

# Merton Council Sustainable Communities Overview and Scrutiny Panel



Date: 1 November 2021  
Time: 7.15 pm  
Venue: Merton Civic Centre

## AGENDA

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## Sustainable Communities Overview and Scrutiny Panel Membership

### Councillors:

Aidan Mundy (Chair)  
Daniel Holden (Vice-Chair)  
Laxmi Attawar  
David Dean  
Nick Draper  
Anthony Fairclough  
Geraldine Stanford  
Dave Ward

### Substitute Members:

Ben Butler  
Nigel Benbow  
Eloise Bailey  
Pauline Cowper  
Edward Gretton

### Note on declarations of interest

Members are advised to declare any Disclosable Pecuniary Interest in any matter to be considered at the meeting. If a pecuniary interest is declared they should withdraw from the meeting room during the whole of the consideration of that matter and must not participate in any vote on that matter. For further advice please speak with the Managing Director, South London Legal Partnership.

### What is Overview and Scrutiny?

Overview and Scrutiny describes the way Merton's scrutiny councillors hold the Council's Executive (the Cabinet) to account to make sure that they take the right decisions for the Borough. Scrutiny panels also carry out reviews of Council services or issues to identify ways the Council can improve or develop new policy to meet the needs of local people. From May 2008, the Overview & Scrutiny Commission and Panels have been restructured and the Panels renamed to reflect the Local Area Agreement strategic themes.

Scrutiny's work falls into four broad areas:

- ⇒ **Call-in:** If three (non-executive) councillors feel that a decision made by the Cabinet is inappropriate they can 'call the decision in' after it has been made to prevent the decision taking immediate effect. They can then interview the Cabinet Member or Council Officers and make recommendations to the decision-maker suggesting improvements.
- ⇒ **Policy Reviews:** The panels carry out detailed, evidence-based assessments of Council services or issues that affect the lives of local people. At the end of the review the panels issue a report setting out their findings and recommendations for improvement and present it to Cabinet and other partner agencies. During the reviews, panels will gather information, evidence and opinions from Council officers, external bodies and organisations and members of the public to help them understand the key issues relating to the review topic.
- ⇒ **One-Off Reviews:** Panels often want to have a quick, one-off review of a topic and will ask Council officers to come and speak to them about a particular service or issue before making recommendations to the Cabinet.
- ⇒ **Scrutiny of Council Documents:** Panels also examine key Council documents, such as the budget, the Business Plan and the Best Value Performance Plan.

Scrutiny panels need the help of local people, partners and community groups to make sure that Merton delivers effective services. If you think there is something that scrutiny should look at, or have views on current reviews being carried out by scrutiny, let us know.

For more information, please contact the Scrutiny Team on 020 8545 4035 or by e-mail on [scrutiny@merton.gov.uk](mailto:scrutiny@merton.gov.uk). Alternatively, visit [www.merton.gov.uk/scrutiny](http://www.merton.gov.uk/scrutiny)

# Agenda Item 3

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## SUSTAINABLE COMMUNITIES OVERVIEW AND SCRUTINY PANEL 2 SEPTEMBER 2021

(7.15 pm - 11.00 pm)

PRESENT Councillors Councillor Aidan Mundy (in the Chair),  
Councillor Daniel Holden, Councillor Laxmi Attawar,  
Councillor David Dean, Councillor Nick Draper and  
Councillor Anthony Fairclough

John Bosley (Assistant Director Public Space Contracts and  
Commissioning), Cathryn James (Interim Assistant Director,  
Public Protection), Steve Langley (Head of Housing Needs and  
Strategy), Chris Lee (Director of Environment and  
Regeneration), Paul McGarry (FutureMerton Manager) and  
James McGinlay (Assistant Director for Sustainable  
Communities)

### 1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies were received from Cllr Dave Ward (with Cllr Ben Butler as substitute) and  
Cllr Geraldine Stanford (with Cllr Pauline Cowper as substitute).

### 2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of pecuniary interest.

### 3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

The minutes of the previous meeting were agreed.

### 4 ACTIONS LOG (Agenda Item 4)

The actions log brings together our actions and recommendations into one place so  
that we can keep track of them and enables us to attend to multiple items in a single  
year.

The Director of Environment and Regeneration and the Head of Housing Needs  
provided further updates

**Emissions-based charging** - Will come back to Cabinet and scrutiny in due course  
with an update on the implementation date. We haven't got a timeline that we can  
share with Members at present.

**Idverde** - With regards to the development of any green spaces strategy, there are a  
number of strategies and policies that the Council has that cover this area and we  
want to make sure that we're not duplicating and adding further burdens to an  
already heavy workload or confusing stakeholders but ensuring that what we do add  
value and provide clarity.

**Support for Clarion tenants web pages** – Updates have included private tenant housing association tenants' rights, who's responsible for what, how and when and useful contacts. We should be able to launch the web page within the next two weeks.

Panel Members suggested adding two more columns to the action log;

- Whether Cabinet have or have not agreed to these recommendations
- Timeline column with space included to describe why there isn't a timeline, why it is delayed and suggest new timelines.

## 5 PERFORMANCE MONITORING (Agenda Item 5)

Follow up questions about the performance monitoring information were answered by the Director of Environment and Regeneration and the Assistant Director of Public Spaces;

The business recovery plan for leisure centres is working well. Our current membership levels are approaching pre-covid levels and we anticipate to be in a position where we are receiving the guaranteed income model from October to November of this year.

Increases in missed collections occur during summer holiday periods where you have new or interim operatives working on the collection rounds. The national driver's shortage has affected us somewhat but it hasn't impacted us as significantly as other regional authorities. Historically, not just within the council but nationally, there is a natural increase over the summer.

A complete collection service for fly tips would be a project which would require a lot of thought and planning in terms of overall cost. From broad information that we have, I would project that collection costs associated with such an activity would range from £600,000 to £900,000 pounds per annum. In addition to that we would also have a correlated impact in increasing the amount of waste that is collected. Some of that waste may be associated to construction/demolition waste which would need to be treated through landfill so could potentially cause an increase of between a half a million to a million pounds in terms of our waste disposal costs. So that would be in the order of anywhere to £1.5 to £2million per year in order to undertake that work at that degree.

## 6 FLOODING ISSUES (Agenda Item 6)

The Chair thanked officers for the report on flooding

The Director of Environment and Regeneration reassured the Panel that these matters are being taken up at the highest level with Thames Water by both the Leader and the Chief Executive.

Thames Water have commissioned an independent review of the flooding events in July and the Director of E&R agreed to share this review with the Sustainable Communities Panel once received and urged the Panel to invite Thames Water to a future meeting to also talk to that review.

## 7 CLARION PERFORMANCE UPDATE - VERBAL UPDATE (Agenda Item 7)

Items seven, eight and nine were taken together.

The Chair again welcomed Michelle Reynolds, Chief Operating Officer for Clarion, Vicky Bonner, Director of Housing and John Ferman, Regional Director.

The representatives from Clarion provided a progress update on the Eastfields Estate.

Since 25<sup>th</sup> June, we have completed 601 repairs on the Eastfields estate. Alongside this work we have been carrying out a communal decorations programme and surveying and treating any infestations. We continue to offer an Eastfields repairs email address and have staff attending our on-site office to keep a visible presence on the estate.

Decent homes - the 2010 stock transfer agreement included a commitment to bring homes up to a decent home standard. This means that a home needs to be in a reasonable state of repair, have reasonably modern facilities and services and also provide a reasonable degree of thermal comfort.

The Regulator of Social Housing and Clarion's predecessor Circle Housing agreed to a waiver on the decent homes on some properties in Merton. However even where there is a waiver in place, we continue to provide a full day-to-day repair service, a boiler replacement program on all properties and where components such as kitchens and bathrooms do fail and/or are beyond economic repair they are replaced so all health and safety commitments and requirements are met and all adaptation requirements are met.

Community engagement work continues and going forward we will be talking to our Merton community panel, our residents associations, Members and officers about developing a comprehensive community engagement plan to take us forward over the next 12 to 18 months.

This will include door knocking in a systematic way across our homes in Merton, community days where we're looking at communal repairs needed and also continuing to have that focus on reminding and writing out to all of our residents about how to report repairs and encouraging residents to report them through the different channels.

Panel members asked some further questions of clarification which were answered as follows;

- Clarion have committed to publishing their 'lessons learned' externally by the end of this month.
- Work in progress and total job numbers has increased because as we've attended to properties, further complex repairs have been identified. Therefore in some cases one job potentially has turned into 10 or 12 jobs.
- We do have challenges currently that are recognized across the sector in terms of resource and materials.
- We have proactive work on the communal works - we undertake estate inspections regularly.
- The void standard on all of our properties is exactly the same whether it be in Merton, Bromley or anywhere else. It's written down, it's quite extensive and we give it to our contractors and they work to that void standard.
- Our intention is to send resident letters out across Merton by the end of September and it will cover the internal complaints procedure for Clarion but also the escalation through to the Housing Ombudsman as well.

8 REGULATOR OF SOCIAL HOUSING - LETTER OF ACTIONS (Agenda Item 8)

Taken with Item 7.

9 TENANTS' CHAMPION - DISCUSSION ON THE TERMS OF REFERENCE AND PERFORMANCE TARGETS (Agenda Item 9)

Councillor Nick Draper introduced himself as the Tenants Champion for Merton. The Tenants Champion role was established to support both tenants and leaseholders who rent or lease their properties from a housing association and also private renters in the borough, by giving someone for residents to contact if they had long running, unresolved complaints with their landlord.

Cllr Draper advised he will be seeking a discussion with the Cabinet Member for Housing, Regeneration and the Climate Emergency to agree on the terms of reference and success criteria for the role. Once the Cabinet Member has agreed and instructed, feedback will be provided to the Panel

The Tenants Champion also agreed to;

- Write a formal report for the Panel meeting in February 2022.
- Investigate Richmond Councils long running Tenants Champion, along with the Cabinet Member and Chair of the Panel, to see what has made the role successful and whether there is any learning to take on board.

10 HOUSING UPDATE: EVICTION BAN (Agenda Item 10)

The Head of Housing Needs presented the report and outlined Merton's current position from a housing needs standpoint.



- As of 27th August, Merton has no known rough sleepers within the borough, which is all down to the hard work of officers.
- The Council went from recording the biggest cause of homelessness as 'assured short hold tenancies coming to an end' to the biggest cause being 'rough sleeping and evictions from family, friends or domestic abuse'.
- We have not seen a huge impact in numbers from the eviction ban being lifted on the 1st June. Currently there are roughly 206 households in temporary accommodation, which is an increase of about eight pre the eviction ban being lifted.

In response to further questions from the Panel Members, the Head of Housing Needs explained;

- Faith in action who for many years have supported rough sleepers at their offices in the Salvation Army along Kingston Road where anybody that makes a claim of rough sleeping receives clothes, food and a hot shower etc.
- Capital Lettings was pulled together by the London council's housing directors meeting in an attempt to increase supply in the private rented sector and indeed reduce homelessness. There's roughly 24 London boroughs who have now signed up to the scheme

The Panel RESOLVED to seek an update report on the Capital Lettings scheme in the next municipal year

#### 11 SUPPORT TO DELIVER CLARION'S ESTATE REGENERATION PROGRAMME INCLUDING THE STOCK TRANSFER AGREEMENT AND NOMINATIONS - PRESENTATION (Agenda Item 11)

The group moved to a private session to discuss the exempt reports containing commercially sensitive information. The following paragraph of Part 4b Section 10 of the constitution applies in respect of information within the reports and are therefore exempt from publication:

"Information relating to the financial or business affairs of any particular person (including the Authority holding that information)".

To RESOLVE that the public are excluded from the meeting during consideration of the following report on the grounds that it is exempt from disclosure for the reasons stated in the report.

#### 12 WORK PROGRAMME (Agenda Item 12)

The work programme was agreed.

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Sustainable Communities Overview and Scrutiny Panel						
		Date added	Status (BRAG)	Comment	Cabinet Approval	Implementation Timeline
IdVerde's contract for greenspaces	The Panel would like to undertake site visits to a sample of green spaces in Merton, with details of the reporting pro forma used by Client Officers when inspecting	01/09/20	Green	The Service would like to offer site visits to Colliers Wood Recreation Ground, Morden Park & Wimbledon Park during the week commencing the 4th October. Transport will be provided from the Civic Centre.	09/11/21	
	The Panel recommended that the Council's Tree Strategy is reviewed and updated to include how new trees are established and how all trees are maintained	01/09/20	Green	This will be considered and included when the tree strategy is being drafted .	09/11/21	
	The Panel recommends that the Council create an overarching Green Spaces strategy in line with the Council's climate commitment and with a focus on community wellbeing.	01/09/20	Amber	This is under consideration. There are a number of Council strategies that touch upon parks and open spaces particularly Local Development Framework documents .	09/11/21	
	To display signage in parks informing residents on how to report issues and express their views	01/09/20	Green	The Service is aware of this requirement and will proceed with improved signage after the implementation of the new web based reporting system.	09/11/21	
	The Panel recommends to Cabinet that the Council should consider developing a 'One Stop Shop' web based reporting system to make it easier for our residents to report any issues relating to parks, waste and public spaces in one place and bring an update on this to the SC Panel	01/09/20	Green	Public Space is leading on the purchase and implementation of 'Fix My Street Pro' which should be operational by Autumn 2021. This will meet this requirement	09/11/21	
	Both Idverde's Annual Report and the IMGSF Annual Report to be presented when signed off	01/09/20	Green	The internal review and approval of the Annual Review has been completed and is now available to be presented to the Committee.	09/11/21	
	The Panel requested quarterly written updates from Officers providing information and feedback on how the recommendations are being met and evidence that the service is improving.	01/09/20	Green	The service will be able to provide an update to the next Committee meeting as directed.	09/11/21	
Emission based charging	Request that Cabinet further expand upon their current reporting to show how the surplus money raised from parking revenue has been spent.	08/12/20	Black	Still awaiting implementation. Once implemented further information will be provided as per the schedule agreed.	18/01/21	
	User feedback is collected and this feedback be made visible to the Sustainable Communities Panel at every meeting for a period of two years. Feedback should be provided at a high level with the ability to request further detail if needed.	08/12/20	Black	Still awaiting implementation. Once implemented further information will be provided as per the schedule agreed.	18/01/21	
	The Panel calls on Cabinet to review the impact of Emissions Based Charging on air quality in the borough and that this policy also be reviewed after a two year period	08/12/20	Black	Still awaiting implementation. Once implemented further information will be provided as per the schedule agreed. Still awaiting implementation. Once implemented further information will be provided as per the schedule agreed.	18/01/21 18/01/21	
Roadworks and Utilities	Enhanced information with regards to road and footpath maintenance and repair is added to the Merton website and advertised appropriately	19/01/21	Green	Weekly roadworks bulletin (inc utilities and LBM maintenance works) is circulated weekly and online at: <a href="https://www.merton.gov.uk/streets-parking-transport/roadworks/current-roadworks-and-traffic-disruptions">https://www.merton.gov.uk/streets-parking-transport/roadworks/current-roadworks-and-traffic-disruptions</a> Members and the public can sign up for the weekly bulletin at: <a href="mailto:network.coordination@merton.gov.uk">network.coordination@merton.gov.uk</a> All active roadworks are also mapped in real time on roadworks.org - link on the LBM page. Annual LBM Footway and Carriageway Capital Programme to be added online - date TBC.	22/03/21	













Green	On track
Amber	Requires monitoring
Red	Not on track
Black	Not yet started

HGVs	Carry out further work to monitor numbers and emissions, and with an increased focus on those areas outlined by residents as a concern, including Weir Road and Durnsford Road industrial site.	19/01/21	Green	SmartCity monitors are being installed for Air Quality - not possible to single out HGV emissions from other traffic.	22/03/21	
	An information hub to support residents in dealing with complaints about problems with HGVs is created and added to the Merton website and advertised appropriately	19/01/21	Black	Info to be added with links to London Councils Lorry Control Scheme	22/03/21	
School Streets	Comms Team to encourage resident feedback and explore expanding the scheme with the support of the schools.	19/01/21	Green	Reviews underway - no longer accepting comments. Decisions due Q3	22/03/21	
Design Review Panel	Future Merton committed to bringing the DRP review back to scrutiny post consultation.	23/03/21	Green	On track - review on Scrutiny agenda Q4	N/A	
Clarion Housing	The Panel proposes that Merton's Housing Team lead on hosting a one-stop shop on Merton's council's website. The purpose of this page is to (a) Inform residents of their rights, responsibilities and signpost into the current repairs process. (b) provide single source of information on issues already identified through the publication and regular updating of KPIs for housing repair on Clarion's estates; (c) List the current open repair cases for Clarion estates	24/06/21	Green		12/07/21	
Housing	Agreed to seek an update report on the Capital Lettings scheme in the next municipal year	02/09/21	Green	For next years work programme suggestions	N/A	
Tenants Champion	Write a formal report for the Panel meeting in February 2022.	02/09/21	Green		N/A	
	Investigate Richmond Councils long running Tenants Champion, along with the Cabinet Member and Chair of the Panel, to see what has made the role successful and whether there is any learning to take on board.	02/09/21	Green		N/A	
Flooding	Thames Water have commissioned an independent review of the flooding events in July and the Director of E&R agreed to share this review with the Sustainable Communities Panel once received and urged the Panel to invite Thames Water to a future meeting to also talk to that review.	02/09/21	Green		N/A	

