	0	(22,903)	0	4
Other Central Items	(19,500)	(19,500)	(19,762)	(3,998)	(629)	(19,762)	0	(6,064)
Levies	949	949	949	157	157	949	0	0
TOTAL CORPORATE PROVISIONS	(8,070)	(8,070)	(8,332)	(2,788)	698	(8,332)	0	(5,661)

Pay and Price Inflation as at May 2019

In 2019/20, the budget includes 2.8% for increases in pay and 1.5% for increases in general prices, with an additional amount, currently £0.450m, which is held to assist services that may experience price increases greatly in excess of the inflation allowance provided when setting the budget. With CPI inflation currently at 2.1% and RPI at 3.1% this budget will only be released when it is certain that it will not be required.

Pay:

The local government pay award for 2019/20 was agreed in April 2018 covering 2018/19 and 2019/20. For the lowest paid (those on spinal points 6-19) this agreed a pay rise of between 2.9% and 9.2%. Those on spinal points 20-52 received 2%.

Prices:

The Consumer Prices Index (CPI) 12-month rate was 2.0% in May 2019, down from 2.1% in April 2019. The Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate was 1.9% in May 2019, down from 2.0% in April 2019.

Falling fares for transport services, particularly air fares influenced by the timing of Easter in April, and falling car prices produced the largest downward contributions to the change in the rate between April and May 2019. This was partially offset by upward contributions from rising prices for a range of games, toys and hobbies, furniture and furnishings, and accommodation services. The RPI rate for May 2019 was 3.0%, which is unchanged from the figure of 3% originally announced for April 2019, but which was subsequently revised to 3.1% after an error was identified in the component price data.

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 19 June 2019, the MPC voted unanimously to maintain Bank Rate at 0.75%. 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 minutes to its June meeting, the MPC note that "CPI inflation was 2.0% in May. It is likely to fall below the 2% target later this year, reflecting recent falls in energy prices. Core CPI inflation was 1.7% in May, and core services CPI inflation has remained slightly below levels consistent with meeting the inflation target in the medium term. The labour market remains tight, with recent data on employment, unemployment and regular pay in line with expectations at the time of the May Report. Growth in unit wage costs has remained at target-consistent levels. The Committee continues to judge that, were the economy to develop broadly in line with its May Inflation Report projections that included an assumption of a smooth Brexit, an ongoing tightening of monetary policy over the forecast period, at a gradual pace and to a limited extent, would be appropriate to return inflation sustainably to the 2% target at a conventional horizon. The MPC judges at this meeting that the existing stance of monetary policy is appropriate."

The latest Inflation Report was published on the 2 May 2019. In the May 2019 Inflation Report, the MPC noted that "CPI inflation was 1.9% in March and is expected to be slightly further below the MPC's 2% target during the first half of the forecast period, largely reflecting lower expected retail energy prices. The labour market remains tight, with the unemployment rate projected to decline to 3½% by the end of the forecast period. Annual pay growth has remained around 3½%

and unit labour cost growth has strengthened to rates that are above historical averages. As excess demand emerges, domestic inflationary pressures are expected to firm, such that CPI inflation picks up to above the 2% target in two years' time and is still rising at the end of the three-year forecast period."

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 (June 2019)			
	Lowest %	Highest %	Average %
2019 (Quarter 4)			
CPI	1.2	2.8	1.8
RPI	1.9	3.4	2.5
LFS Unemployment Rate	3.6	4.3	4.0
2020 (Quarter 4)			
CPI	1.5	3.5	2.1
RPI	2.1	4.2	2.9
LFS Unemployment Rate	3.4	4.8	4.1

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 2019 to 2023 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (May 2019)					
	2019	2020	2021	2022	2023
	%	%	%	%	%
CPI	1.9	2.0	1.9	1.9	2.0
RPI	2.6	2.7	3.0	3.1	3.0
LFS Unemployment Rate	4.0	4.0	4.2	4.2	4.2

Treasury Management: Outlook

At its meeting ending on 19 June 2019, the MPC voted unanimously to maintain Bank Rate at 0.75%. 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 minutes to its June meeting the MPC state that “Since the Committee’s previous meeting, the near-term data have been broadly in line with the May Report, but downside risks to growth have increased. Globally, trade tensions have intensified. Domestically, the perceived likelihood of a no-deal Brexit has risen. Trade concerns have contributed to volatility in global equity prices and corporate bond spreads, as well as falls in industrial metals prices. Forward interest rates in major economies have fallen materially further. Increased Brexit uncertainties have put additional downward pressure on UK forward interest rates and led to a decline in the sterling exchange rate.”

