

Merton Council Sustainable Communities Overview and Scrutiny Panel Budget



Date: 18 January 2022
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.

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Agenda Item 3

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SUSTAINABLE COMMUNITIES OVERVIEW AND SCRUTINY PANEL 1 NOVEMBER 2021

(7.15 pm - 10.35 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

Charles Baker (Waste Strategy and Commissioning Manager),
John Bosley (Assistant Director Public Space Contracts and
Commissioning), Caroline Holland (Director of Corporate
Services), Cathryn James (Interim Assistant Director, Public
Protection), Steve Langley (Head of Housing Needs and
Strategy), Chris Lee (Director of Environment and Regeneration)
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)

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 Director of Environment and Regeneration provided further updates.

Thames Water review is not due until the spring. It would be wise to add this item to the Sustainable Communities forward plan post April.

The Chair requested the implementation timeline column be updated by officers where necessary.

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;

Parking numbers are down - School streets is generating some revenue but across the board you'll see that parking income is well below the estimate that we set at the beginning of the year.

In terms of the street rectification within target - the driver shortage continues to be one of the primary drivers behind the reduced level of service that we've had in the refuse collection services.

With regards to complaints received from residents who have been given multiple PCN's for parking or driving through school streets – Officers are not aware of any signage that doesn't meet the regulations and the standard expected so whilst residents and motorists may not be happy with the signage, we don't believe that any of the signage is in contravention with the laid down regulations in this area. We have had residents and motorists who in some instances have had multiple tickets and we deal with each of those on a case-by-case basis in order to ensure that we apply the policies and the legislation fairly.

6 TENANTS CHAMPION UPDATE (VERBAL) (Agenda Item 6)

Cllr Nick Draper provided a brief update on his tenants champion work.

Since the last meeting, Cllr Draper has worked with Clarion on clarifying and updating their leaflet to residents, making clear what the process is for making repairs complaints, as well as suggesting rewording on the infestations leaflet to include the use of plain English.

There is currently one test case which was picked up during canvassing.

In response to a question about the opportunities for publicising the role further, Cllr Draper explained that there needs to be consideration given to the expectations that could potentially be raised that Councillors will do Clarion's work for them. The process should be that all complaints are reported to Clarion in the first instance and the only point at which the champion should step in is when things have gone irretrievably wrong.

7 PUBLIC SPEAKER (Agenda Item 7)

The Chair invited Kwajo Tweneboa to speak about his experiences.

Kwajo thanked the Panel for inviting him to speak today on what is not only his thoughts but also the thoughts of other residents. For those Members that weren't aware, he explained how he had campaigned and door knocked on every single house on the Eastfields estate and, with the help of ITV, exposed the horrific living conditions of residents on the estate, including his own. Since then Kwajo has continued campaigning on several other estates within Merton and beyond.

Kwajo described how the property he and his family lived in was already in disrepair when they moved in with mice, cockroaches, rodents and damp. Despite repeated complaints and requests for help, the property deteriorated to the point of an

unusable bathroom and kitchen and the living room ceiling collapsing. Complaints and communication were continually ignored and this feeling of being ignored is shared by all residents he has met.

The biggest concerns, which have previously been raised with the MP and Clarion's Head of Repairs by Kwajo are;

- Use of cheap materials and poor standards of repair work
- Some residents are still finding it hard to get repairs actioned
- Fire safety – Requests for information on the last fire safety tests for Eastfields, Sadler's Close and Phipps Bridge were sent on the 18th October but have been ignored.

Kwajo confirmed he is happy to share updates on complaints he has received with Councillors and whether and/or when work is completed.

The Chair thanked Kwajo for his campaigning and bringing this issue to people's attention. All Panel Members thanked Kwajo for the work he has done and the help he has provided to other residents of Merton.

8 CLARION HOUSING PRESENTATION - TO FOLLOW (Agenda Item 8)

The Chair welcomed Michelle Reynolds, Vicky Bonner and Marek Witko from Clarion Housing and invited them to provide their update to the Panel.

- Employed more Resident Liaison Officers.
- Keeping residents informed with clear processes.
- Increase visibility in our neighbourhoods
- Tasked with the development of a Customer Engagement Strategy in Merton
- Issues log from ground up – staff and residents associations
- Looking at more door knocking and pop up offices as part of the strategy

In response to Panel Member questions, the Regional Director for Clarion confirmed;

Assured that good quality materials are used, monitoring meetings with contractors are held in terms of performance and we are looking to undertake more post inspection work.

We will continue with regular letters and official engagement activities – The leaflet was the start of the process. We will update residents regularly through newsletters with reminders on how residents can report repairs and make complaints, as well as including information in the pack for new residents

Add to Action Log: Clarion committed to coming back on details of the regeneration timetable, non-material amendments to planning, the quality of materials used and also resending the information on investment that has taken place since 2010. The Chair requested Clarion also circulate some detail on fire safety

Chairs Action: Following a suggestion by a Panel Member, the Chair is to consider organising a tour of the Clarion estates.

9 CLARION PERFORMANCE UPDATE (HEAD OF HOUSING NEEDS) - TO FOLLOW (Agenda Item 9)

The Head of Housing Needs praised Clarion on their engagement work so far and stressed the importance of continuing this agenda going forward. Again reminded the Panel that the Local Authority does not have a regulatory role and there are 22 other Housing Associations that could also be involved in the scrutiny process.

Updates to the Merton housing advice web page include;

- Matrix of performance data
- Housing association tenants' rights
- The role of the tenants champion and his contact details
- How to contact the local government ombudsman

Following news of his retirement, the Chair asked it to be officially noted how much the Sustainable Communities Panel wished to thank Steve Langley for his long years of service and his hard work on keeping homelessness down as well as the recent work in supporting residents across the borough.

10 WASTE AND RECYCLING (Agenda Item 10)

The Assistant Director of Public Space gave an overview of the presentation supplied and discussed how the biggest blocker to improving our recycling rate is contaminated waste.

Recommendations

The Panel were reassured to hear that Merton's current recycling rate places us in the top quartile in London and would like to build on this work. However it should be noted that whilst Merton delivers similar levels of food waste and recycling as its neighbouring boroughs, our garden waste is much lower in comparison which has led to the Panels suggestion at point

Panel Members also asked questions in relation to resident queries they have received regarding contaminated waste, with the Assistant Director of Public Space agreeing that this issue is the biggest blocker to improving the recycling rate.

The Panel RESOLVED (six votes for, one abstention) to send the following recommendation to Cabinet;

The Sustainable Communities Panel recommends Cabinet look at the feasibility of offering discounted access to our paid for waste services, to those residents on council tax support, in order to incentivize take up of these services and further increase the rate of recycling. This should include garden waste collection.

Furthermore the Panel recommended (five votes for, two abstentions) that as a Council we lobby the government to accept central responsibility for producing effective policy and legislation to deter and deal with fly tipping.

Lastly, all seven voting Members of the Panel agreed to recommend that the Council, over a suitable time frame, proactively writes to all those blocks of flats with communal recycling, with details on how to recycle correctly and avoid waste contamination

11 BUDGET AND DRAFT BUSINESS PLAN (Agenda Item 11)

The Director of Corporate Services provided an overview of the report in front of Members including the various issues and assumptions.

Some of the current challenges are;

- Prices - particularly energy costs and rising inflation - so we've had to adjust some of the assumptions that we put into our previous MTFS to allow for this.
- Pay awards - the unions have currently rejected the current offer of 1.75% so we've adjusted pay inflation across the MTFS as well.
- Impact of the reversal of the emissions based charging proposals.

We have set savings targets for each of the four departments based on the same ratios as previously given, so Children, Schools and Families have the lowest ratio, followed by Community and Housing and then Environment and Regeneration and the Corporate Services department share the same ratio to deliver on those savings. Those targets are set out for you on page 26 and we are looking to bring proposals to meet those savings targets to the December Cabinet.

Subsequent to this paper being published has been the spending review of the Government's budget last Wednesday however we will not find out the specific allocation back to Merton until we get this provisional settlement around the 15th December. The January update will have some of the impacts of that and we also plan to bring some additions to the capital programme, as well as some of the sales proposals, to those Scrutiny Panels in January.

It is likely at this stage that there will be the referendum limit of 2% on council tax again - that will be confirmed in the provisional settlement - and it is likely that we will be able to raise an adult social care precept of 1%.

In order to minimise the impact on departments of trying to find savings next year, particularly with the impact of savings not being achieved for the previous two years, we've looked to ear mark some reserves.

In response to a Panel Members question, the Cabinet Member for Finance commented that given the successive years of government cuts to the council's budget, coupled with some of the cost pressures that we saw last year, particularly with the pandemic but also with the DSG had left the Council in a particularly difficult position. If Members review the financial monitoring report that will be presented to

Cabinet next Monday, they will see that we are in a very similar position with continued covid costs and no further government support for these.

12 WORK PROGRAMME AND AOB (Agenda Item 12)

The work programme was agreed.

Cllr Daniel Holden requested this panel look at reviewing the diesel surcharge so it's more harmonized with the Mayor's ULEZ. Cllr Holden has received multiple letters from residents concerned over the anomaly of being able to drive all day long in the Mayor's ULEZ but returning to Merton and having to pay large amounts.

The item was noted for future planning

Sustainable Communities Overview and Scrutiny Panel							
		Officer	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	JB	01/09/2020	Green	The Service would like to offer site visits to Colliers Wood Recreation Ground, Morden Park & Wimbledon Park during the week commencing the 14th February (half-term). Transport will be provided from the Civic Centre.	09/11/2021	14/2/2022
	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	JB	01/09/2020	Green	The tree strategy is currently being undertaken. The strategy will be delivered in two parts with the first phase concentrating on Council-owned assets, maintenance regimes and risk management. The second phase will take into context private tree assets, planning considerations and the wider urban forest. The first phase is to be delivered by May 2022.	09/11/2021	May-22
	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.	JB	01/09/2020	Amber	This is under consideration. There are a number of Council strategies that touch upon parks and open spaces particularly Local Development Framework documents. Detailed date chased on 10/02/22 by Chair	09/11/2021	TBC 2022/23
	To display signage in parks informing residents on how to report issues and express their views	JB	01/09/2020	Green	The Service is aware of this requirement and will proceed with improved signage after the implementation of the new web based reporting system.	09/11/2021	Jan-Mar 2022
	Both Idverde's Annual Report and the IMGSF Annual Report to be presented when signed off	JB	01/09/2020	Green	The internal review and approval of the Annual Review has been completed and is now available to be presented to the Committee.	09/11/2021	TBC
	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.	JB	01/09/2020	Green	The service will be able to provide an update to the next Committee meeting as directed.	09/11/2021	
	HGV's	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	JM	19/01/2021	Amber	HGVs reported to Scrutiny Jan 2021. Further info to be added online with links to London Councils Lorry Control Scheme. https://www.merton.gov.uk/streets-parking-transport/traffic-management/weight-limits-roads-and-highways	22/03/2021
School Streets	Comms Team to encourage resident feedback and explore expanding the scheme with the support of the schools.	JM	19/01/2021	Green	On track - Consultations closed - Decisions being made Q3-4 2021/22	22/03/2021	31/03/22
Design Review Panel	Future Merton committed to bringing the DRP review back to scrutiny post consultation.	JM	23/03/2021	Green	On track - review on Scrutiny agenda Feb 2022	N/A	22/02/22
Tenants Champion	Write a formal report for the Panel meeting in February 2022.		28/02/2022	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.		28/02/2022	Green		N/A	

Green	On track
Amber	Requires monitoring
Red	Not on track
Black	Not yet started
Completed actions	4
Open actions	14

Waste	Look at the feasibility of offering discounted access to our paid for waste services, to those residents on council tax support, in order to incentivize take up of these services and further increase the rate of recycling. This should include garden waste collection.	JB	06/12/2021	Green	In Progress - final recommendation and feasibility study including the financial impact are scheduled to be presented back to Scrutiny in June 2022. A project team will be established and progress will be monitored with the Lead Cabinet Member through the service's monthly Strategic Board meetings	12/06/2021	Jun-22
Waste	As a Council we lobby the government to accept central responsibility for producing effective policy and legislation to deter and deal with fly tipping.	JB	06/12/2021	Green	To commence Q1 2022 - work to be undertaken along side our neighbouring boroughs in partnership with SLWP	12/06/2021	Ongoing
Waste	Over a six month time frame, proactively write to all those blocks of flats with communal recycling, with details on how to recycle correctly and avoid waste contamination	JB	06/12/2021	Green	On Going - all ways on communication approach has been adopted. Waste services have recently completed working on the new collection service with Moat Housing and communicated to all properties on the Pollards Hill estate. working with Clarion we have attended a resident drop in day for residents at the Watermeads estate and will look at implementing all lessons learned before extending this approach and communication style to the wider Clarion estates.	12/06/2021	Jun-22

**E&R
Public Protection performance report**

Dept.	PI Code & Description	Nov 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
Parking											
Parking	CRP 044 Parking services estimated revenue (Monthly)	2,003,956	2,038,099				12,287,571	15,365,852			
Parking	SP 258 Sickness- No of days per FTE from snapshot report	1.76	0.67				12.96	5.32			
Parking	SP 509 % of Permits applied/processed online (Monthly)	98%	80%				96.63%	80%			
Parking	SP 510 % of PCN Appeals received online (Monthly)	78%	65%				81.25%	65%			
Parking	SP 511 Blue Badge Inspections - cumulative (Monthly)	0	80				25	80			
Parking	SP 512 Total cashless usage against cash payments at machines (Monthly)	79%	70%				75.63%	70%			
Parking	SP 513 Percentage of cases 'heard' and won at ETA	Measures quarterly					83.5%	75%			
Parking	SP 586 NEW FOR 2021-22 % of ANPR cameras remain working (Monthly)	89.69%	98%				96.26%	98%		N/A	N/A
Regulatory Services											
Regulatory Services	CRP 120 / SP 562 % of Regulatory Services service requests with an initial response within the "defined timescale" (Quarterly)	Measures quarterly					85.91%	90%			
Regulatory Services	CRP 121 / SP 565 Number of monitoring stations that meet annual Particulate air quality objectives (Annual)	Measures Annually					N/A	30	N/A	N/A	N/A
Regulatory Services	CRP 122 / SP 566 Number of monitoring stations measuring below the Nitrogen Dioxide air quality objectives	Measures Annually					N/A	50	N/A	N/A	N/A
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)	Measures quarterly					54	N/A			

Dept.	PI Code & Description	Nov 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
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	Measures quarterly					100	N/A			
Regulatory Services	DATA 012 Number of Air Quality Audits (using GLA toolkit) of schools, prioritising those in the highest pollution areas	Measures quarterly					4	N/A			
Regulatory Services	SP 521 Total % compliance of non-road mobile machinery on major construction sites with GLA emissions standards	Measures Annually					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)	Measures quarterly					88%	95%			
Regulatory Services	SP 564 High risk A & B and non-compliant C-rated food establishments due for inspection completed (Annual)	Measures Annually					N/A	100%	N/A	N/A	N/A

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Public Spaces

Dept.	PI Code & Description	Nov 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
Waste Services											
Waste Management & Cleansing	CRP 097 / SP 065 % Household waste recycled and composted (Monthly in arrears)	39.51%	45%				42.49%	45%			
Waste Management & Cleansing	CRP 103 / SP 454 % of fly-tips removed within 24 hours	86%	95%				92.21%	90.5%			
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	81.04%	87%				87.18%	87%			

Dept.	PI Code & Description	Nov 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
Waste Management & Cleansing	CRP 124 / SP 568 % of street reports rectified within the contract standard time frame (Monthly)	62.2%	90%				77.29%	90%			
Waste Management & Cleansing	CRP 125 / SP 570 % of sites surveyed that meet the required standard for detritus (Quarterly)	Measured Quarterly					83.83%	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)	104	65				99.5	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)	915	N/A				7,972	N/A			
Waste Management & Cleansing	DATA 016 Number of Environmental Enforcement incidents formally (NOT formerly) processed (Monthly)	160	N/A				5,888	N/A			
Waste Management & Cleansing	SP 064 % Residents satisfied with refuse collection (Annual)	Measured Annually					N/A	73%	N/A	N/A	N/A
Waste Management & Cleansing	SP 066 Residual waste kg per household (Monthly in arrear)	42.01	39.5				302.93	316.5			
Waste Management & Cleansing	SP 067 % Municipal solid waste sent to landfill (waste management & commercial waste) (Monthly in arrear)	4%	6%				4%	6%			
Waste Management & Cleansing	SP 262 % Residents satisfied with recycling facilities (Annual)	Measured Annually					N/A	72%	N/A	N/A	N/A
Waste Management & Cleansing	SP 269 % Residents satisfied with street cleanliness (Annual)	Measured Annually					N/A	57%	N/A	N/A	N/A
Waste Management & Cleansing	SP 354 Total waste arising per households (KGs) (Monthly in arrear)	69.45	75				526.7	600			
Waste Management & Cleansing	SP 407 % FPN's issued that have been paid (Monthly)	70%	70%				68.46%	70%			
Waste Management & Cleansing	SP 485 No. of fly-tips in streets and parks recorded by Contractor (Monthly)	1,569	1,075				12,392	8,600			

Dept.	PI Code & Description	Nov 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
Waste Management & Cleansing	SP 569 % of sites surveyed that meet the required standard for weeds (Quarterly)	Measured Quarterly					92%	90%			
Waste Management & Cleansing	SP 571 % of sites surveyed that meet the required standard for graffiti (Quarterly)	Measured Quarterly					94%	95%			
Waste Management & Cleansing	SP 572 % of sites surveyed that meet the required standard for flyposting (Quarterly)	Measured Quarterly					99.03%	97%			
Waste Management & Cleansing	SP 574 Resident satisfaction with the Household Re-use and recycling facility (Garth Road) (Annual)	Measured Annually					N/A	75%	N/A	N/A	N/A
Parks											
Parks and Green Spaces	CRP 119 / SP 558 Average Performance Quality Score (Litter and Cleansing Standards) (Quarterly)	Measured Quarterly					4.86	5			
Parks and Green Spaces	SP 026 % of residents who rate parks & green spaces as good or very good (Annual) (ARS)	Measured Annually					N/A	78%	N/A	N/A	N/A
Parks and Green Spaces	SP 027 Young peoples % satisfaction with parks & green spaces (Annual) (ARS)	Measured Annually					N/A	86%	N/A	N/A	N/A
Parks and Green Spaces	SP 032 No. of Green Flags (Annual)	Measured Annually					N/A	7	N/A	N/A	N/A
Parks and Green Spaces	SP 318 No. of outdoor events in parks (Monthly)	262	9				599	188			
Parks and Green Spaces	SP 514 Income from outdoor events in parks (Annual)	Measured Annually					N/A	£550,000	N/A	N/A	N/A
Parks and Green Spaces	SP 515 Average Performance Quality Score (Grounds Maintenance Standards) (Annual)	Measured Annually					N/A	5	N/A	N/A	N/A
Parks and Green Spaces	SP 517 Number of street trees planted (Annual)	Measured Annually					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					5.02	5			

Dept.	PI Code & Description	Nov 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
Parks and Green Spaces	SP 559 % of tree works commissions completed within SLA (30 days) (Quarterly)	Measured Quarterly					93%	86%			
Parks and Green Spaces	SP 560 Number of friends and similar groups volunteering within Merton's parks and open spaces (Annual)	Measured Annually					N/A	41	N/A	N/A	N/A
Transport											
Transport	SP 456 Days lost to sickness absence - Transport (cumulative) (Monthly)	1.58	0.75				27.41	6			
Transport	SP 136 Average % time passenger vehicles in use (transport passenger fleet) (Annual)	Measured Annually					N/A	85%	N/A	N/A	N/A
Transport	SP 137 % User satisfaction survey (transport passenger fleet)	Measured Annually					N/A	97%	N/A	N/A	N/A
Transport	SP 271 In-house journey that meet timescales (transport passenger fleet) (Annual)	Measured Annually					N/A	85%	N/A	N/A	N/A
Transport	SP 526 % of Council fleet using diesel fuel (Annual)	Measured Annually					N/A	80%	N/A	N/A	N/A
Leisure											
Leisure	SP 251 Income from Watersports Centre (Monthly)	£4,400	£4,000				£326,348	£377,500			
Leisure	SP 349 14 to 25 year old fitness centre participation at leisure centres (Monthly)	8,567	6,085				60,367	57,108			
Leisure	SP 405 No. of Leisure Centre users (Monthly)	72,576	66,332				468,764	562,281			
Leisure	SP 406 No. of Polka Theatre users (cumulative) (Quarterly)	Measured Quarterly					11,510	8,178			

Dept.	PI Code & Description	Nov 2021					2021/22				
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend
Development and Building Control											
Development and Building Control	CRP 045 / SP 118 Income (Development and Building Control) (Monthly)	117,567	163,833				1,200,050	1,310,664			
Development and Building Control	CRP 051 / SP 114 % Major applications processed within 13 weeks (Monthly)	None recieved	80%				87.5%	80%			
Development and Building Control	CRP 052 / SP 115 % of minor planning applications determined within 8 weeks (Monthly)	57.89%	72%				72.19%	72%			
Development and Building Control	CRP 053 / SP 116 % of 'other' planning applications determined within 8 weeks (Development Control) (Monthly)	84.72%	83%				82.99%	83%			
Development and Building Control	DATA 007 /SP 414 Volume of planning applications (Monthly)	210	N/A				2,176	N/A			
Development and Building Control	SP 040 % Market share retained by LA (Building Control) (Monthly)	38.69%	54%				36.73%	54%			
Development and Building Control	SP 113 No. of planning enforcement cases closed (Monthly)	31	44				185	352			
Development and Building Control	SP 117 % appeals lost (Development & Building Control) (Quarterly)	Measured quarterly					17.5%	35%			
Development and Building Control	SP 380 No. of backlog planning enforcement cases (Monthly)	581	490				581	490			
Future Merton											
Future Merton	CRP 096 / SP 020 New Homes (Annual)	Measured Annually					N/A	918	N/A	N/A	N/A
Future Merton	CRP 101 / SP 389 Carriageway condition - unclassified roads, % not defective (annual)	Measured Annually					N/A	75%	N/A	N/A	N/A
Future Merton	CRP 108 / SP 475 Number of publically available Electric	Measured Annually					N/A	200	N/A	N/A	N/A

Dept.	PI Code & Description	Nov 2021					2021/22					
		Value	Target	Status	Short Trend	Long Trend	Value	Target	Status	Short Trend	Long Trend	
	Vehicles Charging Points available to Merton Residents (Annual)											
Future Merton	DATA 008 Streetworks - number of utility works overrun incidents (FPN issued) (Monthly)	8	N/A				65	N/A				
Future Merton	DATA 009 £ fines from Streetworks FPNs (Monthly)	11,380	N/A				148,640	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)	Measured Annually					N/A	10	N/A	N/A	N/A	
Future Merton	SP 508 Footway condition - (% not defective, unclassified road) (Annual)	Measured Annually					N/A	75%	N/A	N/A	N/A	
Property												
Property	SP 024 % Vacancy rate of property owned by the council	Measured quarterly					1%	3%				
Property	SP 025 % Debt owed to LBM by tenants inc businesses	Measured quarterly					6.75%	7.5%				
Property	SP 386 Property asset valuations (Annual)	Measured Annually					N/A	150	N/A	N/A	N/A	
Property	SP 518 Number of completed Rent Reviews (Quarterly)	Measured quarterly					5	16				

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Sustainable Communities Overview and Scrutiny Panel

18 January 2022

Wards: Lower Morden

School Streets: Aragon Primary School – Call In

Lead officer: Chris Lee, Director of Environment & Regeneration.

Lead member: Councillor Martin Whelton, Cabinet Member for Housing, Regeneration and the Climate Emergency.

Contact officer: Paul McGarry, Head of Future Merton.

Recommendations:

That the Sustainable Communities Overview and Scrutiny Panel consider the information provided in response to the call-in request and decide whether to:

- A. Refer the decision back to the Cabinet Member for reconsideration; or
 - B. Decide not to refer the matter back to the Cabinet Member, in which case the decision shall take effect immediately.
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. On 3rd December 2021, the Cabinet member resolved to approve making the school street permanent and for a statutory consultation to be undertaken to change the hours of operation to 8:15-9:00 and 14:45-15:45 Mon-Fri during term time only.
- 1.2. Following the Cabinet Member's decision, the decision was called in on the 9th December 2021 by Cllr Nick McLean (Cannon Hill ward), Cllr Ed Gretton (Wimbledon Park ward) and Cllr Nigel Benbow (Abbey ward).
- 1.3. The reasons for the call in focus on proportionality and openness.

2 DETAILS

- 2.1. A school street is a road near a school with restricted access to vehicles at drop-off and pick-up times. The restricted area is also called a school safety zone.
- 2.2. As part of the Council's objective to reduce congestion, pollution, collisions, risk and provide a safe environment within the vicinity of schools, the Council has a rolling road safety and accessibility programme. Measures that are often implemented include 'school keep clear' zig-zag road markings to prevent drivers parking close to the school gates and to improve sightlines; 20mph speed limits with accompanying traffic calming measures and road safety education. These measures have been very successful in most areas, as there has been an improvement in perception of safety with a reduction in risk of injury. Although these measures have been successful in ensuring access and safety, the level of congestion, risk and air quality outside the schools remain a concern. The contributing factor is the high- localised

- volume of vehicular traffic and obstructive parking within the vicinity of schools often generated by parents / carers of pupils attending the school.
- 2.3. School streets allow children to safely walk, cycle and scoot into school. Reducing vehicle journeys and reducing traffic congestion immediately outside schools is important for improving road safety, air quality, climate change and will help to support a green recovery following restrictions resulting from the COVID-19 pandemic.
 - 2.4. As part of the Council's Active and Healthy Travel response to Covid-19 (supported by the Sustainable Communities Panel) Merton Council has introduced 28 school streets, becoming the leading borough in London for the greatest number of schools located in a school street.
 - 2.5. At the Sustainable Communities Overview and Scrutiny Panel on 19th January 2021, the Panel *"welcomed the decisive action from the Council on establishing the largest number of schools streets in London and request communications to encourage further resident feedback and explore expanding the scheme with the support of the schools"*.
 - 2.6. Now that the experimental schemes and statutory consultation has concluded, the Council is now assessing and moving to make permanent, the School Street interventions.
 - 2.7. **A: Proportionality**
 - 2.8. *"The decision to make the experimental traffic order permanent is not proportionate as it has not considered the views of the residents of Aragon Road who have expressed a clear view that the temporary school streets scheme should not become permanent."*
 - 2.9. As demonstrated in the Cabinet Member's decision pack and report (Appendix 1) and summarised below a considerable amount of information has been provided to residents and members and the consultation feedback has been provided in full.
 - 2.10. When considering the outcome of the statutory consultation, consideration must be given to the nature and validity of the comments / representations and the Council's objectives. A statutory consultation invites objections to the scheme and since only 24.8% of those households directly affected have chosen to object (some of which, issues that led to an objection are addressed by the subsequent update to the Council's exemption policy) it could be viewed that 75.2% of those directly affected do not object to the scheme.
 - 2.11. The Council considers that the benefits of the scheme outweigh some of the inconveniences some residents / motorists may experience; particularly with reference to the generous exemption policies that have been put in place. School streets are in line with other policies and initiatives across the borough and London, and believed to be the right step toward changing driver behaviour as well as achieving the various benefits.
 - 2.12. Benefits include improved safety / perception of safety; the removal of the school-associated obstructive parking; reduced risk to all road users; reduced pollution, including noise pollution; improved air quality in the restricted road as well as reduced traffic in general; after all if parents or

other visitors are discouraged to drive during the peak periods, there will be reduced traffic on route to and less vehicles directly adjacent to schools.

2.13. **D: Presumption in favour of openness**

- 2.14. *“The majority of residents who responded to the consultation including those within the newsletter postal area, and those from outside of it have made their views very clear. If 72.6% of all respondents oppose the scheme then a decision to proceed with it cannot be considered to be one that has been made with any presumption of openness as it seems clear that the decision was made a long time ago and the consultation has been used as a fig leaf of legitimacy for the administration”*
- 2.15. Full details of the consultation and supporting information has been in the public domain from the outset and is still available on the School Streets web-page.
- 2.16. As noted in paragraph 2.10, the percentage of objections is not the only contributing factor the council considers in making difficult decisions around road safety and the linked objectives of air quality and public health.
- 2.17. Consultation responses are only part of the decision making, it is not a referendum. All consultation responses have been presented to members in the Cabinet Member report. In many instances, although residents have noted an objection; many still acknowledge that there are issues with school-run congestion and many residents have noted that they understand why the council embarked on the project.
- 2.18. Many respondents who objected also provided useful reasons for their objection which have subsequently been addressed in the updated exemption policies. For example, accommodating the need for visitors and carers and local businesses. The exemption policy that has been developed through addressing the feedback from residents is one of the most generous exemption policies in London and highlights that the scheme is not aimed at disadvantaging residents, but purely to reduce vehicle movements and concentrations of poor air quality caused by the school-run at school times.
- 2.19. The school street restrictions do not prevent residents from accessing their homes, and the system makes provision for exemptions under certain circumstances. In terms of visitors, there is nothing preventing visitors arriving within the restricted periods as long as it is not in a motorised vehicle.
- 2.20. As mentioned in paragraph 2.11 the Council considers that the benefits of the scheme outweigh some of the inconveniences some motorists may experience; particularly with reference to the exemption policies that have been put in place. School streets are a strategic fit in line with other policies and initiatives across the borough and London seeking to address road safety, congestion, mitigating poor air quality outside schools and promoting better public health through walking and active travel.