## Environment and Regeneration September Performance

### Public Protection performance report

Dept.	PI Code & Description	Sep 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
<b>Parking</b>											
Parking	CRP 044 Parking services estimated revenue (Monthly)	1,591,117	1,881,609				8,849,908	11,289,654			
Parking	SP 258 Sickness- No of days per FTE from snapshot report (parking) (Monthly)	1.41	0.67				9.67	3.98			
Parking	SP 509 % of Permits applied/processed online (Monthly)	96%	80%				96.33%	80%			
Parking	SP 510 % of PCN Appeals received online (Monthly)	81%	65%				81.83%	65%			
Parking	SP 511 Blue Badge Inspections - cumulative (Monthly)	0	60				0	60			
Parking	SP 512 Total cashless usage against cash payments at machines (Monthly)	75%	70%				74.67%	70%			
Parking	SP 513 Percentage of cases 'heard' and won at ETA (Quarterly)	Measured Quarterly					91%	75%			
Parking	SP 586 NEW FOR 2021-22 % of ANPR cameras remain working (Monthly)	94.19%	98%				97.68%	98%		N/A	N/A
<b>Regulatory Services</b>											
Regulatory Services	CRP 120 / SP 562 % of Regulatory Services service requests with an initial response within the "defined timescale" (Quarterly)	Measured Quarterly					85.91%	90%			
Regulatory Services	CRP 121 / SP 565 Number of monitoring stations that meet annual Particulate air quality objectives (Annual)	Annual measure					N/A	1	N/A	N/A	N/A
Regulatory	CRP 122 / SP 566 Number of monitoring stations	Annual measure					N/A	50	N/A	N/A	N/A

Dept.	PI Code & Description	Sep 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
Services	measuring below the Nitrogen Dioxide air quality objectives (Annual)										
Regulatory Services	DATA 010 Safeguarding older people - number of cases investigated and intervene in cases of residents being targeted by financial scams and abuse (Quarterly)	Measured Quarterly					54				
Regulatory Services	DATA 011 Number of new high risk massage and special treatment premises inspections carried out within 20 working days of the premises being ready to trade (Quarterly)	Measured Quarterly					100				
Regulatory Services	DATA 012 Number of Air Quality Audits (using GLA toolkit) of schools, prioritising those in the highest pollution areas (Quarterly)	Measured Quarterly					4				
Regulatory Services	SP 521 Total % compliance of non-road mobile machinery on major construction sites with GLA emissions standards (Annual)	Annual measure					N/A	95%	N/A	N/A	N/A
Regulatory Services	SP 561 Percentage of alcohol and regulated entertainment licences issued within 10 working days of the conclusion of the 28 day consultation period, excluding those that are subject to a licensing hearing (Quarterly)	Measured Quarterly					88%	95%			
Regulatory Services	SP 564 High risk A & B and non-compliant C-rated food establishments due for inspection completed (Annual)	Annual measure					N/A	100%	N/A	N/A	N/A

## E&R Public Spaces

Dept.	PI Code & Description	Sep 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
<b>Waste Management and Cleansing</b>											
Waste Management & Cleansing	CRP 097 / SP 065 % Household waste recycled and composted (Monthly in arrear)	41.36%	45%				43.14%	48%			
Waste Management & Cleansing	CRP 103 / SP 454 % of fly-tips removed within 24 hours (Monthly)	86.4%	95%				94.85%	89%			
Waste Management & Cleansing	CRP 123 / SP 567 % of sites surveyed on local street inspections for litter that meet the required standard (Monthly) and quarterly in line with NI 195 reporting	86.76%	87%				88.78%	87%			
Waste Management & Cleansing	CRP 124 / SP 568 % of street reports rectified within the contract standard time frame (Monthly)	48.6%	90%				85.63%	90%			
Waste Management & Cleansing	CRP 125 / SP 570 % of sites surveyed that meet the required standard for detritus (Quarterly)	Measured Quarterly					82.25%	80%			
Waste Management & Cleansing	CRP 126 / SP 573 Number of refuse collections including recycling and kitchen waste (excluding garden waste) missed per 100,000 (Monthly)	116	65				94	65			
Waste Management & Cleansing	DATA 013 Number of street cleansing site inspections undertaken by Client team (target 868 per month, 10,416 per year) (Monthly)	766	N/A				6,148	N/A			
Waste Management & Cleansing	DATA 016 Number of Environmental Enforcement incidents formally (NOT formerly) processed (Monthly)	698	N/A				3,794	N/A			
Waste Management & Cleansing	LER 058 % Sites surveyed on street inspections for litter (using NI195 system) that are below standard (KBT) (Quarterly)	Measured Quarterly					14.59%	8%			

Dept.	PI Code & Description	Sep 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
Cleansing											
Waste Management & Cleansing	SP 064 % Residents satisfied with refuse collection (Annual) (ARS)	Annual measure					N/A	73%	N/A	N/A	N/A
Waste Management & Cleansing	SP 066 Residual waste kg per household (Monthly in arrear)	42.89	39.5				42.89	39.5			
Waste Management & Cleansing	SP 067 % Municipal solid waste sent to landfill (waste management & commercial waste) (Monthly in arrear)	3%	6%				3%	6%			
Waste Management & Cleansing	SP 262 % Residents satisfied with recycling facilities (Annual) (ARS)	Annual measure					N/A	72%	N/A	N/A	N/A
Waste Management & Cleansing	SP 269 % Residents satisfied with street cleanliness (Annual) (ARS)	Annual measure					N/A	57%	N/A	N/A	N/A
Waste Management & Cleansing	SP 354 Total waste arising per households (KGs) (Monthly in arrear)	73.15	75				384.46	450			
Waste Management & Cleansing	SP 407 % FPN's issued that have been paid (Monthly) FLAGGED	70%	70%				69.98%	70%			
Waste Management & Cleansing	SP 485 No. of fly-tips in streets and parks recorded by Contractor (Monthly)	1,848	1,075				9,252	6,450			
Waste Management & Cleansing	SP 569 % of sites surveyed that meet the required standard for weeds (Quarterly)	Measured Quarterly					91.25%	90%			
Waste Management & Cleansing	SP 571 % of sites surveyed that meet the required standard for graffiti (Quarterly)	Measured Quarterly					94%	95%			



Dept.	PI Code & Description	Sep 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
Cleansing											
Waste Management & Cleansing	SP 572 % of sites surveyed that meet the required standard for flyposting (Quarterly)	Measured Quarterly					99.05%	97%			
Waste Management & Cleansing	SP 574 Resident satisfaction with the Household Re-use and recycling facility (Garth Road) (Annual)	Annual measure					N/A	75%	N/A	N/A	N/A
<b>Parks</b>											
Parks and Green Spaces	CRP 119 / SP 558 Average Performance Quality Score (Litter and Cleansing Standards) (Quarterly)	Measured Quarterly					4.83	5			
Parks and Green Spaces	SP 026 % of residents who rate parks & green spaces as good or very good (Annual) (ARS)	Annual measure					N/A	78%	N/A	N/A	N/A
Parks and Green Spaces	SP 027 Young peoples % satisfaction with parks & green spaces (Annual) (ARS)	Annual measure					N/A	86%	N/A	N/A	N/A
Parks and Green Spaces	SP 032 No. of Green Flags (Annual)	Annual measure					N/A	7	N/A	N/A	N/A
Parks and Green Spaces	SP 318 No. of outdoor events in parks (Monthly)	0	16				20	170			
Parks and Green Spaces	SP 514 Income from outdoor events in parks (Annual)	Annual measure					N/A	£550,000	N/A	N/A	N/A
Parks and Green Spaces	SP 515 Average Performance Quality Score (Grounds Maintenance Standards) (Annual)	Annual measure					N/A	5	N/A	N/A	N/A
Parks and Green Spaces	SP 517 Number of street trees planted (Annual)	Annual measure					N/A	240	N/A	N/A	N/A
Parks and Green Spaces	SP 557 Average Performance Quality Score (Grass Verge Standards) (Quarterly)	Measured Quarterly					5	5			
Parks and Green Spaces	SP 559 % of tree works commissions completed within SLA (30 days) (Quarterly)	Measured Quarterly					93%	86%			

Dept.	PI Code & Description	Sep 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
Parks and Green Spaces	SP 560 Number of friends and similar groups volunteering within Merton's parks and open spaces (Annual)	Annual measure					N/A	41	N/A	N/A	N/A
<b>Transport</b>											
Transport	SP 136 Average % time passenger vehicles in use (transport passenger fleet) (Annual)	Annual measure					N/A	85%	N/A	N/A	N/A
Transport	SP 456 Days lost to sickness absence - Transport (cumulative) (Monthly)	3.69	0.75				20.13	4.5			
Transport	SP 137 % User satisfaction survey (transport passenger fleet) (Annual)	Annual measure					N/A	97%	N/A	N/A	N/A
Transport	SP 271 In-house journey that meet timescales (transport passenger fleet) (Annual)	Annual measure					N/A	85%	N/A	N/A	N/A
Transport	SP 526 % of Council fleet using diesel fuel (Annual)	Annual measure					N/A	80%	N/A	N/A	N/A
<b>Leisure</b>											
Leisure	SP 251 Income from Watersports Centre (Monthly)	£14,810	£12,000				£300,795	£356,500			
Leisure	SP 349 14 to 25 year old fitness centre participation at leisure centres (Monthly)	8,613	6,738				42,908	44,121			
Leisure	SP 405 No. of Leisure Centre users (Monthly)	68,496	74,045				319,923	423,446			
Leisure	SP 406 No. of Polka Theatre users (cumulative) (Quarterly)	Measured Quarterly					11,510	8,178			

## Sustainable Communities

**DNR – means did not receive performance information for September**

Dept.	PI Code & Description	Sep 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
<b>Development and Building Control</b>											
Development and Building Control	CRP 045 / SP 118 Income (Development and Building Control) (Monthly)	DNR	163,833	DNR	DNR	DNR	794,025	819,165			
Development and Building Control	CRP 051 / SP 114 % Major applications processed within 13 weeks (Monthly)	DNR	80%	DNR	DNR	DNR	84.62%	80%			
Development and Building Control	CRP 052 / SP 115 % of minor planning applications determined within 8 weeks (Monthly)	DNR	72%	DNR	DNR	DNR	79.03%	71%			
Development and Building Control	CRP 053 / SP 116 % of 'other' planning applications determined within 8 weeks (Development Control) (Monthly)	DNR	83%	DNR	DNR	DNR	84.93%	82%			
Development and Building Control	DATA 007 / SP 414 Volume of planning applications (Monthly)	DNR	DNR	DNR	DNR	DNR	1,569	DNR			
Development and Building Control	SP 040 % Market share retained by LA (Building Control) (Monthly)	DNR	54%	DNR	DNR	DNR	64.17%	54%			
Development and Building Control	SP 113 No. of planning enforcement cases closed (Monthly)	DNR	44	DNR	DNR	DNR	102	220			
Development and Building Control	SP 117 % appeals lost (Development & Building Control) (Quarterly)	Measured Quarterly					0%	35%			
Development and Building Control	SP 380 No. of backlog planning enforcement cases (Monthly)	DNR	490	DNR	DNR	DNR	545	490			
<b>Future Merton</b>											
Future Merton	CRP 096 / SP 020 New Homes (Annual)	Annual measure					N/A	918	N/A	N/A	N/A
Future Merton	CRP 101 / SP 389 Carriageway condition - unclassified roads, % not defective (annual)	Annual measure					N/A	75%	N/A	N/A	N/A

Dept.	PI Code & Description	Sep 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
Future Merton	CRP 108 / SP 475 Number of publically available Electric Vehicles Charging Points available to Merton Residents (Annual)	Annual measure					N/A	200	N/A	N/A	N/A
Future Merton	DATA 008 Streetworks - number of utility works overrun incidents (FPN issued) (Monthly)	4					38	N/A			
Future Merton	DATA 009 £ fines from Streetworks FPNs (Monthly)	8,160					125,960	N/A			
Future Merton	SP 327 % Emergency callouts attended within 2 hours (traffic & highways) (Monthly)	100%	98%				100%	98%			
Future Merton	SP 328 % Streetworks permitting determined (Monthly)	100%	98%				100%	98%			
Future Merton	SP 391 Average number of days taken to repair an out of light street light (Quarterly)	Measured Quarterly					0.94	3			
Future Merton	SP 476 Number of business premises improved (Annual)	Annual measure					N/A	10	N/A	N/A	N/A
Future Merton	SP 508 Footway condition - (% not defective, unclassified road) (Annual)	Annual measure					N/A	75%	N/A	N/A	N/A
<b>Property</b>											
Property	SP 024 % Vacancy rate of property owned by the council (Quarterly)	Measured Quarterly					1%	3%			
Property	SP 025 % Debt owed to LBM by tenants inc businesses (Quarterly)	Measured Quarterly					6.75%	7.5%			
Property	SP 386 Property asset valuations (Annual)	Annual measure					N/A	150	N/A	N/A	N/A
Property	SP 518 Number of completed Rent Reviews (Quarterly)	Measured Quarterly					5	16			

# Planning



PI code and description	September 2021	YTD result	Annual YTD Target	Current YTD status
	Value			
CRP 045 / SP 118 Income (Development and Building Control) (Monthly)	A/W Info	794,025	819,165	
CRP 051 / SP 114 % Major applications processed within 13 weeks (Monthly)	100%	86.68%	80%	
CRP 052 / SP 115 % of minor planning applications determined within 8 weeks (Monthly)	60%	76.98%	71%	
CRP 053 / SP 116 % of 'other' planning applications determined within 8 weeks (Development Control) (Monthly)	78.63%	83.65%	82%	
DATA 007 /SP 414 Volume of planning applications (Monthly)	182	1,751		
SP 040 % Market share retained by LA (Building Control) (Monthly)	A/W Info	64.17%	54%	
SP 113 No. of planning enforcement cases closed (Monthly)	25	127	264	
SP 117 % appeals lost (Development & Building Control) (Quarterly)	36%	17.5%	35%	
SP 380 No. of backlog planning enforcement cases (Monthly)	561	561	490	

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# Sustainable Communities Scrutiny and Overview Committee- Nov 2021

How do we encourage Merton residents to recycle more

Lead officer: John Bosley

Lead member: Cllr Natasha Irons



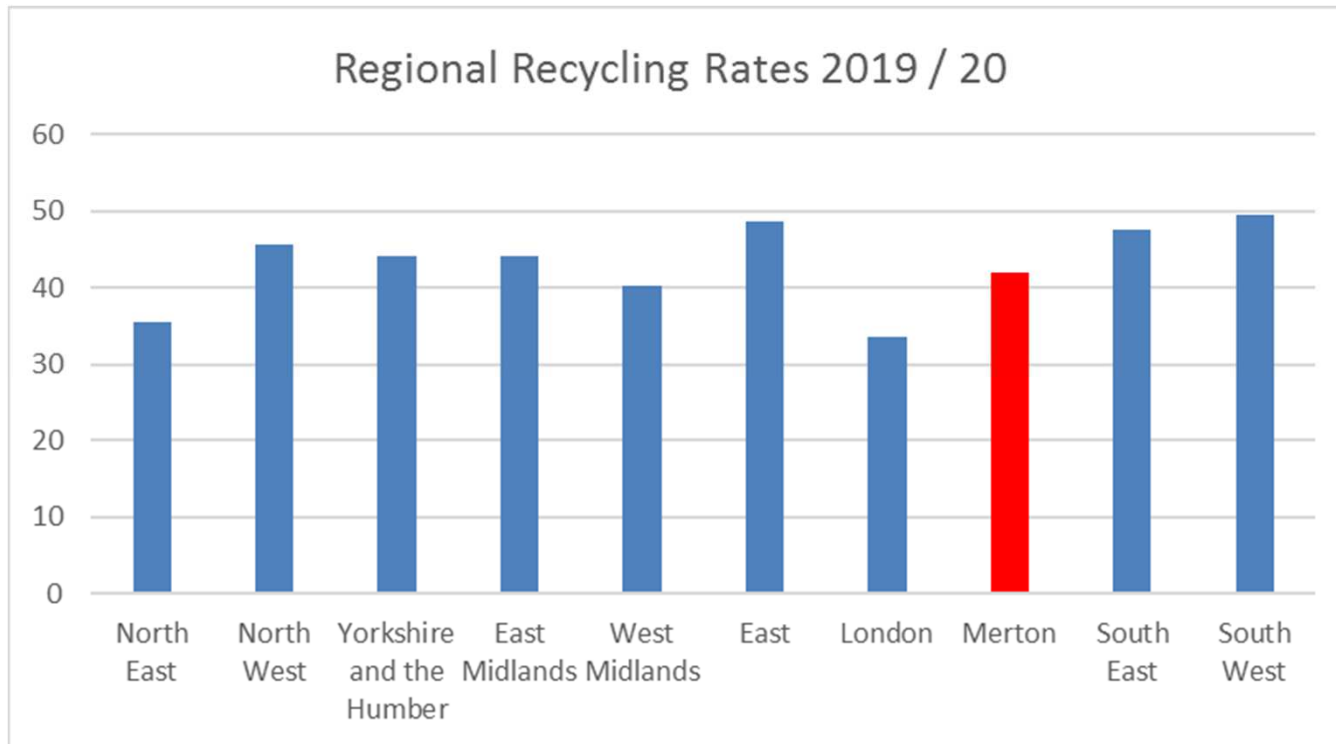
# Areas Covered

Merton's Current Recycling performance - Regional (LONDON)  
Merton's Recycling performance – Nationally  
Impact on service change and COVID  
Recycling rates across the borough - day of collection  
Waste collections Areas and profiles  
Garden waste  
Finance – summary of budget allocation by waste stream  
Areas of further engagement consideration