In the May 2019 Inflation Report, the MPC states that it “continues to judge that, were the economy to develop broadly in line with its Inflation Report projections, an ongoing tightening of monetary policy over the forecast period, at a gradual pace and to a limited extent, would be appropriate to return inflation sustainably to the 2% target at a conventional horizon.... The economic outlook will continue to depend significantly on the nature and timing of EU withdrawal, in particular: the new trading arrangements between the European Union and the United Kingdom; whether the transition to them is abrupt or smooth; and how households, businesses and financial markets respond. The appropriate path of monetary policy will depend on the balance of these effects on demand, supply and the exchange rate. The monetary policy response to Brexit, whatever form it takes, will not be automatic and could be in either direction. The Committee will always act to achieve the 2% inflation target.”

Global growth slowed over 2018, but appears to have stabilised in recent months. In the UK, the market path for interest rates is lower as in other advanced economies, while sterling has appreciated a little. The MPC note that “As in other countries, UK short and longer-term interest rates have fallen and equity prices have risen since February.... The market-implied path of Bank Rate over the next three years is, on average, around 15 basis points lower than in February, and is now expected to reach around 1.0% in three years’ time. Longer-term UK interest rates are also lower: the yield on 10-year UK government bonds has declined to 1.2% from 1.3%. Combined with the moves in the run-up to the February Report, both short and long-term interest rates have fallen by around 40 basis points since November.”

The MPC’s forecasts of Bank Base Rate in recent Quarterly Inflation Reports are summarised in the following table:-

	End Q.2 2019	End Q.3 2019	End Q.4 2019	End Q.1 2020	End Q.2 2020	End Q.3 2020	End Q.4 2020	End Q.1 2021	End Q.2 2021	End Q.3 2021	End Q.4 2021	End Q.1 2022	End Q.2 2022
May '19	0.7	0.7	0.7	0.8	0.8	0.8	0.9	0.9	0.9	0.9	1.0	1.0	1.0
Feb.'19	0.7	0.8	0.9	0.9	0.9	1.0	1.0	1.0	1.1	1.1	1.1	1.1	
Nov.'18	0.9	0.9	1.0	1.1	1.1	1.2	1.2	1.3	1.3	1.4	1.4		
Aug.'18	0.8	0.9	0.9	1.0	1.0	1.0	1.1	1.1	1.1	1.1			
May '18	0.9	1.0	1.0	1.1	1.1	1.2	1.2	1.2	1.2				
Feb.'18	0.9	0.9	1.0	1.0	1.1	1.1	1.1	1.2					
Nov.'17	0.8	0.8	0.9	0.9	0.9	1.0	1.0						
Aug.'17	0.6	0.6	0.7	0.7	0.7	0.8							
May '17	0.4	0.4	0.5	0.5	0.5								
Feb'17	0.5	0.6	0.6	0.7									
Nov.'16	0.3	0.4	0.4										
Aug.'16	0.2	0.2											
May '16	0.8												

Source: Bank of England Inflation Reports

In order to maintain price stability, the Government has set the Bank's Monetary Policy Committee (MPC) a target for the annual inflation rate of the Consumer Prices Index of 2%. Subject to that, the MPC is also required to support the Government's economic policy, including its objectives for growth and employment.

The MPC's projections are underpinned by four key judgements :-

1. global GDP growth settles at around its potential rate
2. UK domestic demand growth is soft in the near term, partly reflecting the impact of elevated Brexit uncertainties, before recovering
3. as GDP growth recovers to above the subdued rate of potential supply growth, excess demand builds
4. CPI inflation dips further below 2% during the first half of the forecast period, largely reflecting lower energy prices, but domestic inflationary pressures push inflation above the target further out.

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Forecast 2019/20	Full Year Variance
Capital	962,525	1,100,000	(137,475)	57,639,350	57,433,909	(205,441)
Corporate Services	94,998	90,000	4,998	32,162,170	32,162,170	0
Customer, Policy and Improvmen	0	0	0	1,822,660	1,822,660	0
Customer Contact Programme	0	0	0	1,822,660	1,822,660	0
Infrastructure & Technology						
Works to other buildings	69,572	0	69,572	941,320	941,320	0
Civic Centre	13,122	40,000	(26,878)	774,140	774,140	0
Invest to Save schemes	0	0	0	266,440	266,440	0
Asbestos Safety Works	12,047	0	12,047	0	0	0
Business Systems	(15,000)	0	(15,000)	1,428,860	1,428,860	0
Social Care IT System	0	0	0	425,240	425,240	0
Planned Replacement Programme	10,759	50,000	(39,241)	2,554,080	2,554,080	0
Resources	4,498	0	4,498	24,970	24,970	0
Financial System	4,498	0	4,498	24,970	24,970	0
Corporate Items	0	0	0	23,924,460	23,924,460	0
Westminster Ccl Coroners Court	0	0	0	460,000	460,000	0
Housing Company	0	0	0	23,464,460	23,464,460	0
Community and Housing	64,916	85,000	(20,084)	1,196,240	996,240	(200,000)
Adult Social Care	0	0	0	43,750	43,750	0
Telehealth	0	0	0	43,750	43,750	0
Housing	60,651	50,000	10,651	827,160	827,160	0
Disabled Facilities Grant	60,651	50,000	10,651	827,160	827,160	0
Major Projects - Social Care H	0	0	0	0	0	0
Libraries	4,266	35,000	(30,734)	325,330	125,330	(200,000)
Library Enhancement Works	593	35,000	(34,407)	248,700	48,700	(200,000)
Major Library Projects	0	0	0	0	0	0
Libraries IT	3,673	0	3,673	76,630	76,630	0