3 ALTERNATIVE OPTIONS

- 3.1. To remove the restrictions. This would compromise if not totally undo all the benefits that have been gained thus far and it would do nothing to encourage a change in behaviour. It would be contrary to the cross departmental objectives on road safety, climate change and air quality the Council is trying to achieve.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. Details are online at: School Streets Programme and Consultations
www.merton.gov.uk/schoolstreets

5 TIMETABLE

- 5.1. None for the purpose of this report

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. All the associated costs are covered by the funding provided by DfT / TfL for emergency active travel measures.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The Traffic Management Orders would be made under Section 6 of the Road Traffic Regulation Act 1984 (as amended). The Council is required by the Local Authorities Traffic Order (Procedure) (England and Wales) Regulations 1996 to give notice of its intention to make a Traffic Order (by publishing a draft traffic order). These regulations also require the Council to consider any representations received as a result of publishing the experimental order.
- 7.2. The Council has discretion as to whether or not to hold a public inquiry before deciding whether or not to make a traffic management order or to modify the published ETMO. A public inquiry should be held where it would provide further information, which would assist the Council in reaching a decision.
- 7.3. The Council's powers to make Traffic Management Orders arise mainly under sections 6, 45, 46, 122 and 124 and schedules 1 and 9 of the RTRA 1984.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. The Council carries out careful consultation to ensure that all road users are given a fair opportunity to air their views and express their needs. The design of the scheme includes special consideration for the needs of people with blue badges, local residents, school children and businesses without prejudice toward charitable and religious facilities.
- 8.2. Bodies representing motorists, including commuters are included in the statutory consultation required for draft traffic management and similar orders published in the local paper and London Gazette.
- 8.3. The retention of the restrictions / improvements affects all sections of the community especially the young and assists in ensuring improved road environment and air quality for all road users and achieves the transport planning policies of the government, the Mayor for London and the Borough.

9 CRIME AND DISORDER IMPLICATIONS

9.1. None for the purpose of this report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. There may be some dissatisfaction amongst the objectors but the benefits of the scheme outweigh majority of the comments made against the scheme.

10.2. The risk of not retaining the improvements / restrictions would be a step backward in terms of Council's objectives and will not be in line with the Council's various strategies and projects.

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

- Appendix A: Scrutiny pack – Aragon School Street

12 BACKGROUND PAPERS

12.1. School Streets Programme and Consultations
www.merton.gov.uk/schoolstreets

12.2. School Street Guide for Residents
<https://www.merton.gov.uk/system/files?file=school20streets20-20guide.pdf>

12.3. Scrutiny Update 19th January 2021
<https://democracy.merton.gov.uk/ieListDocuments.aspx?CId=157&MId=3728>

12.4. Merton's Active and Healthy Travel Response to Covid-19
<https://www.merton.gov.uk/streets-parking-transport/lip3>

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**Democracy Services
London Borough of Merton
Merton Civic Centre
London Road
Morden SM4 5DX**

**Direct Line: 0208 545 3357
Email: democratic.services@merton.gov.uk**

Date: 3 December 2021

Dear Councillor

**Notification of a Decision taken by the Cabinet Member for Housing,
Regeneration and the Climate Emergency**

The attached non-key decision has been taken by the Cabinet Member for Housing, Regeneration and the Climate Emergency with regards to:

School Streets – EMTO results- Aragon Primary School

and will be implemented at **noon on Wednesday 8 December 2021** unless a call-in request is received.

The [call-in](#) form is attached for your use if needed and refers to the relevant sections of the constitution.

Yours sincerely

Democracy Services

NON-KEY DECISION TAKEN BY A CABINET MEMBER UNDER DELEGATED AUTHORITY

See over for instructions on how to use this form – all parts of this form must be completed. Type all information in the boxes. The boxes will expand to accommodate extra lines where needed.

Title of report: School Streets – EMTO results- Aragon Primary School

Reason for exemption (if any) – N/A

Decision maker

Councillor Martin Whelton, Cabinet Member for Housing, Regeneration & the Climate Emergency

Date of Decision

3 December 2021

Date report made available to decision maker

19th November 2021

Decision

Having considered the officer's recommendations and all the representations, I agree to the recommendations as set out in the report in making the school street permanent and for a statutory consultation to be undertaken to change the hours of operation to 8.15– 9.00am and 2.45 – 3.45pm Mon-Fri term times only

Reason for decision

To maintain and further improve on reducing congestion, risk, pollution outside school gate and continue to encourage active travel and bring about a change in behaviour.

Alternative options considered and why rejected

To remove the restrictions. This would be against the Council's objectives in improving the environment in terms of safety, access, air quality and increase in active travel and use of sustainable transport. It will do nothing to address localised congestion.

Documents relied on in addition to officer report

N/A

Declarations of Interest

N/A

Cllr Martin Whelton
Cabinet member for housing, regeneration, and the climate emergency
3 December, 2021

Committee: Cabinet Member Report

Date: 19 November 2021

Agenda item: N/A

Wards: Lower Morden

Subject: School Streets – EMTO results- Aragon Primary School

Lead officer: Chris Lee, Director of Environment & Regeneration.

Lead member: Councillor Martin Whelton, Cabinet Member for Housing, Regeneration and the Climate Emergency

Forward Plan reference number: N/A

Contact Officer: Mitra Dubet, email: mitra.dubet@merton.gov.uk

Recommendations:

That the Cabinet Member considers the issues detailed in this report and:

- A) Notes the results of the Experimental Traffic Management Order used to implement the School Street and its associated restrictions as shown below and on plan in Appendix 1.

School	Restricted Roads	Restricted periods Mon-Fri Term times only
Aragon Primary	Aragon Rd (between Kingsbridge Rd & Cleveland Rise) Aragon Place	8.00 – 9.15am 2.45 - 4.00pm

- B) To consider all the representations received as set out in Appendix 2 and agrees to proceed with making the existing Experimental Traffic Management permanent.
- C) Agrees to the undertaking of a statutory consultation to change the hours of operation to 8.15– 9.00am and 2.45 – 3.45pm Mon-Fri term times only (to reflect the schools' new hours).
- D) Agrees to exercise his discretion not to hold a public inquiry on the consultation process.

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report details the result of the Experimental Traffic Management Order used to introduce the School Street restrictions in September 2020.
- 1.2 It seeks approval to proceed with making the Experimental Traffic Management Order (ETMO) permanent and retain the School Street. This will ensure that the objectives associated with school streets are met and retained.
- 1.4 This report also seek approval to undertake a statutory consultation to change the hours of operation to 8.15– 9.00am and 2.45 – 3.45pm Mon-Fri term times only.

2.0 DETAILS

- 2.1 As part of the Council's objective to reduce congestion, pollution, collisions, risk and provide a safe environment within the vicinity of schools, the Council has a rolling road safety and accessibility programme. Measures that are often implemented include 'school keep clear' zig-zag road markings to prevent drivers parking close to the school gates and to improve sightlines; 20mph speed limits with accompanying traffic calming measures and road safety education. These measures have been very successful in most areas, as there has been an improvement in perception of safety with a reduction in risk of injury. Although these measures have been successful in ensuring access and safety, the level of congestion, risk and air quality outside the schools remain a concern. The contributing factor is the high- localised volume of vehicular traffic and obstructive parking within the vicinity of schools often generated by parents / carers of pupils attending the school.

Air Quality

- 2.2 To assess the level of air quality around schools, in January 2017 the Mayor of London commissioned an assessment of air quality outside 50 London schools. A report was published in May 2018 (the Mayor of London on School Air Quality Programme) detailing its findings of unacceptable levels of air quality during the school opening and closing periods of the day. One of the contributing factor to this poor air quality within London is road transport, of which the Mayor of London has introduced a series of measures to improve the air quality especially around schools, however this still remains a concern. It is considered that without significant intervention, as the Capital grows rapidly with increasing congestion, adverse health and safety implications are set to continue.
- 2.3 The Mayor's Air Quality report also identified that school travel in some areas often does not contribute substantially to local emissions, as many walk, scoot, cycle or travel by public transport, with much of the road transport emissions emanating from the nearby busy main roads. However, seeking to manage and reduce school related car travel still has an important role to play. Cars picking up and dropping off children near the school gates result in a concentration of emissions amongst larger numbers of children, worsening exposure including the increase in risk of collisions. The recommendations also often focus on delivering broader improvements to the environment around the schools for walking and cycling, and the promotion of sustainable transport including footway widening, kerb build-outs, improved crossing facilities on desire lines and traffic calming.
- 2.4 The Mayor's Air Quality report highlights that without significant intervention, as the capital grows rapidly with increasing congestion, the air quality levels are forecast to rise considerably, which will impact on adverse health and safety implications. Health implications include triggering or exacerbating chronic diseases such as asthma, hearth attack, bronchitis and other respiratory problems.
- 2.5 Recommendations in the Mayor's report is for local authorities to try and minimise the level of pollution outside schools by introducing measures to minimise vehicular traffic outside school gates. Due to the pandemic, since May 2020, all local authorities have been encouraged to expedite such improvements.
- 2.6 In addition to the above, in response to a green recovery, DfT / TfL provided funding (subject to a bid process) for boroughs to consider, consult and implement School Streets so as to reduce congestion, remove the obstructive parking that is often associated with schools; promote active and sustainable modes of travel; improve safety and air quality particularly outside schools. Further information is available on the Council's website www.merton.gov.uk/schoolstreets
- 2.7 During tranche 1 of the funding process, the Council was successful in its bid to DfT/TfL in securing funding to design and implement a number of school streets throughout the borough. However, due

to extremely tight deadlines set by TfL/DfT, the programme was introduced under an Experimental Order. As per legislation, the Council does need to make a decision no later than 18th month of the ETMO coming in to effect.

2.8 As part of Merton’s commitment, a report dated 3rd August 2020 titled School Streets–Restricted Vehicular Access -Experimental Traffic Management was submitted to the Cabinet Member for approval to implement a number of school streets. Cabinet Member decision was made to implement the school street under an Experimental Order.

2.9 Although it is normal practice to undertake before and after surveys that can be used for an impact assessment, particularly on the neighbouring roads, due to the pandemic / lock down and a general change in traffic pattern and behavior, any survey at the time would not have yielded a true reflection.

3.0 SCHEME

3.1 To achieve a number of objectives such as improving safety and air quality and encourage active travel, the Council introduced a school street within the following roads. The school street restricts motorised traffic during specific times based on schools’ starting and finishing times. The restrictions only apply during school term periods.

School	Restricted Roads	Restricted periods Mon-Fri Term times only
Aragon Primary	Aragon Rd (between Kingsbridge Rd & Cleveland Rise) Aragon Place	8.00 – 9.15am 2.45 - 4.00pm

3.2 Initially the Council intended to use a default period of 08.15 - 09.15am and 15.00-16.00hrs. However, the restricted hours were based on the schools’ then adopted opening / closing hours. Being mindful of the fact that parents often arrive earlier than the starting and finishing times, it was considered necessary to extend the initial proposed hours by 15 minutes.

3.3 During these periods, the roads as set out within the above table are predominately ‘pedestrian and cycle only’ zone. Residents who live in the affected roads are allowed vehicular access as are teachers and those with special needs children who need to be driven to school. This is via an on-line exemption process. Others who may also qualify for an exemption can also register with the Council; exemptions are subject to meeting the appropriate criteria. Location plan and exemption catchment area are attached as appendix 1.

4. CONSULTATION

Statutory Consultation

4.1 Due to extremely tight deadlines set by TfL/DfT, the programme was introduced under an Experimental Order. This type of Order enables the implementation of a scheme during the statutory consultation stage. An Experimental Order allows the restrictions and the Order to be in place for a maximum of 18 months before a final decision is made. Anyone can make a representation within the first six months (the statutory/formal consultation period) of the Experimental Order coming into force. The EMTO allowed the Council to meet its extremely tight deadlines but more importantly, it enabled the school, residents and other road users to experience the restrictions, thereby allowing them to make an informed decision prior to responding to the consultation. It also allows the Council to make minor adjustments. Consultees had in excess of 6 months to respond to the consultation and residents were encouraged to allow sufficient time to experience the scheme before making a representation.

- 4.2 The consultation began on 9th September 2020 and concluded on 31st July 2021. Newsletters were delivered to 157 properties (see plan in appendix 3). The newsletter detailed the consultation process; the proposed measures and a location plan. A copy of the newsletter with the plan is attached in Appendix 1.
- 4.3 Residents were encouraged to submit their feedback on the Council's website using specific on-line feedback link. All available information was also posted on the website. [Introducing new school streets 2020 \(merton.gov.uk\)](https://www.merton.gov.uk/news/2020/11/19/introducing-new-school-streets-2020). Street notices were erected on lamp columns and published in the local papers and the London Gazette.
- 4.3.1 In terms of publicising the school streets programme there was an article on School Streets in My Merton magazine [the Winter 2020 edition](#). This copy was distributed to all households in Merton from 19 November 2020. There was also a news article about it in [the Spring 2021 edition](#) which was published on 25 March 2021.
- 4.3.2 The school was provided with a banner to be attached to the school gate. The banner set out the details of the restrictions and affected roads. The school was also requested to inform and remind parents of the restrictions.
- 4.4 After removing blanks and those without an address and combining multiple entries from the same person, the statutory consultation resulted in a total of 73 representations. These include 58 representations from within the newsletter postal area, of which 19 are in support of the scheme and 39 objections. This means that 75% of residents do not object to the scheme. All responses are detailed in Appendix 2.
- 4.5 Additionally there are 15 representations from outside the newsletter postal area, of which one is in support and 14 objections. All responses are detailed in Appendix 2.
- 4.6 It is essential to note that when making a decision based on the outcome of a statutory consultation, consideration must be given to the validity of objections rather than the number of objections.
- 4.7 The most common theme from the comments, from supporters as well as objectors relate to the imposed inconvenience on residents' daily lives with respect to deliveries, visitors, tradespeople, carers, vulnerable/disabled people, taxis and hire vehicles. Objections do reveal misunderstandings about the scheme that impede its acceptance; there appears to be a lack of understanding about the level of exemptions available for residents and flexibility in accommodating certain scenarios albeit inconvenient.
- 4.7.1 The second most common theme across the board relates to the problem being displaced into surrounding roads causing danger, pollution and inconvenience in those areas, and it is not stopping parents from driving their children to school.
- 4.7.2 Those in support generally cited the reasons given in the consultation documentation, in that they felt it would reduce pollution and congestion, increase safety for school children.
- 4.8 In response to the points raised above:
- One of the objective is to deter car trips for 'the school run', which is a major source of congestion and poor air quality outside schools as well as on route to and from schools. In the past the Council has attempted to address school related traffic and parking issues through School's travel plan, Road safety Education and parking management. However, it has become very clear that a more stringent action is required to change the behavior of parents and motorists in general. A school street can be an effective method of bringing about this change.
 - It is appreciated that some parents continue to resist the change and have found their way

into neighbouring roads. In the absence of a CPZ enforcement is proving difficult as currently only obstructive parking can be enforced. Although due to the number of schools and limited staff it is not possible to provide daily enforcement for every school, routine enforcement is carried out on a rota basis with targeted enforcement in some areas. With continued enforcement, it is considered that there will be a change in behavior albeit at a slower pace than expected.

- In response to those who have asked for better enforcement, due to limited available funding and the number of school streets, it has not been possible to have a fixed camera in place across all school streets. However, if the scheme is made permanent, consideration will be given to procuring additional ANPR cameras. Meanwhile apart from the ANPR cameras operating on a rotation system, the Council is also undertaking mobile enforcement. Obstructive parking cannot be undertaken via ANPR and this area is on a rota for enforcement.
- Due to the pandemic and various guidelines, at the time of the implementation of the scheme, many schools had to establish some form of staggered hours which had to be accommodated within the restrictions. However, the school has advised the Council of its new hours and if the scheme is made permanent, a statutory consultation will be undertaken to reflect the new school hours. The hours will allow at least 15 additional minutes to capture the many parents who arrive early particularly during afternoon pick up periods.
- The legal signs plus advance signs have been in place since Sept / Oct 2020 and are clearly visible. The signs at the entrance to the restricted roads fully comply with the Traffic Signs Regulations and General Directions (TRSGD) (2016) and are also included in the Highway Code. School streets signs and restrictions are no different to any other moving contravention signs that motorists are obligated to abide by. These signs are used across London and motorists should be familiar with them and abide by them accordingly.

A full assessment of all school street signage across the borough has been carried out and arrangements have been made to further improve the signage in terms of numbers, position and visibility across the borough. This would be over and above of is actually required and considered as necessary. If the scheme is made permanent, 'Term Time only' supplementary plates will be added to the main entry signs. All advance signs which already include this text are being redesigned as more of a pictorial sign, thereby making it easier for drivers to observe.

- Residents who are directly affected by the restrictions (except for very few) were informed of the restrictions and they are exempt by undergoing the registration process. All vehicles registered to the address can be registered for exemption. In terms of *affected* residents, only those who have no alternative vehicular access to their homes are classed as directly affected; all others who have an alternative vehicular route are classed as indirectly affected and cannot be exempt. To meet the objectives of the school street, it is necessary to minimise volume of traffic and it would not be possible to provide an exemption to anyone who has an alternative route. By facilitating non-essential traffic, it will do nothing to encourage a change in behavior. Notwithstanding, in light of issues that have been raised by some residents, the Council has been reviewing exemptions; for example, there are already provisions within the system for residents to enter the vehicle registrations of taxis that are being used to transport them for medical reasons. There are also provisions for carers.
- The purpose of the school street is to improve safety, reduce risk and improve air quality in the restricted road as well as reduce traffic in general; after all, if parents or other visitors are discouraged to drive during the peak periods, there will be reduced traffic on route to and from the restricted roads. Another objective is to improve road safety and perception of road

safety not only for pupils attending the school, but also for the residents and their visitors. This can be achieved by minimising volume of traffic past the school and remove the associated parking whilst pupils are arriving or leaving. For a school street to remain effective and to meet its objectives, it is necessary to reduce volume of traffic by reducing number of exemptions. Many delivery services can be made aware of the restricted periods when placing an order and deliveries can be made outside these hours. Trade personnel and other visitors can also enter the road either before or after the restricted periods. Emergencies can be exempt after the event as long as evidence of emergency is provided. Every effort is made to minimise inconvenience but it simply is not possible to accommodate every scenario or eventuality.

- The school street restrictions do not prevent residents from accessing their homes, and the system makes provision for exemptions under certain circumstances. In terms of visitors, there is nothing preventing visitors arriving within the restricted periods as long as it is not in a motorised vehicle. The Council has a number of initiatives that encourages those travelling within the borough to use active and / or sustainable modes of transport and not be so reliant on the use of private motorised vehicles.
- There appears to be a misunderstanding amongst some residents regarding the exemption process and the contravention itself in that during the restrictions, drivers who are not exempt cannot enter but can leave at any time. If the scheme becomes permanent, a newsletter detailing these points will be sent to all the residents.

4.9 All statutory bodies have been consulted and no objections have been raised.

4.10 The local Ward Councillors have been engaged during the consultation process. The results of the consultation and officer's recommendations were presented to the Ward Councillors prior to preparing this report. Below sets out the comments received from one of the Ward Councillors:-

There should have been earlier consultation with residents to identify issues in advance. For those who are disabled and rely on a taxis service to and from their properties a list of approved taxi services beforehand would have helped.

Lack of enforcement has encouraged some continued parking on the designated school streets.

Officer's comments

Please see above paragraphs in section 4.8 of this report.

5. OFFICER'S RECOMMENDATION

5.1 When considering the outcome of the statutory consultation, consideration must be given to the nature and validity of the comments / representations and the Council's objectives. A statutory consultation invites objections to the scheme and since only 24.8% of those directly affected have chosen to object (some of which are based on a misunderstanding of the exemption process), it could be viewed that 75.2% of those directly affected do not object to the scheme.

5.2 It is considered that the benefits outweigh some of the inconveniences some residents / motorists may experience. School streets are in line with other policies and initiatives across the Borough and London, and believed to be the right step toward changing behavior as well as achieving the various benefits. Benefits include improved safety / perception of safety; the removal of the school-associated obstructive parking; reduced risk to all road users; reduced pollution, including noise pollution; improved air quality in the restricted road as well as reduced traffic in general; after all if parents or other visitors are discouraged to drive during the peak periods, there will be reduced traffic on route to and from the restricted roads.

5.3 It is recommended that the permanent Order is made to retain the school street.

- 5.4 To reflect the change in the school's hours, it is recommended that a statutory consultation is undertaken to change (reduce) the existing restricted hours to 8.15– 9.00am and 2.45 – 3.45pm.

6. ALTERNATIVE OPTIONS

- 6.1 To remove the restrictions. This would compromise if not totally undo all the benefits that have been gained thus far and it would do nothing to encourage a change in behaviour. It would be contrary to the various objectives the Council is trying to achieve.

7. TIMETABLE

- 7.1 A newsletter detailing the results of the consultation and Cabinet Member decision will be distributed to all consultees soon after a Cabinet Member decision is made and published. The permanent Traffic Management Order will be made and published soon after.
- 7.2 The statutory consultation to reduce the restricted hours will be undertaken soon after Cabinet Member decision is made and residents will be informed accordingly.

8. FINANCIAL RESOURCE AND PROPERTY IMPLICATIONS

- 8.1 All the associated costs are covered by the LSP funding provided by DfT / TfL.

9. LEGAL AND STATUTORY IMPLICATIONS

- 9.1 The Traffic Management Orders would be made under Section 6 of the Road Traffic Regulation Act 1984 (as amended). The Council is required by the Local Authorities Traffic Order (Procedure) (England and Wales) Regulations 1996 to give notice of its intention to make a Traffic Order (by publishing a draft traffic order). These regulations also require the Council to consider any representations received as a result of publishing the experimental order.
- 9.2 The Council has discretion as to whether or not to hold a public inquiry before deciding whether or not to make a traffic management order or to modify the published ETMO. A public inquiry should be held where it would provide further information, which would assist the Council in reaching a decision.
- 9.3 The Council's powers to make Traffic Management Orders arise mainly under sections 6, 45, 46, 122 and 124 and schedules 1 and 9 of the RTRA 1984.

10. HUMAN RIGHTS & EQUALITIES AND COMMUNITY COHENSION IMPLICATIONS

- 10.1 The Council carries out careful consultation to ensure that all road users are given a fair opportunity to air their views and express their needs. The design of the scheme includes special consideration for the needs of people with blue badges, local residents, school children and businesses without prejudice toward charitable and religious facilities.
- 10.2 Bodies representing motorists, including commuters are included in the statutory consultation required for draft traffic management and similar orders published in the local paper and London Gazette.
- 10.3 The retention of the restrictions / improvements affects all sections of the community especially the young and assists in ensuring improved road environment and air quality for all road users and achieves the transport planning policies of the government, the Mayor for London and the Borough.

11. CRIME AND DISORDER IMPLICATIONS

11.1 None

12. RISK MANAGEMENT IMPLICATIONS

- 12.1 There may be some dissatisfaction amongst the objectors but the benefits of the scheme outweigh majority of the comments made against the scheme.
- 12.2 The risk of not retaining the improvements / restrictions would be a step backward in terms of Council's objectives and will not be in line with the Council's various strategies and projects.

13. ENVIRONMENTAL IMPLICATIONS

- 13.1 When determining the type of schemes to be designated on the highway, section 45(3) requires the Council to consider both the interests of traffic and those of the owners and occupiers of adjoining properties. In particular, the Council must have regard to: (a) the need for maintaining improved movement of traffic, (b) the need for maintaining reasonable access to premises, and (c) the need to reduce road collisions.
- 13.2 The restrictions removes traffic from this section of the road that makes it safer and more environmental friendly for residents and visitors.

14. Public Health Implications

- 14.1 School Streets and Low Traffic Neighbourhoods (LTNs) have important implications for public health in terms of physical activity, air quality and safety by creating healthy and secure neighbourhoods.
- 14.2 The implementation of School Streets and LTNs encourage the use of active travel options such as walking and cycling and build physical activity into daily routines. The removal or reduction of traffic from certain roads may encourage residents (particularly children) who would not usually consider active travel options to take these up in a quieter and safer environment ([Aldred, R. and Verlinghieri, E. 2020](#)).
- 14.3 Traffic is a key contributor to poor air quality in the borough which can have important health implications. The reduction of traffic in primarily residential areas or streets with schools can improve air quality in local areas and reduce the risk of developing cardiovascular disease and other health conditions. Studies from Waltham Forest found that in particular, there was a reduction in the amount of pollution caused during the school run where these schemes were in place ([Dajnak, 2018](#))
- 14.4 Implementation of these schemes have an important role to play in improving our local areas in terms of road safety. Reducing the flow of traffic in residential areas or in areas close to schools can reduce the risk of residents being involved in a serious collision with a vehicle.

15. APPENDICES

15.1 The following documents are to be published with this report and form part of the report.

- Appendix 1 - Newsletter & Plan
Appendix 2 - Representations to statutory consultation

SCHOOL STREETS
 Restricted Vehicular access
 Aragon School



ISSUE DATE : 25 AUGUST 2020

INTRODUCTION

As part of the Council's objective to reduce congestion, pollution, risk of collisions and provide a safe environment within the vicinity of schools, the Council has a rolling road safety and accessibility programme. Measures that are often implemented include 'school keep clear' zig-zag road markings to prevent drivers parking close to the school gates and to improve sightlines; localised 20mph speed zones with accompanying traffic calming measures and road safety education. These measures have been very successful in most areas, as there has been an improvement in perception of safety. Although these measures have been successful in ensuring access and safety, the level of congestion, risk and air quality outside the schools remain a concern. The contributing factor is the high localised volume of vehicular traffic within the vicinity of schools often generated by parents / carers of pupils attending the school.

PROPOSAL

To improve safety, active travel and air quality, and in response to Covid-19 pandemic, the Council intends to restrict motorised access in and out of the identified roads that accommodate school pedestrian gates during the morning school opening and afternoon school closing periods under an Experimental Traffic Management Order (ETMO). During these periods, the road will be predominately 'pedestrian and cycle only' zone. Residents who live in the affected roads will be allowed access as will staff who are based at the school; those with special needs children who need to be driven to school would also be exempt. Those who are exempt must register with the Council; exemptions would be subject to meeting the appropriate criteria.

The appropriate signs will be in place to inform all motorists of the hours of closure.

The restrictions will be enforced by a camera

The surrounding roads will be enforced against obstructive / illegal parking

This measure is introduced to protect children and we would appreciate your assistance and support

It is appreciated that this may cause some inconvenience and where possible the Council will endeavour to accommodate residents; however, for the scheme to be a success, the Council would require the cooperation of the school, parents and residents. We ask that the school and residents support our proposals and rearrange certain activities such as deliveries and receiving visitors outside the identified hours during each school term.

CONSULTATION PROCESS

The proposed measure is being introduced at the start of September term and will operate term times only during the published hours under an Experimental Traffic Management Order.

The Experimental Traffic Management Order will allow the Council to implement the restrictions during the consultation period.

- It allows the Council to assess and monitor the restriction and its impact.
- It will enable the residents and other road users to experience the restrictions thereby allowing them to make informed comments.

www.merton.gov.uk

The restrictions and the Order will be in place for a maximum of 18 months. Anyone can object and make representations within the first six months (the statutory/formal consultation period) of the experimental Order coming into force and the implementation of the works. Consultees (mainly residents) are encouraged to make their comments at least 3 months after implementation. Consultees will have 6 months to respond to the consultation. All representations will be considered prior to making a final decision which could include its removal, making some modifications or making it permanent.

Additional notices will also be erected within the vicinity of the proposals to inform residents and road users of the start of the restrictions and the statutory consultation

All available information including updates will be posted on the website.

<https://www.merton.gov.uk/covid-19-transport-projects>

All representations must be made on line using the above link. Please note that you may not be able to submit any comments until November 2020. A response will not be made until the consultation is concluded and a final decision is made. The Council will monitor the situation and will make the appropriate adjustments if and when necessary.

To APPLY FOR EXEMPTIONS

Exemptions will be given to residents, teachers and special needs children. Residents and teachers MUST register with the Council to qualify for the exemption. Carers visiting residents who live in the road will also be exempt if their registration are logged with the Council. However, we respectfully request that, if possible, visitors arrange their visits outside the restricted hours.

The quickest and easiest way to apply for School

Street exemption is to use our self-service website which we are in the process of setting up. Please check the website for updates.

ENFORCEMENT

During the restrictions, enforcement will be carried out using cameras. However, please note that full enforcement will not be carried out until residents are given the opportunity to apply for exemptions.

We do apologise for the short notification and the fact that the exemption process will not be available immediately but we believe that starting the process will have some benefits.