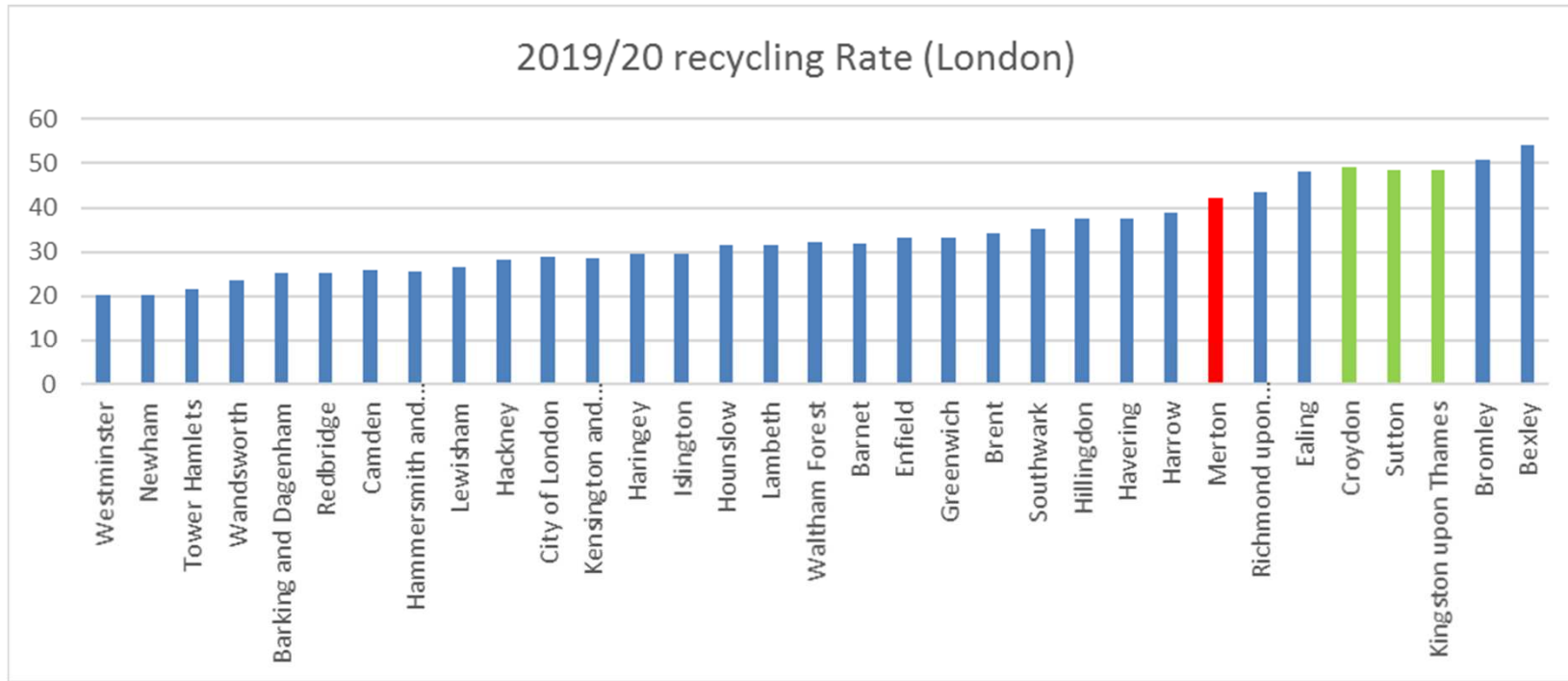




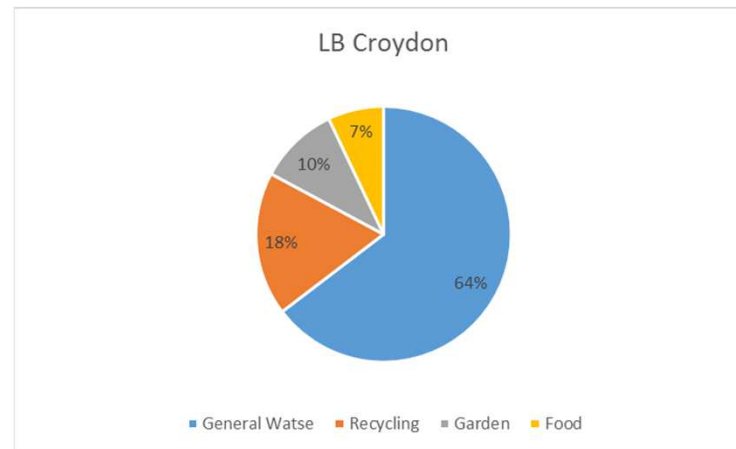
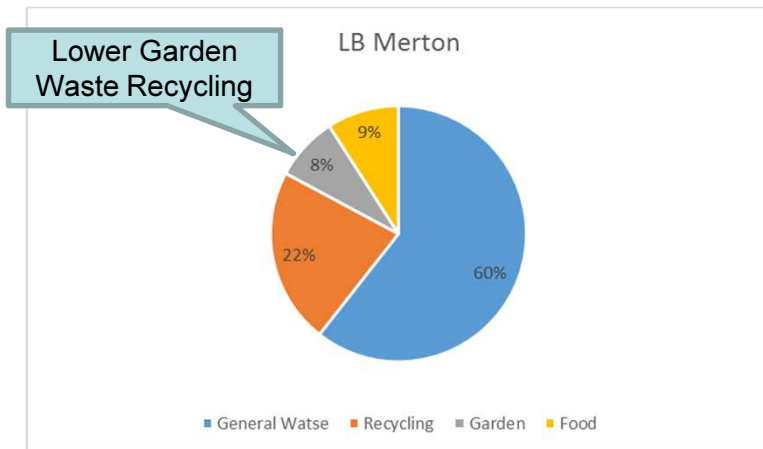
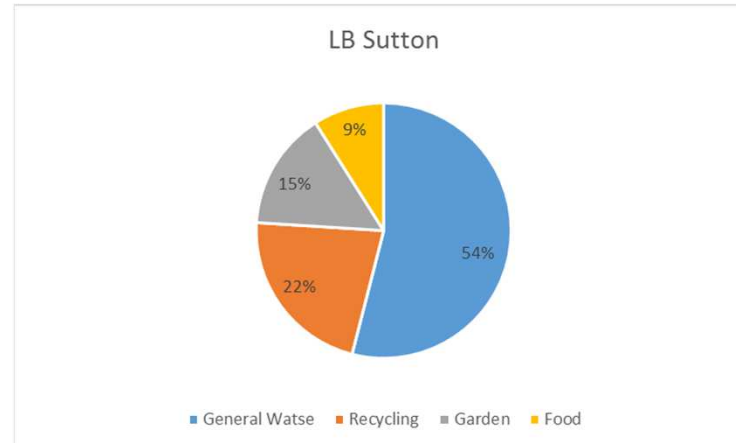
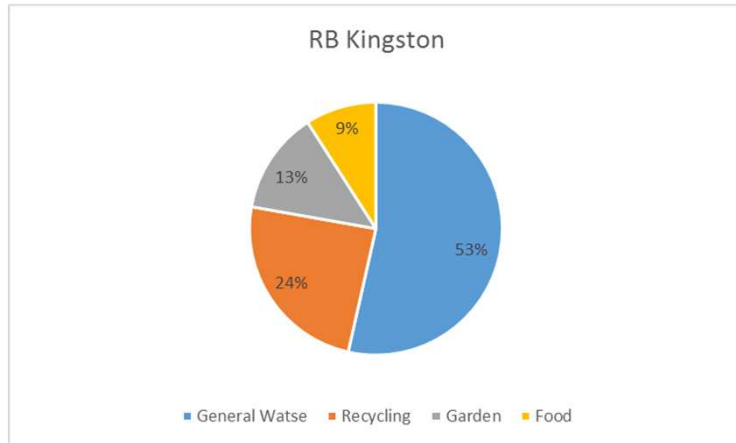
# London current recycling rate 34%



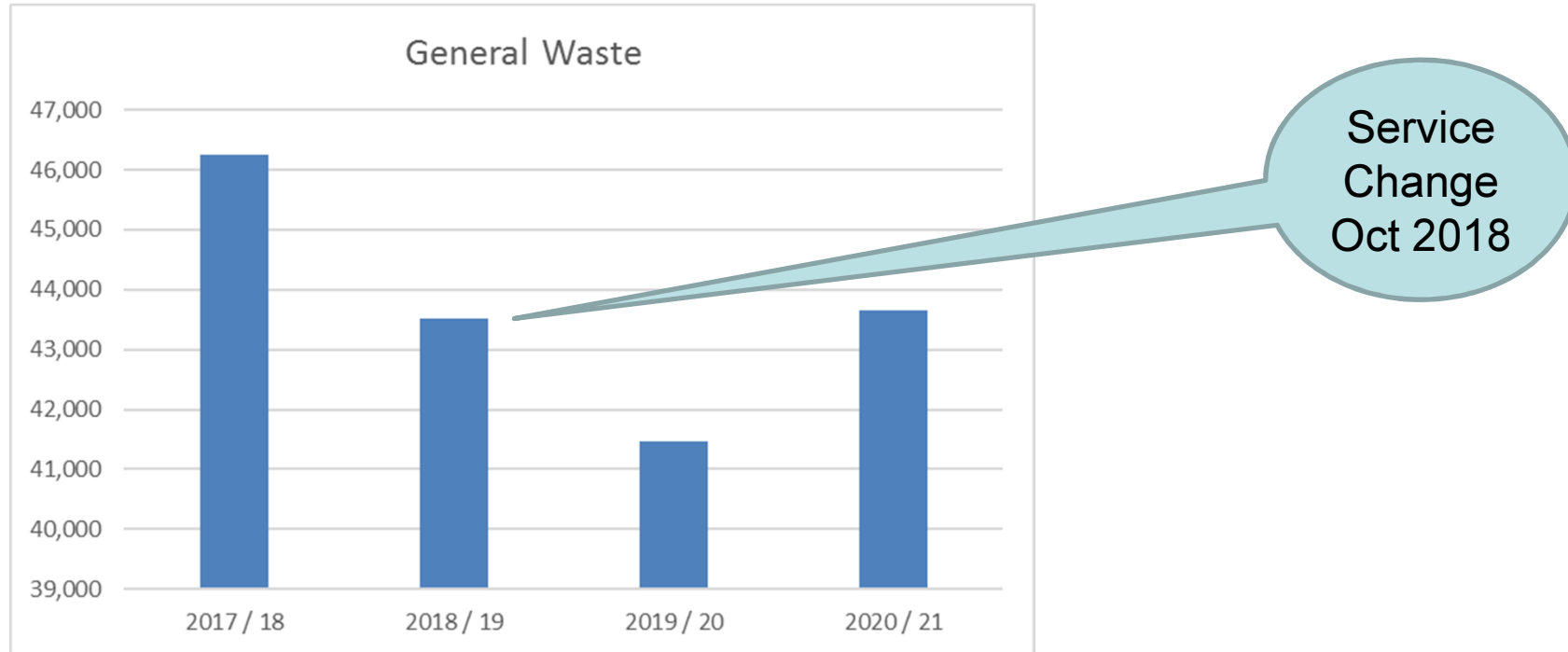
# Merton's current recycling rate places us in top quartile in London



# Partnership Boroughs waste profile 2020



# Impact on waste volumes – Lock down and change in working arrangements

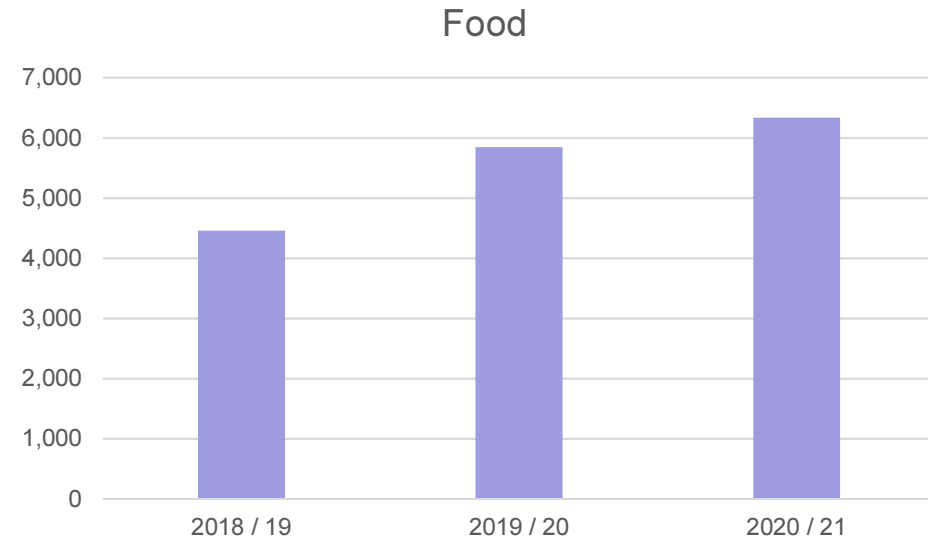
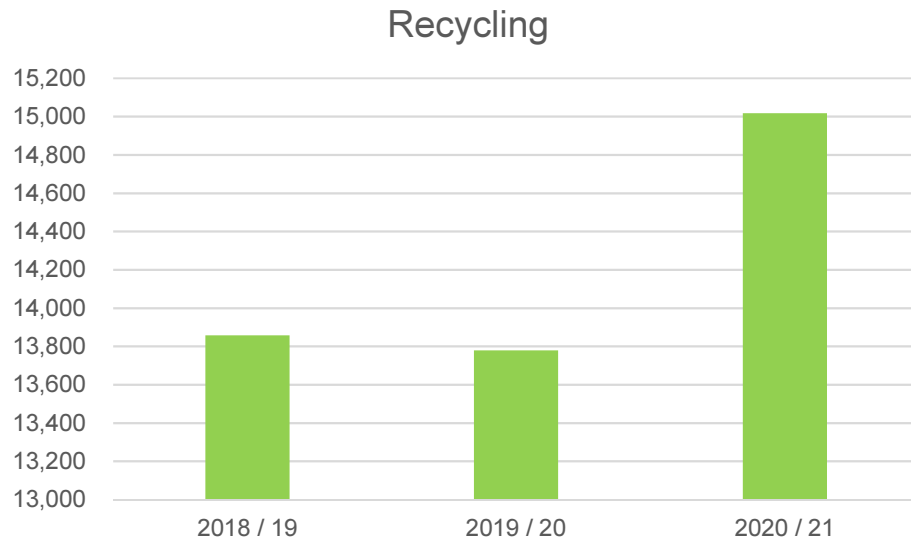


COVID Impact - General waste up 5% back to pre service change level



# Merton Residents continue to engage with the recycling services

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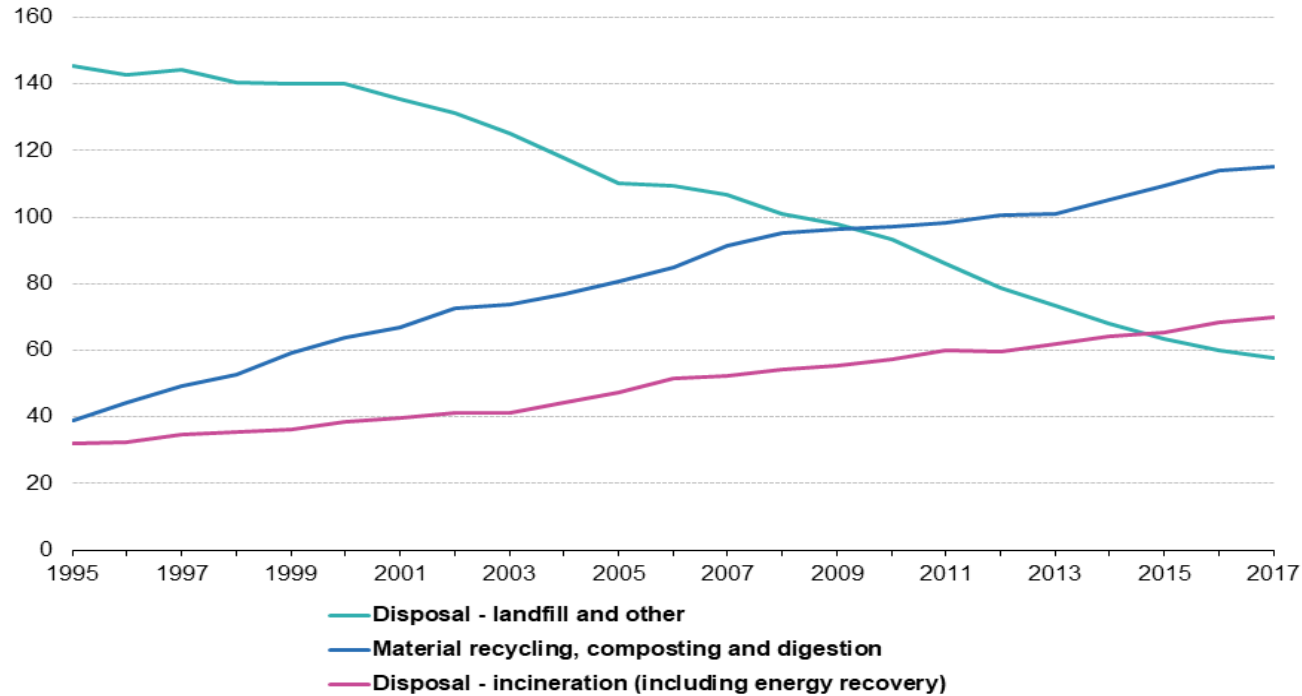