Capital Budget Monitoring - May 2019

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Forecast 2019/20	Full Year Variance
Children Schools & Families	692,789	116,000	576,789	9,660,470	9,660,030	(440)
Primary Schools	(13,812)	0	(13,812)	1,644,040	1,644,040	0
Hollymount	0	0	0	16,240	16,240	0
West Wimbledon	0	0	0	70,370	70,370	0
Hatfeild	0	0	0	87,150	87,150	0
Hillcross	0	0	0	232,740	232,740	0
Joseph Hood	0	0	0	41,800	41,800	0
Dundonald	(3,963)	0	(3,963)	31,150	31,150	0
Garfield	0	0	0	75,780	75,780	0
Merton Abbey	0	0	0	23,790	23,790	0
Pelham	0	0	0	37,890	37,890	0
Poplar	(4,824)	0	(4,824)	27,070	27,070	0
Wimbledon Chase	0	0	0	75,780	75,780	0
Wimbledon Park	0	0	0	1,800	1,800	0
Abbotsbury	(628)	0	(628)	71,540	71,540	0
Morden	(2,219)	0	(2,219)	3,970	3,970	0
Bond	0	0	0	116,600	116,600	0
Cranmer	0	0	0	97,430	97,430	0
Gorringe Park	0	0	0	10,000	10,000	0
Haslemere	0	0	0	85,840	85,840	0
Liberty	0	0	0	77,300	77,300	0
Links	(690)	0	(690)	74,480	74,480	0
Singlegate	0	0	0	11,000	11,000	0
St Marks	278	0	278	54,130	54,130	0
Lonesome	0	0	0	21,300	21,300	0
Sherwood	0	0	0	54,130	54,130	0
Stanford	(1,768)	0	(1,768)	0	0	0
William Morris	0	0	0	101,600	101,600	0
Unallocated Primary School Proj	0	0	0	143,160	143,160	0
Secondary School	344,712	0	344,712	1,730,430	1,730,430	0
Harris Academy Morden	0	0	0	38,560	38,560	0
Harris Academy Merton	1,550	0	1,550	4,570	4,570	0
Raynes Park	0	0	0	67,680	67,680	0
Ricards Lodge	0	0	0	21,690	21,690	0
Rutlish	1,050	0	1,050	147,220	147,220	0
Harris Academy Wimbledon	342,112	0	342,112	1,450,710	1,450,710	0

Capital Budget Monitoring - May 2019

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Forecast 2019/20	Full Year Variance
SEN	305,253	0	305,253	5,824,140	5,824,140	0
Perseid	(34,201)	0	(34,201)	268,210	268,210	0
Cricket Green	336,890	0	336,890	4,138,910	4,138,910	0
Melrose	0	0	0	107,000	107,000	0
Secondary School Autism Unit	0	0	0	72,000	72,000	0
Unlocated SEN	2,565	0	2,565	1,108,020	1,108,020	0
Melbury College - Smart Centre	0	0	0	130,000	130,000	0
CSF Schemes	56,637	116,000	(59,363)	461,860	461,420	(440)
CSF IT Schemes	(1,353)	0	(1,353)	440	0	(440)
School Equipment Loans	0	0	0	108,900	108,900	0
Devolved Formula Capital	57,990	116,000	(58,010)	352,520	352,520	0