LOWER MORDEN WARD COUNCILLORS

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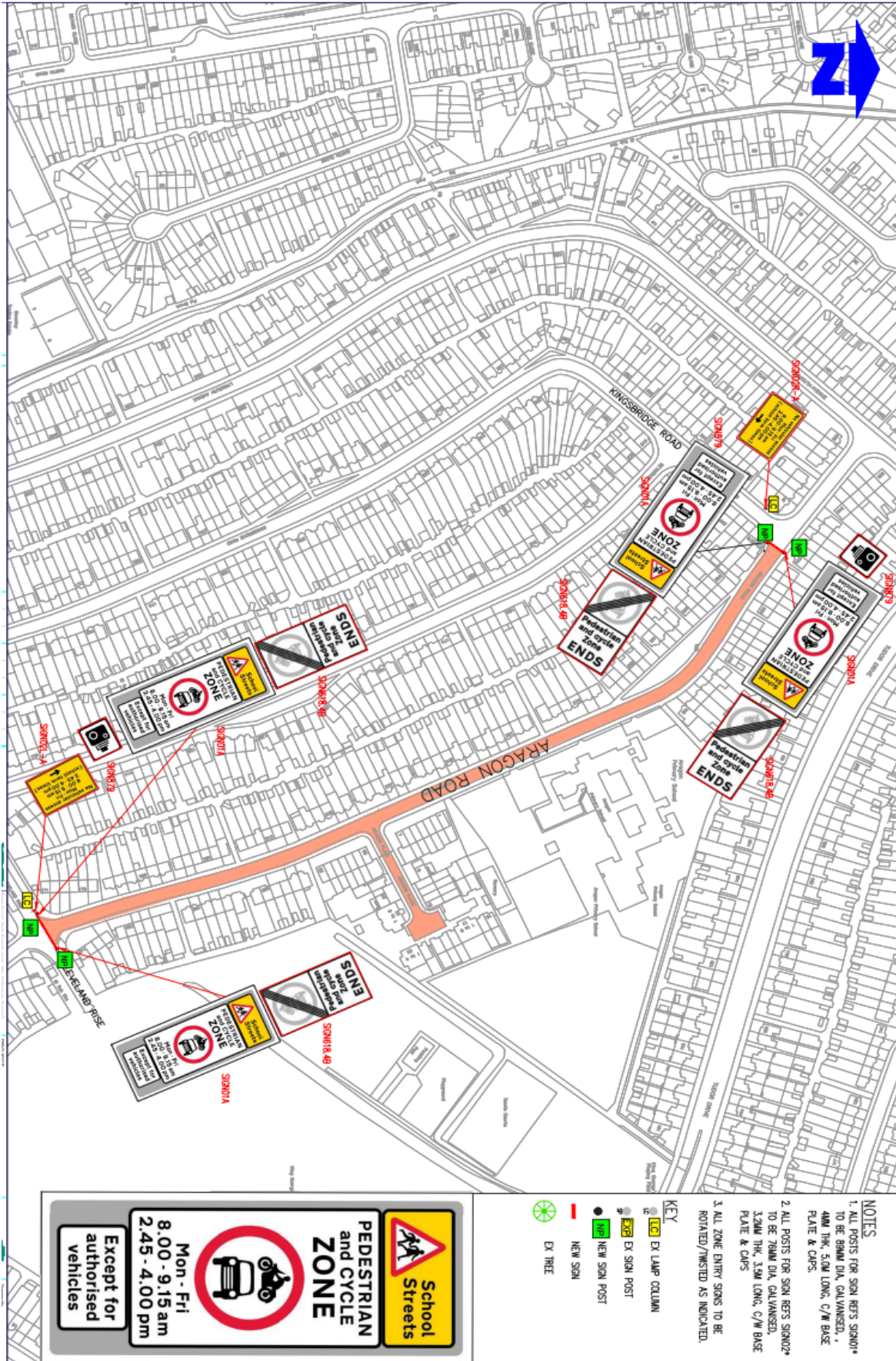
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Road name	Views	Comments
REPRESENTATIONS FROM WITHIN THE NEWSLETTER POSTAL AREA		
Aragon Road 6345749, 6261479, 6298630, 6331196	AGREE	<p>I have lived here for 46 years and this is the best thing for the safety of the children. As I live opposite the school over the years I have seen a few near misses regarding children trying to cross the road to school between badly parked cars. It's healthier too for children to do a bit more walking. We can also get on and off our drives as they are not being blocked at school times anymore. All in all I think it is a great scheme for everyone.</p> <p>-----</p> <p>This is the best idea for the safety of children outside school. As I live close to the school, over the years I have seen a few near misses involving children crossing the road and cars speeding along. The residents campaigned a long time ago to get humps put in to slow traffic down but it was rejected. Also no exhaust fumes with engines running and residents able to drive on and off their drives as they are no longer blocked by parents parking across them although we have double yellow lines there. For all concerned let's hope this scheme is permanent.</p> <p>-----</p> <p>It's made a huge difference to all concerned in a good way. No pollution, less traffic, safer for children. Exercise for children as they need to walk more.</p> <p>-----</p> <p>The best scheme 100percent. Safe for the children, no engines idling outside school and homes. No cars parking on double yellow lines outside houses blocking drives. Also healthier for children to walk a little.</p>
Aragon Road 6346427	AGREE	<p>The advantages of the scheme far outweigh the disadvantages. Until this scheme was introduced at school run times the traffic down the school end of Aragon Road where I live was actually gridlocked, a very unhealthy environment for children and an absolute inconvenience for residents who continually had vehicles parked outside their driveways - this is not so bad if the driver remained in the car but more often than not they had actually left the vehicle to accompany their child or children to school. Having dropped their child off to school the drivers would often then congregate to have a chat with other people but still leaving their vehicles illegally parked over the driveways of residents. My mother in law who is 98 and lives on her own at the other end of Aragon requires our frequent attention and the illegal and constant parking over our drive has often been a huge and worrying inconvenience. As for the problem the scheme causes for tradesmen and delivery drivers, whilst the scheme has been in operation I have had the need for several tradesmen to visit my home but when told that they cannot drive down Aragon Road to my house until after 9.15 am in the morning this has not presented them with a problem at all. The environmental advantages of the scheme far outweigh any perceived disadvantages for tradesmen. Whilst the scheme has been operating I have not had the need to take photos of cars illegally parked outside my home nor contact a CEO to ensure enforcement. .</p>
Aragon Road 6339717	AGREE	<p>In principle the scheme comes across as beneficial but the implementation process has been poor. Initial information literature never received in the post by me and some of my neighbours within the zone resulting in problems registering vehicles. Took a while to sort out and the reason given being we were wrongly excluded from the list of residents. Quite stressful trying to contact and get an exemption for trade vehicles - I had to get an exemption. There was a lot of hanging on the phone/sending emails. Would suggest an online option to make this process more straightforward and user friendly or a direct line where a vehicle exemption can be made and that can be easily found on your website. I would suggest that online shopping deliveries should also be exempt as it is not generally possible to book precise delivery times.</p>
Aragon Road 6331089	AGREE	<p>My husband is a disabled person who requires daily carers and family assistance. However, we have had to change the times the carers visit to after 9.15am and family members who do not live in the area to access at alternative times which causes all</p>

		sorts of issues with hospital appointments etc. Whilst we agree with the experimental traffic management scheme, we do feel that some consideration should be given to preventing Care providers, visitors and tradespeople from accessing the street during these times.
Aragon Road 6246631	AGREE	Don't think you have introduced the scheme correctly to the residents, the first we hear of this is a leaflet thru the door telling us no one can drive between certain times or have deliveries. Obviously we would all do our best not to have deliveries at these times but we can't dictate traffic for delivery drivers and if my elderly parents come to collect my son from Aragon School they will need to park on my drive (so they don't have to walk too far my father has a walking stick) and arrive during the times you have stipulated. I also think you should have been issuing us with the permits before talking about us not driving in the road with live in.
Aragon Road 6334822	AGREE	One of the residents of Aragon Road has kindly informed me that I can have my say about the road restrictions imposed on Aragon. As a resident and a Grandmother who's grandchildren attend Aragon School I am very much in favour of these restrictions, in fact I emailed Siobhain Mcdonagh a few times to let her know my concerns about the users of this road and that it would be a matter of time before a fatal accident would happen. In my opinion the parents that drive their children to school mostly are responsible parents but as in life you will always get the minority that are not responsible and its those parents that need to be penalised for their dangerous actions. Recently I have noticed that two drivers seem to be flouting the rules with no regard for the safety of children and the law that is trying to keep them safe. I have their registration numbers and would ask:- 1. If the cameras are actually working why have these parents not been stopped as they are clearly breaking the law daily. 2. If they are exempt from this law, why ? 3. Our children have to adhere to the time restrictions so why are these two cars allowed to travel within these times. 4. Many times I have witnessed them reversing onto peoples driveways with no regard for the children's safety. Car registration numbers : X & X I'm sure that many residents have family members that wish to visit but are restricted to the times and these members abide by the rules so there should be no allowances. These restrictions should remain in place because the safety of the children is paramount. The residents of Aragon Road should have some help in this matter as there are a number of elderly people living here and there children should be able to visit any time with no restrictions.
Aragon Road 6338400	AGREE	Must be enforced - parents are still ignoring signs
Aragon Road 6330797	AGREE	Parents Parking over drives as become an big issue also the safety of children and Pollution I agree with the restrictions after all its 1/14 hours morning and again afternoon
Aragon Road 6298598	AGREE	As a resident I have found that the scheme is of great value to the community. The parents can cross the road freely without having to squeeze between parked Cars and fear for their lives. There is less pollution and The children seem happier Going in and coming out also the noise level is greatly reduced. I hope that the scheme is going to be carried on .
Aragon Road 6248907, 6261466, 6298579, 6298600, 6331195, 6345748	AGREE	I feel that the signs for motorists should be larger or a cctv sign under the existing notices to attract drivers notice. ----- Vast improvement for child safety and making life better for residents. Well done to the council for finally finding a solution. ----- Much safer for children, less pollution, better for residents. Will only improve once it is enforced more. ----- Great scheme for child safety and residents. Ticks all the boxes. Permanent anpr cameras would make scheme even better. ----- Much safer for children and definitely better for the environment. Best council scheme ever.

Aragon Road 6249648	AGREE	As these restrictions are now in place - please REMOVE the double yellow lines that were installed opposite Aragon School. There is no requirement for them to be there as school traffic is not permitted in the area. These double yellow lines have been ignored by parents, and have not been enforced by the council. They impact on the residents at all times of day and all days of the week so are not proportionate and unfair on the residents of the properties covered. Hasty implementation of scheme with no apparent consideration of residents needs and deliveries etc. Exemption process should have been in place before the school restarted.
Aragon Road 6346619	AGREE	Our house is directly opposite one of the school car park entrances on Aragon Road. Before the trial scheme we saw how dangerous the road was at these times. Aragon Road is narrow, on a bend and single track due to parked cars. Combined with high volume traffic this created a dangerous and heavily congested bottleneck. Mixed in were parents and children trying to cross the road to get to and from the school. We have also had to contend with parents illegally parking their car over our drive, blocking our cars in, and leaving it unattended to drop off their kids for often up to 20 minutes. So we are massively in favor of this scheme, it must be made permanent. It needs to be enforced because many of the parents ignore the restrictions now knowing there is no risk. Provision must be made for residents to easily apply for temporary exemptions for trades, visitors etc..
Aragon Road 6347631	AGREE	the road has been much safer with out the parents parking and blocking the road some times arriving very early and sitting in the cars waiting ,some with the motors left running while standing talking with other mums while the children run around the air also much cleaner now their not doing this I can see clearly down the road and watch for anyone who might run in the road. my wife and I are both over 70 and we now have a much better chance of parking near my house.
Aragon Road 6248680	AGREE	I live at the other end of Aragon Road to the school, am I allowed to drive up from the bottom end past the school during the restricted times for access to my house?
Aragon Road 6330746, 6330741	AGREE	Pollution for the children Safety crossing the road Mothers fathers blocking access drop downs putting there children safety at risk getting hit by a car Inconsiderate blocking neighbours in It's like Piccadilly Circus Mums dads fighting in the roads won't move there cars Swearing at neighbours Who cannot get to hospital appointments We also have children need to get them to other schools can't get of our drives Leave their cars running across your drive and take kids to school hazard lights on causing pollution. ----- Safety for children Fumes protecting children Parking blocking emergency exists of peoples drives Ambiance fire engines police can't get down the road Mothers fathers fighting won't move there cars Children watching abusive mums dads won't move their cars jaming the road. Kids cannot see the road as drop downs blocked by school mums dads
Aragon Place 6330742	AGREE	Motor bikes doing one wheels speeding cars as well While road blocked by a swarm mums dads Drop downs kids can't see the road They need a crossing across the road near the school Rude mums dads shouting at each other won't move cars Blocking neighbours access Arguing with the neighbours Police and wardens being here moving them on Mums dads arguing with each other Danger pollution at these times too many cars affecting children's breathing
Aragon Place 6330749	AGREE	Safety first for children pollution free for children Speeding free for children Safety kids can see the pavement cars not blocking them These mums dads blocking roads Endangered their own children's safety Rudeness parents shouting at neighbours Leave flashing lights on blocking drives Pollution
Aragon Place 6330744	AGREE	Congestion pollution for the children. Screaming fighting mums dads Mums dads would leave there cars running across our drive And take Children to school fumes danger Children can't see the roads Yes the close the road safety for Aragon school children
Aragon Place 6331375	AGREE	I am of the opinion that although I agree with the scheme I strongly feel that additional exemption must be granted for an additional family member in order that access be granted for support to be given. For example my daughter has to drop my grandchild to me on her way to work sometimes in order for me to provide child care before I take her to school in Worcester Park. This has to be during the exempted hours. I believe

		this aspect of the scheme has not been taken into consideration. Residents should be able to supply additional registration plates for essential visits for child care and other essential visits. Aragon Road is a long road and there are elderly residents. I do hope the original decision not to grant additional exemptions can be overturned. I was unaware until Ms x knocked last night to show me her email correspondence that residents were being allowed to give their feedback. No letter has been received by me. I await hearing the outcome
Aragon Road 6332815	DISAGREE	Aragon Road is not a generally busy road, except at school times. The hazard to children are from their parents/careers who drop them off in the morning and collect them later. The scheme moves the problem to adjacent areas, the problem is still there, but in a different location and possibly more dangerous as the drivers park in inappropriate places. The children have to cross more roads to get to school, crossing in the path of vehicles avoiding the no go area! It also creates tension between drivers and residents, when crossovers are blocked. The no go area creates a huge amount of problems to people living within it, from deliveries, people being collected to go to hospital or other appointments or just the normal coming and goings of a normal life. These schemes are not being implemented on busy roads, where there are greater risks from cars and pollution for the children, because it would it would snarl the transport system up.
Aragon Road 6346695	DISAGREE	First I would like to ask what data was used to determine why this scheme was necessary in Aragon road. Was a risk assessment conducted? I feel it has done nothing to improve the safety of the children attending school. I have lived across the road from the school for 20 years and have never heard of any issues. If you believe that you've solved a safety issue all you've done is to move the problem further up the road. The problems experienced by residents in the zone is unacceptable. Visitors cannot visit, deliveries cannot be arranged around these hours. As a grandparent who cares for my grandson it prevents him being drop off at my house. I'm also aware of other residents not being able to get a taxi when required to take them to hospital appointments and not being able to walk outside the zone because of health reasons. I believe a longer review time is needed to determine if there is a real benefit to the safety of the children.
Aragon Road 6329283	DISAGREE	The restrictions placed on residents of these streets are unfair and have a direct impact on our ability to run businesses and have a family life. This extends to movement of ourselves in vehicles and receiving goods and services: 1. Time availability for services such as BT and British Gas are affected if they cannot come and go freely according to their schedule. 2. My office is at home but you are stopping me from returning to my home at certain times of the day and I visit clients at times to suit them. 3. My son is autistic and currently does not have a school place. We have tutoring in place and I take him out of the home for educational visits. By restricting the times when I return home, you are affecting my ability to parent and provide the support he needs. Also, with an autistic child, sometimes your schedule has to change and you need to return home when required for the child. 4. When my work requires me to travel, by restricting a taxi coming into the road within certain times, you are causing potential risk to myself and others. If I am required by Covid regulations to self-isolate after travel, then the taxi needs to bring me directly to my house and not have me walking along the road.
Aragon Road 6330612	DISAGREE	I am concerned as Aragon road is already being used as a cut through and all this will do is direct the traffic to the other end of Aragon where the school Children walk from already not solving the issue and just creating the issue on the other end of Aragon.
Aragon Road 6331055	DISAGREE	It doesn't help as cars now park on cleveland rise and make the other side roads busy. It would be better to have no stopping signs with cameras outside the school.
Aragon Road 6330924	DISAGREE	I don't understand why the street is restricted as it is not a busy road anyway. Already there are too many cars trying to park just outside of the restricted part of the road making it dangerous and extremely busy for other road users. This area is also the entrance to the playing fields making it dangerous for park users due to all the cars parking and moving around, waiting for spaces to park! I was also not notified of the new restrictions which will probably result in myself receiving a fine. How can I access my driveway during these hours? Will I be exempt? Will visitors to my house during these hours also be exempt? I believe I should have, at the least, been notified of the

		planned restrictions before they were put into place, why have I not received any correspondence from the council?
Aragon Road 6330069	DISAGREE	---
Aragon Road 6330827	DISAGREE	---
Aragon Road 6330498	DISAGREE	1, We have NOT BEEN consulted and we have received NO information AT ALL and neither have some of my neighbours concerning this scheme.....we don't even KNOW WHERE OR HOW to register our vehicles?????!!!! 2, We are totally AGAINST this scheme in Aragon Road. 3, All this will do is create a parking/traffic problem at the junctions of Aragon Rd with Cleveland Rise/Kingsbridge Road and Lynmouth Avenue effectively pushing the minor problem twice a day from Aragon Road to the surrounding area. 4, This scheme will not allow any contractors, deliveries, family etc to visit our premises between the active hours and that infringes on my human rights and freedom and we OPPOSE this scheme in its entirety! 5, There has been ZERO consultation from Merton Council, as per usual, just imposition AGAIN! It is disgraceful that, once AGAIN, you implement a scheme in the borough without the proper consultation with residents! 6, It is only because one of my neighbours has taken it upon herself to find out information that YOU should have provided to EVERY house on MORE THAN ONE OCCASION, that we have found where to complain to. 6, We want you to remove this ridiculous scheme immediately, then maybe ASK the residents what they suggest. 7, If you are concerned about the safety of the school children and traffic, then maybe you should place SPEED HUMPS outside the school at Aragon Road, or indeed along the that would slow the traffic down. the children are ALL of primary school age and WILL ALWAYS have their parents with them so traffic accidents are very rare. 8, Please remove this scheme asap, we DO NOT want it!
Aragon Road 6331172	DISAGREE	This is putting too much emphasis on residents rather than children's parents. The responsibility and safety of their children should be theirs rather than the residents. It will cause problems for delivery vans, medical visits, builders, workmen, etc. For the road to be basically shut for 3 hours a day is totally unreasonable. The suggestion that visitors should park outside the area is ludicrous; not the least because school parents will be parking there. Also, we are in our seventies and not really computer literate so downloading various documents will not be possible.
Aragon Road 6330481	DISAGREE	We've lived in Aragon Road for 18 years and have endured many challenges of having a primary school in this Road but why should we be inconvenienced further - we should not be prevented from having our homes and lives from normal activity such as family visitors deliveries and tradespeople at times to suit us - we pay council tax Road tax and this is now a step too far - I want my family to feel able to visit at any time day or night and with my young grandchildren being dropped to me for childminding so my daughter can work this is beyond unfair!
Aragon Road 6330768	DISAGREE	This will negatively impact all deliveries coming to residents as well as resident's visitors.
Aragon Road 6329918	DISAGREE	Good morning I am a resident of Aragon road and my daughter attend Aragon Primary, I think it is great to try keep the area safe however I DO NOT think closing off the street is a good idea. It leaves residents with no access to their homes for delivery or emergency situations. I work for a maintenance firm and we often attend during a time slot in the day, either morning or afternoon which is both in times the road is not accessible. Should I require a tradesman during this time they won't have access to my property and I would be charged the fee for their attendance due to no access. To expect them to park at the top of the road is simply unrealistic, no tradesman is going to walk with his tools all the way down to my property especially not in the great British weather. I will then have to pay for his time parking walking to and from his van to get his tools as his time is chargeable and he is here to provide a service for me which is being made difficult by the council. The only person who will be out of pocket will be the resident and the potential damage in their property due to lack of service by non attendance or access issues. Would it not be better to just block of the part that is directly in front of the school, by no means am I saying it is ok for those residents to be

		inconvenienced but it would certainly make the unaccusable area smaller. What if it starts at Aragon place, people can then still drive and turn around to have access to the property and the same on Lynmouth? At work I sometimes drive different vehicles from our fleet - how do you propose I register any of the 90 vehicles I might drive on different occasions? I chose to live on this road because of the school, my tight working schedule do not allow for me to park miles away and make it to collection on time, this is the whole reason why we bought a house on this street to avoid these problems...!
Aragon Road 6347806	DISAGREE	Since your letter in May with regard to the School Streets scheme, I have observed it's effectiveness in Aragon Road. During these hours Aragon Road is not a 'predominately pedestrian and cycle only road' , as there are over 160 private resident houses within this zone (many with more than one vehicle), together with teachers & exempt parents, resulting in many vehicles needing to use this road at all times. This appears to have resulted in children being more at risk, as they are now often travelling alone or with their friends, as parents drop them on the perimeter of the zone, and they are often too young to be aware of the dangers of the many driveways/roads they need to cross with moving vehicles. It also seems that many parents enter the zone prior to the restriction time, wait in their vehicles often with engines idling, and are then free to leave the zone with no penalty. As far as I can see as both a teacher and a resident, while making less volume of traffic driving down Aragon Road, this scheme has not improved local congestion, pollution or collisions, and has not made for a safer environment for children either, and just resulted in the surrounding zone area being more congested and dangerous for all.
Aragon Road 6331068, 6329858	DISAGREE	Having been a resident in Aragon Road for the past 32 years, and endured the many challenges of having a primary school in this road, I am in full support for a scheme to monitor and safeguard the children and adults that need to attend this school and that where possible parents and commuters should be deterred from using school streets. However it seems wrong to prevent some 160 private households in this long stretch of Aragon Road and Aragon Place to have visitors, deliveries and tradespeople unable to drive to their home for some 3 hours every day, 5 days a week in term times. Currently, since the introduction of the school streets scheme last September, all that has happened is that the school parents drive and block the roads and driveways on the perimeter of the restricted zone, causing a further problem to residents of congestion and pollution, while Aragon road is still not car free (registered residents still able to drive past the school) resulting in children not being so street wise/observant as they think the road is closed and forget to stay alert or aware of their surroundings, putting them more in danger. Also having spoken with some of my elderly and vulnerable neighbours, who rely on support from family members, they are very concerned at the restriction of visitors being able to come to their homes to help them. Would it not be more appropriate to restrict the through traffic in Aragon road during these hours, but still allow private residents in the affected area to apply for additional vehicle exemptions for visitors/family members whose vehicles are not registered at their home address to still have access?
Aragon Road 6348020	DISAGREE	The scheme prohibits vital service people from entering the street, Aragon road in the mornings and afternoons. We are given different times they can deliver or attend an emergency. Trades people will pass on the cost of the ticket to us as part of their bill, because they are given a ticket when they come to our home to do work. It's ok that we plan meticulously, however, all best plans are never full filled and adjustment has to be made. I understand why the scheme was introduced, but pushed through without a full and proper consultation. I initially object, but it still went ahead. If parents parking at our gates/drives is an issue, then work with the school, and enforce it with your mobile operatives who can differentiate between a trades person from a parent, dropping off their kids, who can walk. You can also close the Aragon entrance and the parents enter from the Tudor drive entrance to Aragon Primary School. My elderly neighbours need various visitors , health care during the day, including morning and afternoon, and they are also having issues. penalise the parents who congest the street, but do not penalise the neighbours and the vital service they need to service, fix their homes. The new measures have caused issues on adjacent streets and has also had the desired effect of making some parents walk, but all they do at times is drop their young people off early at breakfast clubs, I assume. The school children will

		become complacent and their road safety vigilance may diminish if they are not careful. The issues that cause these measures to be introduced have only shifted to an earlier time. Another method to deter the parents need to be found that suits both school, parents and most importantly the residents need to be reached with proper consultation. Thanks
Aragon Road 6346916	DISAGREE	Whilst I appreciate with you are trying to achieve with pending restrictions in Aragon Rd I must point out that the changes the council are proposing will have a dire consequences for me and my husband. My husband has been diagnosed with chronic depression and mental health issues which includes major anxieties and is under the mental health team at the Wilson and attends appointments at St Helier and Epsom. He has major mobility problems due to vascular and knee problems and unable to walk very far unaided. The recent lockdown has exasperated both his mental and physical health. Almost all his hospital appointments are in the morning and during the proposed restrictions. I need to be able to order taxi that can pick up on my drive way. Your proposals will not make this possible. I am in my 70s and not in the best of health and am also the carer for my 93 year old father and again will need to be able to call a Taxi any time if I need to get to him quickly! Just recently we had to wait in the surgery and wait till 4pm when we could call a Taxi to take us home. This had huge complications and increased my husband anxiety and panic attacks. Please can I have a dispensation so I am able to call a taxi to get my husband to his appointments on time and make our lives bearable we look forward to hearing from you
Aragon Road 6330772	DISAGREE	I've had problems with food deliveries due to these proposed restrictions- therefore simply not something I support- the ability to receive essential provisions cannot be impacted.
Aragon Road 6343382	DISAGREE	This has just pushed the problem further up the road and now made the park entrance unsafe as cars block the entrance. On Tudor drive cars block the park parking which causes a tailback. It would be better to close the school entrance on Aragon and make the entrance on Tudor drive the main entrance to stop the traffic. The residents cannot have people visit at certain times in the day it creates problems with deliveries and any workmen that we book. Whoever came up with this idea thinking it would control the traffic - it has just created a problem further down the road
Aragon Road 6331139	DISAGREE	My son lives at home and is a personal trainer, so regularly travels to clients during the day, during school hours, this will affect his business. I regularly receive deliveries, this will also affect them. What about workmen who we employ to carry out works on our property, I also work and have to leave during school time, and come home during school kicking out time. How will this affect my need to go to work. It is my right as a road tax payer to be able to come and go from my property as I see fit. My oldest son has a serious eye condition, he has to be taken to hospital appointments some during school time, I am not always able to pick and choose appointments, I have to take them for him when they are offered. So the closing of a road because of a school is ridiculous, perhaps the council needs to look at the way parents drive like maniacs down Aragon Road, because they are late getting said child to school, or where a parent parks their car, regardless of whether or not they are blocking a residents driveway, or even more selfish parents who ride pushbikes and electric scooters on the pavement at speed, with school children, making the pavement a very dangerous place for pedestrians.
Aragon Road 6330565, 6346449	DISAGREE	I can't have visitors during the restrictions times however school parents can drive and park up prior to the restricted time and drop off or pick their child up doesn't this defeat the purpose of the scheme. ----- Just moving the congestion to the surrounding streets.
Aragon Road 6336907	DISAGREE	In a time where we are spending most of our time working from home, it would be nice to have the freedom to access our houses at any time of the day. We have had comments from our grocery delivery drivers telling us that we should not book grocery slots during those times as they are not allowed to enter. This was difficult to arrange when delivery slots were already sparse. It is also not clear when 'term time' dates are, especially when kids have been asked to study at home for much of the year. These term time dates would only be common knowledge to those with kids who attend the school. It also appears as though kids are leaving and entering the school in staggered ways due to COVID, therefore the parking restriction timings seem arbitrary

		in relation to these staggered movements of the children from the school. On a personal note, the car I am insured on is my dad's car, which is registered at a different Morden address, and so I cannot register it to my current address.
Aragon Road 6346924	DISAGREE	1. I have deliveries coming to me most days. Only am or pm times are given for deliveries not specific times. 2.my wife will be coming out of hospital soon and will have various people caring for her, how does that work? 3. Why can't access be via tudor drive for the school. 4.parents are disrupting access by parking on road corners and over driveways. 5.my daughter is a key worker and parks on my drive to go to work, yet she will not be allowed a permit. How is that fair. please desist in this trial
Aragon Road 6330614	DISAGREE	I cannot have visitors at certain times of the day. I don't want my friends & family to have to worry about what time it is! Delivery drivers can't deliver. It just brings more congestion to other roads nearby.
Aragon Road 6329058	DISAGREE	The way it has been implemented means residents can't return to their homes during the allotted times is moronic at best. I agree with the principle of restricting traffic as we were often blocked in but it only pushes the problem up the road and to penalise residents and limit our movement is wrong.
Aragon Road 6346895	DISAGREE	My main home is not in London. I work for a London local authority & need to be in London much of the year so I need a London home base. I have lived on Aragon Road since Oct 2018 & I need to park my car on the street and have freedom of driving movement. 1. My circumstances are not included under registering your car for this scheme. I tried to register my car and explained the paperwork I could provide - Residents contract since Oct 2018; Mail from NHS & my GP and a Bank Account all at my Aragon Road address. None of these were acceptable - told by Ringo that my accom'n contract is too old dated Oct 2018! My car is registered at my main address, told by Merton staff that I should register my car at Aragon Road - I should have the right to choose where I register my car, that it be my choice & what suits me. My work involved visiting vulnerable disabled people, currently I am restricted as to when I can come home between visits & liable to be fined. 2. Deliveries - Receiving deliveries is more difficult. Whether or not you try to be helpful by warning the company not to deliver between certain hours, it doesn't help - Deliveries don't arrive at the time of day you expect them, they don't arrive at all on the expected day and when booking the goods, once the company know about the School Street Scheme the delivery wait time gets extended further into the future. I have also been informed that if the delivery driver gets fined this cost will be passed to the goods purchaser! Any precious time taken off work to accept a delivery is being wasted or we are being delayed in getting back to work because of the unreliability of deliveries. Delivery drivers are causing more pollution by returning to make the delivery. 3. Yellow Lines - If this scheme becomes permanent then you can get rid of the yellow road markings outside Aragon School as they will not be needed for school drop-offs/collections - parking spaces are at a minimum on this road as there are so many drivew.....
Aragon Road 6346915	DISAGREE	I am very unhappy with the restrictions on our road as we were not consulted before the restrictions were implemented. It is a restriction on our civil rights to be unable to drive on a certain part of a public road at certain times of the day, especially the road we live on. The movement of my family is also restricted as they are unable to visit at these times. As a person with severe hearing difficulties and other health issues it is important to have family or friends visit me when I need help. Most of our shopping is now done on-line due to the closure of many high street shops with the knock on effect of covid and delivery is very difficult at these times. It is also impossible for tradespeople to come to attend to gas and water leaks or to carry out essential household repairs. Caring and helping with our Grandchild to enable his parents to work is totally impossible due to these restrictions. It is a great hassle having to register our cars and re-register yearly or if we buy a new car. The statistics of accidents around schools is very low as people are more vigilant and careful to prevent accidents when children are about. I feel very strongly about this and will NOT support these restrictions and I would like our happy neighbourhood to have its freedom of movement restored. Thank you for listening
Aragon Road 6248766	DISAGREE	Lovely idea in theory but may cause a lot of stress to working parents who need to drop kids and go