Food waste recycling ↑ 42% (4,457tn to 6,332tn)

Kerbside recycling ↑ 8% (13,857tn to 15,018tns)



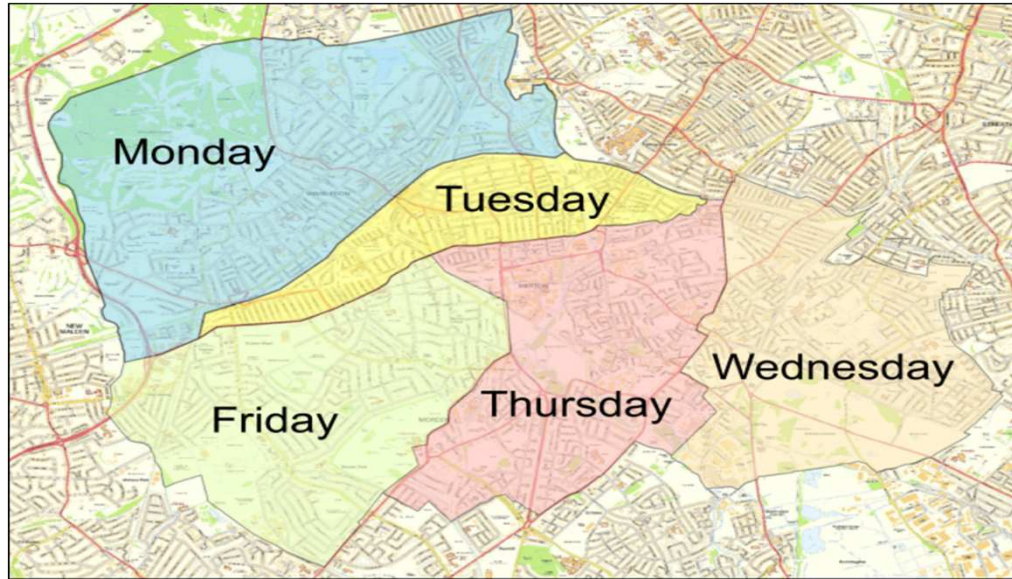
**Municipal waste treatment, EU-28, 1995-2017**  
(million tonnes)



Over 40% of our greenhouse gas (GHG) emissions come from making, moving and getting rid of items that we use. Through effective waste prevention techniques, and responsible recycling we can use less energy, reduce GHG emissions and contribute to a healthier climate.

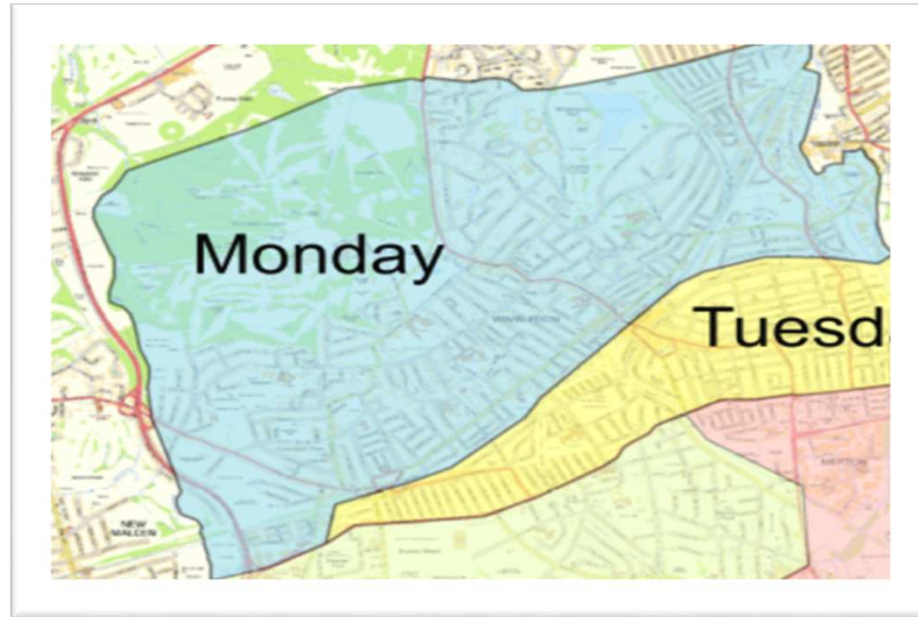


# Waste Collection Distribution of Tonnage Collected



Material	Monday	Tuesday	Wednesday	Thursday	Friday	Total
Food waste	16%	18%	22%	18%	26%	100%
Recyclate - Mixed	13%	23%	24%	23%	16%	100%
Plastic, Cans & Glass Mixed	16%	22%	20%	20%	22%	100%
Paper - Mixed	21%	19%	18%	17%	24%	100%
Green Waste	24%	28%	17%	18%	13%	100%

# Waste collection Areas - Monday

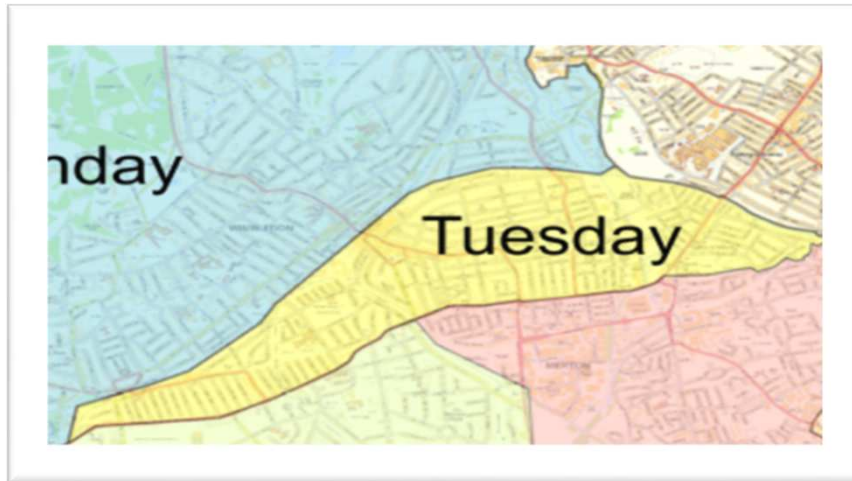


Raynes Park  
Hillside  
Wimbledon Park

Material	Monday	Rank
Food waste	16%	Lowest
Recyclate - Mixed	13%	Lowest
Plastic, Cans & Glass Mixed	16%	Lowest
Paper - Mixed	21%	2nd Highest
Green Waste	24%	2nd Highest



# Waste collection Areas - Tuesday



Dundonald  
Trinity  
Colliers wood  
Abbey

Material	Tuesday	Rank
Food waste	18%	3rd Highest
Recyclate - Mixed	23%	2nd Highest
Plastic, Cans & Glass Mixed	22%	1st (Joint)
Paper - Mixed	19%	2nd Highest
Green Waste	28%	Top

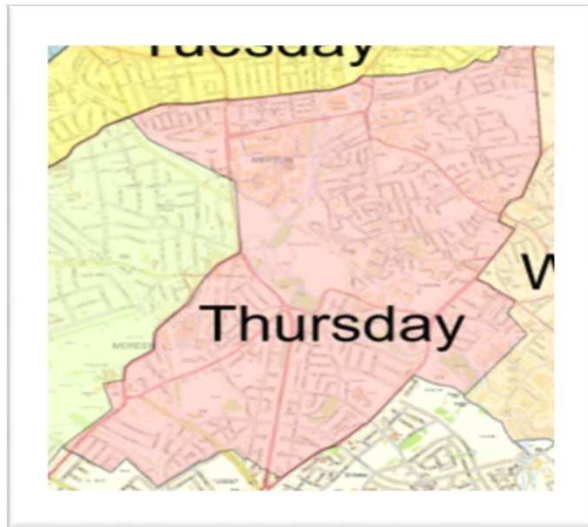
# Waste collection Areas – Wednesday



Cricket Green  
Pollards Hill  
Figges Marsh  
Longthorton  
Graveny

Material	Wednesday	Rank
Food waste	22%	2nd Highest
Recyclate - Mixed	24%	Highest
Plastic, Cans & Glass Mixed	20%	3rd Highest
Paper - Mixed	18%	4th Highest
Green Waste	17%	4th Highest

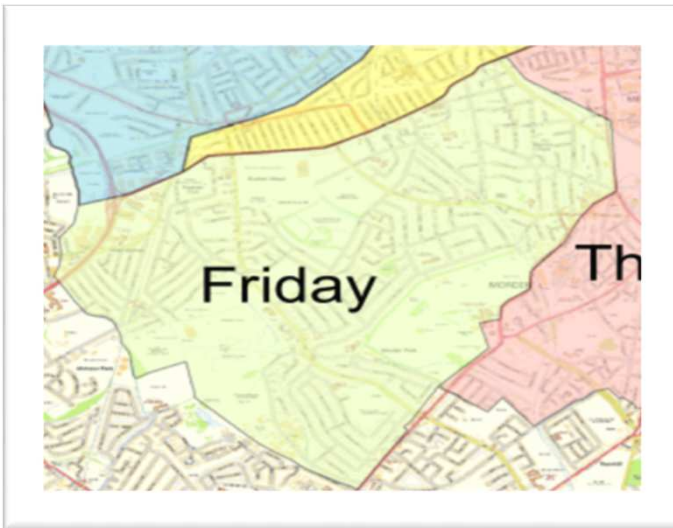
# Waste collection Areas -Thursday



St Helier  
Ravensbury  
Lavender Hill  
Abbey  
Colliers Wood

Material	Thursday	Rank
Food waste	18%	3rd (Joint )
Recyclate - Mixed	23%	2nd Highest
Plastic, Cans & Glass Mixed	20%	3rd (Joint )
Paper - Mixed	17%	Lowest
Green Waste	18%	3rd

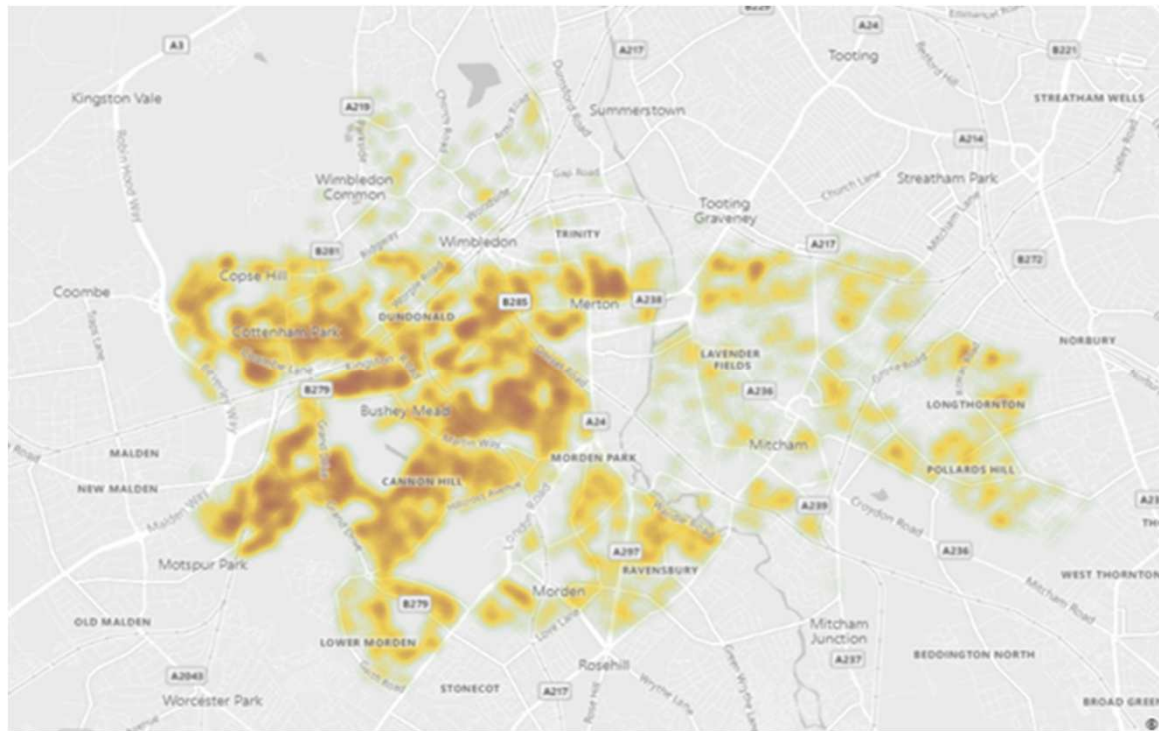
# Waste collection Areas – Friday



West Barns  
Lower Morden  
Merton park  
Cannon Hill

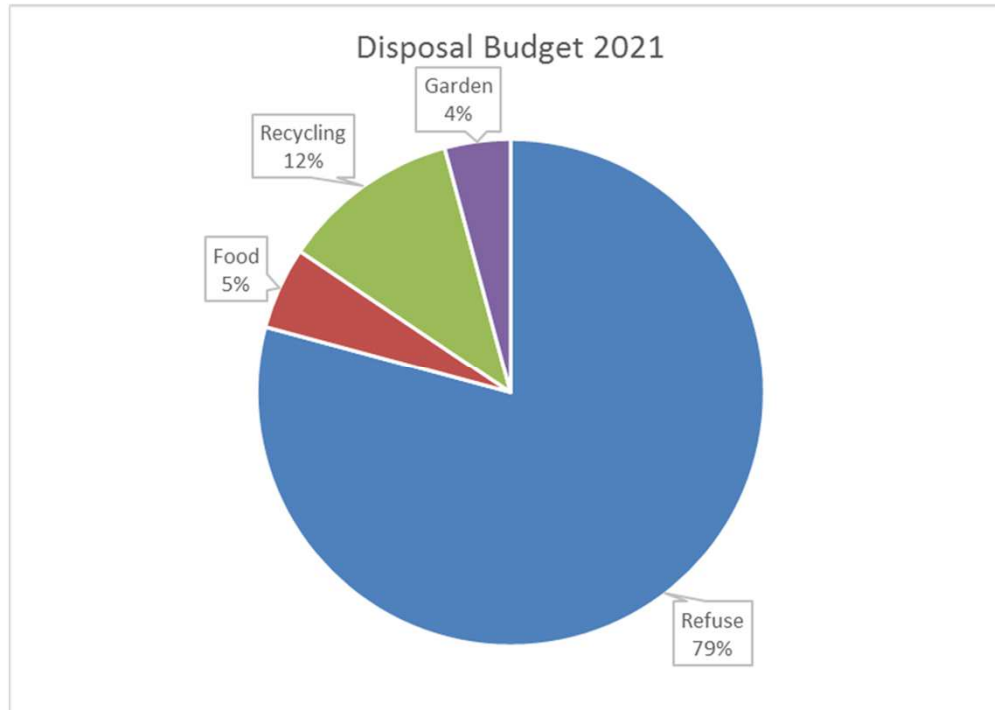
Material	Friday	Rank
Food waste	26%	Top
Recyclate - Mixed	16%	4th
Plastic, Cans & Glass Mixed	22%	Top
Paper - Mixed	24%	Top
Green Waste	13%	Lowest

# Garden waste subscriptions - Over the last 4 years we have seen a 84% increase in the number of customers subscribing to the service



2017	2019	2021
6,500	10,000	12,000

# Disposal Budgets 2021/21 - £6.1m



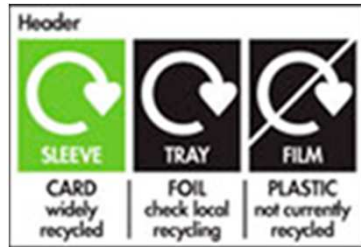
Food Waset - Diversion form General Waste	Tonnes	Cost Avoidance
1%	436	£26k
5%	2,182	£133k

# Areas of Service engagement and greater understanding

- Raising awareness - through continuous communication
- Encouragement and initiatives
- Campaigns
- Textiles
- Food Waste
- How has people's behaviour and thus waste generation changed?
- Targeting our encouragement



# What to recycle!



## Easy to Understand





# Easy to Recycle



Civic Centre Foyer



- Regular Campaigns
- Normalising Recycling



Social Media Content

# Community Engagement

- Face to Face
- Competitions
- Door to door
- Initiatives



Wimbledon Fair



Flats Recycling Improvement Project



Competition winner Sculpture in Mitcham



Targeted Initiatives



# Food Waste Prevention

UK householders are throwing away £15 billion worth of good food and drink every year.