Appendix 5a

	Actuals	Budgeted Spend to Date	Variance to Date	Final Budget	Final Forecast 2019/20	Full Year Variance
Environment and Regeneration	109,822	809,000	(699,178)	14,620,470	14,615,469	(5,001)
Public Protection and Developm	0	0	0	66,800	66,800	0
CCTV Investment	0	0	0	10,340	10,340	0
Public Protection and Developm	0	0	0	56,460	56,460	0
Street Scene & Waste	3,246	0	3,246	1,146,340	1,141,340	(5,000)
Fleet Vehicles	0	0	0	337,660	337,660	0
Alley Gating Scheme	3,246	0	3,246	30,000	25,000	(5,000)
Waste SLWP	0	0	0	778,680	778,680	0
Sustainable Communities	106,576	809,000	(702,424)	13,407,330	13,407,329	(1)
Street Trees	0	0	0	60,000	60,000	0
Raynes Park Area Roads	0	0	0	26,110	26,110	0
Highways & Footways	89,835	299,000	(209,165)	4,880,030	4,880,030	0
Cycle Route Improvements	7,020	50,000	(42,980)	970,380	970,380	0
Mitcham Transport Improvements	4,406	10,000	(5,594)	1,364,210	1,364,210	0
Mitcham Area Regeneration	0	0	0	1,369,290	1,369,290	0
Wimbledon Area Regeneration	37,348	0	37,348	417,500	417,500	0
Morden Area Regeneration	0	0	0	500,000	500,000	0
Borough Regeneration	5,913	0	5,913	354,780	354,780	0
Morden Leisure Centre	(215,819)	300,000	(515,819)	596,820	596,820	0
Sports Facilities	148,414	150,000	(1,586)	1,793,160	1,793,160	0
Parks	29,459	0	29,459	1,075,050	1,075,049	(1)

Virement, Re-profiling and New Funding - May 2019

Appendix 5b

		2018/19 Budget	Virements	Funding Adjustments	Reprofiling	Revised 2018/19 Budget	2019/20 Budget	Movement	Revised 2019/20 Budget	Narrative
-	-	£	£		£	£	£		£	
Corporate Service	-									
Spectrum Spatial Analysis (GIS)	(1)	50,000		60,000	60,000	170,000	150,000	(60,000)	90,000	Merton Improvement Board £60k Funding and reprofiling
Children, Schools and Families	-									
Haslemere Primay School Capital Maintenance		102,840	(17,000)			85,840	0		0	Virement required to match budget to contracts
Links Primay School Capital Maintenance		32,480	17,000			49,480	0		0	Virement required to match budget to contracts
Primary ASD base 1-20 places	(1)	600,000			200,000	800,000	300,000	(200,000)	0	Re-profiled in line with projected spend
Environment and Regeneration										
Street Lighting Replacement Programme		290,000		6,960		296,960	290,000		290,000	B762 1&2 Section 106 Funding
Wandle Project		20,690		5,520		26,210	0		0	Additional Section 106 Funding
TfL Principal Roads		100,000		35,000		135,000	0		0	Additional TfL Funding
Pay and Display Machines - Parking		60,000	(60,000)			0	0		0	Vired to Purchase CCTV Cameras for school safety
School Part Time Road Closures - Highways		100,420	60,000			160,420	0		0	Vired from Purchase of Pay and Display Machines
Total		1,356,430	0	107,480	260,000	1,723,910	740,000	(260,000)	380,000	

1) Requires Cabinet Approval

Capital Programme Funding Summary 2019/20

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
Approved Capital Programme 06-03-2019	44,747	8,782	53,529
December and January Monitoring	1,436	436	1,872
Slippage from 2018-19 to 2019-20	2,681	200	2,881
Outturn Report	(1,674)	663	(1,010)
Approved Programme June Cabinet	47,191	10,081	57,272
<u>Corporate Services</u>			
Spectrum Spatial Analysis	120	0	120
<u>Children, Schools and Families</u>			
Primary ASD base	200	0	200
<u>Environment and Regeneration</u>			
Street Lighting Replacement Programme	7	0	7
Wandle Project	6	0	6
TfL Principal Roads	0	35	35
Proposed Capital Programme	47,523	10,116	57,639

Capital Programme Funding Summary 2020/21

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
Approved Capital Programme 6-3-19	14,617	4,171	18,788
<u>Corporate Services</u>			
Spectrum Spatial Analysis	(60)	0	(60)
<u>Children, Schools and Families</u>			
Primary ASD base	(200)	0	(200)
Approved Cap. Prog. June Monitoring	14,357	4,171	18,528

Capital Programme Funding Summary 2021/22

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
Approved Capital Programme 6-3-19	12,545	2,892	15,437
	0	0	0
Proposed Capital Programme	12,545	2,892	15,437

Capital Programme Funding Summary 2022/23

	Funded from Merton's Resources	Funded by Grant & Capital Contributions	Total
	£000s	£000s	£000s
Approved Capital Programme 6-3-19	19,169	2,180	21,349
Outturn Report	1,800	0	1,800
Proposed Capital Programme	20,969	2,180	23,149