Aragon Road 6346327	DISAGREE	I have lived in Aragon Road for 21 years. I have never had any problems with the school traffic & my house is directly opposite the school. I think the inconvenience the traffic restrictions cause are totally unwarranted. I can only have family & friends visit at certain times you have made no provisions for residents to receive visitors. My daughter leaves her son for me to take to Aragon School she has to drop him & be off Aragon Road before 8 which is ridiculous. As for deliveries & trades people we have to advise they can only be here at certain times of the day. If feel the times should be shorter & provision made for family of residents.
Aragon Road 6248280	DISAGREE	
Aragon Road 6347774	DISAGREE	Most of the parents just drive into the zone near the school prior to the start of the restriction time, where they then park and wait in the car and are then able to leave the road with no penalty.
Aragon Road 6246467	DISAGREE	1) I would support the use of tax payer funds towards a method that would DEFINITELY reduce traffic. Such as a green school bus or walking school bus. 2) Parents won't give up their cars, they will just stop around the edges of the "school street". 3) It will cause more traffic at the top of Aragon, as it can fit fewer cars and then will cause parents to u-turn. 4) I sympathise with parents who have multiple drop-offs, uncompromising work schedules or who work nights, and so walking would be extremely difficult for them. 5) I would imagine parents who can walk do, as opposed to battling through traffic and stressing about parking. 6) As a council tax payer, and a homeowner, I am strongly opposed to my civil liberties being imposed on by being told when I can receive guests or accept deliveries. Especially as when I bought my home there were no caveats. 7) Regarding point 6), companies may start either refusing to deliver to me or adding a surcharge. The same with if I need any construction work, window cleaning etc. 8) I am against restrictions on road tax paying drivers. 9) I think that schools need to initiate their own initiatives to reduce school traffic, by consulting with parents, understanding their limitations in foregoing cars. 10) I think it's outrageous that this scheme is being implemented without prior consultation, and that consultation commenced after it is implemented. 11) I think this will shift pollution and everyone should be entitled to clean air, not just school kids. 12) The communications have been unclear for residents regarding how to apply for a resident exemption permit, in order to not be fined.
Aragon Road 6246766, 6346660	DISAGREE	It's just a waste of council money and resources it's not going to make any difference to the environment as it only one road. To be honest it just an inconvenience to all Aragon residence with regard to delivery's and visitors . And having to register cars and work vans and with deliveries you can not always indicate a timed delivery . I am sorry but it's just in my opinion a waste of money which could be well spent elsewhere. ----- This is very unfair my son drops our grandchildren off to us and because he dose not live with us he can not come to us we have to meet him in kingsbridge road. We can not have deliveries but can always tell the delivery a time. It defeats the object of this as the parents just park before the Zone starts which causes havoc in the morning, Merton council should of given us the opportunity to give our opinions before they started work. It's just a waist of taxpayers money. In my pinion the whole idea should be scrapped. I feel we have been penalised because I live in nearest school.
Aragon Road 6330557	DISAGREE	---
Aragon Road 6338114	DISAGREE	I live in argon road how can I go out and come back during this restricted time period. This scheme made more traffic in our neighborhoods and not suitable to this street. The decision makers ever thought vulnerable people who lives in this street? During this restricted time periods how can they get help from family or friends? I knew some vulnerable people couldn't go to the hospital appointments due to this scheme in place. It is clearly breach of basic human rights of people who lives in this street. Also this scheme not going to reduce traffic in stead of traffic congestion. I am not clear why council trying to implement this scheme during this pandemic?
Aragon Place	DISAGREE	Hi, my name is Carlos and I live next to the school so I think that if i want to receive a delivery on those times that's mean that I can't or it will be charged. That's just not fair

6346368		for the neighbours, please do not close the road. Many thanks !
Aragon Place 6346917	DISAGREE	no access to emergency cabs, rental cars, friends just inconvenient
Aragon Place 6348043	DISAGREE	---
Aragon Place 6346923	DISAGREE	---

OTHER REPRESENTATIONS FROM OUTSIDE THE NEWSLETTER POSTAL AREA

Tolverne Road 6347936	AGREE	This response is on behalf of Merton Residents Transport Group (MRTG). We strongly support the school street at Aragon School. School streets such as this one play a critical role in reducing road danger to children, improving air quality and enabling walking, cycling and scooting for a wider range of people of different ages doing the school run. They additionally reduce the number of motor vehicle journeys, lower pollution near the school, and reduce congestion. Additionally, we would encourage Merton to take further measures to enhance the visibility and effectiveness of the school street: - Ensure consistent enforcement with the use of permanent cameras; these could pay for themselves and provide funds to further enhance the school street - Install planters at the entrance to the school street to narrow the road width and create a gateway into the school street, enhancing its presence - Provide signage at a lower height, and more clearly delineate the zone - Create new areas of trees and soft landscaping into the carriageway space - these could be parklets, pocket parks or planters to improve the air quality, sustainable drainage to reduce risk of flooding. We look forward to the continued safety and health benefits arising from the school street, and encourage Merton to further expand the scheme to schools not currently covered. Sincerely, MRTG
Kingsbridge Road 6330584	DISAGREE	All the roads in the adjoining areas have so many cars parked on them, although i do not agree with children bring driven to school, i know a lot have to be driven due to parents going straight to work & there is just no where to park and this causes people to park over drives and causing obstruction all around the area
Kingsbridge Road 6330577	DISAGREE	It is hard on people who live in and by the school. I understand we need to keep children safe but my child attends a school on a restricted road and it means that my disabled dad cannot pick him up as he can't walk that far!. Also not everyone lives near to school and are running out of place to park the car. I have three children with disabilities and it is hard enough to get them out never mind do a long walk on top of a Covid pick up at school!.
Lynmouth Avenue 6330778	DISAGREE	This scheme is dangerous and unsafe for pedestrians walking along Lynmouth Avenue near to Aragon Road. My husband walks my two children along Lynmouth Avenue to get to Hatfeild School. He has told me on several occasions that cars will bump up onto the pavement to park towards the Aragon End of Lynmouth Avenue to take their children to Aragon School, with little regard for pedestrians- my children have had to stop on their scooters but as we know sometimes they don't pay attention. The pavement is for pedestrians, not cars. I'm extremely worried for my children's safety on the pavement on the way to school and that is ridiculous! Secondly, it sometimes causes extra congestion on Lynmouth Ave at the junction with Tudor Drive - worse than usual. We need to get to work!!! I don't see the urgency of closing roads near schools. Are the pavements and parental vigilance not enough? I think drivers need to be educated with safe driving, consideration for pedestrians in a school area and respect for the local residents - which means do NOT park across people's drive!!!! It's common courtesy and respect for others.
Lynmouth Avenue 6333290	DISAGREE	I think you should be able to go down these roads at these times, as I take my dogs to the park and need to drive to the park as I have mobility issues .
Lynmouth Avenue	DISAGREE	First thing is that children would be in a habit to use road for walking as no cars are there , which is wrong. It's road and build for car as well . Next road street are packed

6330918		and people are in rush to go to school , taking kids to school should not punished like this. I disagree with this approach which effects residents and parents , council is only collecting money with everyone Else inconvenience.
Lynmouth Avenue 6336167	DISAGREE	The restriction results in congestion in adjacent roads and especially Lynmouth avenue has increase use for access towards other roads
Lynmouth Avenue 6330864	DISAGREE	The implication will impact me and many others living in the surrounding area, parents will park in my already busy street causing congestion and hazards to pedestrians. I would suggest that parents are encouraged to walk their children to school, with the added health benefit. I would suggest that before a child is excepted in to the school a check should be made in to the proximity they live from the school. It appears that residents are paying the cost of selfish parents and poor planning from the school and council. The parents chose to send the children to the school, then it is their responsibility to get them school by foot or public transport.
Lynmouth Avenue 6330866	DISAGREE	There is a free car park in lower Morden lane if there is a need to drive to school this should be utilised. There has been no thought to the impact on local roads around the school and the residents who live close by, making bottlenecks elsewhere. Lynmouth Avenue is very busy in the mornings without pushing further traffic into the road it is unsafe in an emergency. The restrictions you are trying to force on local residents seems poorly thought out. Those who live in the road of the school have to adhere to a number of restrictions which I cannot see being beneficial to the resident. Better and clear road traffic controls in the borough would benefit us all young and old. We have an issue locally of adults on the pavements and in the road on motorised scooters, I have yet to see this address. Clear and consistent speed limits across the borough. Double parking, parking on red routes, etc, address all of these issues to make a difference.
Garth Road 6330643	DISAGREE	Residents ,visitors ,deliveries and tradesmen all restricted crazy scheme roads are for driving on .
Garth Road 6330938	DISAGREE	---
Dudley Drive 6330626	DISAGREE	The scheme has a devastating impact on the nearby streets making them very dangerous. Parents are speeding along the streets looking for spaces, parking without consideration. The zones aren't solving the problem they are just moving them to another area. Please reconsider these plans.
Tudor Drive 6330954	DISAGREE	Appreciate that this scheme was set up for children's safety, however it has just created a problem elsewhere. With the restrictions now in Aragon Road the surrounding area is a lot busier and dangerous, the problem has moved. Children are now much more likely to be run over in adjacent Roads. It has not encouraged children to walk to school, moreover it has resulted in parents double parking, parking over drives, parking over drives and creating mayhem on roads at school times.
Churston Drive 6260489	DISAGREE	Simply not feasible for residents to arrange deliveries etc outside relevant hours, sat navs cannot negotiate so many restrictions, even if timings can be read whilst passing signs at under 20mph trying to turn round will cause chaos, carers etc. still need to access some residents during restricted times, all this does is push traffic to other local roads making them congested. Try carrot rather than stick against end users all the time or put money into viable fuel alternatives as cycles are not a physical option for many or viable for business use etc
Springfield Avenue 6279031	DISAGREE	This scheme is terrible. We drop our daughter at 8am to Caraousel Nursery (we cannot drop before as they have stopped early drop off due to COVID) and then we have to get to Sutton to drop our eldest to school within 20 mins. Restricting access to this road makes logistics for parents extremely hard and there has been no care but to enforce fines on us when we are just trying to get our kids to school and nursery and then get to work ourselves. Not everyone lives in walking distance to the school and not always is public transport the solution. you have implemented this without consulting the school or nursery on Aragon road and I think it is disgraceful.

Merton Council - call-in request form

1. Decision to be called in: (required)

School streets – EMTO results – Aragon Primary School

2. Which of the principles of decision making in Article 13 of the constitution has not been applied? (required)

Required by part 4E Section 16(c)(a)(ii) of the constitution - tick all that apply:

(a) proportionality (i.e. the action must be proportionate to the desired outcome);	x
(b) due consultation and the taking of professional advice from officers;	
(c) respect for human rights and equalities;	
(d) a presumption in favour of openness;	x
(e) clarity of aims and desired outcomes;	
(f) consideration and evaluation of alternatives;	
(g) irrelevant matters must be ignored.	

3. Desired outcome

Part 4E Section 16(f) of the constitution- select one:

(a) The Panel/Commission to refer the decision back to the decision making person or body for reconsideration, setting out in writing the nature of its concerns.	x
(b) To refer the matter to full Council where the Commission/Panel determines that the decision is contrary to the Policy and/or Budget Framework	
(c) The Panel/Commission to decide not to refer the matter back to the decision making person or body *	
* If you select (c) please explain the purpose of calling in the decision.	

4. Evidence which demonstrates the alleged breach(es) indicated in 2 above (required)

Required by part 4E Section 16(c)(a)(ii) of the constitution:

(a) Proportionality

The decision to make the experimental traffic order permanent is not proportionate as it has not considered the views of the residents of Aragon Road who have expressed a clear view that the temporary school streets scheme should not become permanent.

(d) a presumption in favour of openness

The majority of residents who responded to the consultation including those within the newsletter postal area, and those from outside of it have made their views very clear. If 72.6% of all respondents oppose the scheme then a decision to proceed with it cannot be considered to be one that has been made with any presumption of openness as it seems clear that the decision was made a long time ago and the consultation has been used as a fig leaf of legitimacy for the administration.

5. Documents requested

Aragon Road school streets report.

Minutes of any meetings connected to the decision.

6. Witnesses requested

Cllr Martin Whelton, Cabinet Member for Transport, Regeneration and the Climate Emergency

Cllr Rebecca Lanning, Cabinet Member for Adult Social Care and Public Health

Chris Lee, Director of Environment and Regeneration, LB Merton

Mitra Dubet, Commissioning Manager LBM

7. Signed (not required if sent by email):

8. Notes – see part 4E section 16 of the constitution

Call-ins must be supported by at least three members of the Council.

The call in form and supporting requests must be received by 12 Noon on the third working day following the publication of the decision.

The form and/or supporting requests must be sent:

- **EITHER** by email from a Councillor's email account (no signature required) to democratic.services@merton.gov.uk
- **OR** as a signed paper copy to the Head of Democracy Services, 7th floor, Civic Centre, London Road, Morden SM4 5DX.

For further information or advice contact the Head of Democracy Services on

020 8545 3864

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Committee: Healthier Communities & Older People Overview and Scrutiny Panels

10 January 2022

Children and Young People Overview and Scrutiny Panels

12 January 2022

Sustainable Communities Overview and Scrutiny Panel

18 January 2022

Overview and Scrutiny Commission

19 January 2022

Wards: ALL

Subject: Business Plan Update 2022-2026 (Members are requested to bring the Member's Information Pack with them to these meetings)

Lead officer: Caroline Holland

Lead member: Councillor Tobin Byers

Contact officer: Roger Kershaw

Recommendations:

1. That the Panels consider the proposed amendments to savings previously agreed set out in the Member's Information Pack;
 2. That the Overview and Scrutiny Commission also consider the Draft Business Plan 2022-26 report received by Cabinet at its meeting on 17 January 2022;
 3. That the Panels consider the draft capital programme 2022-26 set out in Appendix 3 of the attached report on the Business Plan;
 4. That the Panels consider the draft savings/income proposals and associated draft equalities analyses set out in the Member's Information Pack;
 5. That the Panels consider the draft service plans set out in the Member's Information Pack;
 6. That the Panels consider the contents of the Member's Information Pack circulated;
 7. That the Overview and Scrutiny Commission considers the comments of the Panels on the Business Plan 2022-2026 and details provided in the information pack and provides a response to Cabinet when it meets on the 7 February 2022.
-

1. Purpose of report and executive summary

- 1.1 This report requests Scrutiny Panels to consider the latest information in respect of the Business Plan and Budget 2022/23, including new savings proposals, amendment to savings previously agreed by Council, the draft capital programme 2022-26, and the draft service plans, and feedback comments to the Overview and Scrutiny Commission.
- 1.2 The Overview and Scrutiny Commission will consider the comments of the Panels and provide a response on the Business Plan 2022-26 to Cabinet when it meets on the 7 February 2022.

2. Details - Revenue

- 2.1 The Cabinet of 6 December 2021 received a report on the business plan for 2021-26.
- 2.2 At the meeting Cabinet

RESOLVED:

1. That Cabinet considers and agrees the draft unachievable savings/income proposals (Appendix 4) put forward by officers and refers them to the Overview and Scrutiny panels and Commission in January 2022 for consideration and comment.
2. That Cabinet considers and agrees the new savings proposals for 2022/23 to 2025/26 (Appendix 3) and refers them to the Overview and Scrutiny panels and Commission in January 2022 for consideration and comment.
3. That Cabinet considers and agrees the draft Capital Programme 2022-2026 (Appendix 5) and refers it to the Overview and Scrutiny panels and Commission in January 2022 for consideration and comment.
4. That Cabinet agrees the proposed Council Tax Base for 2022/23 set out in paragraph 2.7 and Appendix 1.
5. That Cabinet note the opportunity set out in the Spending Review 2021 to enable social service authorities to apply an Adult Social Care Precept in 2022/23 and, subject to confirmation of this when the Referendum Principles are announced in the Local Government Finance Settlement 2022/23, agrees to incorporate this into the MTFs for 2022-26.
6. That Cabinet note that Equalities Impact Assessments for each saving, where applicable, will be included in the Member's Information Pack for consideration in future meetings

3. Alternative Options

- 3.1 It is a requirement that the Council sets a balanced budget. The Cabinet report on 6 December 2021 sets out the progress made towards setting a balanced budget and options on how the budget gap could be closed. This identified the

current budget position that needs to be addressed between now and the report to the Cabinet meeting on 7 February 2022, prior to Council on 2 March 2022, agreeing the Budget and Council Tax for 2022/23 and the Business Plan 2022-26, including the MTFs and Capital Programme 2022-26.

4. Capital Programme 2022-26

- 4.1 Details of the draft Capital Programme 2022-26 were agreed by Cabinet on 6 December 2021 in the attached report (Appendix 3) for consideration by Overview and Scrutiny panels and Commission.

5. Consultation undertaken or proposed

- 5.1 Further work will be undertaken as the process develops.
- 5.2 There will be a meeting on 15 February 2022 with businesses as part of the statutory consultation with NNDR ratepayers. Any feedback from this meeting will be reported verbally to Cabinet on 7 February 2022.
- 5.3 As previously indicated, an information pack was distributed to all councillors at the end of December with a request that it be brought to all Scrutiny and Cabinet meetings from 10 January 2022 onwards and to Budget Council. This should maintain the improvement for both councillors and officers which makes the Business Planning process more manageable for councillors and ensures that only one version of those documents is available so referring to page numbers at meetings is easier. It also considerably reduces printing costs and reduces the amount of printing that needs to take place immediately prior to Budget Council.
- 5.4 The information pack includes:
- New Savings proposals 2022-26
 - Amendments to existing savings
 - A draft Equality impact assessment for each saving proposal.
 - Service plans

6. Timetable

- 6.1 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 was agreed by Cabinet on 11 October 2021. The agreed key dates are included in the body of this report.

7. Financial, resource and property implications

- 7.1 These are set out in the Cabinet reports for 11 October 2021 (Appendix 1), 8 November 2021 (Appendix 2) and 6 December 2021 (Appendix 3) and the Information Pack.

8. Legal and statutory implications

- 8.1 All relevant implications have been addressed in the Cabinet reports. Further

work will be carried out as the budget and business planning process proceeds and will be included in the budget report to Cabinet on the 7 February 2022.

8.2 Detailed legal advice will be provided throughout the budget setting process further to any proposals identified and prior to any final decisions.

9. **Human Rights, Equalities and Community Cohesion Implications**

9.1 All relevant implications will be addressed in Cabinet reports on the business planning process.

9.2 A draft equalities assessment has been carried out with respect to the proposed budget savings where applicable and is included in the Savings Information Pack circulated to all Members.

10. **Crime and Disorder implications**

10.1 All relevant implications will be addressed in Cabinet reports on the business planning process.

11. **Risk Management and Health and Safety Implications**

11.1 All relevant implications will be addressed in Cabinet reports on the business planning process.

Appendices – the following documents are to be published with this report and form part of the report

Appendix 1 - Cabinet report 11 October 2021: Draft Business Plan 2022-26

Appendix 2 - Cabinet report 8 November 2021: Draft Business Plan 2022-26

Appendix 3 - Cabinet report 6 December 2021: Draft Business Plan 2022-26

(NB: These exclude Savings, Service Plans and Equalities Assessments which are included in the Member's Information Pack)

BACKGROUND PAPERS

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

Budget files held in the Corporate Services department.

2021/22 Budgetary Control and 2020/21 Final Accounts Working Papers in the Corporate Services Department.

Budget Monitoring working papers

MTFS working papers

13. **REPORT AUTHOR**

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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:-

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
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:-

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

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:

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

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)	Lowest %	Highest %	Average %
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:-

DRAFT MTFS 2022-26:				
	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000
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)
Corporate Funding in the MTFS	(52,892)	(54,133)	(55,001)	(55,887)

* 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)
TOTAL	(17,723)	(18,113)	(18,113)	(18,113)

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
Financed by:					
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
Net financing need for the year	0	10,064	7,743	9,416	17,261

*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
Financed by:					
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
Net financing need for the year	3,161	9,853	10,036	16,603	14,310

*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
Financed by:					
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
Net financing need for the year	3,472	9,858	13,828	17,994	26,450

*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
Total Change due to outturn, slippage & new bids	(701)	(257)	(167)	(193)

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:-

Investment Income	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
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)
Sub-total	(3,471)	8,296	4,825
Corporate	698	938	1,636
Total	(2,773)	9,234	6,461

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
Total	6,903	3,262	3,641	52.7%	2,105

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
Total	12,074	5,048	3,678	786

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
Cumulative growth	3,862	4,252	4,252	4,252

New General Growth

Cumulative growth	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
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
Total	2,107	2,127	2,597	2,168

* 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.

Cumulative growth MTFS (Council March 2021)	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
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)	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
MTFS Gap (Council March 2021)	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
Revised MTFS Gap 2022-26	1,175	17,004	20,785	24,246

- 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:-

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

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

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

SAVINGS TARGETS BY DEPARTMENT	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
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
Total	1,175	15,829	3,781	3,461	24,246
Total (cumulative)	1,175	17,004	20,785	24,246	

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

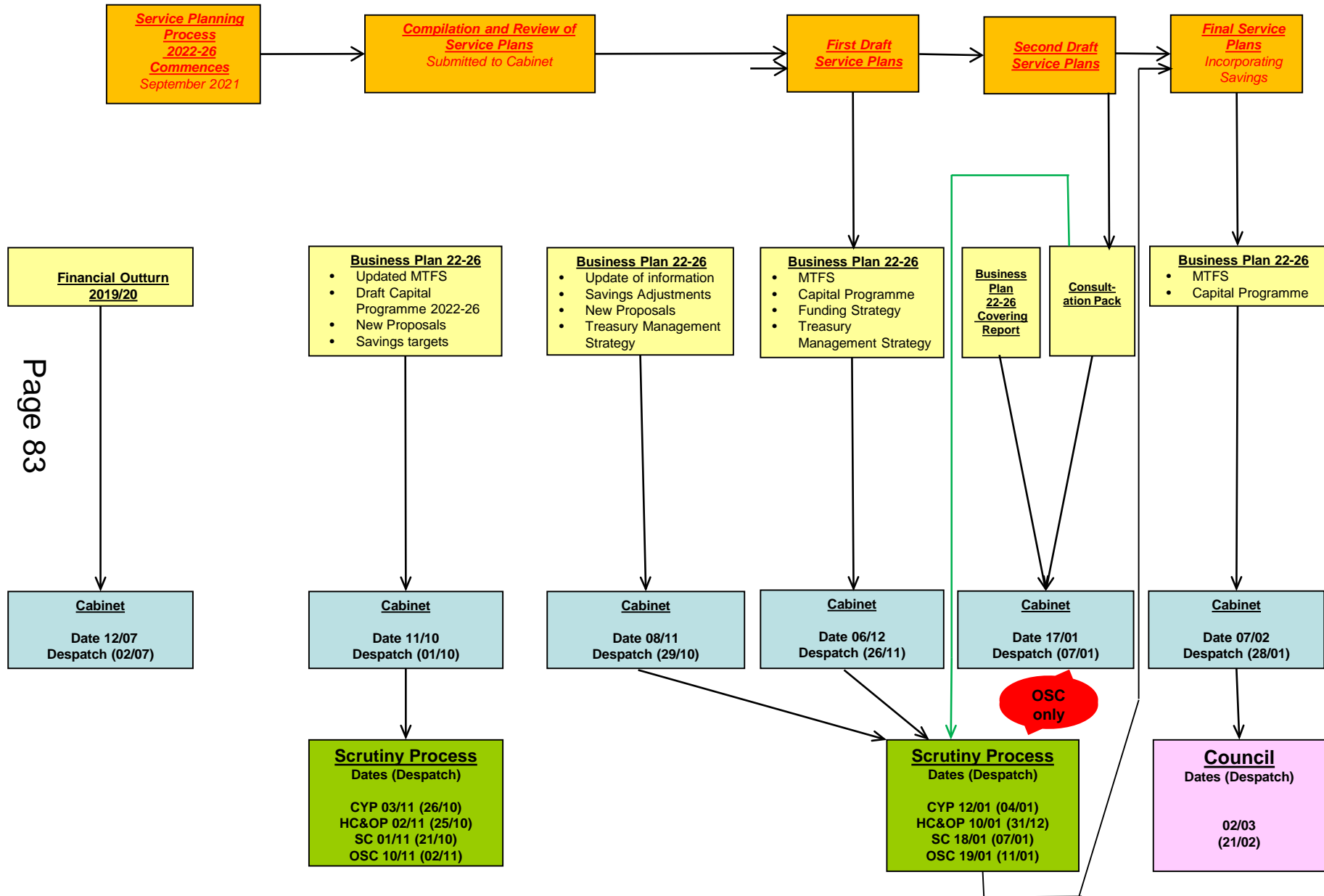
15.1 The following documents have been relied on in drawing up this report but do not form part of the report:

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



DRAFT MTFS 2022-26:				
	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000
Departmental Base Budget 2021/22	161,837	161,837	161,837	161,837
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
Re-Priced Departmental Budget	181,082	184,641	192,999	198,933
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
Sub-total: Corporate provisions	(8,073)	(8,334)	(7,430)	(6,505)
Sub-total: Repriced Departmental Budget + Corporate Provisions	173,010	176,308	185,570	192,428
Savings/Income Proposals 2022/23	0	0	0	0
Sub-total	173,010	176,308	185,570	192,428
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
BUDGET REQUIREMENT	155,763	176,090	184,846	191,704
Funded by:				
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
TOTAL FUNDING	(154,589)	(159,086)	(164,060)	(167,458)
GAP including Use of Reserves (Cumulative)	1,175	17,004	20,785	24,246

Cabinet

Date: 8 November 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 considers and agrees the draft Capital Programme 2022-2031 and refers it to the Overview and Scrutiny panels and Commission in January 2022 for consideration and comment.
 - 2 That the Cabinet notes the details set out in the Government's Autumn Budget 2021 and Spending Review 2021.
-

1. Purpose of report and executive summary

- 1.1 This report provides an update on the Council's progress towards developing a Business Plan for 2022-26. In particular, it sets out the latest financial information relating to the MTFS 2022-26 and its impact on the requirement to set a balanced budget and Council Tax for 2022/23.
- 1.2 There is an update on the current information available relating to local government finance and relevant financial and economic factors which will have an important bearing on the Council's approach to balancing the budget. This includes a summary of the relevant details announced in the Autumn Budget 2021 and Spending Review 2021.
- 1.4 There is an update on 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.

- 1.5 There is an update on the potential impact in 2022/23 and possibly beyond, of other factors such as inflation, that may affect Council services in the MTFS period.
- 1.6 Finally, there is an update on the Council's draft capital programme 2022-31 and the ongoing revenue impact of that programme.

Details

2. Background

- 2.1 The last report to Cabinet on 11 October 2021 set out the set 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 proposed initial departmental targets to be met from savings and income over the four year period of the MTFS.
- 2.2. The report emphasised the high degree of economic and financial uncertainty which surrounds local government finance at the present time and presented an updated MTFS 2022-26 based on the latest information available.
- 2.3 The report to Cabinet in October presented an updated MTFS which rolled forward the previous year's by one year, re-priced for the latest inflation forecasts, and included some assumptions about potential expenditure pressures, capital financing costs arising from a draft capital programme including some new bids, and potential use of reserves.. On this basis the MTFS gap was as follows:-

	2022/23	2023/24	2024/25	2025/26
(Cumulative)	£000	£000	£000	£000
MTFS GAP	1,175	17,004	20,785	24,246

- 2.4 Based on this budget gap in the MTFS, some indicative savings targets were set out for each department.
- 2.5 Cabinet on 11 October 2021 resolved:-
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.

2.6 Forecast of Resources and Local Government Finance Settlement

- 2.6.1 As reported to Cabinet in October, on 7 September the Government announced that it would present an Autumn 2021 budget alongside a Spending Review on 27 October 2021. The Spending Review sets departmental Resource and Capital Departmental Expenditure Limits for 2022/23 to 2024/25, and looks at the future of public services after Covid and how resources will be allocated.

A summary of the key issues for local government and therefore Merton council is provided in Appendix 1.

In terms of council tax, the referendum threshold for increases in council tax is expected to remain at 2 per cent per year. In addition, local authorities with social care responsibilities are expected to be able to increase the adult social care precept by up to 1 per cent per year.

The Department for Levelling Up, Housing and Communities (DLUHC) will set out full details of the council tax referendum principles and proposed approach to allocating grant funding through the Local Government Finance Settlement.

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.

Whilst the Spending Review 2021 is multi-year, it makes no mention of whether the Local Government finance Settlement expected in December 2021 will be a three-year Settlement or whether and when local government finance reforms such as the Fair Funding Review will be implemented. Confirmation of a three year Settlement would greatly assist the Council to forward plan.

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.

In the report to Cabinet in October, it was confirmed that Leaders of London Councils had agreed not to participate in a London-wide Business Rate pool in 2022/23.

Whilst there are many figures in the Spending Review 2021 setting out nation allocations for a wide number of initiatives, it will not become clear what the allocations of those funding allocations to individual councils will be until the Provisional Local Government Finance Settlement 2022 in December 2021. Progress will be reported as part of the Business Planning process.

2.6.2 Inflation

The Consumer Prices Index (CPI) rose by 3.1% in the 12 months to September 2021, down from 3.2% in August. On a monthly basis, CPI increased 0.3% in September 2021, compared with a rise of 0.4% in September 2020. The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 2.9% in the 12 months to September 2021, down from 3.0% in the 12 months to August.

The RPI rate for September 2021 was 4.9%, which is up from 4.8% in August 2021.

Although the inflation rate fell slightly in September, it is expected to rise in future months. The Institute for Fiscal Studies in an October 2021 report state that "inflation is set to increase sharply in the second half of 2021, with annual CPI forecast to peak at 4.6% in April 2022. For now, the drivers here seem transitory. Energy and base effects are likely to push up inflation, as are trade disruptions and imported inflation. These effects could prove sticky, but should ultimately dissipate. The larger risk remains a more persistent domestically driven price surge. For now, the risks here remain more contained. Accelerating inflation is currently being driven by just a handful of primarily imported goods, with services inflation, in particular, more subdued. We also do not expect the labour market to prove sufficiently tight in aggregate to drive up costs on a more persistent basis. Elevated unit labour costs instead seem more likely to drive job losses rather than wage pressures.