- £540 per household per year
- £800 per household with children
- £230 per single person household

**Savings of up to £70 a month or £16 a week**



# Food Waste



1/3 of food produced is wasted

Food has the biggest impact on Carbon emissions

The UK / Merton will not reach its commitment to Net Zero by 2050 without –

- transforming how land is used
- **reducing food waste** and
- reducing consumption of the most carbon-intensive foods.

# Food Waste is Everyone's Problem

September 2021, Prince Charles launched a new education programme called "Food For The Future".

## How can Merton Council help?

- Promote food waste reduction
- Protect food growing land
- Support ethical and sustainable food businesses
- Procurement policies and actions
- Lobby



# Reducing Food Waste

- Support community initiatives
- Communications and initiatives



**Avoid  
avoidable  
food  
waste**



**Food  
sharing  
App.**

# Textiles



How can Merton Council help change this  
“take, make, dispose”  
model of production and consumption

# Textiles

## Building circular fibre-to-fibre Recycling in UK

- Encourage the Extension of the Life of Garments
- Expand Reuse and Resale Opportunities
- Support National Campaigns



Jumble Trail 2018



National Campaigns





# Communications – Always On Approach

- Communications are a fundamental part of a waste and recycling service
- Achieving high quality and quantities of recycling will not happen unless effective recycling communications are in place to back it up.
- Significant service improvements have helped us achieve 42% this has only been possible because it has been supported by investment in excellent communication campaigns



# Communications

- Our recycling communications strategy supports our objectives
- Our communications reflect our current situation and aspirations
- Our area and its issues are unique to us
- Understanding our borough,  
our people  
and the barriers



# Communication

- A range of communication methods and activities, using all our available resources imaginatively.

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Face to Face	Initiatives	Social Media	Clear Labels	Banners	
Easy to Understand	Leaflets	Door to Door	Competitions		
Breakdown Barriers	Roadshows	Seasons	Community feedback		
Website	Partnerships	Link websites	IT Development	Fairs	
Apps	Digital Imagery	Flyers	Sponsorship	Charities	New Ideas

# Summary

- Continue developing and delivering our recycling communications strategy
- Continue to lobby central government
- Continue to work with our nationwide partners
- Both instigate and support local campaigns and education programmes within communities



Their future is in our hands

# Destination Recycling

SLWP initiative to provide reassurance and information  
5-minute film (shorter versions also available)  
([www.slwp.org.uk/destination-recycling](http://www.slwp.org.uk/destination-recycling))  
[Beddington ERF Virtual Visitor Centre](#)



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## **Committee: Sustainable Communities Overview and Scrutiny Panel**

**Date: 1 November 2021**

### **Subject: Draft Business Plan 2022-26**

Lead officer: Caroline Holland, Director of Corporate Services

Lead member: Cllr Tobin Byers, Cabinet Member for Finance

Contact officer: Rosie Mckeever

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#### **Recommendations**

A. The Panel are asked comment on and discuss the draft Business Plan

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- 1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY**
  - 1.1. The Director of Corporate Services will provide a verbal update on the latest budget position and discuss any savings in relation to the remit of this Panel. The Draft Business Plan is attached for information.
- 2 DETAILS**
  - 2.1. Taken from 11 October Cabinet report
- 3 ALTERNATIVE OPTIONS**

None for the purpose of this report
- 4 CONSULTATION UNDERTAKEN OR PROPOSED**

None for the purpose of this report
- 5 TIMETABLE**

None for the purpose of this report
- 6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

None for the purpose of this report
- 7 LEGAL AND STATUTORY IMPLICATIONS**

None for the purpose of this report
- 8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

None for the purpose of this report
- 9 CRIME AND DISORDER IMPLICATIONS**

None for the purpose of this report
- 10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

None for the purpose of this report

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## Cabinet

**Date:** 11 October 2021

**Subject:** Draft Business Plan 2022-26

**Lead officer:** Caroline Holland – Director of Corporate Services

**Lead member:** Councillor Tobin Byers - Cabinet Member for Finance

**Contact Officer:** Roger Kershaw

### **Urgent report:**

Reason for urgency: The chairman has approved the submission of this report as a matter of urgency as it provides the latest available information on the Business Plan and Budget 2022/23 and requires consideration of issues relating to the Budget process and Medium Term Financial Strategy 2022-2026. It is important that this consideration is not delayed in order that the Council can work towards a balanced budget at its meeting on 2 March 2022 and set a Council Tax as appropriate for 2022/23.

### **Recommendations:**

---

1. That Cabinet notes the approach to rolling forward the MTFS for 2022-26.
- 2 That Cabinet confirm the latest position with regards to savings already in the MTFS
- 3 That Cabinet agrees the approach to setting a balanced budget using the unmet balance of last year's savings targets as the basis for the setting of targets for 2022-26.
- 4 That Cabinet agrees the proposed savings targets.
- 5 That Cabinet agrees the timetable for the Business Plan 2022-26 including the revenue budget 2022/23, the MTFS 2022-26 and the Capital Programme for 2022-26.
- 6 That Cabinet note the process for the Service Plan 2022-26 and the progress made so far.

---

### **1. Purpose of report and executive summary**

- 1.1 This report presents an initial review of the Medium Term Financial Strategy and updates it for development as part of the business planning process for 2022/23.
- 1.2 The report sets out the approach towards setting a balanced budget for 2022-2026 and a draft timetable for the business planning process for 2022/23. It also proposes initial targets to be met from savings and income over the four year period of the MTFS.

- 1.3 There is an update on the current information relating to the timetable for the Government's Spending Review 2021, and the Government's proposed changes to Business Rates and the Fair Funding Review which have been deferred from previous years.
- 1.4 Given the current high level of uncertainty over a range of factors that have the potential to impact significantly on the MTFS there is a sensitivity analysis of a number of issues including the potential impact across the MTFS period of factors affected by the coronavirus pandemic, and the increasing level of DSG deficit .
- 1.5 Finally, there is an assessment of the potential impact in 2022/23 and possibly beyond, of the coronavirus pandemic which first impacted at the end of the 2019/20 financial year and is still impacting throughout the current financial year.

## Details

## 2. Medium Term Financial Strategy 2022-26

### 2.1 Background

Council on 3 March 2021 agreed the Budget 2021/22 and MTFS 2021-25. Whilst a balanced budget was set for 2021/22 there was a gap remaining in future years which needs to be addressed, as shown in the following table:-

	<b>2022/23</b> <b>£m</b>	<b>2023/24</b> <b>£m</b>	<b>2024/25</b> <b>£m</b>	<b>2025/26</b> <b>£m</b>
MTFS gap (cumulative)	3,892	11,476	14,344	17,664

- 2.2 The initial phase of the business planning process is to re-price the MTFS and roll it forward for an additional year. Development of the MTFS in recent budget processes allowed for various scenarios on a range of key variables to be modelled and it is intended to do the same this year and where feasible, to improve the approach to modelling.

Given the scale of the COVID-19 effect, the potential knock-on impact over the MTFS period 2022-26 has been modelled and is included in this analysis.

### 2.3 Review of Assumptions

The pay and price calculations have been reviewed using the approved budget for 2021/22 as the starting point.

#### 2.3.1 Pay

For 2021/22 the final pay award has not been agreed but provision of 1.5% was included in the MTFS in light of the Chancellor of the Exchequer's announcement in the Spending Review 2020 that as part of the response to the economic impacts of the COVID-19 pandemic, public sector pay will be

“paused” for 2021/22. For the remaining years of the MTFs (2022/23 onwards), pay provision of 1.5% was also included.

In February 2021, unions submitted a pay claim of 10% plus other requirements but on 14 May 2021 the National Employers made a pay offer of 1.5% to the NJC unions. Unions formally rejected the 1.5% offer and requested urgent talks with the employer’s negotiators.

On 27 July 2021, the National Employers made a “final offer” as follows:

- With effect from 1 April 2021, an increase of 2.75 per cent on NJC pay point 1
- With effect from 1 April 2021, an increase of 1.75 per cent on all NJC pay points 2 and above
- Completion of the outstanding work of the joint Term-Time Only review group

The employers also considered non-pay elements of union proposals and hope joint discussions can begin on the basis of the following:-

- A national minimum agreement on homeworking policies for all councils

In response the unions UNISON, GMB and Unite are urging local government employers to rethink their revised pay offer of a 1.75% pay rise (with 2.75% for those on the bottom pay point) for 2021/22 by “awarding an increase that will properly and fairly reward council and school support staff”.

With 1.5% provided for a pay award in 2021/22, if unions accept the 1.75% offer it will require additional budget of c.£0.225m in 2021/22 and future years. (a 1% increase costs c.£0.9m per year).

The impact of a 1.75% pay award in 2021/22 on the MTFs 2022-26 (assuming pay awards of 2% p.a.) are estimated to be:-

<b>(Cumulative)</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
<b>Pay inflation (£000)</b>	<b>230</b>	<b>234</b>	<b>239</b>	<b>244</b>

Pending final agreement of the final pay award for 2021/22, the estimated inflation provision has been revised using the 2021/22 employees budgets. The provision for the pay award is held corporately until the award is finalised and allocations to service departments will then be made. Given the pay pause for 2021/22 and increasing level of inflation it may be difficult to sustain pay inflation of only 1.5% in 2022/23 and 2% may be more realistic albeit still challenging

### **Provision for Pay Inflation:**

<b>(Cumulative £000)</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
<b>Pay inflation (%)</b>	<b>1.5%</b>	<b>1.5%</b>	<b>1.5%</b>	<b>1.5%</b>
MTFS 2021-25 (Council 3/3/21)	1,360	2,720	4,080	5,440
<b>Pay inflation (%)</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>
MTFS 2022-26 (Latest)	1,920	3,840	5,760	7,680
<b>Change (cumulative £000)</b>	<b>560</b>	<b>1,120</b>	<b>1,680</b>	<b>2,240</b>

Further details on any progress towards agreeing a pay award for 2021/22, and the impact on the MTFS, will be reported during the Business Planning process as more information becomes available.

### 2.3.2 Prices

The current assumptions regarding price inflation incorporated into the MTFS are

- 1.5% in each year of the MTFS

The MTFS agreed by Council on 3 March 2021 includes the following provision for price inflation

### **Provision for Prices Inflation:**

	2022/23	2023/24	2024/25	2025/26
Price inflation in MTFS (%)	1.5%	1.5%	1.5%	1.5%
Original MTFS 2021-25 (cumulative £000)	2,109	4,217	6,326	8,434

This has been reviewed using the approved budget for 2021/22 and the latest estimate based on 1.5% price inflation is:-

(Cumulative)	2022/23	2023/24	2024/25	2025/26
Price inflation (%)	1.5%	1.5%	1.5%	1.5%
Revised Estimate (cumulative £000)	2,139	4,278	6,417	8,556

### **Net change in Pay and Price inflation provision:**

The overall change in inflation provision since Council in March 2021 is

(Cumulative) (£000)	2022/23	2023/24	2024/25	2025/26
Latest Inflation estimate	4,259	8,352	12,416	16,480
Original MTFS 2021-25 (Council March 2021)	3,469	6,937	10,406	13,874
Change	790	1,415	2,010	2,606

### Current inflation

The Consumer Prices Index (CPI) rose by 3.2% in the 12 months to August 2021, up from 2.0% in July: the increase of 1.2 percentage points is the largest ever recorded increase in the CPI National Statistic 12-month inflation rate series, which began in January 1997; this is likely to be a temporary change. On a monthly basis, CPI increased 0.7% in August 2021, compared with a fall of 0.4% in August 2020.

The largest upward contribution to change is a base effect, because, in part, of discounted restaurant and café prices in August 2020 resulting from the government's Eat Out to Help Out scheme and, to a lesser extent, reductions in Value Added Tax (VAT) across the same sector

The largest upward contribution to the August 2021 CPIH 12-month inflation rate came from transport with further large upward contributions from restaurants and hotels, housing and household services, and recreation and culture. Restaurants and hotels, recreation and culture, and food and non-alcoholic beverages made the largest upward contributions to the change in the CPIH 12-month inflation rate between July and August 2021.

The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 3.0% in the 12 months to August 2021, up from 2.1% in the 12 months to July. The RPI rate for August 2021 was 4.8%, which is up from 3.8% in July 2021.

Inflation has been increasing in recent months and is expected to rise to around 4% in the near term, although the Bank of England expect this to drop back to the Government's 2% target after that. It is not proposed to change the provision of 1.5% in the MTFs for price inflation but this will be kept under review going forward during the Business Planning process.

### 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. Previously at a special meeting on 19 March 2020, the Monetary Policy Committee (MPC) unanimously voted to cut interest rates from 0.25% to 0.1% and to increase holdings of UK government and corporate bonds by £200bn in response to the COVID-19 crisis.

At its meeting ending on 22 September 2021, the Committee judged that the existing stance of monetary policy remained appropriate. The MPC voted unanimously to maintain Bank Rate at 0.1%. The Committee voted unanimously for the Bank of England to maintain the stock of sterling non-financial investment-grade corporate bond purchases, financed by the issuance of central bank reserves, at £20 billion. The Committee voted by a majority of 7-2 for the Bank of England to continue with its existing programme of UK government bond purchases, financed by the issuance of central bank reserves, maintaining the target for the stock of these government bond purchases at £875 billion and so the total target stock of asset purchases at £895 billion. The next MPC decision on the Bank Base Rate will be published on 4 November 2021.

The MPC state that “since the August MPC meeting, the pace of recovery of global activity has showed signs of slowing. Against a backdrop of robust goods demand and continuing supply constraints, global inflationary pressures have remained strong and there are some signs that cost pressures may prove more persistent. Some financial market indicators of inflation expectations have risen somewhat, including in the United Kingdom....Uncertainty around the outlook for the labour market has therefore increased. Key questions include how the economy will adjust to the closure of the furlough scheme at the end of September; the extent, impact and duration of any change in unemployment; as well as the degree and persistence of any difficulties in matching available jobs with workers. The Committee will review these, along with other, developments as part of its forthcoming forecast round ahead of the November Monetary Policy Report, which will also include its periodic assessment of the supply side of the economy.”

In terms of the outlook for inflation the MPC say that CPI inflation is expected to rise further temporarily, to slightly above 4% in 2021 Q4, slightly higher than the projection in the August Report. Around half of the near-term projected above-target inflation is expected to be accounted for by elevated energy price inflation. The projected contribution of energy prices from October 2021 reflects a base effect as well as Ofgem’s most recent announced increases in the standard variable tariff caps on retail gas and electricity prices. Spot and forward wholesale gas prices have risen materially since the publication of the August Report, against a backdrop of strong demand and some supply disruption. The MPC say that this “could represent a significant upside risk to the MPC’s inflation projection from April 2022, when Ofgem next updated its retail energy price caps based on the relevant forward contracts, and meant that CPI inflation would remain slightly above 4% into 2022 Q2, all else equal. Core goods inflation was expected to remain above pre-pandemic averages, accounting for most of the remainder of the projected above-target inflation. In contrast to much of the pandemic period, services inflation was expected to rise slightly, to rates close to pre-Covid averages, which in part reflected a continued recovery of activity in consumer-facing services, as well as the tapered rise in VAT on hospitality, holiday accommodation and attractions from October. Most indicators of cost pressures had remained elevated.”

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: Forecasts for the UK Economy**

Source: HM Treasury - Forecasts for the UK Economy (September 2021)			
	Lowest %	Highest %	Average %
2021 (Quarter 4)			
CPI	2.1	4.3	3.2
RPI	3.0	5.9	4.6
LFS Unemployment Rate	4.5	5.8	5.3
2022 (Quarter 4)			
CPI	1.3	5.1	2.2
RPI	1.8	6.0	3.2
LFS Unemployment Rate	4.2	6.0	4.8

Note the wide range between highest and lowest forecasts which reflects the volatility and uncertainty arising from COVID-19 and the difficulty of forecasting how the situation will evolve. 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 2021 to 2025 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (August 2021)					
	2021	2022	2023	2024	2025
	%	%	%	%	%
CPI	2.2	2.8	2.2	2.1	2.0
RPI	3.2	4.1	3.5	3.2	3.0
LFS Unemployment Rate	5.0	5.0	4.5	4.3	4.2

### 2.3.3 Provision for Excess Inflation:

There is also a corporate provision of £0.250m per year which is held to assist services that may experience price increases greatly in excess of the 1.5% inflation allowance provided when setting the budget. This will only be released for specific demonstrable demand.