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 19-20

Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Savings Expected £000	Shortfall	19/20 RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/underspend? Y/N
Customers, Policy & Improvement											
CS2016 -05	Increase income through translations	15	15	0	G	15	0	G	Sean Cunniffe		
CS2016 -07	Cash Collection Reduction	30	30	0	G	30	0	G	Sean Cunniffe		
2018-19 CS09	Reduction/rationalisation in running costs budgets across multiple budgets	35	35	0	G	35	0	G	Sean Cunniffe		
CS2016 -06	Merton Link - efficiency savings								Sean Cunniffe	Saving to be re-profiled to 20/21 as the efficiencies expected from the customer contact programme have not yet been realised. To offset this, a £30k saving on the Registrars service (2019-20 CS05) planned for 20/21 will be brought forward to 2019/20 (see below).	
2019-20 CS05	Registrars Reduction in staff	30	15	15	A	30	0	G	Sean Cunniffe	Saving brought forward from 20/21 to 19/20 to offset CS2016-06 reprofiled from 19/20 to 20/21. Staff reduction expected mid-year, with the shortfall being met from elsewhere in the division.	Y
Infrastructure & Technology											
CS2016-08	Potential income derived from letting two floors of vacant office space within the Civic Centre to external/partner organisations.	190	190	0	G	190	0	G	Edwin O'Donnell		
2018-19 CS01	Revenue saving associated with current MFD contract	150	150	0	G	150	0	G	Richard Warren		
2018-19 CS02	Reduction in the level of building repairs and maintenance undertaken on the corporate buildings	100	100	0	G	100	0	G	Edwin O'Donnell		
2018-19 CS04	Delete or full cost recovery of one post within FM	36	36	0	G	36	0	G	Edwin O'Donnell		
2018-19 CS14	M3 support to Richmond/Wandsworth	20	20	0	A	20	0	A	Clive Cooke	This is dependent on agreement with RSSP, may be at risk if they don't migrate to M3 system.	N
Corporate Governance											
CSREP 2019-20 (1)	Increase in income from Legal Services relating to S106, property and court fees	50	50	0	G	50	0	G	Fiona Thomsen		
CSREP 2019-20 (6)	Legal services - reduce employment and HR support by 50%	30	30	0	G	30	0	G	Fiona Thomsen		
Resources											
CS2016-02	Restructure of HB section to roll out universal credit	66	66	0	G	66	0	G	David Keppler		
2018-19 CS05	Reduction in permanent staffing	30	0	30	A	0	30	A	Roger Kershaw	Saving to be reviewed in year, may require replacement. For 19/20 the saving will be met by underspends elsewhere within the division.	Y
2018-19 CS10	Reduction in staffing	60	60	0	G	60	0	G	David Keppler		
2018-19 CS08	Increase in income from Enforcement Service	100	100	0	G	100	0	G	David Keppler		
2019-20 CS01	Amend discretionary rate relief policy	75	75	0	G	75	0	G	David Keppler		
CSREP 2019-20 (2)	Reduction in internal insurance fund contribution	250	250	0	G	250	0	G	Nemashe Sivayogan		
CSREP 2019-20 (3)	Increase in income from Enforcement service	50	50	0	G	50	0	G	David Keppler		
Corporate											
2019-20 CS12	Increase in Empty Homes Premium for long term empty properties	97	97	0	G	97	0	G	David Keppler		
CSREP 2019-20 (4)	Increase in investment income	30	30	0	G	30	0	G	Nemashe Sivayogan		
CSREP 2019-20 (5)	CHAS dividend	40	40	0	G	40	0	G	Ian McKinnon		

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 19-20

Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Savings Expected £000	Shortfall	19/20 RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/underspend? Y/N
	Total Corporate Services Department Savings for 2019/20	1,484	1,439	45		1,454	30				