However, inflation expectations are more of a concern. If these begin to shift up, firms may be willing to accept higher wages and offer higher prices – creating the potential for a genuine wage price spiral. Going into the pandemic, inflation expectations were at rather than below target levels – in contrast with both the US and Eurozone. Upwards pressures across firms, households and financial markets are increasingly evident, and acute labour shortages might heighten the risks. However, as transitory inflation likely gives way to disinflation, upside risks in the coming months may also shift to the downside in the medium term. The latter could prove even more difficult to combat."

The MTFs reported to Cabinet in October 2021 includes the following assumptions relating to pay and price inflation:-

(Cumulative £000)	2022/23	2023/24	2024/25	2025/26
Pay inflation (%)	2.0%	2.0%	2.0%	2.0%
Price inflation (%)	2.5%	1.5%	1.5%	1.5%

Provision for Excess Inflation:

There is also a corporate provision 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. The amounts included in the MTFS are:-

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

Given the volatility of the inflation forecasts, the provision in the MTFS will be kept under review but it is not intended to change the current provision at this stage.

3. Savings Targets 2022-26

- 3.1 Cabinet in October agreed savings targets for each department. Proposals for savings will be reported to Cabinet in December 2021 and forwarded to Overview and Scrutiny Panels and the Commission for consideration in January 2021.

4. Capital Programme 2022-2031

- 4.1 The report to Cabinet in October included some financial details of a draft Capital Programme 2022-31 including the implications of outturn 2020/21 slippage and some new bids .
- 4.2 Work has been continuing since then to review the current capital programme and present some new bids for capital investment.
- 4.3 Appendix 3 details the current capital programme 2022-31 based on September 2021 monitoring information.
- 4.4 Appendix 4 summarises the new bids it is proposed be added to the current programme.
- 4.5 The change in the capital programme and related capital financing costs since those reported to Cabinet in October 2021 are summarised in the following table:-

Capital Expenditure	2022/23 Estimate £000	2023/24 Estimate £000's	2024/25 Estimate £000's	2025/26 Estimate £000's
Capital Expenditure (Cabinet October 2021)	30,048	21,148	24,059	30,379
Capital Expenditure (Cabinet November 2021)	29,561	19,773	23,197	30,258
Change in Capital Forecast	(487)	(1,375)	(862)	(121)
Capital Financing Costs (Cabinet October 2021)	10,849	11,737	12,810	13,615
Capital Financing Costs (Cabinet November 2021)	10,833	11,733	12,787	13,577
Change in Capital financing Costs	(16)	(4)	(23)	(38)

5. Updated MTFS 2022-26

5.1 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.

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

(cumulative)	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
MTFS Gap (Cabinet 11 October 2021)	1,175	16,983	20,703	24,044
Change in Capital Financing Costs	(16)	(4)	(23)	(38)
Revised MTFS Gap 2022-26	1,159	16,979	20,680	24,006

6. Service Planning for 2022-26

6.1 The pilot Service planning process for 2022-26 was launched in August 2021.

6.2 First draft Service Plans will be reported to Cabinet in December 2021 and scrutiny in January 2022.

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.

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 Appendix1.

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 Summary of Autumn budget and Spending Review 2021

Appendix 2 MTFS Summary – Update November 2021 Cabinet

Appendix 3 Capital Programme 2022-23 – Current Programme Sept. 2021

Appendix 4 Capital Programme – New bids

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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AUTUMN BUDGET AND SPENDING REVIEW 2021

The Chancellor of the Exchequer presented the Autumn budget and Spending Review 2021 on 27 October 2021, setting out the Government's plans for 2021-2025. The Spending Review 2021 (SR21) sets departmental budgets up to 2024-25.

Also on 27 October 2021, the Office for Budget Responsibility (OBR) published the Economic and fiscal outlook (EFO) – October 2021 setting out its central forecast to 2026-27 taking account of recent data and Government policies announced up to and including the October 2021 Budget and Spending Review.

OBR Economic Outlook

	Actual 2020	Forecast 2021	Forecast 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
GDP Growth	-9.8	6.5	6.0	2.1	1.3	1.6	1.7
CPI Inflation	0.9	2.3	4.0	2.6	2.1	2.0	2.0
Unemployment (% rate)	4.6	4.9	4.8	4.3	4.2	4.2	4.2

SR21 – Headline public finance and general local government funding announcements

- Every department's overall spending will increase in real terms as a result of SR21, and over the period 2019-20 to 2024-25 allowing for the additional provision that the government has set aside to take Official Development Assistance (ODA) to 0.7% of Gross National Income (GNI) in 2024-25.
- Total departmental spending is set to grow in real terms at 3.8% a year on average over the period 2019-20 to 2024-25 – a cash increase of £150 billion a year by 2024-25 (£90 billion in real terms).
- The total Resource Departmental Expenditure Limit is set to grow in cash terms by over £100 billion a year over the period 2019-20 to 2024-25. This is equivalent to an average annual real increase of 3.3 per cent from 2021/22 to 2024/25.
- Core spending power for local authorities is estimated to increase by an average of 3 per cent in real-terms each year over the SR21 period. This is dependent on councils increasing council tax by 3% per year (including 1% ASC precept)
- The government is providing councils with £4.8 billion of new grant funding over the SR21 period for social care and other services. This includes the £200million commitment to increase Supporting Families funding, funding for cyber security and funding to improve local delivery and transparency.
- The Local Government Departmental Expenditure Limit (LG DEL) will rise by £3.6 billion by 2024/25, or an average annual real terms increase of 9.4 per cent from 2021/22 to 2024/25. This includes £2 billion in 2024/25 related to the income from the health and social care levy, intended to fund the reforms set out in the adult social care reform command paper.

Council Tax

- The referendum threshold for increases in council tax is expected to remain at 2 per cent per year. In addition, local authorities with social care responsibilities

are expected to be able to increase the adult social care precept by up to 1 per cent per year.

- The Department for Levelling Up, Housing and Communities (DLUHC) will set out full details of the council tax referendum principles and proposed approach to allocating grant funding through the Local Government Finance Settlement.

Business rates

- The conclusions of the government's review of business rates were published alongside the Budget. To reduce the burden of business rates in England, support investment, and make the system more responsive, the government will:
 - freeze the business rates multiplier for a second year, from 1 April 2022 until 31 March 2023, keeping the multipliers at 49.9p and 51.2p
 - introduce a new temporary business rates relief for eligible retail, hospitality and leisure properties for 2022-23. Eligible properties will receive 50 per cent relief, up to a £110,000 per business cap
 - introduce a 100 per cent improvement relief for business rates. This will provide 12 months relief from higher bills for occupiers where eligible improvements to an existing property increase the rateable value. The government will consult on how best to implement this relief, which will take effect in 2023 and be reviewed in 2028
 - introduce from 1 April 2023 until 31 March 2035 targeted business rate exemptions for eligible plant and machinery used in onsite renewable energy generation and storage, and a 100 per cent relief for eligible heat networks, to support the decarbonisation of non-domestic buildings.
 - increase the frequency of business rates revaluations so that they take place every 3 years instead of every 5 years, starting in 2023, and take measures to support the accuracy of the list
 - provide additional funding to the Valuation Office Agency to support the delivery of the new revaluation cycle.
 - extend transitional relief for small and medium-sized businesses, and the supporting small business scheme, for 1 year. This will restrict bill increases to 15 per cent for small properties (up to a rateable value of £20,000 or £28,000 in Greater London) and 25 per cent for medium properties (up to a rateable value of £100,000), subject to subsidy control limits.
- English Local Authorities will be fully compensated for the loss of income as a result of these business rates measures and will receive new burdens funding for administrative and IT costs.
- The Government's analysis assumes that the business rates retention pilots that were introduced in 2017/18 will continue until 2024/25. Further detail on arrangements beyond the current year will be provided by DLUHC in due course.
- Responses to the Call for Evidence highlighted that avoidance and evasion are important concerns for local government stakeholders, with responses identifying particular concerns around misuse of Empty Property Relief (EPR). The government is undertaking further detailed work, and will consult on measures next year.

Adult social care

- At the Budget and SR21, the government confirmed its commitments to reform social care for the long term. The government has already announced £5.4 billion of additional funding to reform adult social care, to be funded by the new Health and Social Care Levy.
- In England this will end unpredictable costs for people across the country by introducing a cap of £86,000 for personal care costs and expanding the means tested support to people with less than £100,000 in relevant assets. At least £500 million from this package will fund investment in the skills, qualifications and wellbeing of the care workforce.
- SR21 will improve social care outcomes through an affordable, high-quality and sustainable adult social care system. SR21 confirms:
 - £3.6 billion will go directly to local government over the SR21 period to implement the cap on personal care costs and changes to the means test. This funding will also help local authorities better sustain their local care markets by moving towards a fairer cost of care
 - £1.7 billion over three years to improve the wider social care system, including the quality and integration of care. At least £500 million of this will be allocated to improve qualifications, skills and wellbeing across the adult social care workforce additional funding through the local government settlement to ensure all local authorities are able to meet core pressures in adult social care.
- The Government is providing councils with £4.8 billion of new grant funding over the SR21 period for social care and other services. This represents the largest annual increases in local government core funding in over a decade.
- To ensure that all local authorities have access to the resources they need to deliver core services such as children's social care, road maintenance and waste management, the referendum threshold for increases in council tax is expected to remain at 2 per cent per year. In addition, local authorities with social care responsibilities are expected to be able to increase the adult social care precept by up to 1 per cent per year.

Note: The LGA have highlighted that the Spending Review has not set out how much of the £5.4 billion will need to be used to pay for the other Government reform commitments, including: action to better support unpaid carers, investment in Disabled Facilities Grant, supported housing and other housing innovations, and improved information and advice. This information is needed urgently so councils have a more thorough understanding of the work that will be expected of them over the coming months.

Key COVID-19 Programmes and Related Health Spending

£9.6 billion over the SR21 period for key COVID-19 programmes and related health spending. This will allow for a continued COVID-19 vaccination programme, principally booster campaigns to help to maintain high levels of immunity, and a targeted testing operation including essential surveillance. The government will set out further detail about the approach during the SR21 period in due course.

Public Health

- maintain the Public Health Grant in real terms over the SR21 period, enabling local authorities to invest in prevention and frontline services like child health visits
- continue the £100 million investment per year announced at SR20 to help people achieve and maintain a healthy weight
- invest in the Start for Life offer for families, reaching an additional £66 million in 2024-25, including breastfeeding advice and parent-infant mental health support.

Levelling up

The Government will publish the Levelling Up White Paper by the end of the year, setting out in more detail the framework and next steps towards levelling up opportunities and boosting livelihoods across the country.

The first £1.7 billion of allocations through the Levelling Up Fund, including over £342 million for Scotland, Wales and Northern Ireland, which will fund over 100 projects to improve local infrastructure.

UK Shared Prosperity Fund

SR21 included provision for a UK Shared Prosperity Fund (UKSPF) worth over £2.6 billion over the next three years. It is the successor to the EU Structural Fund programme and will better tailor funding to local needs across the UK. The UKSPF will rise to £1.5 billion a year by 2024-25.

Alongside investments in skills the UKSPF will support a range of skills and employment focused programmes, including, as a first priority, the £560 million UK-wide adult numeracy programme, “Multiply”, that will equip more adults with functional numeracy skills across the UK. In England, this will particularly benefit the North East, West Midlands and Yorkshire and the Humber, which currently have the highest rates of poor numeracy in England. Multiply will help individuals to further their career potential and improve access to better paying jobs.

Digital connectivity

SR21 confirmed investment of £1.2 billion (from 2021-22 to 2024-25) of the £5 billion Project Gigabit commitment to level up all parts of the UK with a target of 85 per cent high-quality, gigabit capable broadband coverage by 2025. The government will provide £180 million over the next three years as part of the government’s £500 million investment for the Shared Rural Network, to deliver high-quality 4G mobile coverage to 95 per cent of the UK.

Waste and recycling

SR21 includes funding of more than £300 million to implement free, separate food waste collections in every local authority in England from 2025.

Flooding

SR21 includes

- an additional £27 million to support flooding incident and emergency response activities and an additional £22 million each year for the maintenance of flood defences.
- the government will commission a new NIC (National Infrastructure Commission) study, to report by November 2022, on the effective management of surface water flooding in England.

Greener transport

SR21 announced that to support the uptake of electric vehicles, the Government will provide an additional £620 million for public charging in residential areas and targeted plug-in vehicle grants, building on the £1.9 billion committed at SR20.

SR21 provides over £3 billion over the Parliament, including a new commitment of £1.2 billion for bus transformation deals to deliver London-style services, fares and infrastructure improvements.

The Budget and SR21 also provides over £2 billion of investment in cycling and walking over the Parliament to build hundreds of miles of high-quality, segregated bike lanes and other facilities to improve cyclists' safety. This includes £710 million of new investment in active travel funding over the next three years, building on SR20 and funding for new schemes through city region settlements.

Potholes

SR21 includes £2.7 billion over the next 3 years for local roads maintenance in places not receiving City Region Settlements - to fill in potholes, repair bridges and resurface roads.

Children's social care

The Chancellor announced that the settlement will continue to support the most disadvantaged and vulnerable children and young people through high quality education and local services, so that no one is left behind.

SR21 includes:-

- over £200 million a year for the continuation of the holiday activities and food programme, providing enriching activities and healthy meals for disadvantaged children during school holidays
- a new funding package of £104 million by 2024-25 to take forwards reforms to unregulated provision in children's social care, improving safeguarding standards for some of our most vulnerable children and young people
- £7 million in 2024-25 to implement DfE's Adoption Strategy 'Achieving Excellence Everywhere', to improve access to services and support for adopted children and their families

- £259 million over the SR21 period to maintain capacity and expand provision in secure and open residential children's homes. This will provide high quality, safe homes for some of our most vulnerable children and young people.

To ensure swift access to justice, the government is investing over £1 billion over the SR period to increase capacity and efficiency across the court estate and recover from the impacts of COVID-19. This includes £324 million to increase capacity in the civil, family and tribunal jurisdictions to continue tackling backlogs and improve timeliness.

Education, Childcare and Family Services

The settlement provides new funding of £208 million by 2024-25, including:-

- £170 million by 2024-25 to increase the hourly rate to be paid to early years providers, to deliver the government's free hours offers. This builds on the £44 million increase confirmed at SR20.
- £18 million in 2024-25 to create a network of family hubs to improve access to services for families, and £20 million in 2024-25 for parenting support
- reaffirms £150 million over the SR21 period for training of early years staff to support children's learning and development, as part of the £1.4 billion announced in June 2021 to help children catch up on lost learning.

Special Educational Needs and Disability

SR21 announced that the settlement will continue to support the most disadvantaged and vulnerable children and young people through high quality education and local services, so that no one is left behind. It makes available £2.6 billion over the SR21 period for school places for children with special educational needs and disabilities.

Youth services

SR21 announced that to reduce inequalities of participation in society and support the government's ambition to level up the country, the settlement invests in world-class sports and youth facilities, including, over the SR21 period, £560 million for youth services in England, including funding the government's commitment to a Youth Investment Fund which will deliver up to 300 youth facilities in areas most in need. This reconfirms the £500 million Youth Investment Fund first announced in September 2019, along with additional funding for the National Citizen Service.

Education

A new package of £1.8 billion over the SR21 period that is directly targeting education recovery was announced. This includes a £1 billion Recovery Premium for the next two academic years for schools.

Skills – Training and Apprenticeships

The Government is helping young people and adults to access the training they need to reach their full potential through:

- meeting the government's commitment to the National Skills Fund, by providing a 29 per cent real terms increase in adult skills funding from 2019-20 to 2024-25. This will expand the Lifetime Skills Guarantee so more adults in England can access funding for in-demand Level 3 courses and scale up Skills Bootcamps. Additionally, the Government is launching the innovative Multiply programme, providing opportunities for adults across the whole of the UK to develop their numeracy skills.
- an additional £1.6 billion by 2024-25 for 16-19 year-olds' education in England. This means colleges will be funded for the 110,000 extra students they will be teaching by 2024-25
- The Government is increasing apprenticeships funding to £2.7 billion by 2024-25 and delivering an apprenticeship system improvements for all employers. These include:-
 - an enhanced recruitment service by May 2022 for small and medium-sized enterprises (SMEs), helping them hire new apprentices
 - supporting flexible apprenticeship training models.
 - introducing a return-on-investment tool in October 2022 to ensure employers can see the benefits apprentices create in their business.
- To ensure businesses get the talent they need, SR21 confirms that the government is extending the £3,000 apprentice hiring incentive for employers until 31 January 2022 and investing approximately £10 million a year over the SR period in the Sector Based Work Academy Programme (SWAPs). SWAPs give unemployed people the opportunity to undertake work experience, learn new skills and retrain into high-demand sectors in their local area.
- Building on the Plan for Jobs and £3.6 billion of additional funding provided at SR20, the settlement provides more than £6 billion over the SR21 period to maximise employment across the country. This includes funding to extend the Kickstart scheme to March 2022, which has supported nearly 95,000 young people to date, and investing over £60 million over the next three years in the Youth Offer.
- As the UK builds back better from COVID-19, the government is focused on addressing the threat posed by climate change. The Net Zero Strategy (NZS) sets out the Government's plans to build back greener and realise the significant wider economic and social benefits of delivering the UK's 2050 net zero emissions target.

Housing and planning

SR21 confirmed a settlement of nearly £24 billion for housing, up to 2025-26. It announced:-

- additional £1.8 billion for housing supply, to deliver £10 billion investment since the start of this Parliament and unlock over 1 million new homes over the SR21 period and beyond. This includes £300 million locally-led grant funding that will be distributed to Mayoral Combined Authorities and Local Authorities to unlock smaller brownfield sites for housing and improve communities in line with their priorities, and £1.5 billion to regenerate underused land and deliver transport links and community facilities, unlocking 160,000 homes in total.

- an additional £65 million investment to improve the planning regime, through a new digital system which will ensure more certainty and better outcomes for the environment, growth and quality of design.

Homelessness and rough sleeping

Building on the reduction in rough sleeping numbers by over a third between 2019 and 2020, and as part of the government's commitment to end rough sleeping, SR21 provides £639 million resource funding by 2024-25, a cash increase of 85 per cent compared to 2019-20. This brings total funding to £1.9 billion resource and £109 million capital investment over SR21. This will:-

- build on the investment and progress made since 2017 – where the number of people sleeping rough on a single night has been brought down from 4,751 to 2,688 in 2020
- continue funding the Rough Sleeping Initiative, which invests in locally-led, tailored interventions to move rough sleepers into secure accommodation, where they can get the help they need to rebuild their lives; provide drug and alcohol treatment for people sleeping rough who need it; and support for those who are experiencing or at risk of homelessness through the Homelessness Prevention Grant
- complete delivery of 6,000 homes under the Rough Sleeping Accommodation Programme to create housing pathways to get people off the street into longer-term accommodation
- form part of a cross-government approach to address the drivers of rough sleeping, including funding for reoffending initiatives of £200 million a year by 2024-25 which includes delivery of transitional accommodation for prison leavers and treatment for substance misuse.

Building safety

- As announced in February 2021, the Government will introduce a new tax from April 2022 on the profits that companies and corporate groups derive from UK residential property development, to ensure that the largest developers make a fair contribution to help pay for building safety remediation. The tax will be charged at 4 per cent on profits exceeding an annual allowance of £25 million.
- SR21 confirms £5 billion funding (£3 billion of which is over the SR period) for remediation of the highest risk buildings with unsafe cladding to ensure everyone can feel safe and secure in their home.

Asylum and resettlement

- The Home Office settlement also provides additional funding to reduce illegal migration and deliver the Government's New Plan for Immigration. The settlement provides an additional £85 million resource funding by 2024-25, on top of the continuation of £110 million in 2021-22, bringing total investment to £195 million resource funding by 2024-25 and £50 million capital funding over the SR21 period for the New Plan for Immigration. This funding will strengthen

border security, improve our asylum caseworking system, and encourage more Local Authorities to participate in assisting asylum seekers

- The Home Office settlement demonstrates Global Britain in action, resettling 20,000 refugees from Afghanistan and supporting vulnerable people in our asylum system. This includes an additional £468 million by 2024-25 to protect vulnerable people by providing subsistence, accommodation and assistance to people seeking asylum in line with Home Office statutory duties.

Household energy

To support tens of thousands of households in England on low incomes, make their homes more energy efficient and reduce their energy bills, the Budget and SR provides £950 million for the Home Upgrade Grant and £800 million for the Social Housing Decarbonisation Fund.

Pensions tax relief administration

In 2025/26 the Government will introduce a system to make top-up payments in respect of contributions made in 2024/25 onwards directly to low-earning individuals saving in a pension scheme using a Net Pay Arrangement.

Universal Credit

To help people progress in work, and allow working households on Universal Credit to keep more of what they earn, the Government will:

- reduce the taper rate that applies in Universal Credit from 63 per cent to 55 per cent by 1 December 2021 so working households will keep more of every pound they earn
- increase the amount that households with children or a household member with limited capability for work can earn before their Universal Credit award begins to be reduced – the Work Allowances – by £500 a year by 1 December 2021
- These changes will directly benefit 1.9 million working households.

Criminal justice and preventing crime

- The Government will provide an extra £540 million by 2024/25 to recruit the final 8,000 police officers to meet the Government's commitment of 20,000 additional officers by 2023, continuing to support the police in fighting crime in England and Wales.
- The Government will provide £42 million for new programmes that reduce crime and drugs misuse, on top of £108 million to continue existing programmes. This brings total investment to £150 million a year to continue and expand programmes that prevent crime and keep our communities safe, including continuing the Safer Streets Fund and more enforcement to tackle drug misuse, including through the County Lines programme and Project ADDER
- Alongside introducing the Economic Crime (Anti-Money Laundering) Levy, the Government is delivering reforms in the Economic Crime Plan and on fraud by providing new investment of £18 million in 2022/23 and £12 million per year in 2023/24 and 2024/25.

- The Government will also support the criminal justice system in England and Wales by funding an additional £785 million in 2024/25 to manage the increased number of offenders being brought to justice and reduce waiting times in the criminal courts.
- In addition, SR21 provides a further £200 million a year by 2024/25 to improve prison leavers' access to accommodation, employment support and substance misuse treatment.
- The Government will bolster support for victims of crime by increasing annual funding for Ministry of Justice victim support services to over £185 million by 2024/25, an uplift of 85 per cent from 2019/20. This will increase the number of Independent Sexual and Domestic Violence Advisors to over 1,000 and fund other key services such as crisis helplines.
- The Government will provide an over £80 million cash increase in resource funding for the CPS by 2024/25. It ensures the Crown Prosecution Service (CPS) can continue to support the work of 20,000 additional police officers and go further to improve its response to rape and sexual assault cases in line with the ambitions set out in the government's end-to-end Rape Review. It also delivers increased CPS investment in digital innovation and delivers annual increases to core funding for the SFO to fight fraud, bribery, and corruption.

Cyber security

SR21 also provides funding to strengthen local authority functions vital for the delivery of public services

- £37.8 million of additional funding over the SR21 period to tackle cyber security challenges facing councils and invest in local authority cyber resilience, protecting vital services and data. Together with maintaining the funding that was announced at SR20, this will bring the total funding for cyber to £85.8 million over the SR21 period.
- SR21 provides a £114 million increase in the National Cyber Security Programme across the period, enabling the UK to keep adapting, innovating and investing to maintain and extend its competitive edge as a responsible, democratic cyber power.
- In total the Government is investing £2.6 billion in cyber and legacy IT over the SR21 period, with a particular emphasis on improving the government's own cyber security. This is in addition to the funding agreed for the National Cyber Force. The government will shortly publish further details on the strategy for cyber.

Culture, national events, and the creative industries

- The UK's cultural sectors will benefit from temporary rate uplifts to the Theatre, Orchestra and Museums & Galleries Exhibition tax reliefs. SR21 also provides £42 million to support the UK's world-leading creative industries, including supporting SMEs to scale up and providing bespoke support for the UK's independent film and video game industries.
- The Budget and SR maintains funding for the UK City of Culture programme, which honours the great cultural diversity of cities across the UK through culture-led regeneration.

- The settlement will grow the UK's world-leading culture and heritage sectors by:
 - investing over £850 million over the SR21 period for cultural and heritage infrastructure to safeguard national treasures and boost culture in local communities and on high streets
 - providing £52 million in new funding for museums and cultural and sporting bodies next year to support recovery from COVID-19 and an additional £49 million in 2024-25 to thrive thereafter
 - providing £14 million in each year of the SR21 to support our world-leading creative industries, including supporting SMEs to scale up and providing bespoke support for the UK's independent film and video game industries
 - funding the £800 million Live Events Reinsurance Scheme and an extension to the £500 million Film & TV Production Restart Scheme, to enable UK events and productions to thrive and plan with certainty
 - committing to work with relevant Arms' Length Bodies and their sponsoring departments to update and codify the operational and financial freedoms first introduced in 2013 for such organisations, to ensure that the freedoms are fit for purpose and that all stakeholders understand their scope going forward. (Pages 115-116, paragraph 4.79)

Parks, physical activity, and sporting events

- To ensure every region across the UK has access to the green spaces that are vital to people's physical and mental health, the Budget and SR21 announced the £9 billion Levelling Up Parks Fund, funding over 100 new parks in 2022-23 to ensure equal access to parks in urban areas that are deprived of green space.
- The Government is supporting Olympians and Paralympians to prepare for a successful Paris 2024 Olympic and Paralympic Games and is committing funding for the UK and Ireland's bid to host the 2030 men's Football World Cup. To support the World Cup bid, the Budget and SR21 is investing £205 million across the SR period to build or improve up to 8,000 community multi-use sports and football pitches across the UK. The Government is also funding the UK's bids to host the 2025 women's Rugby World Cup and the 2026 Tour de France Grand Depart, aiming to bring more world class sporting events to the UK.
- To reduce inequalities of participation in society and support the Government's ambition to level up the country, the settlement invests in world-class sports and youth facilities, including, over the SR21 period: £205 million to transform grassroots football infrastructure and multi-use sports facilities by rolling out up to 8,000 state-of-the-art community pitches and £22 million to refurbish more than 4,500 public tennis courts.

Tourism and the visitor economy

Up to 400,000 retail, hospitality and leisure properties will be eligible for a new, temporary £1.7 billion of business rates relief next year. This will provide support until the next revaluation, helping the businesses that make UK high streets and town centres successful evolve and adapt to changing consumer demands. Apart from reliefs in response to COVID-19, this is the biggest single-year cut to business rates in 30 years.

Procurement and commercial capacity

SR21 also provides £34.5 million of additional funding over the SR21 period to further strengthen local delivery and transparency. This funding will help strengthen the sector's procurement and commercial capacity, establish the Audit Reporting and Governance Authority as the new local audit systems leader, and help local councils meet new transparency requirements.

Public Sector Pay

In SR21 the Government announced an end to the temporary pay pause set out in SR20. The government will be seeking recommendations from Pay Review Bodies where applicable.

From 1 April 2022 the National Living Wage will increase by 6.6% to £9.50 per hour.