#### Utilities – Extreme volatility in supply and price

The future supply of gas and electricity with consequential significant increase in wholesale prices is a major concern due to our current contract end dates and it is considered that the provision should be increased by £0.250m to reduce pressure over the MTFS period. This will increase provision in the MTFS to the following:-

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Budget in MTFS 2021-25	500	500	500	500

The cash limiting strategy is not without risks but if the Government's 2% target levels of inflation were applied un-damped across the period then the budget gap would increase by c. £2.8m by 2025/26.

## 2.4 Income

2.4.1 The MTFS does not include any specific provision for inflation on income from fees and charges, as these have now been subsumed into the overall gap and therefore approach to targets. However, in the business planning process for recent years, service departments have been able to identify increased income as part of their savings proposals and increased income currently makes up c.25% of future savings.

2.4.2 It is also the case that the Council's income streams were decimated by COVID-19 in 2020/21 and there is uncertainty about how long it will take to return to pre-COVID19 budgeted levels.

## 2.5 Forecast of Resources and Local Government Finance Settlement

### 2.5.1 Background

The ongoing COVID19 pandemic has had a major impact on the Government's financial planning processes and inevitably this will also have implications for local authorities. The main elements of financial planning that impact on local government are summarised as follows:-

#### a) Spending Review 2021

Due to the pandemic, the Spending Review 2020 was for one year only. This lack of certainty over medium to long term funding makes it extremely difficult to plan going forward and the medium term financial strategy is limited by this constraint.

The Government has announced that it will present an Autumn 2021 budget alongside a Spending Review on 27 October 2021. The Spending Review will set departmental Resource and Capital Departmental Expenditure Limits for 2022/23 to 2024/25, and will reveal much about the future of public services after Covid and how resources will be allocated. It is expected that major decisions will be required that need to address the resilience of public services and how they respond to unforeseen problems such as pandemics, as well as reflecting the government's approach to implementing its policy priorities including the levelling-up agenda, post Brexit impacts on the economy, and funding social care reform.



Details from the Spending Review will form the basis of allocations to local authorities for 2022-25 and beyond as announced in the Local Government Finance Settlement 2022-23. Each year in December, the Ministry of Housing, Communities and Local Government (MHCLG) notifies local authorities of their Provisional Local Government Finance Settlement. The final Settlement figures are published the following January/February but are generally unchanged or very similar to the provisional figures. The total amount of funding available for local authorities is essentially determined by the amount of resources that Central Government has allocated as part of its annual Departmental Expenditure Limit.

#### 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. As advised previously, 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. This was delayed from 2019 to 2020 due to Brexit and delayed until 2022 due to Covid-19.

The MTFS included an adjustment of £3m from 2022/23 on the prudent assumption that the Fair Funding Review and potential Brexit effect including the implementation of the levelling up agenda, would result in a net loss of funding.

There is still a great deal of uncertainty surrounding the timing of several key revisions which impact on local government funding:-

- Fair Funding Review
- 75% Business Rates Retention
- Business Rates Revaluation – currently planned for 2023.

Progress will be reported as part of the Business Planning process. At this stage it is not anticipated that there will be news on funding until the Autumn with no specific funding allocations announced until the Provisional Local Government Settlement 2022/23, probably around mid December 2021 at the earliest.

2.6.2 The current level of resources included in the draft MTFS 2022-26 as agreed by Council in March 2021 is as follows:-

<b>DRAFT MTFS 2022-26:</b>				
	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Revenue Support Grant	0	0	0	0
*Business Rates (inc. Section 31 grant)	*(39,573)	*(40,424)	*(41,292)	*(42,178)
Adult Social Care Grants inc. BCF	(4,862)	(4,862)	(4,862)	(4,862)
Social Care Grant	(3,160)	(3,550)	(3,550)	(3,550)
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(500)	(500)	(500)	(500)
<b>Corporate Funding in the MTFS</b>	<b>(52,892)</b>	<b>(54,133)</b>	<b>(55,001)</b>	<b>(55,887)</b>

\* Net of £3m adjustment for Fair Funding Review and Spending Review 2021 potential effect.

These figures currently assume the London Business Rates pool is not reintroduced in 2022/23 as this has now been agreed by London leaders and that Merton's funding is at the "No Worse Off " safety net level. It assumes that there is an annual 2% uplift for CPI inflation to the Business Rate multiplier. Funding levels have been netted down by £3m p.a. from 2022/23 to reflect the potential loss of funding (government grant and business rates) arising from the potential ongoing economic impact of COVID-19 and Brexit, and the potential redistribution of resources away from London which could result from the Government's Fair Funding Review and Spending Review 2021 and the levelling up agenda.

The Government's latest proposal is to allow local authorities to retain 75% of their Business Rates income but this has been deferred until 2022/23 and it is uncertain whether implementation of this proposal will be further deferred, particularly as there is uncertainty as to whether business rates should be a source of funding going forward.

Updates will be provided in future reports as part of the Business Planning process.

#### 2.6.4 Social Care Funding

##### a) Children's Social Care

The CSF department received £3.847m growth for 2020/21. £1.756m was allocated across Children's Social Care and £2.091m across Education. Despite an increasing population and the pressures that Covid-19 has presented to many parts of the Children's Social Care system, Merton has managed to hold steady the number of children in care. The impact of the lockdown on children and families is emerging in increased safeguarding referrals and hold ups in the family courts meaning that some children's plans cannot be progressed. This has significantly increased the number of children with child protection plans open to the service, which is putting pressure on social worker's caseloads. Additional agency social workers have been brought in to assist with this pressure.

There was a favourable variance of £0.908m in Child Social Care and Youth Inclusion in 2020/21

	Budget 2020/21 £000	Outturn 2020/21 £000	Variance 2020/21 £000
Child social Care and Youth Inclusion	21,658	20,750	-908
<u>Main reasons for Variance</u>			
Asylum Seeker Costs (ART)			-738
Children Central Social Work Service			-296
Mash and Child Protection Service			144

In the current year, Child social Care and Youth Inclusion is forecasting an unfavourable variance of £0.373m (including Covid-19 impact of £0.440m) in 2021/22 as at August 2021.

#### SEN Transport

In 2020/21 the SEN & Disability Integrated Service had a favourable variance of £1.306m. The principle reason for the favourable variance in this area relates to SEN transport and is a direct consequence of schools and colleges being closed or partially closed due to Covid during the year meaning that children and young people did not need to be transported during these periods.

#### b) Adult Social Care

There was a favourable variance of £2.947m in Adult Social Care and Youth Inclusion in 2020/21

	2020/21 Current Budget £'000	2020/21 Outturn March 2021 £'000	2020/21 Outturn Variance March 2021 £'000
Adult Social Care	59,056	56,109	(2,947)

In the current year, Adult Social Care is forecasting a favourable variance of £1.533m (including Covid-19 impact of £0.899m) in 2021/22 as at August 2021.

On 7 September 2021, the Prime Minister announced plans to reform how people pay for adult social care in England, which will be funded through a new Health and Social Care Levy. The Levy is to be based on National Insurance contributions (NICs). From 2023 the Levy will be legislatively separate, and will also apply to individuals working above State Pension age, who are not liable to pay NICs on their earnings at present. The Government

also plans to increase the rates of income tax that apply to income from dividends, to help to fund these plans. The funds from the levy will be ringfenced to fund investment in health and social care set out in the policy paper, “Build Back Better: Our plan for health and social care”.

The proposed reforms will be supported by an investment of £5.4 billion over the next three years.

#### The proposed reforms

From October 2023, the Government plans to introduce a new £86,000 cap on the amount anyone in England will have to spend on their personal care over their lifetime. The cap will apply irrespective of a person’s age or income. It is expected that the cap will be based on the framework provided for by the Care Act 2014. Under this framework, only money spent on meeting a person’s personal care needs count towards the cap. Spending on daily living costs (or what are commonly referred to as “hotel costs” in a care home) do not count towards the cap. In addition, from October 2023, the Government proposes to make the means test for accessing local authority funding support more generous. This includes increasing the upper capital limit (the threshold above which somebody is not eligible for local authority support towards their social care costs) from £23,250 to £100,000. The policy paper also sets out a number of other proposed changes to how people pay for social care, and says that that the Government will publish a white paper on adult social care later in 2021, focusing on wider system reform. The Government will also invest at least £500 million in measures over three years to provide support in professionalising and developing the social care workforce; fund mental health wellbeing resources; and improve recruitment and support.

The 2021/22 Local Government Finance Settlement was for one year only. However, based on indications from the Government that sufficient funding for social care would be provided in future years, the following social care funding was included in the MTFs:-

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Adult Social Care Grants inc. BCF	(4,862)	(4,862)	(4,862)	(4,862)
Social Care Grant	(3,160)	(3,550)	(3,550)	(3,550)
<u>Adult Social Care Council Tax Flexibility:</u>				
3% in 2017/18	(2,454)	(2,454)	(2,454)	(2,454)
1% in 2018/19	(842)	(842)	(842)	(842)
2% in 2019/20	(1,739)	(1,739)	(1,739)	(1,739)
2% in 2020/21	(1,823)	(1,823)	(1,823)	(1,823)
3% in 2021/22	(2,843)	(2,843)	(2,843)	(2,843)
<b>TOTAL</b>	<b>(17,723)</b>	<b>(18,113)</b>	<b>(18,113)</b>	<b>(18,113)</b>

Following the Government's recent announcements on health and social care, and the impending Autumn budget 2021 and Spending Review 2022-25 due on 27 October 2021, the implications for local government funding will be presented in future Business Plan reports as and when more details are available.

In addition to the funding set out in the table above, there is also an Adult Social Care Grants Reserve which has been formed to enable the service to plan more strategically over the longer term. As at 31 March 2021 the balance on the reserve was £3.825m.

#### 2.6.5 Business Rates - Update

As previously reported, due to uncertainty arising from COVID-19, the London Business Rates pool was discontinued for 2021/22 and now agreed for 2022/23. There is still lack of clarification about whether there will be changes to Business Rates and the revaluation has been delayed until 2023.

Clearly, business rates have been severely impacted by COVID-19 and there is uncertainty about how long it will take business rates as a source of local government finance to return to pre-COVID levels. Updates will be provided as the Business Plan process develops.

### 2.7 **Council Tax and Collection Fund**

#### 2.7.1 Council Tax

The Council Tax income forecast in the current MTFS agreed by Council in March 2020 assumes that the Council Tax Base will increase by 0.5% per year with a collection rate 98.0% in 2022/23 and 98.75% thereafter. It also assumes the following changes in Council Tax over the MTFS period:-

	2022/23 %	2023/24 %	2024/25 %	2025/26 %
Council Tax increase - General	2.0%	2.0%	2.0%	2.0%
Council Tax increase – ASC*	0%	0%	0%	0%

\* Currently no provision to be able to levy an ASC charge but if allowed has no impact on the MTFS gap

On the basis of these assumptions the Council Tax income included over the period of the MTFS is:-

(Cumulative figures exc. WPCC)	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Council Tax - No change in rate	100,942	102,131	102,553	102,980
Council Tax – General (2%)	2,019	4,085	6,153	8,238
Council Tax income	102,961	106,216	108,706	111,218

The Council Tax Referendum Principles for 2022/23 will not be known until the Provisional Local Government Finance Settlement for 2022/23 is

announced, usually around mid-December although the Spending Review 2021 in the Autumn may signpost the Government's intentions.

Clearly, COVID-19 has had a major impact on council tax collection rates in 2020/21 and some impact has continued into 2021/22. There are several main issues that need to be considered when formulating a council tax strategy for the MTFS period 2022-26:-

- i) To what extent will COVID-19 continue to have an impact on collection rates?
- ii) Will the Government revise the referendum principles to enable Councils to set higher council tax levels as part as a move towards balancing budgets from local taxation?
- iii) What impact has COVID-19 had on the level on collection rates in 2021/22 and therefore what level of budget deficit relating to council tax will it be necessary to fund in 2022/23 ? (This will be reflected in a Collection Fund deficit as at 31 March 2022)

The Council Tax Base will be updated later in the year following the return of the Government's CTB statistical return, usually in October, which is based on properties on the valuation list in September. The collection rate will impact on the council tax base.

#### 2.7.2 Collection Fund

In the MTFS approved by Council on 3 March 2021, the shares to preceptors of the collection surplus/deficit for Council Tax and NNDR based on the estimated Collection Fund balance at 31 March 2021 are summarised in the following table:-

	Estimated surplus/ (deficit) as at 31/03/21	Estimated surplus/ (deficit) as at 31/03/21	Total surplus/ (deficit) as at 31/03/21
	Council Tax	NNDR	
	£000	£000	£000
Central Government	N/A	(14,791)	(14,791)
GLA	(711)	(16,587)	(17,298)
Merton	(2,743)	(13,389)	(16,132)
Total	(3,454)	(44,767)	(48,221)

2.7.3 Merton's share of the surplus for council tax and NNDR were built into the MTFS agreed by Council in March 2020.

2.7.4 Since then, the Council has produced its draft 2020/21 accounts as at 31 March 2021 which are currently being audited. The draft accounts for 2020/21 include the following surplus/deficit for Council Tax and NNDR as at 31 March 2021

	Surplus/ (deficit) as at 31/03/21 Outturn	Surplus/ (deficit) as at 31/03/21 Outturn	Total surplus/ (deficit) as at 31/03/21
	Council Tax £000	NNDR £000	£000
Central Government	N/A	(16,385)	(16,385)
GLA	(380)	(18,376)	(18,756)
Merton	(1,595)	(14,842)	(16,437)
Total	(1,975)	(49,603)	(51,578)

2.7.5 The overall change in shares of surpluses/deficits is:-

	Surplus/ (deficit) as at 31/03/21	Surplus/ (deficit) as at 31/03/21	Total surplus/ (deficit) as at 31/03/21
	Council Tax £000	NNDR £000	£000
Central Government	N/A	(1,594)	(1,594)
GLA	331	(1,789)	(1,458)
Merton	1,148	(1,453)	(305)
Total	1,479	(4,836)	(3,357)

2.7.6 The net change in Merton's share of the surplus/deficit is therefore:-

	Estimated Surplus/ (deficit) as at 31/03/21	Outturn Surplus/ (deficit) as at 31/03/21	Surplus/ (deficit) as at 31/03/21 Change
	£000	£000	£000
Council Tax	(2,743)	(1,595)	1,148
NNDR	(13,389)	(14,842)	(1,453)
Total	(16,132)	(16,437)	(305)

2.7.7 There is no change to the surplus/deficit figures agreed for 2021/22 as all variations are managed via the Collection Fund. However, the net deficit of £0.305m will need to be taken into account when calculating the Merton General Fund's share of any surplus/deficit due to/from the Collection Fund in 2022/23.

2.7.8 The calculation of the estimated surplus/deficit on the Collection Fund as at 31 March 2022 will be made later in the budget process when key variables are firmed up and council tax base and NNDR returns have been completed. Until this time, the increase in the net surplus carried forward from 2020/21 of £0.305m will be included in the draft MTFS for 2022/23.

## 2.7.9 COVID-19: Implications for the Collection Fund

On 2 July 2020 the Minister for Regional Growth and Local Government wrote to Councils setting out a range of further proposals to support local authorities. This included phased repayment of Collection Fund deficits over the next 3 years. The net impact on the MTFs is estimated to be as follows:-

Change in Collection Fund (Deficit)/Surplus	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	Total £'000
Council Tax Surplus	574	574	0	0	1,148
NNDR (Deficit)	(727)	(726)	0	0	(1,453)
Change	(153)	(152)	0	0	(305)

## 2.8 Capital Programme 2022-26 and implications for Treasury Management: Capital Financing Costs and Investment income

2.8.1 Council in March 2021 approved the following Capital Programme for 2020-25:-

Capital Expenditure	2020/21	2021/22	2022/23	2023/24	2024/25
	Estimate	Estimate	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
Capital Expenditure	21,346	40,795	17,719	15,413	21,238
Slippage and Underspends	(4,229)	(4,215)	1,450	(475)	602
Total Capital Expenditure *	17,117	36,580	19,169	14,938	21,840
<b>Financed by:</b>					
Capital Receipts	3,623	900	900	900	900
Capital Grants & Contributions	12,600	21,887	10,489	4,565	3,624
Revenue Provisions	894	3,729	37	57	55
<b>Net financing need for the year</b>	<b>0</b>	<b>10,064</b>	<b>7,743</b>	<b>9,416</b>	<b>17,261</b>

\*Includes Multi-Function Devices finance lease.

2.8.2 Since the capital programme was approved by Council in March 2021 and the revenue implications built into the MTFs, there have been a number of amendments arising from outturn 2020/21, monthly monitoring and a review by project managers. There has been a great deal of effort made to ensure that the capital programme set is realistic, affordable and achievable within the capacity available. This has been accompanied by improved financial monitoring and modelling of the programme's costs over the period of the MTFs which has enabled the budgets for capital financing costs to be reduced and therefore scarce resources to be utilised more effectively.