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2018-19

Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Savings Expected £000	Shortfall	2019/20 RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	2020/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Unders pend? Y/N
SUSTAINABLE COMMUNITIES											
E4	Income from Merantun Development Limited for services provided to the company by LBM	100	95	5	A	100	0	A	James McGinlay		Y
ENV1819-05	Highways advertising income through re-procurement of the advertising contract for the public highway. New contract due to be in place by last quarter of 2019/20.	55	32	23	R	55	0	A	James McGinlay	New contract expected to commence in the final quarter of 2019/20, and we should have a better idea of outcomes when the tenders are reviewed (Aug/Sept).	Y
PUBLIC PROTECTION											
ENR1	Further expansion of the shared service.	100	100	0	A	100	0	A	Cathryn James		N
E1	Investigate potential commercial opportunities to generate income from provision of business advice. This follows on from the expansion of the RSP to include Wandsworth from November 2017, and increased resilience.	60	0	60	R	60	0	A	Cathryn James	This saving is conditional on income being generated from chargeable business advice/consultancy. A new income generating Business Development team has been established as part of the Regulatory Services Partnership restructure, which will now look to deliver these savings. However, it is unlikely to be delivered this financial year.	Y
ENR4	Charge local business' for monitoring of their CCTV	100	0	100	R	0	100	R	Cathryn James	Alternative Saving Required.	Y
ENV1819-03	The objective of the proposal is to support the delivery of key strategic council priorities including public health, air quality and sustainable transportation, in addition to managing parking, kerbside demand and congestion. Whilst implementation of the proposals will have the incidental effect of generating additional revenue, it is difficult to assess the level of change in customer behaviour and any subsequent financial impact arising from the changes. This will be monitored after implementation and any resulting impacts will be considered during the future years' budget planning cycles. The above will be subject to the outcome of the consultation process in 2019.	1,900	950	950	R	1900	0	A	Cathryn James	The implementation date for the revised charges is still subject to committee approval. The original savings target was based on an October go live date. It is felt that a more prudent approach to the likely implementation date should be reflected in the savings targets.	Y
ALT2	Reduction of 2fte from the Parking establishment in administrative/processing roles as a result of the impending new permit system	57	17	40	R	57	0	G	Cathryn James	Only a part-year effect will be achieved this year due to the new permit system expected to be implemented mid-year.	Y
ALT3	Reduction in the number of pay & display machines required.	14	3	11	R	14	0	G	Cathryn James		Y
PUBLIC SPACE											
ENR9	Increase level of Enforcement activities of internal team ensuring the operational service is cost neutral	200	200	0	A	200	0	G	John Bosley	On Track - This is an area of budget pressure due to internal staff resourcing.	N
E2	Thermal Treatment of wood waste from HRRC	30	30	0	A	30	0	A	John Bosley	Savings option not agreed, alternative saving proposed yet to be agreed	Y
EV08	Increased recycling rate by 3% following education and communications activity funded by WCSS. This will be driven by the incentivisation and education programmed due to commence in March 2014.	250	250	0	G	250	0	G	John Bosley	On Track - New waste collection service was implemented in Oct 2018. Early indication are that the new service is performing well with an increase in participation in both the recycling service and food waste.	N
ALT4	Environmental Enforcement - Maintain a payment rate of 70% for all FPN issued.	54	54	0	G	54	0	G	John Bosley	On track - Current payment rate of 72%	Y
E5	Letting of remaining vacant facilities in Greenspaces	50	25	25	R	50	0	G	John Bosley		N
E6	Increased tenancy income in Greenspaces	40	20	20	R	40	0	G	John Bosley		N
ENR10	Two year extension of the GLL contract	300	300	0	G	300	0	G	John Bosley		N
ENV1819-01	Five year extension of the GLL contract	60	60	0	G	60	0	G	John Bosley		N
Total Environment and Regeneration Savings 2018/19		3,370	2,136	1,234		3,270	100				

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2019/20

Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Expected Savings £000	Shortfall £000	RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Unders pend? Y/N
Adult Social Care											
CH35/36/52	Housing Related Support: -The purpose of the project is to review existing service provision linked to original SP funding, identify gaps and utilise the data to inform a new set of contract specifications to support the re-procurement of services aligned with the Council's Community and Housing strategic priorities. The objective of the project is to deliver successful procurement of contracted services that demonstrate effective outcomes for service users, effective performance management framework and value for money services.	309	276	33	A	309	0	G	Steve Langley	Late implementation has reduced the forecast savings in year, but work is underway to mitigate this shortfall. In any event the full savings will be achieved FYE in 2020/21.	Y
CH39	Extra Care Contracts: -This reduced savings of £57k is targeted on contract efficiencies and non-statutory support hours; eligible social care needs will not be affected. Providers will seek alternative resources to provide this support. Service will ensure that new specification requires providers to seek other support for residents. Impact will be reviewed as part of each service users annual review.	57	57	0	G	57	0	G	John Morgan	Achieved	Y
CH55	Promoting Independence: -The aim of this proposal has been to support people to remain independent and well. To support them to achieve their desired outcomes by enabling them to remain in their own homes, close to their friends, families, support networks and local communities.	553	553	0	G	553	0	G	John Morgan	Achieved	Y
CH70	Home Care: -The aim of this proposal is to maximise the benefit of the new home care contract arrangements. The new arrangements were implemented from February 2018. With a year to get established, it is planned to start to transfer cases with legacy providers who are not on the new contract as either prime or back-up providers. Some of these contracts are at higher hourly rates, so the transfer will generate a saving with no reduction in care. New care providers will be required to use a care visit monitoring system, which should increase the reliability of care.	301	301	0	G	301	0	G	John Morgan	Achieved	Y
CH88	Home Care Monitoring System: -The aim of this proposal is to roll out a home care monitoring system for all home care providers to ensure that we can monitor the delivery of home care visits.	40	40	0	G	40	0	G	John Morgan	Achieved through Forum	Y
CH89	Older People Day Care Activities: -As less people are choosing to attend these formal day centre we currently having increasingly vacancies within these provisions which are not been utilised. The proposal seeks to assess and analyse the demand and supply of activity aimed at supporting older people to access community activity. This will objectively look at the supply of building based and non-building based activity, its utilisation and the limitations on providing what people expect and need within the current model. It is envisaged that this will include a rationalisation and reduction of the current level of building based 'day centre' activity. This is based on current demand statistics and will include consideration of the effect of 2018/19 reductions in contracted day centre services; which is covered in a separate EIA for that specific proposal.	236	118	118	A	236	0	G	Richard Ellis	Discussions are underway with the new owners of one of the two day centres. The sale of the home that hosts one service has delayed implementation.	Y
Subtotal Adult Social Care		1,496	1,345	151		1,496	0				
Library & Heritage Service											
CH67	Merton Arts Space income	38	38	0	G	38	0	G	Anthony Hopkins	On track	Y
Total C & H Savings for 2019/20		1,534	1,383	151		1,534	0				