The Government is also accepting the Low Pay Commission's recommendations on increases in National Minimum Wage rates from 1 April 2022 including:-

- increasing the rate for 21 to 22 year olds by 9.8% from £8.36 to £9.18 per hour
- increasing the rate for 18 to 20 year olds by 4.1% from £6.56 to £6.83 per hour
- increasing the rate for 16 to 17 year olds by 4.1% from £4.62 to £4.81 per hour
- increasing the rate for apprentices by 11.9% from £4.30 to £4.81 per hour
- increasing the accommodation offset rate by 4.1% from £8.36 to £8.70 per hour

DRAFT MTFS 2022-26:				
	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000
Departmental Base Budget 2021/22	161,837	161,837	161,837	161,837
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
Re-Priced Departmental Budget	181,082	184,641	192,999	198,933
Treasury/Capital financing	10,842	11,751	12,805	13,595
Pensions	0	0	0	0
Other Corporate items	(19,548)	(20,716)	(20,946)	(20,946)
Levies	606	606	606	606
Sub-total: Corporate provisions	(8,100)	(8,359)	(7,535)	(6,745)
Sub-total: Repriced Departmental Budget + Corporate Provisions	172,983	176,283	185,465	192,188
Savings/Income Proposals 2022/23	0	0	0	0
Sub-total	172,983	176,283	185,465	192,188
Appropriation to/from departmental reserves	(1,754)	(723)	(724)	(724)
Appropriation to/from Balancing the Budget Reserve	(16,625)	0	0	0
ONGOING IMPACT OF COVID-19 (NET)	1,143	505	0	0
BUDGET REQUIREMENT	155,747	176,065	184,741	191,464
Funded by:				
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
TOTAL FUNDING	(154,589)	(159,086)	(164,060)	(167,458)
GAP including Use of Reserves (Cumulative)	1,159	16,979	20,680	24,006

APPENDIX 2

Approved and Indicative Capital Programme 2022-31 as at September 2021 Monitoring

Department	Department	Budget August 2022-23	Budget August 2023-24	Budget August 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29	Indicative Budget 2029-30	Indicative Budget 2030-31
Corporate Services	Corporate Services	8,070,210	5,245,000	13,071,120	4,186,000	9,089,190	3,280,000	7,879,770	3,830,000	5,061,000
Community and Housing	Community and Housing	2,500,000	972,000	920,410	630,000	280,000	420,000	280,000	280,000	630,000
Children, Schools and Families	Children, Schools and Families	4,620,490	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Environment and Regeneration	Environment and Regeneration	10,977,790	7,918,470	7,324,000	9,262,000	3,999,000	3,964,000	3,964,000	4,364,000	3,964,000
Total	Total	26,168,490	16,035,470	23,215,530	15,978,000	15,268,190	9,564,000	14,023,770	10,374,000	11,555,000

	Department	Budget August 2022-23	Budget August 2023-24	Budget August 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29	Indicative Budget 2029-30	Indicative Budget 2030-31
	Corporate Services									
Customer Contact Programme	Customer Contact Programme	2,026,000			1,000,000	1,000,000	1,000,000			2,000,000
Works to other buildings	Other Buildings - Capital Building Works	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
Works to other buildings	Replacement Boilers	378,680								
Civic Centre	Civic Centre Lighting Upgrade	300,000								
Civic Centre	Combined Heat and Power (CHP) System Replacement		450,000							
Civic Centre	Absorption Chiller Replacement		275,000							
Invest to Save schemes	Invest to Save schemes	573,690	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Invest to Save schemes	Invest to Save schemes - Photovoltaics	50,000								
Business Systems	Aligned Assets	0	0				75,000			
Business Systems	Environmental Asset Management	240,000					250,000			
Business Systems	Revenue and Benefits	400,000		0	400,000					400,000
Business Systems	Capita Housing	0			100,000		0			100,000
Business Systems	ePayments Project	0			125,000					125,000
Business Systems	School Admission System	125,000			125,000					125,000
Business Systems	Planning&Public Protection Sys	0	0	550,000				0	550,000	
Business Systems	Kofax Scanning	0			100,000					100,000
Business Systems	Spectrum Spatial Analyst Repla	0			200,000					200,000
Business Systems	Parking System	0	0		126,000					126,000
Business Systems	Ancillary IT Systems	0				50,000				
Business Systems	Youth Justice IT Systems	0		100,000					100,000	
Social Care IT System	Replacement SC System	0	2,100,000					2,100,000		
Planned Replacement Programme	Project General	705,000	770,000	1,405,000	1,060,000	970,000	1,005,000	770,000	1,405,000	1,060,000
Planned Replacement Programme	Network Switch Upgrade	200,000								
Financial System	Financial Systems - e5.5 Project	0	700,000					0	700,000	
Acquisitions Budget	Acquisitions Budget	0	0	6,785,180						
Capital Bidding Fund	Capital Bidding Fund	0	0	1,000,000						
Multi-Functioning Device (MFC)	Multi-Functioning Device (MFC)	0		600,000				600,000		
Corporate Capital Contingency	Corporate Capital Contingency	0	0	1,680,940						
Compulsory Purchase Order	CPO Clarion	2,421,840	0			6,119,190		3,459,770		
	Total Corporate Services	8,070,210	5,245,000	13,071,120	4,186,000	9,089,190	3,280,000	7,879,770	3,830,000	5,061,000

	Department	Budget August 2022-23	Budget August 2023-24	Budget August 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29	Indicative Budget 2029-30	Indicative Budget 2030-31
	Community and Housing									
Disabled Facilities Grant	Disabled Facilities Grant	827,000	827,000	720,410	280,000	280,000	280,000	280,000	280,000	280,000
Major Projects - Social Care H	Learning Dsbility Aff Housing	1,533,000	145,000							
Library Enhancement Works	West Barnes Library Re-Fit	0		200,000						
Major Library Projects	Library Self Service	0			350,000					350,000
Libraries IT	Library Management System	140,000					140,000			
	Total Community and Housing	2,500,000	972,000	920,410	630,000	280,000	420,000	280,000	280,000	630,000

	Department	Budget August 2022-23	Budget August 2023-24	Budget August 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29	Indicative Budget 2029-30	Indicative Budget 2030-31
	Children, Schools and Families									
St Mark's	Immersive Learning Centre	80,490								
Unlocated Primary School Pro	Unallocated - Schools Capital maintenance	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Secondary School Autism Unit	Secondary Autism Unit	1,310,000								
Unlocated SEN	Further SEN Provision	180,000								
Melbury College - Smart Centre	Medical PRU Expansion	400,000								
Unlocated SEN	New ASD Provision	750,000								
	Total Children, Schools and Families	4,620,490	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000

	Department	Budget August 2022-23	Budget August 2023-24	Budget August 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29	Indicative Budget 2029-30	Indicative Budget 2030-31
	Environmental and Regeneration									
Off Street Parking - P&D	Pay and Display Machines			60,000					60,000	
CCTV Investment	CCTV cameras and infrastructure upgrade	587,630	554,470							
Public Protection and Developm	Public Protection and Developm	0				35,000				
Fleet Vehicles	Replacement of Fleet Vehicles	551,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Alley Gating Scheme	Alley Gating Scheme	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Waste SLWP	Waste SLWP IT & Premises	21,430			42,000					
Waste SLWP	Replacement of Fleet Vehicles	340,000			3,956,000				340,000	
Street Trees	Street Tree Programme	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Highways & Footways	Street Lighting Replacement Pr	290,000	290,000	290,000	290,000	290,000	290,000	290,000	290,000	290,000
Highways & Footways	Traffic Schemes	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Highways & Footways	Surface Water Drainage	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Highways & Footways	Repairs to Footways	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Highways & Footways	Maintain AntiSkid and Coloured Surface	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Highways & Footways	Borough Roads Maintenance	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Highways & Footways	Highways bridges & structures	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000
Highways & Footways	Street Lighting Wimb	261,680								
Highways & Footways	S Wimb Bus Area Wayfinding	135,360								
Cycle Route Imps	Cycle Lane Plough Lane	120,000								
Unallocated TfL	Unallocated TfL	1,300,000	1,300,000	1,300,000	1,300,000					
Mitcham Area Regeneration	Pollards Hill Bus Shelter	150,000								
Wimbledon Regeneration	Wimbledon Public Realm Implementation	901,190								
Wimbledon Regeneration	Haydons Rd Public Realm Imp	300,000								
Morden Area Regeneration	Morden Town Centre Improvements	200,000								
Morden Area Regeneration	Morden TC Regeneration Match Funding	2,000,000	2,000,000	2,000,000						
Borough Regeneration	Lost Rivers Repairs	100,000	100,000							
Borough Regeneration	New Horizons Centre	68,500								
Property Management	Comm. Ctre Energy Saving Lighting	35,000								
Sports Facilities	Leisure Centre Plant & Machine	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Parks Investment	Parks Investment	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Parks Investment	Colliers Wood Rec	67,000								
Parks Investment	Abbey Rec	40,000								
Parks Investment	Padding Pools (borough wide) OPTION 1	135,000								
	Total Environmental and Regeneration	10,977,790	7,918,470	7,324,000	9,262,000	3,999,000	3,964,000	3,964,000	4,364,000	3,964,000
	Total Capital	26,168,490	16,035,470	23,215,530	15,978,000	15,268,190	9,564,000	14,023,770	10,374,000	11,555,000

Bids for Additional Capital Funding Business Plan 2022-26

APPENDIX 2

<u>Summary</u>	Additional In Year Bids 2021-22	Budget August 2022-23	Budget August 2023-24	Budget August 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29	Indicative Budget 2029-30	Indicative Budget 2030-31	Total	Borrowing	Est. School Condition Grant	\$106	SCIL
Corporate Services	0	(550,000)	325,000	1,150,000	(756,000)	670,000	275,000	(850,000)	1,625,000	(1,731,000)	158,000	158,000	0	0	0
Community and Housing	0	0	0	0	60,000	201,000	235,000	0	0	0	496,000	229,580	0	0	266,420
Children, Schools and Families	0	812,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	5,612,000	152,000	5,400,000	0	60,000
Environment and Regeneration	1,106,000	1,870,970	890,000	150,000	12,921,000	2,135,000	1,247,500	290,000	7,620,000	185,000	28,415,470	19,809,000	0	20,000	8,586,470
Total		2,132,970	1,815,000	1,900,000	12,825,000	3,606,000	2,357,500	40,000	9,845,000	(946,000)	34,681,470	20,348,580	5,400,000	20,000	8,912,890

<u>Corporate Services</u>	Additional In Year Bids 2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Total	Borrowing	Est. School Condition Grant	\$106	SCIL
Customer Contact Programme	0	(1,000,000)	1,000,000	0	0	0	0	0	0	(1,000,000)	(1,000,000)	(1,000,000)			0
Robotics Process Automation	0	0	0	0	0	0	0	0	0	0	0	0			0
Web Content Management System (WCMS)	0	0	0	100,000	0	0	0	0	0	0	100,000	100,000			0
Gazetteer Management Systems	0	0	0	0	0	90,000	(75,000)	0	0	0	15,000	15,000			0
Environmental Asset Management System (EAMS)	0	0	0	0	0	250,000	(250,000)	0	0	0	0	0			0
Revenue and Benefits System	0	300,000	0	0	(400,000)	0	0	0	750,000	(400,000)	250,000	250,000			0
Housing Management System	0	0	0	0	20,000	0	0	0	0	20,000	40,000	40,000			0
ePayments	0	0	0	150,000	(125,000)	0	0	150,000	0	(125,000)	50,000	50,000			0
School Admission System	0	0	0	0	(125,000)	0	125,000	0	(125,000)	0	(125,000)	(125,000)			0
Planning&Public Protection Sys	0	0	0	0	0	0	0	0	0	0	0	0			0
Scanning System	0	0	150,000	0	(100,000)	0	150,000	0	0	(100,000)	100,000	100,000			0
GIS Mapping System	0	0	0	0	0	0	0	0	0	0	0	0			0
Regulatory Services IT System	0	0	0	0	0	0	0	0	0	0	0	0			0
Parking Systems	0	0	175,000	0	(126,000)	0	175,000	0	0	(126,000)	98,000	98,000			0
Ancillary IT Systems	0	0	0	0	0	0	0	0	0	0	0	0			0
Youth Justice Systems	0	0	0	(100,000)	100,000	0	0	0	0	0	0	0			0
Payroll System	0	0	0	0	0	160,000	0	0	0	0	160,000	160,000			0
Transport Management System	0	150,000	0	0	0	0	150,000	0	0	0	300,000	300,000			0
Social Care System	0	0	(1,000,000)	1,000,000	0	0	0	(1,000,000)	1,000,000	0	0	0			0
EHCP Hub	0	0	0	0	0	0	0	0	0	0	0	0			0
SEN Case Management System	0	0	0	0	0	170,000	0	0	0	0	170,000	170,000			0
Total Corporate Services	0	(550,000)	325,000	1,150,000	(756,000)	670,000	275,000	(850,000)	1,625,000	(1,731,000)	158,000	158,000	0	0	0

<u>Community and Housing</u>	Additional In Year Bids 2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Total	Borrowing	Est. School Condition Grant	\$106	SCIL
Library Refurbishment Programme	0	0	0	0	60,000	201,000	235,000	0	0	0	496,000	229,580			266,420
Total Community and Housing	0	0	0	0	60,000	201,000	235,000	0	0	0	496,000	229,580	0	0	266,420

<u>Children, Schools and Families</u>	Additional In Year Bids 2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Total	Borrowing	Est. School Condition Grant	\$106	SCIL
School Capital Maintenance (Additional to that Currently in the Programme to match expected Grant)	0	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	5,400,000	0	5,400,000		0
Pollards Hill Digital Divide	0	60,000	0	0	0	0	0	0	0	0	60,000				60,000
Care Leavers Living Accommodation	0	132,000	0	0	0	0	0	0	0	0	132,000	132,000			0
Care Leavers Drop-In Accommodation	0	20,000	0	0	0	0	0	0	0	0	20,000	20,000			0
Total Children, Schools and Families	0	812,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	5,612,000	152,000	5,400,000	0	60,000

Bids for Additional Capital Funding Business Plan 2022-26 Continued.....

APPENDIX 2

Environment and Regeneration	Additional In Year Bids 2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Total	Borrowing	Est. School Condition Grant	S106	SCIL
Canons Parks for People Top Up Bid	740,000	0	0	0	0	0	0	0	0	0	740,000				740,000
Sports Drainage	150,000	75,000	75,000	0	0	0	0	0	0	0	300,000	0			300,000
Salt Barn Upgrades	105,000	0	0	0	0	0	0	0	0	0	105,000				105,000
Rapid deployment cameras	41,000	41,000	0	0	45,000	45,000	0	0	50,000	50,000	272,000	272,000			
Surface Water Drainage Top Up	40,000	40,000	40,000	40,000	0	0	0	0	0	0	160,000	30,000			130,000
Wimbledon Village - Heritage Led Public Realm Enhancement	30,000	770,000	0	0	0	0	0	0	0	0	800,000	0			800,000
Surface Water Drainage	0	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(90,000)	(90,000)			0
Waste Management Vehicles excl Infrastructure (Additional to Existing in Programme)	0	0	0	0	11,044,000	0	0	0	950,000	0	11,994,000	11,994,000			0
De Carbonisation of Merton's Internal Fleet	0	0	0	(300,000)	912,000	(300,000)	275,000	(300,000)	6,175,000	(300,000)	6,162,000	6,162,000			0
Replacement ANPR cameras with air quality / traffic sensor enhancements	0	86,000	300,000	300,000	300,000	300,000	300,000	0	345,000	345,000	2,276,000	776,000			1,500,000
Refurbishment of Mertons Multi Use Sports Areas	0	175,000	175,000	0	0	0	0	0	0	0	350,000	0			350,000
Designing out crime for ASB, violence and incresing the safety of women and girls	0	50,000	35,000	20,000	20,000	0	0	0	0	0	125,000	0			125,000
CCTV business continuity and resilience	0	172,500	0	0	0	0	72,500	0	0	0	245,000	0			245,000
Sandy Lane Public Realm	0	235,000	0	0	0	0	0	0	0	0	235,000	0		20,000	215,000
Watersport Fleet	0	0	0	0	10,000	0	10,000	0	10,000	0	30,000	30,000			0
5 new permanent cameras per year, and enhanced network connections	0	0	135,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	835,000	635,000			200,000
Pollards Rd Bus Shelter/Toilets Refurbishment Scheme (SCIL Only)	0		100,000	0	0	0	0	0	0	0	100,000	0			100,000
Cycle Parking	0	5,000	40,000	0	0	0	0	0	0	0	45,000	0			45,000
Milner Rd Improvements	0	140,000	0	0	0	0	0	0	0	0	140,000	0			140,000
Brangwyn Crescent / Commonsie Easte Improvement Project	0	52,430	0	0	0	0	0	0	0	0	52,430	0			52,430
Willow Lane Bridge BID - Improvement Project 2021	0	39,040	0	0	0	0	0	0	0	0	39,040	0			39,040
New Wimbledon Park lakeview building - including Watersport Centre	0	0	0	0	500,000	2,000,000	500,000	500,000	0	0	3,500,000	0			3,500,000
Total Environment and Regeneration	1,106,000	1,870,970	890,000	150,000	12,921,000	2,135,000	1,247,500	290,000	7,620,000	185,000	28,415,470	19,809,000	0	20,000	8,586,470

CABINET

6 December 2021

Agenda item:

Business Plan Update 2022-2026

Lead officer: Caroline Holland

Lead member: Councillor Tobin Byers

Key Decision Reference Number: This report is written and any decisions taken are within the Budget and Policy Framework Procedure Rules as laid out in Part 4-C of the Constitution.

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 considers and agrees the draft unachievable savings/income proposals (Appendix 4) put forward by officers and refers them to the Overview and Scrutiny panels and Commission in January 2022 for consideration and comment.
2. That Cabinet considers and agrees the new savings proposals for 2022/23 to 2025/26 (Appendix 3) and refers them to the Overview and Scrutiny panels and Commission in January 2022 for consideration and comment.
3. That Cabinet considers and agrees the draft Capital Programme 2022-2026 (Appendix 5) and refers it to the Overview and Scrutiny panels and Commission in January 2022 for consideration and comment.
4. That Cabinet agrees the proposed Council Tax Base for 2022/23 set out in paragraph 2.7 and Appendix 1.
5. That Cabinet note the opportunity set out in the Spending Review 2021 to enable social service authorities to apply an Adult Social Care Precept in 2022/23 and, subject to confirmation of this when the Referendum Principles are announced in the Local Government Finance Settlement 2022/23, agrees to incorporate this into the MTFS for 2022-26.
6. That Cabinet note that Equalities Impact Assessments for each saving, where applicable, will be included in the Member's Information Pack for consideration in future meetings.

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report provides an update to Cabinet on the Business Planning process for 2022-26 and in particular on the progress made so far towards setting a balanced revenue budget for 2022/23 and over the MTFS period as a whole.
- 1.2 Specifically, the report provides details of amended/deferred revenue savings which are proposed due to changes in circumstances since the proposals were previously approved as part of previous budget setting.
- 1.3 The report also presents details of new savings for 2022-26 and draft equalities analyses where applicable will be included in the Member's Information Pack to be provided at the end of December.
- 1.4 The report also provides an update on the capital programme for 2022-31 and the financial implications for the MTFS.
- 1.5 The first draft of the service plans for 2022-26 will be included within the information pack for consideration at Scrutiny and then reported back to Cabinet.
- 1.6 The report provides a general update on all of the latest information relating to the Business Planning process for 2022-26 and an assessment of the implications for the Medium Term Financial Strategy 2022-26.
- 1.7 This report is one of the budget updates through the financial year and will be referred to the Overview and Scrutiny Panels and Commission in January 2022 as part of the information pack.

2. DETAILS

Introduction

- 2.1 A review of assumptions in the MTFS was undertaken and reported to Cabinet on 11 October 2020. As a result Cabinet agreed departmental savings targets and details of proposed departmental savings are presented in this report in Appendix 3.
- 2.2 The draft MTFS 2022-26 in the Cabinet report in October 2021 included details of a draft Capital Programme 2022-31. This was further reviewed and details of new bids were included in the November 2021 Cabinet report.
- 2.3 Taking into account the information contained in the October 2021 and November 2021 Cabinet reports, the overall MTFS budget gap was as follows:-

(Cumulative Budget Gap)	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
MTFS Gap (Cabinet November 2021)	1,159	16,979	20,680	24,006

2.4 Review of Assumptions

Since Cabinet in November, work has been continuing to review assumptions, identify new savings/income proposals and analyse information which has been received since then. The Government published details of its Autumn Budget and Spending Review 2021 on 27 October 2021 which were summarised in the November 2021 Cabinet report. The financial implications for Merton arising from the Government's broad Departmental Expenditure Limits will not be known until the Provisional Local Government Finance Settlement 2022 is published (expected in mid-December).

2.4.1 Pay

For 2021/22 the pay award has not yet been agreed. Union's are currently consulting their members regarding the approach to the claim and due to the timing of this is likely to impact on the start of the 2022/23 pay claim offer and negotiation.

The latest estimates for pay inflation included in the MTFS are included in the table below and no changes are proposed at the current time:-

(Cumulative)	2022/23	2023/24	2024/25	2025/26
Pay inflation (%)	2%	2%	2%	2%

Further details on the pay negotiations for 2022/23 and beyond, and the impact on the MTFS will be reported when they are known.

London Living Wage

The MTFS includes provision for the increased cost of contracts arising from the contractors adoption of the London Living Wage:-

(Cumulative)	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Additional cost of LLW on major contracts based on contract renewal date	521	711	2,382	2,382

This will be reviewed and updated in future Business Plan future reports.

2.4.2 Prices

The draft MTFS 2022-26 reported to Cabinet in November 2021 included the following percentage increases and no changes are proposed at the current time:-

(Cumulative)	2022/23	2023/24	2024/25	2025/26
Price inflation (%)	2.5%	1.5%	1.5%	1.5%

The Consumer Prices Index (CPI) rose by 4.2% in the 12 months to October 2021, up from 3.1% in September. On a monthly basis, CPI increased by 1.1% in October 2021, compared with no change in October 2020. The largest upward contribution to the change in the 12-month inflation rate between September and October 2021, were large upward contributions to change from several divisions, including transport, restaurants and hotels, education, furniture and household goods, and food and non-alcoholic beverages.

The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 3.8% in the 12 months to October 2021, up from 2.9% in the 12 months to September. The largest upward contribution to the October 2021 CPIH 12-month inflation rate came from housing and household services.

The RPI rate for October 2021 was 6.0%, which is up from 4.9% in September 2021.

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 (November 2021)			
	Lowest %	Highest %	Average %
2021 (Quarter 4)			
CPI	2.2	4.5	3.7
RPI	3.3	6.4	5.4
LFS Unemployment Rate	4.5	5.5	4.9
2022 (Quarter 4)			
CPI	1.8	5.1	2.6
RPI	2.8	6.2	4.0
LFS Unemployment Rate	3.9	6.0	4.6

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 (November 2021)					
	2021	2022	2023	2024	2025
	%	%	%	%	%
CPI	2.4	4.0	2.6	2.5	2.3
RPI	3.8	5.8	4.1	3.7	3.5
LFS Unemployment Rate	4.7	4.6	4.2	4.1	4.1

Outlook for inflation

In the November 2021 Monetary Policy Report, the MPC state that “Twelve-month CPI inflation fell slightly from 3.2% in August to 3.1% in September. Bank staff expect inflation to rise to just under 4% in October, accounted for predominantly by the impact on utility bills of past strength in wholesale gas prices. CPI inflation is then expected to rise to 4½% in November and remain around that level through the winter, accounted for by further increases in core goods and food price inflation. Wholesale gas prices have risen sharply since August. CPI inflation is now expected to peak at around 5% in April 2022, materially higher than expected in the August Report. The upward pressure on CPI inflation is expected to dissipate over time, as supply disruption eases, global demand rebalances, and energy prices stop rising. As a result, CPI inflation is projected to fall back materially from the second half of next year. Conditioned on the market-implied path for Bank Rate and the MPC’s current forecasting convention for future energy prices, CPI inflation is projected to be a little above the 2% target in two years’ time and just below the target at the end of the forecast period. In an alternative scenario that is conditioned on energy prices following forward curves throughout the forecast period and as set out in the November Report, CPI inflation falls back towards the target more rapidly than in the MPC’s central projection, and is materially lower over the second half of the forecast period.”

2.4.3 Inflation > 1.5%:

There is also a corporate provision which is held to assist services that may experience price increases greatly in excess of the inflation allowance provided when setting the budget. In recognition of the current increasing trend in global inflation, due mainly to oil, gas and electricity costs, this provision was increased by Cabinet in October 2021, to the following:-

	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000
Inflation exceeding 1.5%	500	500	500	500

This will only be released for specific demonstrable demand. The cash limiting strategy is not without risks.

2.4.4 Income

The MTFS does not include any specific provision for inflation on income from fees and charges. However, service departments can identify increased income as part of their savings proposals.

2.4.5 Revenuisation

In recent budgets it has been recognised that some expenditure formerly included in the capital programme could no longer be justified as it did not meet the definition of expenditure for capital purposes. Nevertheless, it is important that some of this expenditure takes place and the following amounts have been included in the latest MTFS for 2022-26:-

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Revenuisation	70	70	70	70

The expenditure charged to capital during the current year is being closely monitored and is being reported through the monitoring report.

2.4.6 **Budgetary Control 2021/22**

There may be issues identified 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.

Monitoring 2020/21

At period 7 to 31 October 2021 the year end forecast is a net £8.534m unfavourable variance compared to the current budget when all COVID19 costs are included. This consists of a net favourable variance of £3.099m excluding COVID19 and unfavourable variance of £11.633m from COVID19:-

	Non COVID19 £000	COVID19 £000	Total £000
CS	342	980	1,322
CSF	(71)	714	643
E&R	(607)	5,931	5,324
C&H	(2,260)	703	(1,557)
Sub-total	(2,596)	8,328	5,732
Corporate	658	2,144	2,802
Total	(1,938)	10,472	8,534

Based on October 2021 monitoring, although an overall favourable non-Covid variance is forecast, the following pressures have been flagged:-

- a) Corporate Services: Infrastructure and Technology(Adverse variance £131k), Resources (Adverse variance £405k), Human Resources (Adverse variance £224k), Corporate items (Housing Benefits Rent Allowances Adverse variance £610k)
- b) Children's Schools and Families: Education Service (Adverse variance £256k)
- c) Environment and Regeneration: Public Space, mainly Waste Services and Household, Reuse, Recycling Centre (HRRC)
- d) Community and Housing: Housing General Fund (Unfavourable variance £305k)

COVID19

Covid continues to have a significant impact in 2021/22 and there will be some continuing implications on services and income going forward some of which the Government are supporting such as business rates. There is an adverse variance of £1.109m arising from government compensation for loss of sales, fees and charges income in the first quarter of 2021/22 where the amount of income loss has been less than expected when the forecast was made in February 2021.

2.4.7 Growth

The MTFs reported to Cabinet in October 2021 included new provision for growth from 2022/23 to 2025/26 as follows:-

Cumulative growth	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
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
Total	2,107	2,127	2,597	2,168

* There is likely to be a contribution to these costs set out in the Provisional Local Government Finance settlement due in mid-December

There are no additional growth proposals at this stage.

2.4.8 **Capital Programme for 2022-26**

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.

The report to Cabinet in November 2021 set out the current capital programme and presented some new bids for capital investment. The latest current capital programme based on October 2021 monitoring and new bids are set out in Appendix 5

Capital Expenditure and Financing Costs	2022/23 Estimate £000	2023/24 Estimate £000's	2024/25 Estimate £000's	2025/26 Estimate £000's
Capital Expenditure after slippage (Cabinet Dec. 2021)	27,790	20,761	23,348	30,285
Capital Financing Costs (Cabinet Dec. 2021)	10,802	11,647	12,774	13,578

2.5 Forecast of Resources and Provisional Local Government Finance Settlement

2.5.1 Autumn Budget 2021 and Spending Review 2021

As reported to Cabinet in November 2021, the Chancellor of the Exchequer published an Autumn Budget 2021 and Spending Review 2021 on 27 October 2021. A summary of the key points was included in the report.

The Departmental Expenditure Limits set out in the Spending Review form the basis of the allocations included in the Provisional Local Government Finance Settlement 2022. The Settlement is due to be announced in mid-December.

As reported to Cabinet in November, the Spending Review 2021 included the following guidance with respect to Council Tax Referendum Principles:-

- The referendum threshold for increases in council tax is expected to remain at 2 per cent per year. In addition, local authorities with social care responsibilities are expected to be able to increase the adult social care precept by up to 1 per cent per year.
- The Department for Levelling Up, Housing and Communities (DLUHC) will set out full details of the council tax referendum principles and proposed approach to allocating grant funding through the Local Government Finance Settlement.

2.5.2 Provisional Local Government Finance Settlement

The Departmental Expenditure Limits set out in the Spending Review form the basis of the allocations included in the Provisional Local Government Finance Settlement 2022. The Settlement is due to be announced in mid-December.

An analysis on the potential financial impact of the provisional Settlement will be included in the report to Cabinet in January 2022.

2.6 London Business Rates 2022-23

2.6.1 As previously reported, due to uncertainty arising from COVID-19, the London Business pool was discontinued for 2021/22 and similarly this has also been agreed for 2022/23.

2.6.2 The conclusions of the government's review of business rates were published alongside the Budget. It was announced that to reduce the burden of business rates in England, support investment, and make the system more responsive, the government will:

- freeze the business rates multiplier for a second year, from 1 April 2022 until 31 March 2023, keeping the multipliers at 49.9p and 51.2p
- introduce a new temporary business rates relief for eligible retail, hospitality and leisure properties for 2022-23. Eligible properties will receive 50 per cent relief, up to a £110,000 per business cap
- introduce a 100 per cent improvement relief for business rates. This will provide 12 months relief from higher bills for occupiers where eligible improvements to an existing property increase the rateable value. The government will consult on how best to implement this relief, which will take effect in 2023 and be reviewed in 2028
- introduce from 1 April 2023 until 31 March 2035 targeted business rate exemptions for eligible plant and machinery used in onsite renewable energy generation and storage, and a 100 per cent relief for eligible heat networks, to support the decarbonisation of non-domestic buildings.
- increase the frequency of business rates revaluations so that they take place every 3 years instead of every 5 years, starting in 2023, and take measures to support the accuracy of the list
- provide additional funding to the Valuation Office Agency to support the delivery of the new revaluation cycle.
- extend transitional relief for small and medium-sized businesses, and the supporting small business scheme, for 1 year. This will restrict bill increases to 15 per cent for small properties (up to a rateable value of £20,000 or £28,000 in Greater London) and 25 per cent for medium properties (up to a rateable value of £100,000), subject to subsidy control limits.

The Government will fully compensate English Local Authorities for the loss of income as a result of these business rates measures and also allocate new burdens funding for administrative and IT costs.

2.7 Council Tax Base

2.7.1 The Council Tax Base is a key factor which is required by levying bodies and the Council for setting the levies and Council Tax for 2022/23. The council tax base is the measure of the number of dwellings to which council tax is chargeable in an area or part of an area. The Council Tax Base is calculated using the properties from the Valuation List together

with information held within Council Tax records. The properties are adjusted to reflect the number of properties within different bands in order to produce the Council Tax Base (Band D equivalent). This will be used to set the Council Tax at Band D for 2022/23. The Council is required to determine its Council Tax Base by 31 January 2022.

- 2.7.2 Regulations set out in the Local Authorities (Calculation of council Tax Base) Regulations 2012 (SI 2012:2914) ensure that new local council tax support schemes, implemented under the Local Government Finance Act 2012, are fully reflected in the council tax base for all authorities.
- 2.7.3 The Council Tax Base Return to central Government takes into account reductions in Council Tax Base due to the Council Tax Support Scheme and also reflects the latest criteria set for discounts and exemptions. The CTB Return for October 2021 is the basis for the calculation of the Council Tax Base for 2022/23.
- 2.7.4 Details of how the Council Tax Base is calculated are set out in Appendix 1. A summary of the Council Tax Bases for the Merton general area and the addition for properties within the Wimbledon and Putney Commons Conservators area for 2022/23 compared to 2021/22 is set out in the following table:-

Council Tax Base	2021/22	2022/23	Change %
Whole Area	74,220.0	75,754.6	2.1%
Wimbledon & Putney Common Conservators	11,381.8	11,705.0	2.8%

2.8 **Proposed Amendments to Previously Agreed Savings**

2.8.1 **Unachievable Savings**

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.

Where this is the case, in the first instance departments are asked to identify replacement savings from elsewhere within their overall budgets. It is accepted that unachievable savings have been more prevalent due to COVID19.