2.8.3 It is important to ensure that the revenue and capital budgets are integrated and not considered in isolation. The revenue implications of capital expenditure can quickly grow if the capital programme is not contained within



the Council's capacity to fund it over the longer term. For example, assuming external borrowing, the capital financing costs of funding £1m (on longer-life assets and short-life assets financed in 2021/22) for the next four years of the MTFS would be approximately:-

Capital financing costs of £1m over the MTFS period	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Longer life Assets	10	60	60	60
Short-life assets	10	220	220	220

2.8.4 Following the closing and preparation of final accounts for 2020/21, the level of slippage required from 2020/21 and the re-profiling of schemes over the programming period has been undertaken to ensure that the level of capital budget is aligned with the Council's capacity to deliver it. The Table below shows estimated outturn position as at August 2021:

Capital Programme based on outturn 2020/21, August monitoring and No Bids

Capital Expenditure	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000's	2024/25 Estimate £000's	2025/26 Estimate £000's
Capital Expenditure	37,576	23,864	15,815	22,905	15,978
Slippage and Underspends	(11,294)	2,353	1,598	(1,893)	1,801
Total Capital Expenditure *	26,282	26,218	17,413	21,012	17,779
<b>Financed by:</b>					
Capital Receipts *	1,351	900	900	900	0
Capital Grants & Contributions	18,155	15,324	6,417	3,454	3,439
Revenue Provisions	3,615	141	60	55	30
<b>Net financing need for the year</b>	<b>3,161</b>	<b>9,853</b>	<b>10,036</b>	<b>16,603</b>	<b>14,310</b>

\*Includes Multi-Function Devices finance lease.

2.8.5 During the Summer/early Autumn 2021 key capital schemes were identified and progressed as part of the annual bidding process in the Business Planning Process. The draft overall summary of the capital programme including all draft new bids is set out in the following table:-

Capital Programme based on outturn 2020/21, August monitoring and All Bids

Capital Expenditure	2021/22 Estimate £000	2022/23 Estimate £000	2023/24 Estimate £000's	2024/25 Estimate £000's	2025/26 Estimate £000's
Capital Expenditure	38,614	28,870	19,640	26,765	29,138
Slippage and Underspends	(11,605)	1,466	1,608	(2,115)	1,554
Total Capital Expenditure *	27,009	30,336	21,248	24,650	30,692
<b>Financed by:</b>					
Capital Receipts *	1,351	900	900	900	0
Capital Grants & Contributions	18,571	19,437	9,460	5,701	4,212
Revenue Provisions	3,615	141	60	55	30
<b>Net financing need for the year</b>	<b>3,472</b>	<b>9,858</b>	<b>13,828</b>	<b>17,994</b>	<b>26,450</b>

\*Includes Multi-Function Devices finance lease.

2.8.6 The capital financing costs of the Capital Programme 2022-26 excluding new bids and including new bids compared to the current provision included in the MTFS is summarised in the table below:-

CAPITAL FINANCING COSTS: KEY OUTPUTS	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s
MTFS Approved by Council in March 2021	11,946	12,358	13,382	14,333
Revised Programme including slippage excluding new bids	11,228	12,115	13,118	13,770
Change in capital financing costs due to outturn & slippage	(718)	(243)	(264)	(563)

CAPITAL FINANCING COSTS: KEY OUTPUTS	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s
Revised Programme including slippage excluding new bids	11,228	12,115	13,118	13,770
Revised Programme including slippage including new bids	11,245	12,101	13,215	14,140
Change in capital financing costs due to new bids	17	(14)	97	370

CAPITAL FINANCING COSTS: KEY OUTPUTS	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s
Change in capital financing costs due to outturn & slippage	(718)	(243)	(264)	(563)
Change in capital financing costs due to new bids	17	(14)	97	370
<b>Total Change due to outturn, slippage &amp; new bids</b>	<b>(701)</b>	<b>(257)</b>	<b>(167)</b>	<b>(193)</b>

2.8.7 The capital programme will be continually reviewed throughout the financial year and further details including options around financing will be included in future reports as appropriate.

2.8.8 The level, profiling and funding strategy used for the capital programme will have a significant revenue impact that needs to be incorporated into the MTFS.

2.8.9 Investment Income

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

- The amount invested
- The interest rate that is achieved

COVID-19 has inevitably impacted on both of these factors. The level of resources available for investment may diminish more quickly as the need to draw on reserves to meet financial pressures created by the pandemic increases. At the same time, although interest rates are at historic low levels as the Bank of England alongside international banking institutions have cut interest base rates as part of their economic measures to protect their economies indications are that inflationary pressures may lead to an increase in rates later in this financial year and next.

Based on latest information, the projected levels of investment income, have been revised. The following table show the latest projections compared with the amounts included in the MTFS approved by Council in March 2021:-

<b>Investment Income</b>	<b>2022/23 Estimate £'000</b>	<b>2023/24 Estimate £'000</b>	<b>2024/25 Estimate £'000</b>	<b>2025/26 Estimate £'000</b>
MTFS (Council March 2021)	(347)	(327)	(323)	(323)
Latest projections	(385)	(343)	(323)	(323)
Change	(38)	(17)	0	0

Currently in the monthly monitoring report for August 2021 it is forecast that investment income will be £0.430m which is a favourable variance of £0.043m against the budgeted level of £0.387m.

**2.9 Reserves – Review of Earmarked Reserves**

2.9.1 Reserve for Use in Future Year's Budgets

The Business Plan and MTFS for 2021-25 approved by Council on 3 March 2021 forecast that a contribution of £5.472m would be required in 2021/22 with the balance of £7.255m applied in 2022/23.

Following the final accounts process for 2020/21 (subject to audit), it was possible to increase the Reserve for use in Future Year's Budgets, mainly because of the underspend in 2020/21, and as a result the balance (subject to audit) on the Reserve as at 31 March 2021, excluding the contribution set

aside for 2021/22 of £5.472m is £8.378m. This means that there is c. £1.1m more available to balance the budget over the MTFS period.

The reserve will be applied over the period of the MTFS to reduce the budget gap and enable longer term, strategic management of the budget.

It should be recognised that the use of reserves is a one-off form of funding and alternative ongoing savings would need to be identified to address the budget gap over the long-term.

#### 2.9.2 Review of Earmarked Reserves

The use and availability of Reserves is monitored throughout the year as part of the monthly monitoring process. This will receive even greater attention over 2021/22 as the implications of COVID-19 are unwound.

It should be recognised that reserves are a one-off source of funding and should not be used to fund ongoing expenditure commitments.

### 2.10 **Review of Outturn 2020/21 and Current Budget and Spending 2021/22**

2.10.1 There may be issues identified during the final accounts process and from monthly monitoring, elsewhere on this agenda, that have on-going financial implications which need to be addressed in setting the budget for 2022-26.

#### 2.10.2 Monitoring 2021/22

At period 5 to 31 August 2021 the year end forecast is a net £6.461m unfavourable variance compared to the current budget. This consists of a net favourable variance of £2.773m excluding COVID-19 and unfavourable variance of £9.234m from COVID-19:-

	Non COVID-19 £000	COVID-19 £000	Total £000
CS	391	1,017	1,408
CSF	(394)	714	320
E&R	(1,316)	5,495	4,179
C&H	(2,152)	1,070	(1,082)
<b>Sub-total</b>	<b>(3,471)</b>	<b>8,296</b>	<b>4,825</b>
Corporate	698	938	1,636
<b>Total</b>	<b>(2,773)</b>	<b>9,234</b>	<b>6,461</b>

The main reasons for the non-Covid variance based on August 2021 monitoring are:-

- a) Corporate Services: Infrastructure and Technology, Human Resources, Resources, Other Corporate budgets (Housing Benefits Rent Allowances)

- b) Children's, Schools and Families: Child Social Care and Youth /inclusion, cross department and PFI Unitary Costs. Although a DSG deficit has to be charged to the Schools balance reflecting that a cumulative overspend has been borrowed against future year school allocations, based on August 2021 monitoring, DSG funded services are forecasting an overspend of £12.357m. The DSG Adjustment Account (an unusable reserve) had a cumulative overspend of £24.981m at the end of 2020/21 and this will increase it to c.£37.3m.
- c) Environment and Regeneration: Public Protection (Regularity Services, Parking), Public Space (Waste, Leisure and Culture), Sustainable Communities (Building and development Control, Future Merton)
- d) Community and Housing: Adult Social Care, Library and Heritage, housing General Fund

### 2.10.3 COVID-19

Hopefully the pandemic is being overcome as the level of vaccinations is increasing and the costs and impact on society in general and council services in particular will be largely reaching a conclusion in 2021/22. However, this is not certain at the present time and there will be some impact carried over to the MTFS 2022-26 period. At the same time there will inevitably need to be some changes to how the Council delivers some services and some of the most affected services, particularly those to vulnerable groups will need to be reviewed.

### 2.10.4 Savings not achieved

As shown in the following tables, the budget monitoring report for July indicates that some savings assumed in the MTFS will not be achieved in 2021/22 and there is an ongoing shortfall in 2022/23.

Department	Target Savings 2021/22	Projected Savings 2021/22	Period 5 Forecast Shortfall	Period Forecast Shortfall (P5)	2022/23 Expected Shortfall
	£000	£000	£000	%	£000
Corporate Services	1,322	1,090	232	17.5%	95
Children Schools and Families	1,460	410	1,050	71.9%	400
Community and Housing	2,541	1,557	984	38.7%	860
Environment and Regeneration	1,580	205	1,375	87.0%	750
<b>Total</b>	<b>6,903</b>	<b>3,262</b>	<b>3,641</b>	<b>52.7%</b>	<b>2,105</b>

Department	Target Savings 2020/21	Shortfall 2020/21	Projected Shortfall 2021/22 (July)	Projected Shortfall 2022/23 (July)
	£000	£000	£000	£000
Corporate Services	2,718	883	213	658
Children Schools and Families	2,969	664	500	0
Community and Housing	2,460	128	128	128
Environment and Regeneration	3,927	3,373	2,837	0
<b>Total</b>	<b>12,074</b>	<b>5,048</b>	<b>3,678</b>	<b>786</b>

Monitoring of the delivery of savings is important and it is essential to recognise as quickly as possible where circumstances change and savings previously agreed are either not achievable in full or in part or are delayed. If this is the case, departments will need to identify replacement savings from elsewhere within their overall budgets. If it is not possible to find replacements, if any of the savings included in the MTFs approved by Council in March 2021 are not achieved this will result in an increase in the budget gap and increase pressure on services. The projected shortfall in savings of c. £2.8m in 2022/23 will add to the budget gap and make it more difficult to achieve the balanced budget that is a statutory requirement.

#### 2.10.5 Growth

The MTFs included some growth for services and also as provision for the ongoing and growing DSG deficit.

##### General growth:

Cumulative growth MTFs (Council March 2021)	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Children's General Fund pressures	384	774	774	774
Replenish Reserves	1,478	1,478	1,478	1,478
System Support Costs (Office 365)	900	900	900	900
Internal Review	1,100	1,100	1,100	1,100
<b>Cumulative growth</b>	<b>3,862</b>	<b>4,252</b>	<b>4,252</b>	<b>4,252</b>

## New General Growth

<b>Cumulative growth</b>	<b>2022/23 £'000</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>
Pensions provision - Croydon	130	130	130	130
Disaster recovery	80	80	80	80
Pension Fund – Triennial Revaluation	0	TBA	TBA	TBA
Your Merton +	TBA	TBA	TBA	TBA
E&R Pressures	909	909	909	909
Climate Change (top-up of reserve)	0	0	450	0
Employer’s NI for Social Care *	988	1,008	1,028	1,049
<b>Total</b>	<b>2,107</b>	<b>2,127</b>	<b>2,597</b>	<b>2,168</b>

\* Pending clarification of how Merton would be reimbursed

+ will be presented to a future Cabinet meeting

## Schools Funding - Dedicated School Grant

This is a national issue and one that it will be difficult for the Government to ignore. Further updates will be provided throughout the Business Planning process to ensure that if no additional funding is forthcoming from Government, then the impact of this important issue is properly reflected in the Medium Term Financial Strategy and budget setting process, with the resulting impact on General Fund services and Council Tax payers.

In 2020/21 DSG funded services overspent by £12.231m. This has been appropriated to the DSG Adjustment Account, which is an unusable reserve, subject to the statutory override, and, including the deficit brought forward from 2019/20 of £12.750m, the deficit on the reserve carried forward as at 31 March 2021 has increased to £24.981m. Whilst the DSG deficit has been treated in accordance with regulations there has been no clarity from Government as to how this will be funded in the longer term. The size of the deficit is increasing year on year and without further Government support will continue to grow. Merton has been selected as one of the LAs to take part in the ‘safety valve’ intervention programme with the DfE as it has one of the highest percentage deficits in the country as at the end of 2020/21. The programme aims to agree a package of reform to our high needs system that will bring the DSG deficit under control. Merton has confirmed participation in this programme and are providing a draft updated plan to the DfE.

In order to adopt a prudent approach to managing the deficit, provision has been Included within the MTFs 2021-25 on the assumption that the Council will provide for 100% of the deficit up to 2020/21 and 50% thereafter.

<b>Cumulative growth MTFS (Council March 2021)</b>	<b>2022/23 £'000</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>
Proposed Growth to contribute to DSG Deficit	10,543	11,628	12,714	13,799

### 3. Re-priced MTFS 2022-26

3.1 As indicated in the report, there have been a number of changes to information and data to factors which impact on the Council's MTFS and budget gap.

3.2 The net result of making these adjustments is to amend the forecast budget gap to the following:-

(cumulative)	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>
<b>MTFS Gap (Council March 2021)</b>	3,892	11,476	14,344	17,664
- Inflation reprice - Pay	80	159	240	320
- Inflation reprice - Prices	30	62	91	122
- Increase pay provision 1.5% to 2.0%	480	960	1,440	1,920
- Pay award of 1.75% in 2021/22	230	234	239	244
- Capital financing charges August monitoring No Bids	(757)	(260)	(264)	(563)
- Capital financing charges August monitoring including Bids	18	(13)	97	370
- Collection fund deficit revised for 20/21 outturn	153	152	0	0
Adjustment to loss of income estimate	(995)	(470)	0	0
Savings not achieved	3,641	900	325	325
Employers NI for social Care (worst case scenario)	988	1,008	1,028	1,049
E&R pressures	909	909	909	909
Provision for Excess Inflation - Increase for utilities	250	250	250	250
Price inflation 2.5% in 2022/23, 1.5% thereafter	1,427	1,427	1,426	1,426
Croydon - Pensions addition	130	130	130	130
Disaster recovery	80	80	80	80
Pension Fund triennial Revaluation (due 2023/24)	0	TBA	TBA	TBA
Your Merton (to be advised to a later Cabinet)	TBA	TBA	TBA	TBA
Climate Change (Top-up of reserve)	0	0	450	0
Change in Balancing the Budget Reserve	(9,381)	0	0	0
<b>Revised MTFS Gap 2022-26</b>	<b>1,175</b>	<b>17,004</b>	<b>20,785</b>	<b>24,246</b>

3.3 There has been a substantial improvement in the council's strategic approach to business planning in recent years and it is important that this is maintained. Planning should be targeted towards the achievement of a balanced budget over the four year MTFS period.



- 3.4 Progress made in recent years in identifying savings over the whole period of the MTFs has reduced pressure on services to make short-term, non-strategic cuts. However, because of the COVID-19 pandemic and DSG Deficit issue there is still likely to be a sizeable gap over the four year period.
- 3.5 However, whilst recognising the great level of uncertainty about future costs and funding, it is still necessary to forward plan and set savings targets aimed at eliminating this gap on an ongoing basis.

#### 4. Approach to Setting a Balanced Budget

4.1 This is the initial report on the business planning process for 2022/23 and there is a great deal of work to be done.