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES - PROGRESS ON SAVINGS 19-20

Ref	Description of Saving	2019/20 Savings Required £000	2019/20 Savings Expected £000	Shortfall	19/20 RAG	2020/21 Savings Expected £000	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Undersp end? Y/N
	Education										
CSF2018-03	Review Early Years : raise income or cease some services in preparation for 2020 where we'd consider withdrawing from direct provision of a childcare offer.	49	49	0	G	49	0	G	Jane McSherry		
CSF2018-04	Review schools trade offer, raise charges or consider ceasing services from 2020.	30	30	0	G	30	0	G	Jane McSherry		
CSF2018-07	Reorganisation of Admissions, My Futures and School Improvement Teams and reduction in contribution to the MSCB (Safeguarding Partnership)	100	100	0	G	100	0	G	Jane McSherry		
CSF2018-11	Reduction of SENDIS early intervention service and reduction in spend associated with the introduction of the web based EHCP Hub	72	72	0	G	72	0	G	Jane McSherry		
	Children Social Care & Youth Inclusion										
CSF2018-01	Reduced costs/offer through the national centralised adoption initiative	30	30	0	G	30	0	G	EI Mayhew		
CSF2018-02	Reorganisation of the Children with Disability (CWD), Fostering and Access to Resources (ART) teams and a review of the Common and Shared Assessment (CASA) service.	130	130	0	G	130	0	G	EI Mayhew		
CSF2018-05	Delivery of preventative services through the Social Impact Bond	45	45	0	R	45	0	R	EI Mayhew	We expect to achieve the savings target as numbers of LAC are stable and have recently started reducing. The overall service will still overspen however because UASC costs have increased over the past few years and the growth received was not sufficient to offset this pressure. Placements are reviewed on an on-going basis and detailed analysis to back up movement caseloads and placement costs reported to DMT.	Y
CSF2018-06	South London Family Drug and Alcohol Court commissioning	45	45	0	R	45	0	R	EI Mayhew	We expect to achieve the savings target as numbers of LAC are stable and have recently started reducing. The overall service will still overspen however because UASC costs have increased over the past few years and the growth received was not sufficient to offset this pressure. Placements are reviewed on an on-going basis and detailed analysis to back up movement caseloads and placement costs reported to DMT.	Y
CSF2018-12	Further reduction in staffing at Bond Road. This will include a FGC post and a contact worker.	71	71	0	G	71	0	G	EI Mayhew		
	Total Children, Schools and Families Department Savings for 2019/20	572	572	0		572	0				

DEPARTMENT: CORPORATE SERVICES - PROGRESS ON SAVINGS 18-19

Ref	Description of Saving	2018/19 Savings Required £000	2018/19 Shortfall	18/19 RAG	2019/20 Expected Shortfall £000	19/20 RAG	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments
	Infrastructure & transactions									
CS2015-10	FM - Energy invest to save	465	465	R	365	A	0	G	Richard Neal	The capital spend to achieve this was slipped and hence the saving was delayed with £100k expected in 19/20 and the balance in 20/21. In 19/20 the unachieved saving will be met from the Corporate Services reserve.
CSREP 2018-19 (13)	Business Improvement - Business Systems maintenance and support reduction	10	10	R	10	R	10	R	Clive Cooke	Saving to be reviewed during 19/20 to identify if this can be met or if a replacement saving is required.
CSREP 2018-19 (14)	M3 support to Richmond/Wandsworth	20	20	R	0	A	0	A	Clive Cooke	This is dependent on agreement with RSSP, may be at risk if they don't migrate to M3 system.
	Corporate Governance									
CSD43	Share FOI and information governance policy with another Council	10	10	R					Karin Lane	Replacement saving identified. From 19/20 this saving will be replaced by a reduction to the Corporate Governance AD's budget
	Total Corporate Services Department Savings for 2018/19	505	505		375		10			