In the report to Cabinet in October, some unachievable savings based on budget monitoring reports for July 2021 were provided for as follows:-

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
Total	6,903	3,262	3,641	52.7%	2,105

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
Total	12,074	5,048	3,678	786

In addition, savings from E&R ref.Env2021-04 Emissions Based Charging will not be achieved as follows:-

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
(Cumulative saving)				
Saving Env2021-04 EBC	1,500	900	325	325

Further details are available in Appendix 4.

3. SAVINGS PROPOSALS 2022-26

3.1 Cabinet on 11 October 2021 agreed savings targets as follows:-

SAVINGS TARGETS BY DEPARTMENT	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
Corporate Services	255	3,433	808	726	5,222
Children, Schools and Families	173	2,322	547	491	3,533
Environment and Regeneration	355	4,771	1,123	1,008	7,257
Community and Housing	393	5,281	1,243	1,116	8,033
Total	1,175	15,808	3,720	3,341	24,044
Total (cumulative)	1,175	16,983	20,703	24,044	

- 3.2 Since then, service departments have been reviewing their budgets to identify savings proposals to meet their savings targets.
- 3.3 Some proposals have been identified and progress against targets is summarised in the following table:-

NEW SAVINGS PROPOSALS 2022-26: SUMMARY

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	TOTAL £000
Corporate Services	229	25	0	0	254
Children, Schools and Families	178	340	0	0	518
Environment and Regeneration	229	617	(111)	(111)	624
Community and Housing	300	800	0	0	1,100
TOTAL	936	1,782	(111)	(111)	2,496
Cumulative Total	936	2,718	2,607	2,496	

- 3.4 Details of the savings proposals are included in Appendix 3. Cabinet are requested to review and agree the proposals and refer them to the Overview and Scrutiny Panels and Commission for scrutiny in January 2022.
- 3.5 Equalities Assessments for new savings will be included in the Member's Information Packs to be published at the end of December.

4. SERVICE PLANNING 2022-26

- 4.1 First draft revised Service Plans will be included within the information pack for consideration at Scrutiny and then reported back to Cabinet.

5. DSG DEFICIT

- 5.1 As reported to Cabinet elsewhere on the agenda, as part of the monthly monitoring report, based on October 2021, DSG funded services are forecast to overspend by £12.653m in 2021/22 bringing the cumulated deficit at year end to £37.634m.
- 5.2 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 Merton's high needs system that will bring the DSG deficit under control. The Council have confirmed participation in this programme and provided a draft updated plan to the DfE. Discussions are continuing and an update will be provided to Cabinet in January, but if successful it is unlikely that any detail on any financial support and related performance targets will be available until late January.
- 5.3 Merton has been working in conjunction with Association of Directors for Children's Services (ADCS), Society for London Treasurers (SLT), London Councils and the Children's Commissioner to lobby Central Government for additional funding. All commissioned analysis shows that the funding shortfall is a national issue that requires additional grant funding over and above that outlined in the Spending Review 2021.

6. BUDGET STRATEGY AND UPDATE TO MTFS 2022-26

- 6.1 The council has a statutory duty to set a balanced budget.
- 6.2 The MTFS reported to Cabinet in November 2021 assumed a 2% general Council Tax increase in 2022/23.
- 6.3 Taking into account the changes set out in this report, the latest budget gap forecast is:-

	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000
MTFS Gap (November 2021 Cabinet)	1,159	16,979	20,680	24,006
Council Tax Income	(675)	(889)	(1,121)	(1,400)
Capital Financing Costs	(32)	(86)	(13)	1
New Savings 2022-26	(936)	(2,718)	(2,607)	(2,496)
Use of Reserves	484	(484)	0	0
Revised Gap	0	12,802	16,939	20,111

- 6.4 A more detailed MTFS is included as Appendix 2.
- 6.5 Draft Service department budget summaries based on the information in this report will be included in the pack available for scrutiny.

7. GLA BUDGET AND PRECEPT SETTING 2022-23 – PROVISIONAL TIMETABLE

- 7.1 The Greater London Authority (GLA) sets a budget for itself and each of the four functional bodies: Transport for London, the London Development Agency, the Metropolitan Police Authority, and the London Fire and Emergency Planning Authority. These budgets together form the consolidated budget.
- 7.2 The GLA's provisional timetable for its precept setting process is as follows:-

Mid to late December 2021	Following the publication of the provisional Local Government, Fire and Police Settlements, issue the Mayor's Consultation Budget.
26 January 2022	Assembly to consider Draft Consolidated Budget.
24 February 2022	Assembly to consider Final Draft Consolidated Budget.

- 7.3 NNDR1 returns will be required to be submitted to the MLUHC by 31 January 2021 It is essential that all authorities meet this deadline for the GLA to be able to achieve its timetable. It is anticipated that the percentage shares for 2022/23 used for the returns for London authorities will be 37% GLA, 33% central government and 30% London boroughs. This is expected to be confirmed in the provisional local government finance settlement.

8. CONSULTATION UNDERTAKEN OR PROPOSED

- 8.1 There will be consultation as the business plan process develops. This will include the Overview and Scrutiny panels and Commission, business ratepayers and all other relevant parties.
- 8.2 In accordance with statute, consultation is taking place with business ratepayers and a meeting will be arranged for February 2022.
- 8.3 As previously indicated, a savings proposals information pack will be prepared and distributed to all councillors at the end of December 2021 that can be brought to all Scrutiny and Cabinet meetings from 10 January 2022 onwards and to Budget Council. As for recent years, this should be an improvement for both councillors and officers - more manageable for councillors and it will ensure that only one version of those documents is available so referring to page numbers at meetings will be easier. It will also keep printing costs down and reduce the amount of printing that needs to take place immediately prior to Budget Council.

8.4 The pack will include:

- Savings proposals
- A draft Equality impact assessment for each saving proposal.
- Service plans

9. **TIMETABLE**

9.1 The key deadlines are as follows:-

6 December 2021	Cabinet
Late December	Provisional Local Government Finance Settlement
End of December	Member's Information Pack circulated
17 January 2022	Cabinet
10-19 January 2022	Overview and Scrutiny Panels and Commission
7 February 2022	Cabinet
2 March 2022	Council approves Council Tax 2022/23 and MTFS 2022-26

10. **FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

10.1 All relevant implications have been addressed in the report.

11. **LEGAL AND STATUTORY IMPLICATIONS**

11.1 All relevant implications have been addressed in the report.

12. **HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

12.1 Draft Equalities assessments of the savings proposals will be provided as part of the Member's Information Pack which should be available at the end of December.

13. **CRIME AND DISORDER IMPLICATIONS**

13.1 Not applicable.

14. **RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

14.1 Not applicable.

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

Appendix 1: Council Tax Base 2022/23

Appendix 2: MTFS Update

Appendix 3: New Savings Proposals 2022-26 (See Member's Information Pack)

Appendix 4: Unachievable Savings 2022-26 (**See Member's Information Pack**)

Appendix 5: Draft Capital Programme 2022-26

BACKGROUND PAPERS

Budget files held in the Corporate Services department.

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Council Tax Base 2022/23

1. INTRODUCTION

- 1.1 The council tax base is the measure of the number of dwellings to which council tax is chargeable in an area or part of an area. The Council Tax base is calculated using the properties from the Valuation List together with information held within Council Tax records. The properties are adjusted to reflect the number of properties within different bands in order to produce the Council Tax Base (Band D equivalent).
- 1.2 Since 2013/14 the Council Tax Base calculation has been affected by the introduction of the new local council tax support scheme and technical reforms to council tax. On 30 November 2012, new regulations set out in the Local Authorities (Calculation of council Tax Base) Regulations 2012 (SI 2012:2914) came into force. These regulations ensure that new local council tax support schemes, implemented under the Local Government Finance Act 2012, are fully reflected in the council tax base for all authorities.
- 1.3 Under the regulations, the council tax base is the aggregate of the relevant amounts calculated for each valuation band multiplied by the authority's estimated collection rate for the year.
- 1.4 The relevant amounts are calculated as
 - number of chargeable dwellings in each band shown on the valuation list on a specified day of the previous year,
 - adjusted for the number of discounts, and reductions for disability, that apply to those Dwellings
- 1.5 All authorities notify the MLUHC of their unadjusted Council Tax Base using a CTB Form using valuation list information as at 13 September 2021.
- 1.6 The CTB form for 2021 includes the latest details about the Council Tax Support Scheme and the technical reforms which impacted on discounts and exemptions.
- 1.7 There is a separate council tax base for those properties within the area covered by Wimbledon and Putney Commons Conservators. The Conservators use this, together with the Council Tax bases from RB Kingston, and Wandsworth to calculate the levy which is charged each year.

2. UNADJUSTED COUNCIL TAX BASE 2022/23

2.1 Information from the October 20210 Council Tax Base Return

- 2.1.1 The Council makes two CTB returns, one for the whole area of the borough and the other for the area covered by the Wimbledon and Putney Common Conservators for which an additional levy is applied.
- 2.1.2 From the CTB Returns, prior to incorporating an assumed collection rate, the unadjusted council tax bases are

Unadjusted Council Tax Base	2022/23
Merton – General	77,300.6
Wimbledon & Putney Common Conservators	11,943.9

3. ASSUMPTIONS IN THE MTFS ADJUSTING FOR COVID19

- 3.1 Other than changes in the actual council tax rates levied, in producing a forecast of council tax yield in future years, there are two key variables to be considered:-
- the year on year change in Council Tax Base
 - the council tax collection rate
- 3.2 The MTFS approved by Council in March 2021 assumed that the Council Tax Base increases by 0.5% per year and that the collection rate will be 97% in 2021/22, 98% in 2022/23 and 98.75% in future years. This was to reflect the impact of Covid-19 and the assumption that the collection rate would eventually return to the levels prior to the pandemic.
- 3.3 Based on these assumptions the revised estimated Council Tax Base used in the MTFS 2022-26 is as set out in the following table:-

Council Tax Base - Revised Calculation 2022/23 to 2025/26	2022/23	2023/24	2024/25	2025/26
Council Tax Base	77,300.6	77,300.6	77,687.1	78,075.5
Assumed Annual increase		386.5	388.4	390.4
Estimated Council Tax Base before collection rate adjustment	77,300.6	77,687.1	78,075.5	78,465.9
Collection Rate	98.00%	98.75%	98.75%	98.75%
Estimated Council Tax Base after collection rate adjustment	75,754.6	76,716.0	77,099.6	77,485.1

3.4 The regulations require that the Council Tax Requirement calculated for the forthcoming year is actually credited to the General Fund and any difference arising from actual collection rates is recognised in future years as part of the surplus/deficit calculation

4. IMPLICATIONS FOR COUNCIL TAX YIELD 2022-26

4.1 Based on a collection rate of 98% (paragraph 3.2 refers), on a like for like basis (i.e. assuming council tax charges do not change) the estimated income in 2022/23 compared to 2021/22 is summarised in the following table:-

Council Tax: Whole area	2021/22	2022/23
Tax Base	74,220.0	75,754.6
Band D Council Tax	1,340.72	1,340.72
Estimated Yield	£99.508m	£101.566m
Change: 2021/22 to 2022/23 (£m)	£2.058m	
Change: 2021/22 to 2022/23 (%)	2.07%	

4.2 Analysis of changes in yield 2021/22 to latest 2022/23

4.2.1 The reasons for the change in estimated yield, excluding any change in Council Tax level, between 2021/22 and the latest 2022/23 estimate based on the CTB data are:-

- Change in Council Tax Base from by 785.5 from 76,515.1 to 77,300.6 which multiplied by the Band D Council Tax of £1,340.72 results in increased yield of c. £1.053m
- Change in Council Tax collection rate of 1% from 97% to 98%, equivalent to additional council tax base of 742 which multiplied by the Band D Council Tax of £1,340.72 results in increased yield of c. £0.995m

4.2.2 An exact reconciliation for the change between years is not possible because of changes in distribution of Council Tax Support and discounts and benefits, and premiums between years and bands. However, broadly the changes can be analysed as follows:-

a) Number of Chargeable Dwellings and Exempt Dwellings

Between years the number of properties increased by 521 from 85,612 to 86,133 and the number of exempt dwellings reduced by 17 from 1,011 to 994. This means that the number of chargeable dwellings increased by 538 between years. Based on a full charge, this equates to additional council tax of £0.721m.

b) Amount of Council Tax Support Reduction

Based on October 2020 there was a reduction of 8,320.7 to the Council Tax Base for local council tax support. This has reduced to 8,086.0 in based on October 2021 which is a change of 234.7 and equates to an increase in council tax of about £0.315m.

c) Changes in Discounts, Exemptions and Premiums

Overall, the number of properties subject to discounts or exemption increased by 907 and those subject to premiums increased by 57 between October 2020 and October 2021.

d) Change in collection rate

There has been a change made to the estimated collection rate of 1%, which has increased from 97% to 98%.

Summary

The following puts the individual elements together to show how the potential council tax yield changes between 2021/22 and 2022/23:-

	Approx. Change in Council Tax Base	Approx. Change in Council Tax yield
		£m
Increase in number of chargeable dwellings	538.0	0.721
Change in Council Tax Support Reductions	234.7	0.315
Change in discounts, exemptions, premiums and distribution	19.9	0.027
Change in collection rate	742.0	0.995
Total	1,534.6	2.058

4.3 Council Tax Yield 2022/23

4.3.1 The draft MTFS assumes a Council Tax increase of 3% in 2022/23 (2% general, 1% Adult Social Care). Assuming this the estimated Council Tax yield for 2022/23 is:-

Council Tax: Whole area	Tax Base	Band D 2022/23	Council Tax Yield 2022/23	Council Tax Yield 2021/22
Merton	75,754.6	1,380.93	£104.612m	£99.508m

4.3.2 The Spending Review 2021, included the following guidance with respect to Council Tax Referendum Principles:-

- The referendum threshold for increases in council tax is expected to remain at 2 per cent per year. In addition, local authorities with social care responsibilities are expected to be able to increase the adult social care precept by up to 1 per cent per year.
- The Department for Levelling Up, Housing and Communities (DLUHC) will set out full details of the council tax referendum principles and proposed approach to allocating grant funding through the Local Government Finance Settlement.

4.3.3 The updated MTFS is based on the following assumptions, subject to confirmation in the Local Government Finance Settlement 2022/23 of the Referendum Principles announced in the Spending Review 2021:-

	2022/23	2023/24	2024/25	2025/26
Increase in CT Base	0.5%	0.5%	0.5%	0.5%
Collection Rate	98%	98.75%	98.75%	98.75%
Council Tax – General*	2%	2%	2%	2%
Council Tax – Adult Social Care†	1%	0%	0%	0%

* Current estimated threshold for referendum, to be confirmed in the Provisional Settlement

† Announced in Budget allowed to set 1% ASC precept

4.3.4 Based on the estimated Council Tax Base calculations set out in the table in paragraph 3.3, and annual Council Tax increases of 2% as in the latest MTFS assumptions, the estimated council tax yields over the MTFS period are as follows:-

	2022/23	2023/24	2024/25	2025/26
Council Tax (Band D) b/f from previous year	£1,340.72	£1,380.93	£1,408.54	£1,436.71
2% increase - General	£26.81	£27.61	£28.17	£28.73
1% increase in 2022/23 for Adult Social Care	£13.40	0	0	0
Revised Council Tax (Band D)	£1,380.93	£1,408.54	£1,436.71	£1,465.44
	£m	£m	£m	£m
Estimated Council Tax Yield	104.612	108.058	110.770	113.550

4.3.5 The change in the Council Tax yield compared to that included in the MTFs are:-

	2022/23	2023/24	2024/25	2025/26
	£m	£m	£m	£m
MTFS (Cabinet 8 November 2021)	102.961	106.216	108.706	111.218
Revised Estimated Council Tax Yield	104.612	108.058	110.770	113.550
Change	1.651	1.842	2.064	2.332

5. SUMMARY

5.1 Based on the information discussed, the council tax bases for 2022/23 and compared to 2021/22 are summarised in the following table:-

Council Tax Base	2021/22	2022/23	Change
Whole Area	74,220.0	75,754.6	2.1%
Wimbledon & Putney Common Conservators	11,381.8	11,705.0	2.8%

DRAFT MTFS 2022-26:				
	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000
Departmental Base Budget 2021/22	161,837	161,837	161,837	161,837
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	(602)	(1,633)	(1,632)	(1,632)
Taxi card/Concessionary Fares	(478)	704	1,707	2,709
Social Care - Additional Spend offset by grant/precept	1,016	1,029	1,034	1,039
Growth	909	909	1,359	909
Provision - DSG Deficit	10,543	11,628	12,714	13,799
Other	445	661	740	918
Re-Priced Departmental Budget	181,908	185,444	193,792	199,716
Treasury/Capital financing	10,811	11,665	12,792	13,596
Pensions	0	0	0	0
Other Corporate items	(19,548)	(20,716)	(20,946)	(20,946)
Levies	606	606	606	606
Sub-total: Corporate provisions	(8,131)	(8,445)	(7,548)	(6,744)
Sub-total: Repriced Departmental Budget + Corporate Provisions	173,777	177,000	186,245	192,972
Savings/Income Proposals 2022/23	(936)	(2,718)	(2,607)	(2,496)
Sub-total	172,841	174,282	183,638	190,476
Appropriation to/from departmental reserves	(1,604)	(573)	(574)	(574)
Appropriation to/from Balancing the Budget Reserve	(16,141)	(484)	0	0
ONGOING IMPACT OF COVID-19 (NET)	1,143	505	0	0
BUDGET REQUIREMENT	156,239	173,730	183,064	189,902
Funded by:				
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	(104,965)	(108,411)	(111,123)	(113,903)
Collection Fund – (Surplus)/Deficit	1,617	1,616	0	0
COVID-19: SFC - Compensation Qtr. 1 2021/22	0	0	0	0
TOTAL FUNDING	(156,239)	(160,928)	(166,124)	(169,791)
GAP including Use of Reserves (Cumulative)	0	12,802	16,939	20,111

Approved and Indicative Capital Programme 2022-31 as at October 2021 Monitoring

Department (Before Slippage)	Budget 2022-23	Budget 2023-24	Budget 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29	Indicative Budget 2029-30	Indicative Budget 2030-31
Corporate Services	8,670,210	5,245,000	13,071,120	4,186,000	9,089,190	3,280,000	7,879,770	3,830,000	5,061,000
Community and Housing	2,515,400	972,000	920,410	630,000	280,000	420,000	280,000	280,000	630,000
Children, Schools and Families	5,223,490	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Environment and Regeneration	11,926,320	7,918,470	7,324,000	9,262,000	3,999,000	3,964,000	3,964,000	4,364,000	3,964,000
Total	28,335,420	16,035,470	23,215,530	15,978,000	15,268,190	9,564,000	14,023,770	10,374,000	11,555,000

Department	Budget 2022-23	Budget 2023-24	Budget 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29	Indicative Budget 2029-30	Indicative Budget 2030-31
Corporate Services									
Customer Contact Programme	2,081,000			1,000,000	1,000,000	1,000,000			2,000,000
Robotics Process Automation	55,000								
Web Content Management System	90,000								
Other Buildings - Capital Building Works	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
Replacement Boilers	378,680								
Civic Centre Lightning Upgrade	300,000								
Combined Heat and Power (CHP) System Replacement		450,000							
Absorption Chiller Replacement		275,000							
Invest to Save schemes	573,690	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Invest to Save schemes - Photovoltaics	50,000								
Aligned Assets						75,000			
Environmental Asset Management	240,000					250,000			
Revenue and Benefits	400,000			400,000					400,000
Capita Housing				100,000					100,000
ePayments Project				125,000					125,000
School Admission System	125,000			125,000				125,000	
Planning&Public Protection Sys			550,000					550,000	
Kofax Scanning				100,000					100,000
Spectrum Spatial Analyst Repla				200,000					200,000
Parking System				126,000					126,000
Ancillary IT Systems					50,000				
Youth Justice IT Systems			100,000					100,000	
Replacement SC System		2,100,000					2,100,000		
Project General	705,000	770,000	1,405,000	1,060,000	970,000	1,005,000	770,000	1,405,000	1,060,000
Network Switch Upgrade	200,000								
Financial Systems - e5.5 Project		700,000						700,000	
Acquisitions Budget			6,785,180						
Capital Bidding Fund			1,000,000						
Multi-Functioning Device (MFC)			600,000				600,000		
Westminster Coroners Court	400,000								
Corporate Capital Contingency	0		1,680,940						
CPO Clarion	2,421,840				6,119,190		3,459,770		
Total Corporate Services	8,670,210	5,245,000	13,071,120	4,186,000	9,089,190	3,280,000	7,879,770	3,830,000	5,061,000

Department	Budget 2022-23	Budget 2023-24	Budget 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29	Indicative Budget 2029-30	Indicative Budget 2030-31
Community and Housing									
Telehealth	15,400								
Disabled Facilities Grant	827,000	827,000	720,410	280,000	280,000	280,000	280,000	280,000	280,000
Learning Dsbility Aff Housing	1,533,000	145,000							
West Barnes Library Re-Fit	0		200,000						
Library Self Service	0			350,000					350,000
Library Management System	140,000					140,000			
Total Community and Housing	2,515,400	972,000	920,410	630,000	280,000	420,000	280,000	280,000	630,000

APPENDIX 3

Department	Budget 2022-23	Budget 2023-24	Budget 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29	Indicative Budget 2029-30	Indicative Budget 2030-31
Children, Schools and Families									
Schools Capital maintenance	65,000								
Schools Capital maintenance	63,000								
Schools Capital maintenance	45,000								
Schools Capital maintenance	20,000								
Schools Capital maintenance	30,000								
Schools Capital maintenance	35,000								
Schools Capital maintenance	30,000								
Schools Capital maintenance	45,000								
Schools Capital maintenance	20,000								
Schools Capital maintenance	55,000								
Immersive Learning Centre	80,490								
Schools Capital maintenance	30,000								
Unallocated - Schools Capital maintenance	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Community Pitch	65,000								
Schools Capital maintenance	40,000								
Secondary Autism Unit	1,340,000								
Unallocated Secondary SEN	30,000								
Further SEN Provision	180,000								
Medical PRU Expansion	400,000								
New ASD Provision	750,000								
Total Children, Schools and Families	5,223,490	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000

APPENDIX 3

Department	Budget 2022-23	Budget 2023-24	Budget 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29	Indicative Budget 2029-30	Indicative Budget 2030-31
Environmental and Regeneration									
Pay and Display Machines	303,000								
Pay and Display Machines			60,000					60,000	
Car Park Upgrades	465,530								
CCTV cameras and infrastructure upgrade	587,630	554,470							
Public Protection and Developm	0				35,000				
Replacement of Fleet Vehicles	551,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Environmental Improvements - Mechanical Street Washer									
Alley Gating Scheme	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Waste SLWP IT & Premises	21,430			42,000					
Replacement of Fleet Vehicles	340,000			3,956,000				340,000	
Street Tree Programme	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Street Lighting Replacement Pr	290,000	290,000	290,000	290,000	290,000	290,000	290,000	290,000	290,000
Traffic Schemes	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Surface Water Drainage	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Repairs to Footways	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Maintain AntiSkid and Coloured Surface	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Borough Roads Maintenance	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Highways bridges & structures	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000
Street Lighting Wimb	261,680								
S Wimb Bus Area Wayfinding	135,360								
Cycle Lane Plough Lane	120,000								
Unallocated TIL	1,300,000	1,300,000	1,300,000	1,300,000					
Pollards Hill Bus Shelter	150,000								
Crowded Places-Hostile Vehicl	180,000								
Wimbledon Public Realm Implementation	901,190								
Haydons Rd Public Realm Imp	300,000								
Morden Town Centre Improvements	200,000								
Morden TC Regeneration Match Funding	2,000,000	2,000,000	2,000,000						
Lost Rivers Repairs	100,000	100,000							
New Horizons Centre	68,500								
Comm. Ctre Energy Saving Lighting	35,000								
Leisure Centre Plant & Machine	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Parks Investment	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Colliers Wood Rec	67,000								
Abbey Rec	40,000								
Paddling Pools (borough wide) OPTION 1	135,000								
Total Environmental and Regeneration	11,926,320	7,918,470	7,324,000	9,262,000	3,999,000	3,964,000	3,964,000	4,364,000	3,964,000
Total Capital	28,335,420	16,035,470	23,215,530	15,978,000	15,268,190	9,564,000	14,023,770	10,374,000	11,555,000

Summary	Addit. In Year Bids 2021-22 Added to Oct Monitoring	Budget August 2022-23	Budget August 2023-24	Budget August 2024-25	Indicative Budget 2025-26	Indicative Budget 2026-27	Indicative Budget 2027-28	Indicative Budget 2028-29	Indicative Budget 2029-30	Indicative Budget 2030-31	Total	Borrowing	Est. School Condition Grant	S106	SCIL	
Corporate Services	0	(550,000)	325,000	1,150,000	(756,000)	670,000	275,000	(850,000)	1,625,000	(1,731,000)	158,000	158,000	0	0	0	0
Community and Housing	0	0	0	0	60,000	201,000	235,000	0	0	0	496,000	229,580	0	0	266,420	0
Children, Schools and Families	0	812,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	5,612,000	152,000	5,400,000	0	60,000	0
Environment and Regeneration	1,082,400	1,870,970	890,000	150,000	12,921,000	2,135,000	1,247,500	290,000	7,620,000	185,000	28,391,870	19,809,000	0	20,000	8,562,870	0
Total		2,132,970	1,815,000	1,900,000	12,825,000	3,606,000	2,357,500	40,000	9,845,000	(946,000)	34,657,870	20,348,580	5,400,000	20,000	8,889,290	0

Corporate Services	Addit. In Year Bids 2021-22 Added to Oct Monitoring	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Total	Borrowing	Est. School Condition Grant	S106	SCIL	
Customer Contact Programme	0	(1,000,000)	1,000,000	0	0	0	0	0	0	(1,000,000)	(1,000,000)	(1,000,000)	0	0	0	0
Robotics Process Automation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Web Content Management System (WCMS)	0	0	0	100,000	0	0	0	0	0	0	100,000	100,000	0	0	0	0
Gazetteer Management Systems	0	0	0	0	0	90,000	(75,000)	0	0	0	15,000	15,000	0	0	0	0
Environmental Asset Management System (EAMS)	0	0	0	0	0	250,000	(250,000)	0	0	0	0	0	0	0	0	0
Revenue and Benefits System	0	300,000	0	0	(400,000)	0	0	0	750,000	(400,000)	250,000	250,000	0	0	0	0
Housing Management System	0	0	0	0	20,000	0	0	0	0	20,000	40,000	40,000	0	0	0	0
ePayments	0	0	0	150,000	(125,000)	0	0	150,000	0	(125,000)	50,000	50,000	0	0	0	0
School Admission System	0	0	0	0	(125,000)	0	125,000	0	(125,000)	0	(125,000)	(125,000)	0	0	0	0
Planning&Public Protection Sys	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Scanning System	0	0	150,000	0	(100,000)	0	150,000	0	0	(100,000)	100,000	100,000	0	0	0	0
GIS Mapping System	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Regulatory Services IT System	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Parking Systems	0	0	175,000	0	(126,000)	0	175,000	0	0	(126,000)	98,000	98,000	0	0	0	0
Ancillary Systems	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Youth Justice Systems	0	0	0	(100,000)	100,000	0	0	0	0	0	0	0	0	0	0	0
Payroll System	0	0	0	0	0	160,000	0	0	0	0	160,000	160,000	0	0	0	0
Transport Management System	0	150,000	0	0	0	0	150,000	0	0	0	300,000	300,000	0	0	0	0
Social Care System	0	0	(1,000,000)	1,000,000	0	0	0	(1,000,000)	1,000,000	0	0	0	0	0	0	0
EHCP Hub	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SEN Case Management System	0	0	0	0	0	170,000	0	0	0	0	170,000	170,000	0	0	0	0
Total Corporate Services	0	(550,000)	325,000	1,150,000	(756,000)	670,000	275,000	(850,000)	1,625,000	(1,731,000)	158,000	158,000	0	0	0	0

Community and Housing	Addit. In Year Bids 2021-22 Added to Oct Monitoring	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Total	Borrowing	Est. School Condition Grant	S106	SCIL	
Library Refurbishment Programme	0	0	0	0	60,000	201,000	235,000	0	0	0	496,000	229,580	0	0	266,420	0
Total Community and Housing	0	0	0	0	60,000	201,000	235,000	0	0	0	496,000	229,580	0	0	266,420	0

Children, Schools and Families	Addit. In Year Bids 2021-22 Added to Oct Monitoring	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Total	Borrowing	Est. School Condition Grant	S106	SCIL	
School Capital Maintenance (Additional to that Currently in the Programme to match expected Grant)	0	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	5,400,000	0	5,400,000	0	0	0
Pollards Hill Digital Divide	0	60,000	0	0	0	0	0	0	0	0	60,000	0	0	0	60,000	0
Care Leavers Living Accommodation	0	132,000	0	0	0	0	0	0	0	0	132,000	132,000	0	0	0	0
Care Leavers Drop-In Accommodation	0	20,000	0	0	0	0	0	0	0	0	20,000	20,000	0	0	0	0
Total Children, Schools and Families	0	812,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	5,612,000	152,000	5,400,000	0	60,000	0

Bids for Additional Capital Funding Business Plan 2022-26 Continued.....