#### 4.2 Savings Targets for 2022-26

4.2.1 In previous years the approach to setting savings targets for departments for the Business Planning process has been based on using controllable budgets and aimed to protect front-line services and services to the vulnerable in line with the 'July principles'. Weightings for each department; Corporate Services, Environment and Regeneration, Community and Housing, and Children, Schools and Families in the ratio (100%) : (100%) : (67%) : (50%), were applied to reduce the impact on Adult Social Care, Children's Social Care and vulnerable groups. The targets set also took into account the level to which departments had achieved savings against targets set for previous years. The balance of unachieved savings targets from last year's business planning process are summarised below:-

	Targets £'000	Proposals £'000	Balance £'000
Corporate Services	3,558	973	2,585
Children, Schools & Families	2,518	850	1,668
Environment & Regeneration	5,885	1,084	4,801
Community & Housing	7,707	1,530	6,177
Total	19,668	4,437	15,231

4.2.2 It is proposed that the savings targets for 2022-2025 are based entirely on each service department's controllable budgets for 2021/22 which are as follows:-

<b>DEPARTMENTAL SAVINGS TARGETS USING 2021/22 CONTROLLABLE BUDGETS</b>	<b>Controllable Expenditure 2021/22 £000</b>	<b>Weighting by dept. No.</b>	<b>Weighted Controllable £000</b>	<b>Weighted Controllable %</b>
<b>Corporate Services</b>	<b>25,612</b>	1.50	38,418	21.7%
<b>Children, Schools and Families</b>	<b>34,652</b>	0.75	25,989	14.7%
<b>Environment and Regeneration</b>	<b>35,591</b>	1.50	53,387	30.2%
<b>Community and Housing</b>	<b>59,098</b>	1.00	59,098	33.4%
<b>Total</b>	<b>154,953</b>		<b>176,891</b>	100%

4.2.3 Savings targets to address the revised gap on the MTFs are then calculated using the latest controllable budgets:-

<b>SAVINGS TARGETS BY DEPARTMENT</b>	<b>Allocation using controllable budgets £000</b>
Corporate Services	5,266
Children, Schools and Families	3,562
Environment and Regeneration	7,318
Community and Housing	8,100
<b>Total</b>	<b>24,246</b>

<b>SAVINGS TARGETS BY DEPARTMENT</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>Total £000</b>
Corporate Services	255	3,438	821	752	5,266
Children, Schools and Families	173	2,326	556	508	3,562
Environment and Regeneration	355	4,777	1,141	1,045	7,318
Community and Housing	393	5,288	1,263	1,156	8,100
<b>Total</b>	<b>1,175</b>	<b>15,829</b>	<b>3,781</b>	<b>3,461</b>	<b>24,246</b>
<b>Total (cumulative)</b>	<b>1,175</b>	<b>17,004</b>	<b>20,785</b>	<b>24,246</b>	

## 5. Service Planning for 2022-26

5.1 The pilot Service planning process for 2022-26 will be launched in August 2021. A plan has been created for each council service. These plans describe

what the service does, its plans for the future linked to the Modernising Merton Programme, its key performance indicators and how its plans will take place within the budget.

5.2 These will be reported to Cabinet and scrutiny.

## **6. Alternative Options**

6.1 The range of options available to the Council relating to the Business Plan 2022-26 and for setting a balanced revenue budget and fully financed capital programme will be presented in reports to Cabinet and Council in accordance with the agreed timetable which is set out in Appendix 1.

## **7. Consultation Undertaken or Proposed**

7.1 All relevant bodies have been consulted.

## **8. Timetable**

8.1 In accordance with current financial reporting timetables.

8.2 A chart setting out the proposed timetable for developing the business plan and service plans is provided as Appendix 1.

## **9. Financial, resource and property implications**

9.1 As contained in the body of the report.

## **10. Legal and statutory implications**

10.1 As outlined in the report.

## **11. Human rights, equalities and community cohesion implications**

11.1 None for the purposes of this report, these will be dealt with as the budget is developed for 2022 – 2026.

## **12. Crime and Disorder Implications**

12.1 Not applicable.

## **13. Risk Management and health and safety implications**

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

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

Appendix 1 – Business Plan and Service Planning Timetable 2022-26  
Appendix 2 – Revised MTFS Gap

**15. Background Papers**

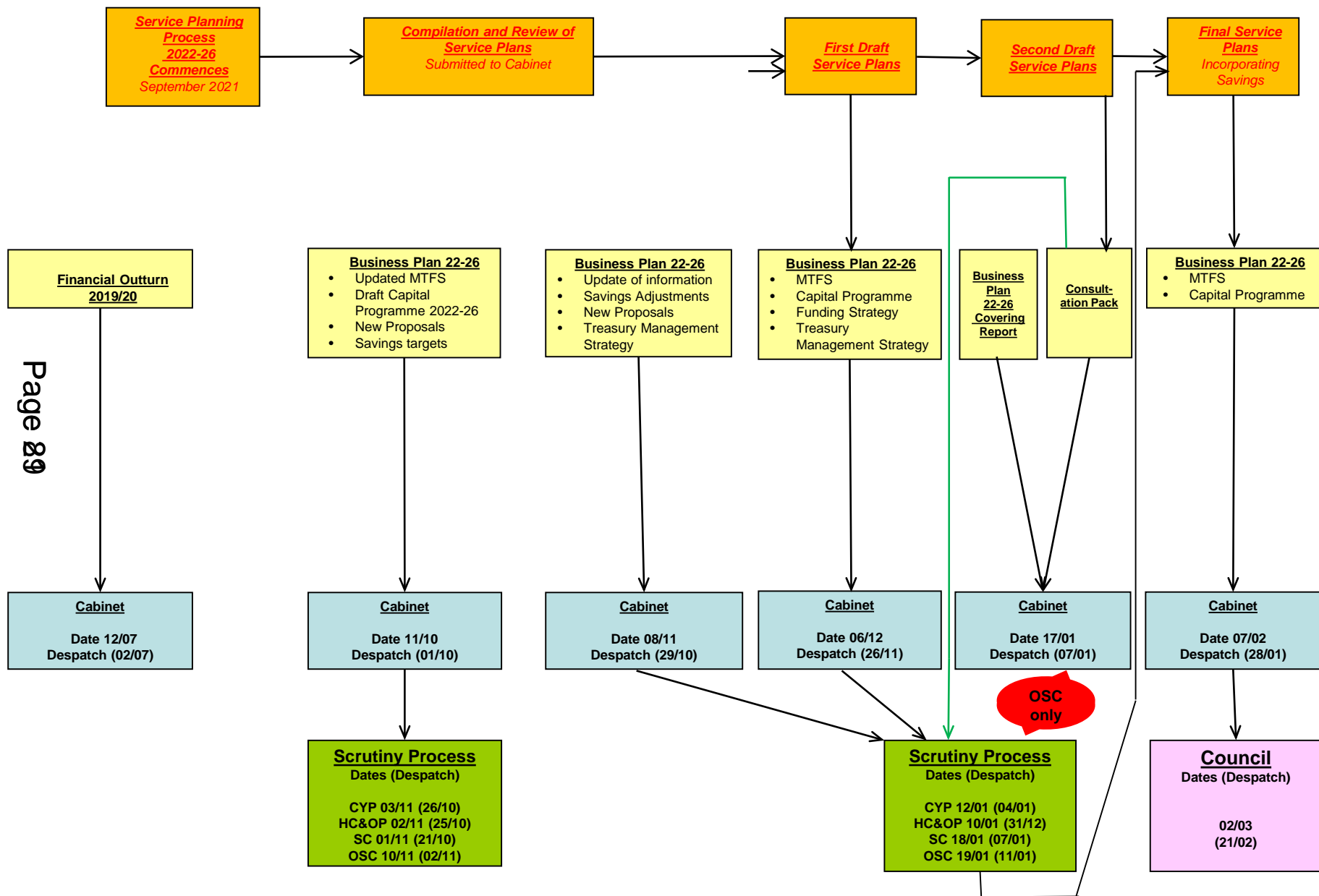
15.1 The following documents have been relied on in drawing up this report but do not form part of the report:

2020/21 Budgetary Control and Final Accounts Working Papers in the Corporate Services Department.  
2021/22 Budget Monitoring working papers  
MTFS working papers

**16. REPORT AUTHOR**

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# BUSINESS PLANNING TIMETABLE - BUSINESS PLAN 2022-26



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<b>DRAFT MTFS 2022-26:</b>				
	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Departmental Base Budget 2021/22</b>	<b>161,837</b>	<b>161,837</b>	<b>161,837</b>	<b>161,837</b>
Inflation (Pay, Prices)	6,506	10,755	16,485	20,544
NI increase	989	1,008	1,029	1,049
Salary oncost increase (15.2% to 17.06%)	24	48	72	96
FYE – Previous Years Savings	(3,305)	(3,176)	(2,651)	(2,651)
FYE – Previous Years Growth	384	774	774	774
Amendments to previously agreed savings/growth	3,641	900	325	325
Change in Net Appropriations to/(from) Reserves	(452)	(1,483)	(1,482)	(1,482)
Taxi card/Concessionary Fares	(478)	704	1,707	2,709
Social Care - Additional Spend offset by grant/precept	40	76	91	106
Growth	909	909	1,359	909
Provision - DSG Deficit	10,543	11,628	12,714	13,799
Other	445	661	740	918
<b>Re-Priced Departmental Budget</b>	<b>181,082</b>	<b>184,641</b>	<b>192,999</b>	<b>198,933</b>
Treasury/Capital financing	10,869	11,776	12,910	13,835
Pensions	0	0	0	0
Other Corporate items	(19,548)	(20,716)	(20,946)	(20,946)
Levies	606	606	606	606
<b>Sub-total: Corporate provisions</b>	<b>(8,073)</b>	<b>(8,334)</b>	<b>(7,430)</b>	<b>(6,505)</b>
<b>Sub-total: Repriced Departmental Budget + Corporate Provisions</b>	<b>173,010</b>	<b>176,308</b>	<b>185,570</b>	<b>192,428</b>
Savings/Income Proposals 2022/23	0	0	0	0
<b>Sub-total</b>	<b>173,010</b>	<b>176,308</b>	<b>185,570</b>	<b>192,428</b>
Appropriation to/from departmental reserves	(1,754)	(723)	(724)	(724)
Appropriation to/from Balancing the Budget Reserve	(16,636)	0	0	0
ONGOING IMPACT OF COVID-19 (NET)	1,143	505	0	0
<b>BUDGET REQUIREMENT</b>	<b>155,763</b>	<b>176,090</b>	<b>184,846</b>	<b>191,704</b>
<b>Funded by:</b>				
Revenue Support Grant/Covid RNF & LCTS grant	0	0	0	0
Business Rates (inc. Section 31 grant)	(39,573)	(40,424)	(41,292)	(42,178)
Adult Social Care Grants inc. BCF	(4,862)	(4,862)	(4,862)	(4,862)
Social Care Grant	(3,160)	(3,550)	(3,550)	(3,550)
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(500)	(500)	(500)	(500)
Council Tax inc. WPC	(103,314)	(106,569)	(109,059)	(111,571)
Collection Fund – (Surplus)/Deficit	1,617	1,616	0	0
COVID-19: SFC - Compensation Qtr. 1 2021/22	0	0	0	0
<b>TOTAL FUNDING</b>	<b>(154,589)</b>	<b>(159,086)</b>	<b>(164,060)</b>	<b>(167,458)</b>
<b>GAP including Use of Reserves (Cumulative)</b>	<b>1,175</b>	<b>17,004</b>	<b>20,785</b>	<b>24,246</b>



## Sustainable Communities Work Programme 2021/22

This table sets out the draft Sustainable Communities Overview and Scrutiny Panel's Work Programme for 2021/22 following discussions at the topic workshop on 7 June 2021.

The work programme will be considered at every meeting of the Panel to enable it to respond to issues of concern or to request new pre-decision items ahead of their consideration by Cabinet/Council.

The work programme table shows items on a meeting by meeting basis, identifying the issue under review, the nature of the scrutiny (pre decision, policy development, issue specific, performance monitoring, partnership related) and the intended outcomes.

**Chair:** Cllr Aidan Mundy  
**Vice-chair:** Cllr Daniel Holden

### Scrutiny Support

For further information on the work programme of the Sustainable Communities Scrutiny Panel please contact: -  
Rosie McKeever, Scrutiny Officer  
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For more information about overview and scrutiny at LB Merton, please visit [www.merton.gov.uk/scrutiny](http://www.merton.gov.uk/scrutiny)

**Meeting date:** 24 June 2021 (**Deadline for papers:** 12pm, 16 June 2021)

Scrutiny category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
<b>Holding the executive to account</b>	Clarion Housing: Repairs and Maintenance		Representatives from Clarion will be invited to attend the session and answer member questions.	Update on performance of the service
<b>Holding the executive to account</b>	Housing: Accommodation and Eviction Ban		Steve Langley, Head of Housing Needs	
<b>Holding the executive to account</b>	Actions Log	.	Chris Lee, Director of Environment and Regeneration	Implementation update prior to November Council
<b>Performance management</b>	Performance monitoring	Basket of indicators plus verbal report	Chris Lee, Director of Environment and Regeneration	To highlight any items of concern and/or request additional information
<b>Setting the work programme</b>	Work programme 2021/22	Written report	Rosie McKeever, Scrutiny Officer	To agree the work programme.



**Meeting date:** 2 September 2021 (~~**Deadline for papers:** 5pm, 23 August 2021~~)

Scrutiny category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
<b>Standing items</b>	Actions log Performance Monitoring* Work programme	Reports and verbal updates  *Include update on Public Space indicators	Chair, Panel and Scrutiny Officer	To highlight any items of concern and monitor progress
<b>Holding the executive to account</b>	Clarion performance update	Verbal update	Representatives from Clarion will be invited to attend the session; Steve Langley	Monitor progress of recommendations
<b>Holding the executive to account</b>	Support to deliver Clarion's estate regeneration programme including the Stock Transfer Agreement		James McGinlay, Assistant Director for Sustainable Communities	Update prior to Cabinet
<b>Holding the executive to account</b>	Housing: Accommodation and Eviction Ban	Report	Steve Langley, Head of Housing Needs	Carried over from 24 June meeting
<b>Holding the executive to account</b>	Flooding issues	Report	Tom Sly, Flood Management Officer	Requested by Chair

Meeting date: 1 November 2021 (*Deadline for papers: 5pm, 21 October 2020*)

Scrutiny category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
<b>Standing items</b>	Actions log Performance Monitoring Work programme	Reports and verbal updates	Chair, Panel and Scrutiny Officer	To highlight any items of concern and monitor progress
<b>Holding the executive to account</b>	Clarion performance update	Verbal update	Representatives from Clarion will be invited to attend the session;	Monitor progress of recommendations
<b>Budget scrutiny</b>	Budget/business plan scrutiny (round 1)	Written report	Caroline Holland, Director of Corporate Services	To discuss and refer any comments to the O&S Commission
<b>Scrutiny review</b>	Waste and Recycling:  How can Merton's residents be encouraged to increase the proportion of waste recycled	Written report including details of the variation of recycling at the lowest level of analysis e.g. route?  What are the opportunities to reset the conversation on waste e.g. providing each house or collection route a carbon score they are collectively owners for	John Bosley, AD Public Spaces	What are the three actions ward Cllrs could do to support the council's fly tipping strategy, to encourage residents to recycle and how can the department enable them to do so?

**Meeting date:** 18 January 2022 (*Deadline for papers: 5pm, 7 January 2022*)

<b>Scrutiny category</b>	<b>Item/issue</b>	<b>How</b>	<b>Lead member and/or lead officer</b>	<b>Intended outcomes</b>
<b>Standing items</b>	Actions log Performance Monitoring Work programme	Reports and verbal updates	Chair, Panel and Scrutiny Officer	To highlight any items of concern and monitor progress
<b>Holding the executive to account</b>	Clarion performance update	Verbal update	Representatives from Clarion will be invited to attend the session;	Monitor progress of recommendations
<b>Budget scrutiny</b>	Budget and business planning (round 2)	Report	Caroline Holland, Director of Corporate Services	To comment on the budget and business plan proposals at phase 2 and make any recommendations to the Commission
<b>Holding the executive to account</b>	Allotments  How can our boroughs allotments be best utilised to promote thriving ecology and healthy living?	Written report including how they are allocated and managed.	Chris Lee, Director of Environment and Regeneration; John Bosley	

Meeting date: 22 February 2022 (**Deadline for papers: 5pm, 11 February 2022**)

Scrutiny category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
<b>Standing items</b>	Actions log Performance Monitoring Work programme	Reports and verbal updates	Chair, Panel and Scrutiny Officer	To highlight any items of concern and monitor progress
<b>Holding the executive to account</b>	Clarion performance update	Verbal update	Representatives from Clarion will be invited to attend the session;	Monitor progress of recommendations
<b>Holding the executive to account</b>	Design Review Panel	Written report	Paul McGarry, Head of futureMerton	
<b>Scrutiny review</b>	Smart Cities  What are the collective opportunities from all departments scrutinised by the panel to use data to embrace the top three opportunities in smart cities agenda, and what available funding sources are available to support?	Report including a short list of opportunities to use the data to improve services	Paul McGarry, Head of <i>futureMerton</i>	The sensors, datasets etc from the borough feeding into a central point, and operationalised visual management and made available to councillors?

Meeting date: 8 March 2022 (*Deadline for papers: 5pm, 28 February 2022*)

Scrutiny category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
Standing items	Actions log Performance Monitoring	Reports and verbal updates	Chair, Panel and Scrutiny Officer	To highlight any items of concern and monitor progress
Holding the executive to account	Clarion performance update	Verbal update	Representatives from Clarion will be invited to attend the session; Steve Langley	Monitor progress of recommendations
External scrutiny	Clarion Housing Group: regeneration	Presentation	Representatives from Clarion Housing Group will be invited to attend	This session will be used to focus on Clarion's estates regeneration.
Holding the executive to account	Panel review  How can the sustainable communities' panel continue to add value to the departments, officers and cabinet members it scrutinises?	Written report		Prioritised list of improvements and a timetable/plan for their implementation
Setting the work programme	Topic suggestions 2022/23	Written report	Rosie McKeever, Scrutiny Officer	To seek suggestions from the Panel to inform discussions about the

				Panel's 2022/23 work programme
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