DEPARTMENT: ENVIRONMENT & REGENERATION SAVINGS PROGRESS: 2018-19

Ref	Description of Saving	2018/19 Savings Required £000	2018/19 Savings Expected £000	Shortfall	18/19 RAG	2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	2020/21 Expected Shortfall £000	20/21 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
SUSTAINABLE COMMUNITIES													
ENV20	D&BC: Increased income from building control services.	35	0	35	R	0	35	R	0	A	James McGinlay	This has not been possible due to staff shortages and difficulty with filling posts	Y
PUBLIC PROTECTION													
ENV07	Parking: Reduction in supplies & services/third party payment budgets.	60	13	47	R	60	0	A	0	A	Cathryn James	Saving is being reviewed and an alternative saving may be required.	Y
ENV08	Regulatory Services: Funding of EH FTE by public health subsidy. As agreed between DPH and Head of PP .	40	0	40	R						Cathryn James	Alternative saving has been agreed for 2019/20.	Y
ENV09	Regulatory Services: Investigate potential commercial opportunities to generate income	50	0	50	R	50	0	A	0	A	Cathryn James	This saving is conditional on income being generated from chargeable business advice/consultancy. A new income generating Business Development team has been established as part of the Regulatory Services Partnership restructure, which will now look to deliver these savings.	Y
ENR2	Parking & CCTV: Pay & Display Bays (On and off street)	44	0	44	R	44	0	G	0	G	Cathryn James	Saving is being reviewed and an alternative saving may be required. However, saving is being met from other income streams.	Y
ENR3	Parking & CCTV: Increase the cost of existing Town Centre Season Tickets in Morden, Mitcham and Wimbledon.	17	0	17	R	17	0	A	0	G	Cathryn James	Saving is being delayed as it will now form part of the wider discussion on parking charges.	Y
ALT1	Parking: 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.	440	390	50	R	440	0	G	0	G	Cathryn James		N
PUBLIC SPACE													
ENV32	Transport: Review of Business Support requirements	30	0	30	R						John Bosley	Alternative saving has been agreed for 2019/20.	Y
ENR6	Waste: Wider Department restructure in Waste Services	200	0	200	R	200	0	A	0	A	John Bosley	This will not be delivered in 2018. Review and restructure still outstanding. Scheduled for May 2019	Y
ENR7	Transport Services: Shared Fleet services function with LB Sutton	10	0	10	R						John Bosley	Alternative saving has been agreed for 2019/20.	Y
Total Environment and Regeneration Savings 2018/19		926	403	523		811	35		0				

DEPARTMENT: COMMUNITY & HOUSING SAVINGS PROGRESS 2018/19

Ref	Description of Saving	2018/19 Savings Required £000	Shortfall £000	RAG	2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	2020/21 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments
Adult Social Care											
CH73	A review of management and staffing levels of the AMH team in line with the reductions carried out in the rest of ASC.	100	23	R	100	0	G	0	G	Richard Ellis	Balance deferred to 2019/20
CH36	Single homeless contracts (YMCA, Spear, Grenfell) - Reduce funding for contracts within the Supporting People area which support single homeless people -Reduced support available for single homeless people - both in terms of the numbers we could support and the range of support we could provide. In turn this would reduce their housing options. (CH36)	38	38	R	38	0	G	0	G	Steve Langley	£38k deferred to 2019/20
CH71	Transport: moving commissioned taxis to direct payments. Service users can purchase taxi journeys more cheaply than the council.	50	50	R	50	0	A	0	G	Phil Howell	
CH72	Reviewing transport arrangements for in-house units, linking transport more directly to the provision and removing from the transport pool.	100	100	R	100	0	A	0	G	Richard Ellis	£100k deferred to 2019/20. Part of the Transport review
CH74	The implementation of the MOSAIC social care system has identified the scope to improve the identification of service users who should contribute to the costs of their care and assess them sooner, thus increasing client income. Assessed as a 3% improvement less cost of additional staffing	231	231	R	231	0	G	0	G	Richard Ellis	Timeliness of FA improved through additional resource funded by MIB. Earlier FA means more weeks billed. Contribution from Health contribution target was exceeded.
Total C & H Savings for 2018/19		519	442		519	0		0			

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES SAVINGS PROGRESS 2018/19

Ref	Description of Saving	2018/19 Savings Required £000	Shortfall £000	RAG	2019/20 Savings Expected £000	2019/20 Expected Shortfall £000	19/20 RAG	2020/21 Expected Shortfall £000	19/20 RAG	Responsible Officer	Comments	R /A Included in Forecast Over/Underspend? Y/N
	Total Children, Schools and Families Department Savings for 2018/19	489	0		489	0		0				

There were no red savings for CSF

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