Environment and Regeneration	Addit. In Year Bids 2021-22 Added to Oct Monitoring	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Total	Borrowing	Est. School Condition Grant	S106	SCIL	SCIL Balance
Canons Parks for People Top Up Bid	740,000	0	0	0	0	0	0	0	0	0	740,000				740,000	(9,036,333)
Waste Management Vehicles excl Infrastructure (Additional to Existing in Programme)	0	0	0	0	11,044,000	0	0	0	950,000	0	11,994,000	11,994,000			0	(9,036,333)
De Carbonisation of Merton's Internal Fleet	0	0	0	(300,000)	912,000	(300,000)	275,000	(300,000)	6,175,000	(300,000)	6,162,000	6,162,000			0	(9,036,333)
Salt Barn Upgrades	81,400	0	0	0	0	0	0	0	0	0	81,400				81,400	(8,954,933)
Replacement ANPR cameras with air quality / traffic sensor enhancements	0	86,000	300,000	300,000	300,000	300,000	300,000	0	345,000	345,000	2,276,000	776,000			1,500,000	(7,454,933)
Refurbishment of Mertons Multi Use Sports Areas	0	175,000	175,000	0	0	0	0	0	0	0	350,000	0			350,000	(7,104,933)
Sports Drainage	150,000	75,000	75,000	0	0	0	0	0	0	0	300,000	0			300,000	(6,804,933)
Maintain Anti Sid Surfaces	0	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(90,000)	(90,000)			0	(6,804,933)
Surface Water Drainage Top Up	40,000	40,000	40,000	40,000	0	0	0	0	0	0	160,000	30,000			130,000	(6,674,933)
Wimbledon Village - Heritage Led Public Realm Enhancement	30,000	770,000	0	0	0	0	0	0	0	0	800,000	0			800,000	(5,874,933)
Designing out crime for ASB, violence and increasing the safety of women and girls	0	50,000	35,000	20,000	20,000	0	0	0	0	0	125,000	0			125,000	(5,749,933)
CCTV business continuity and resilience	0	172,500	0	0	0	0	72,500	0	0	0	245,000	0			245,000	(5,504,933)
Rapid deployment cameras	41,000	41,000	0	0	45,000	45,000	0	0	50,000	50,000	272,000	272,000				(5,504,933)
Sandy Lane Public Realm	0	235,000	0	0	0	0	0	0	0	0	235,000	0	20,000		215,000	(5,289,933)
Watersport Fleet	0	0	0	0	10,000	0	10,000	0	10,000	0	30,000	30,000			0	(5,289,933)
5 new permanent cameras per year, and enhanced network connections	0	0	135,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	835,000	635,000			200,000	(5,089,933)
Pollards Hill Bus Shelter/Toilets Refurbishment Scheme (SCIL Only)	0	0	100,000	0	0	0	0	0	0	0	100,000	0			100,000	(4,989,933)
Cycle Parking	0	5,000	40,000	0	0	0	0	0	0	0	45,000	0			45,000	(4,944,933)
Milner Road Improvements	0	140,000	0	0	0	0	0	0	0	0	140,000	0			140,000	(4,804,933)
Brangwyn Crescent / Commonside East Improvement Project	0	52,430	0	0	0	0	0	0	0	0	52,430	0			52,430	(4,752,503)
Willow Lane Bridge BID - Improvement Project 2021	0	39,040	0	0	0	0	0	0	0	0	39,040	0			39,040	(4,713,463)
New Wimbledon Park lakeview building - including Watersport Centre	0	0	0	0	500,000	2,000,000	500,000	500,000	0	0	3,500,000	0			3,500,000	(1,213,463)
Total Environment and Regeneration	1,082,400	1,870,970	890,000	150,000	12,921,000	2,135,000	1,247,500	290,000	7,620,000	185,000	28,391,870	19,809,000	0	20,000	8,562,870	

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Committee: Sustainable Communities Overview and Scrutiny Panel

Date: 18th January 2021

Subject: Housing Enforcement Update

Lead officer: Elliot Brunton, Interim Head of Housing Needs and Strategy

Lead member: Martin Whelton, Cabinet Member for Housing, Regeneration and Climate Emergency.

Director: John Morgan, Interim Director of Community and Housing

Contact officer: Elliot Brunton, Interim Head of Housing Needs and Strategy

Recommendations:

A. No decision will be required as the report is for information only

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1. The purpose of this report is to provide an update on the activities of the Housing Enforcement Team, and it seeks to explain process the officers follow after they have been contacted by resident complaining of disrepair in their home.

2 MERTON CONTEXT

2.1. There are 88,050 homes in Merton of which it is estimated 46,887 are owner occupied, 12,416 are owned by registered providers (of which there are 22 separate Housing Associations), and 28,747 are privately rented.

2.2. Responsibilities for carrying out repairs usually rests with the Landlord of the property, and this includes private landlords and housing associations. The vast majority of private rented homes are well managed and are in good condition. However where standards are not met there are a number of duties and powers delegated to the Council to deal with this.

2.3. The Housing Enforcement Team promotes and enforces standards in private homes. This is a complex area with a number of separate and interrelated functions. These include:

- a) Reactive Complaints. *Complaints about housing conditions for private tenants, social tenants and owner-occupiers.*
- b) Emergency Reactive Complaints. *Complaints about housing conditions for private tenants, social tenants and owner-occupiers.*
- c) Public Health and Nuisance-*Investigation and resolution of public health and drainage related matters, filthy and verminous property (private renters, social tenants and owner-occupiers), and advice on pests.*
- d) Houses in Multiple Occupation (HMOs) *reporting unlicensed HMOs, the licencing of mandatory HMOs, enforcement of*

licenced HMOs, proactive identification of HMOs and maintaining a public register of HMOs.

- e) *Setting the Standard Inspections- Inspections of bed & breakfast/studios used for temporary accommodation in the borough to ensure they meet standards. This includes properties used by other authorities.*
- f) Managing the Disabled Facilities Grant Funding.

2.4. Complaints about private sector conditions and other requests for service are received in a number of ways from members of the public and can be via telephone, email, letter, or from other Council teams. An initial risk assessment is carried out to determine whether a request is urgent or non-urgent. Examples of service requests are below-

Urgent Complaints	Non – Urgent Housing Disrepair	Non Housing Disrepair
<ul style="list-style-type: none"> • Lack of hot water • Lack of heating (Winter only) • Flooding • Dangerous Live Electrics • Water penetration • “Live” ceiling or wall plaster 	<ul style="list-style-type: none"> • Dampness and mould • Overcrowding • Defective windows/ guttering • Roofing defects • Defective washing facilities • Structural movement 	<ul style="list-style-type: none"> • Hoarding resulting in a filthy and verminous property • Advice on Pests such as Infestations of rats, mice, cockroaches and sign posting to appropriate agencies • Rubbish accumulation in gardens • Broken and blocked drainage • Overgrown gardens

2.5. Upon consideration of all available evidence the Council has a number of options to resolve a private tenant’s difficulties: Take no action, offer informal action/advice, serve a statutory notice, issue a formal caution, prosecute, and/or carry out works in default.

2.6. The Council is required to have a *Housing Enforcement Policy* which is attached in appendix one. This sets out the approach to inspection and enforcement and lays down the principles that will be followed in deciding upon what action is appropriate in each case. The policy also sets out the process for dealing with individual complaints in some detail.

2.7. As noted above, the service is driven by individual reports of disrepair and similar issues from tenants and this leads to specific service requests being raised. The team is not involved in carrying out estate inspections on social housing sites as this is a landlord function and such inspections look at issues beyond that of a single dwelling. This includes inspection of the exterior and communal parts, facilities and grounds of an estate comprising

blocks of flats or a mixture of flats and houses built on land managed by a landlord. This assists the Landlord in managing its housing stock and liaison and consultation with its own tenants and stakeholders (when necessary and appropriate).

- 2.8. The Housing Enforcement Policy sets out the Council's approach to dealing with complaints from tenants of housing associations and other registered providers. Such landlords have programmes of planned maintenance, repairs services and their own internal complaints policies, and are subject to regulation by the Housing Ombudsmen. As result the Housing Enforcement team would not 'normally' take on such cases of disrepair (see section 6 of the housing enforcement policy).
- 2.9. At the suggestion of this panel a web page now exists on Housing Association tenancy rights which sets out Landlord's repairing obligations and complaints processes, and provides details of useful contacts.
- 2.10. The panel will be aware that Councillor Nick Draper was appointed to the role of Tenants Champion. The purpose of the role is to support individual tenants, both private and housing association, if they are have difficulties in getting repairs of their hone carried out. The contact details of the Tenants Champion is advertised on the Council's Website.

3 HOUSING ENFORCEMENT ACTIVITY FROM APRIL 2017

- 3.1. The table below sets out team activity based on the type of complaints/service requests received since April 2017

Query	2021 Dec 17th YTD	2020-21	2019-20	2018-19	2017-18
Filthy & Verminous	1	6	6	3	8
Grant Repayment Query	11	23	14	13	9
Housing Disrepair	206	267	268	323	264
HMO Advice	251	326	385	525	127
Housing - Other	115	145	129	110	69
Members/ MP Enquiry	72	65	65	56	6
Rats	24	44	30	52	32
Mice	17	17	12	24	27
Cockroach Infestation	2	0	3	3	6
Ants	0	1	2	0	0
Other	0	1	5	1	4
Insect Infestation	0	1	0	0	0
Pigeons	5	7	0	0	0
Squirrels	0	2	0	0	0
Bedbug Infestation	5	5	0	0	0
Drainage	22	31	32	33	29
Refuse/Rubbish in Gardens	66	101	87	113	67
Totals	797	1042	1038	1256	648

3.2. Whilst there are naturally variations from year to year for different requests, over the 5 year period, there is one factor that was outside of normal variations. This was the extension of the scope of properties that are subject to a Mandatory HMO Licence. In October 2018 the law changed that extended the number of properties requiring a HMO Licence. Consequently from 2018 onwards there is a significant increase in the number of HMO related service requests.

3.3. **HMO Licensing.** The table below sets out the number of HMOs on the HMO register at the end of each year.

Dec 2021	2020	2019	2018	2017
388	282	182	171	149

3.4. **Prosecutions.** The summary below sets out a summary of recent prosecutions. Each case for prosecution is judged on its own merits in line with the criteria set out in the Housing Enforcement Policy. In the majority of cases, disrepair and other similar issues are resolved through informal or formal action.

Prosecutions since 2019	
LBM v Landlord of Property in Graveney Ward (6th August 2019)	Unlicensed HMO and other offences under Housing Act 2004. Sentence - Fine - £1,965; Costs - £1,750; Victim Surcharge - £196 The total amount payable = £3,911.00
LBM v Landlord of property in Colliers Wood (25th October 2019)	Unlicensed HMO and other offences under Housing Act 2004 Sentence - Fine - £3, 844; Costs - £1,997.50; Victim Surcharge - £170. The total amount payable = £6011.50
LBM v Landlord of property in Figgs Marsh (5th November 2019)	Unlicensed HMO and other offences under Housing Act 2004 Sentence - Fine - £2694.00; Costs - £1,990.00; Victim Surcharge - £170 The total amount payable = £4854.00.

<p>LBM v Landlord of property in Graveney (4th May 2021)</p>	<p>Unlicensed HMO and other offences under Housing Act 2004 Sentence - Fine -£13,800; Costs - £2,530.00; Victim Surcharge - £190 The total amount payable = £16,520.00</p>
<p>LBM v Landlord of property in Wimbledon Park (22nd September 2021)</p>	<p>Unlicensed HMO and other offences under Housing Act 2004 Sentence- Fine- £30,560, Victim Surcharge £380 prosecution costs £2340 The total Payable £33,280</p>

4 CASE STUDIES

4.1. The author of the report feels that it would be helpful to the panel to be advised of a number of case studies which demonstrates the activities of the team.

4.2. **Filthy and Verminous**

Property converted to two flats – Ground floor flat and first floor flat. Both flats share a common entrance. The freeholder is also the leaseholder of the ground floor flat and an owner-occupier and the first floor flat leaseholder rents the flat to an assured short hold tenant.

March 2020 - Following complaints from neighbours, officers served Public Health Act 1936 Section 83 as amended by Section 35, of the Public Health Act 1961 notice on the owner-occupier of Ground Floor Flat, requesting that the clearance of all unwanted belongings and general household rubbish from his property as it was deemed filthy and verminous. The Owner failed to do so and as result the Council carried out works in his default. The owner at the time was cooperative and provided access to Council officers and contractors who cleared the property. The property was left in a clean condition.

June 2021 - the council received new complaints regarding the reoccurrence of Owners hoarding habits and the conditions inside the property become filthy and verminous, once again. Statutory Notices were served requesting the clearance of the property as it was deemed filthy and verminous.

The Owner failed to comply with the Notice and further more ceased to cooperate with Council Officers and contractors who were unable to gain

access to survey for the purposes of obtaining estimates for the clearance of the property and to carry out works in default. Officers therefore applied for a warrant to enter the premises for the purposes of clearing and cleaning the property in order to comply with the requirements of the Statutory Notices. The Magistrate granted the Warrant and the property was cleared improving the living conditions for the owner and his immediate neighbour.

4.3. Prohibition Order

June 2019 – Officers received complaint about an unlicensed HMO. Officers visited and carried out unannounced HMO inspections. Conditions in the property were dangerous. There were two changes in level and a steep staircase to an unlit basement. Officers found that a family of four persons were living in the basement of the property with no natural lighting or ventilation. The means of escape from fire was compromised and there was no early fire warning system.

The officers were satisfied of the existence of Category One Hazards, which involved an imminent risk of serious harm to the health and safety of any of the occupiers. A Prohibition order was served with immediate effect as officers were of the opinion that the design of the building was such that no remedial works could be prescribed to reduce the risk and remove the Category 1 Hazards from the basement flat.

4.4. Housing Association Property

May 2021 – following contact from a solicitor representing a tenant of a Housing Association property an inspection was carried out and a Housing Health & Safety Rating System (HHSRS) assessment was carried out. The deficiencies found related to a number of Category One And Two Hazards under ;Damp and Mould (Hazard 1); Crowding and Space (Hazard 11); Domestic Hygiene Pests & Refuse (Hazard 15) Personal Hygiene, Sanitation & Drainage (Hazard 17) and Falling Between Levels (Hazard 22).

The Officer served Preliminary notices on the Housing Association and the remedial works related to Category One hazards have been complied with by the Housing Association.

5 SUMMARY

- 5.1. This report seeks to summarise the work of the work of the housing enforcement team but the descriptions and examples are not intended to be exhaustive and going forward the Housing Enforcement Team will continue to promote and enforce private sector standards in line with the statutory duties and the Council's Enforcement Policy.

6 ALTERNATIVE OPTIONS

None for the purposes of this report

7 CONSULTATION UNDERTAKEN OR PROPOSED

7.1. None for the purposes of this report

8 TIMETABLE

8.1. None for the purposes of this report

9 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

9.1. None for the purposes of this report as information only

10 LEGAL AND STATUTORY IMPLICATIONS

10.1. None for the purposes of this report as information only

11 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

11.1. None for the purposes of this report as information only

12 CRIME AND DISORDER IMPLICATIONS

12.1. None for the purpose of this report

13 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

13.1. None for the purposes of this report as information only

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

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15 BACKGROUND PAPERS

15.1. None

16 APPENDICES-HOUSING ENFORCEMENT POLICY

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Community and Housing

HOUSING ENFORCEMENT POLICY
2019 – 2024

(June 2019)

1. Introduction

This enforcement policy relates to the duties and powers delegated to the Council to deal with substandard private sector housing, substandard management of private housing, statutory nuisance, public health matters and the enforcement of other relevant legislation. The policy has been developed with regard to the Regulators' Code 2014.

The Environmental Health - Housing Team forms part of the Housing Needs Section under the Community and Housing Directorate. The team deals with environmental health functions in relation to residential properties. Within the team there are a variety of separate but interrelated functional areas. These include:

- Improvements of housing standards in the private rented sector
- Operating the Mandatory Licensing of Houses in Multiple Occupation
- Managing the Disabled Facilities Grant Funding
- Investigation and resolution of Public Health /Drainage related matters
- Statutory nuisance (excluding Pollution related complaints)
- Pest Control as determined by statutory duties

This document is the overall enforcement policy covering these disciplines. It outlines the approach to enforcement and lays down the principles that will be followed in deciding upon, and taking, action.

2. Aim of Policy

The enforcement policy helps to promote efficient and effective approaches to inspection and enforcement. The aim of the policy is to ensure that all enforcement undertaken is:

Targeted on risk- at properties and people that pose the greatest risk, including owners and landlords who evade licensing and regulation, and those whose properties cause a nuisance or put people's health and safety at risk.

Proportionate - reflecting the nature, scale and seriousness of any breach or non-compliance.

Fair and objective - based on the individual circumstances of the case, taking all factors into account.

Transparent – Officer's actions will be explained in plain language, with clear reasons given for any enforcement action taken and compliance. A clear distinction will be made between legal requirements and advice or guidance.

Consistent - taking a similar approach in similar circumstances to achieve similar ends. All factors such as the level of risk, the history of compliance and the attitude and actions of those involved will be considered

Accountable - undertaken in a responsible manner that has a clear purpose. Where enforcement action is taken, the Officer will ensure that information about their rights of appeal are provided. Furthermore service complaint details can be provided on request.

3. Level of Service

Following the receipt of a non urgent service request or complaint about poor housing conditions an initial risk assessment will normally be carried out and the tenant will be sent within 7 working days a Tenant Declaration Form to complete and return to the section within 28 days.

Any follow up advice or action will depend on the outcome of the initial assessment, and the information provided by the Tenant. The council will take further action to deal with health and safety concerns or issues which cause a statutory nuisance. For less serious issues, such as delays to other repairs we will provide support to advise tenants of their rights and practical steps they may wish to follow.

For urgent service requests we will assess the request and urgency and where appropriate we aim to contact you within 24 hours for urgent matters such as a blocked drain; lack of hot water/heating; water penetration etc.

Service standards

With all e-mails and letters we:

- Aim to respond within 15 working days
- will update you on progress and advise you when we can respond if we are unable to respond in full
- will provide well-structured responses, using plain language responding to all the points raised.

If you call our telephone numbers we will aim to:

- Answer your call within five rings
- Divert our phone to a colleague or voicemail if we are unavailable
- Return your phone calls by the end of the next working day, unless otherwise agreed

Personal callers should make an appointment as case officers are out of the office for most of the day, and are unable to see callers without a prior appointment.

4. Authorisation of Officers

Officers who are competent by training, qualification and/or experience will be authorised to carry out enforcement action. Authorised officers will have sufficient training and understanding of Merton's standard procedures to ensure a consistent approach to service delivery.

Officers who undertake enforcement action, including criminal investigations, will be up to date with the provisions of the Police and Criminal Evidence Act 1984 (PACE), the Criminal Procedure and Investigations Act 1996 (CPIA), the Data Protection Act 2018 and General Data Protection Regulation (GDPR), the Human Rights Act 1998,

the Equality Act 2010, the Regulation of Investigatory Powers Act 2000, the Freedom of Information Act 2000 and Anti-social Behaviour, Crime and Policing Act 2014.

As well as council officers, qualified contractors may also be authorised to take enforcement action on behalf of the Council.

5. Powers of Entry

Tenants of the private rented sector should inform their landlord, except in emergency situations, of the problem (preferably in writing) and allow them an opportunity to resolve it. We will normally direct tenants to contact their landlord first, but will investigate a complaint where private tenants are dissatisfied with the response or action undertaken by their landlord.

In certain situations tenants will not be expected to contact their landlord first, including but not limited to:

- where the tenant has received notice to leave the accommodation
- where the matter appears to present an imminent risk to the health and safety of the occupants;
- where there is a history of harassment/threatened eviction/poor management practice;
- where the tenant appears to be vulnerable or where there are vulnerable members of the household;
- where the tenant could not for some other reason be expected to contact their landlord/managing agent;
- where the property is a House in Multiple Occupation which appears to fall within the council's HMO Licensing Scheme.

Landlords should note that their tenant(s) have a right to invite Council officers into the property for the purpose of inspection or investigation without the need to inform the landlord or require their permission.

Powers of entry will be exercised by persons authorised by the Council and conducted, with or without notice, in accordance with the relevant statutory provisions, e.g section 239 of the Housing Act 2004. Anyone who obstructs an authorised officer from entering a premises in accordance with their powers is committing an offence and may be prosecuted in accordance with the provisions of this policy.

Tenants are responsible for keeping us informed of any contact they have had with their landlord (or the landlord's agent or builder, etc.), which may affect the action the council is taking or considering taking.

In appropriate circumstances, a Notice of Intended Entry will be served or an application made to the Magistrates' Court for a warrant to enter in accordance with the relevant statutory provisions, e.g. section 240 of the Housing Act 2004.

6. Enforcement Options

Housing Association and Other Registered Provider Tenants

The Council will not normally take on cases of disrepair reported by these tenants. This is because social landlords have programmes of planned maintenance and repair in place and, unlike private landlords, have complaints policies which their tenants can follow if they are dissatisfied. Tenants have a final right to complain to the Housing Ombudsman.

The exception would be if there are clear Category 1 Hazards, as defined by Part 1 of the Housing Act 2004 in the property which the social landlord has failed or refused to address.

The decision to take enforcement action will be made on a case-by-case basis in accordance with the provisions of this Enforcement Policy. For the avoidance of doubt, any form of enforcement action can be taken as appropriate in the circumstances of the case and there is no requirement to have first taken a lesser or different form of enforcement action, for example, the decision to prosecute can be taken without having first given a warning.

Private Sector Tenants

i. Informal Action (Preliminary Notices)

Formal action under the Housing Act 2004 may be preceded by the service of preliminary notices by which the Council sets out a proposed schedule of works and time scales for completion of the work. These notices invite landlords to make representation if they disagree with the requirements of the notice or if they wish to suggest an alternative course of action.

The time-limits given on Preliminary Notices for starting and completing works will be assessed on a case-by-case basis and will generally be related to the estimated cost and nature of the required works, e.g.as follows:

Cost of works	Start	Complete	Total
Less Than £5,000	28 days	28 days	56 days
£5,000-£15,000	60 days	30 days	90 days
> £15,000	60 days	60 days	120days

The preliminary notice invites landlords to complete an undertaking stating that they agree to the required works and the proposed timescales. If an undertaking is received, no further action will be taken unless the agreement is not adhered

to. The preliminary notice advises the landlord that a statutory notice will be served in 21 days if an undertaking is not received or if they do not make a representation. The statutory notice will list the same works as outlined in the preliminary notice.

With statutory nuisance and public health issues there is no provision for preliminary notices. Where possible we will send a letter to advise residents that we are investigating a complaint and depending on the outcome we may serve a statutory notice.

In cases where action is required immediately we will serve a notice in the first instance (e.g. blocked drains and statutory nuisance). An explanation for such action will be given at the time and confirmed in writing in most cases within 7 working days.

Representations Made in Response to Informal Notices

Persons receiving an 'informal' notice will be given a reasonable period of time (as specified on the notice) in which to make representations (Housing Act) or carry out the works (other legislation). Having considered any representations, a decision will then be made as to whether to proceed with statutory enforcement action, taking the following factors into account:

- landlord's previous history;
- proposed timetable for works;
- whether the landlord has made clear their intention to carry out the works and whether this is within the time-limit specified in the 'informal' notice.

Where the content of the representations received is satisfactory, the person on whom the notice was served will be informed in writing. This letter will also confirm the terms under which the representations have been accepted, for example, the agreed time-period for completion of works and any amendments to the schedule of works. Statutory enforcement action will be taken in the following situations:

- where no representations are made and no undertaking to do the work has been given;
- where the representations made are unacceptable;
- where unsatisfactory progress has been made following acceptance of representations.

Formal action may not be considered where the matter is of a very minor nature. In such situations the tenant will either be given advice or a one-off letter may be sent to the landlord and the case will then be closed. In cases where an owner-occupied property is having a harmful effect upon adjoining properties, or the amenity of the neighbourhood as a whole, an informal approach will be made to the owner in the first instance.

ii. Statutory Action

The Housing Act 2004, the Housing Act 1985 (as amended) and the Environmental Protection Act 1990 are the principal Acts covering statutory action taken. Authorised officers will be allowed to draft and sign their own statutory notices once they have undergone a period of training and monitoring and manager(s) are satisfied of their competency,

Situations Where an Informal Notice is not required

Where it is necessary to take immediate enforcement action the 'informal' notice will not be issued. This will be considered where there is an imminent risk to health or a significant statutory nuisance, where the landlord is absent or has a poor management record, or where the landlord or managing agent has a history of failing to respond to informal action.

7. Service of Statutory Notices

Owner-occupied Property

Enforcement action will only be considered where the condition of an owner-occupied property is such that it is a danger to the occupier, it is having a detrimental effect on adjoining properties, or it is having a detrimental effect on the amenity of the neighbourhood as a whole and the problem cannot be solved by informal means.

Privately Rented Property

Properties are inspected using the housing health and safety rating system which links defects in properties with hazards to the health or safety of the occupants or visitors. Where properties have been assessed as having a high hazard rating, or there has been a failure to comply with legislation covering houses in multiple occupations, an assessment of risk will be undertaken to determine the appropriate course of action and to inform the decision on whether immediate enforcement action is necessary.

The main statutory notices/orders used are as follows:

- Housing Act 2004, sections 11 and 12, Improvement Notices relating to properties with category 1 or category 2 hazards.
- Housing Act 2004, sections 20 and 21, Prohibition Orders relating to properties with category 1 or category 2 hazards.
- Housing Act 2004, sections 28 and 29, Hazard Awareness Notices relating to properties with category 1 or category 2 hazards.
- Housing Act 2004, section 40, Notice of Emergency Remedial Action.
- Housing Act 2004, section 43, Emergency Prohibition Order.
- Housing Act 2004, section 102, Interim Management Order.
- Housing Act 2004, section 103, Special Interim Management Order.
- Housing Act 2004, section 113, Final Management Order.

- Housing Act 2004, section 133, Interim Empty Dwelling Management Order.
- Housing Act 2004, section 136, Final Empty Dwelling Management Order.
- Housing Act 2004, section 139, Overcrowding Notice in respect of a HMO.
- Housing Act 1985 (as amended), section 17, Compulsory Purchase Order.
- Housing Act 1985 (as amended), section 265, Demolition Order.
- The Management of HMOs (England) Regulations 2006, notice requiring works to remedy deficient management issues within HMOs.
- Environmental Protection Act 1990, section 80, Abatement Notice in respect of statutory nuisance.
- Building Act 1984, section 59, Notice requiring execution of works of drainage, etc., in existing buildings.
- Public Health Act 1936, section 45, Notice requiring works to defective water closets capable of repair.
- Public Health Act 1961, section 17(1), Notice to remedy insufficiently maintained drains, etc.
- Public Health Act 1961, section 17(3), Notice to remedy stopped-up drains, etc.
- Public Health Act 1961, section 83
- Prevention of Damage by Pest Act 1949, section 4.

8. Statutory Notice Time Periods

The time-limits given on statutory Housing Act 2004 notices for starting and completing works will be assessed on a case-by-case basis and will generally be related to the estimated cost and nature of the required works, e.g. as follows:-

Cost of works	Start	Complete	Total
Less Than £5,000	28 days	28 days	56 days
£5,000-£15,000	28 days	40 days	68 days
> £15,000	28 days	50 days	78 days

If the required works are only of a limited extent then the time limits will be reduced accordingly, with a minimum time limit of 29 days in total being allowed. Extensions of time for starting or completing work will only be granted where there are legitimate reasons for doing so. Examples include an agreed work programme for an owner with several properties requiring works, or works are in progress but not completed. The extension of time will be granted by the officer dealing with the case in consultation with the owner and occupier of the property.

Statutory notices under other legislation will usually contain shorter time periods, from 7 to 21 days, but in urgent drainage, public health or statutory nuisance cases the time limit may be 24 or 48 hours.

9. Charge for Enforcement Action

A charge is made for the cost of administrative and other expenses involved in taking the following statutory enforcement action:

- Serving of an improvement notice under section 11 and 12 of the Housing Act 2004.
- Making of a prohibition order under section 20 and 21 of the Housing Act 2004.
- Serving of a hazard awareness notice under section 28 and 29 of the Housing Act 2004.
- Taking emergency remedial action under section 40 of the Housing Act 2004.
- Making an emergency prohibition notice under section 43 of the Housing Act 2004.
- Making of a demolition order under section 265 of the Housing Act 1985 (as amended)
- Service of a notice under section 80 of the Environmental Protection Act 1990
- Service of a notice under section 59 of the Building Act 1984
- Service of a notice under section 45 of the Public Health Act 1936
- Service of a notice under section 17 of the Public Health Act 1961

The charge is £450 for each Housing Act 2004 notice/order served/made. Where more than one person is served with a notice/order the charge may be recovered from the main recipient (usually the person who is primarily responsible for the management of the property) or split equally between the recipients.

Charges for Housing Act 1985 and Housing Act 2004 notices and orders are made in accordance with section 49 of the Housing Act 2004. Charges for other notices are made in accordance with section 36 of the Local Government Act 1974. In each case an invoice will be issued and if the charge is not paid within 28 days recovery action is taken by the Council's Debt Recovery Team, including interest where appropriate.

Where there is an appeal against a notice or order, the charge is suspended, until the appeal is determined. However, there is no separate right of appeal against the charge. In cases of extreme hardship, the Head of Service/ Director of Department has discretion to reduce or waive charges for enforcement action.

The charge may also be waived if a notice has been served without the prior service of a 'informal' notice where this has been done to ensure that the works are carried out quickly in a specific case, eg if fire precaution works are recommended by the London Fire Brigade. However, if the statutory notice has been served without an informal notice having been served because of either the landlord's history of failing to respond, or the landlord is absent, the cost of enforcement action will be charged.

10. Pro-Active Enforcement

The Council has a duty to review local housing conditions to identify any action

that may be required.

We will seek to identify HMOs that require a mandatory licence and properties where Category 1 hazards exist.

We will target those landlords who deliberately or persistently break the law. Where poor conditions are identified in a privately rented property, we will seek to identify and inspect other properties owned or managed by the same individual or company.

11. Appeals

Individuals and businesses have a right to question or appeal against enforcement action. There are statutory appeal mechanisms, details of which will be given when action is taken. In addition, a corporate complaints procedure is in place for dis-satisfied customers.

Every effort will be made to have appeals heard as soon as possible, but this is often outside our control. Costs will generally be sought if an appeal is found in favour of the Council or subsequently withdrawn by the appellant.

12. Re-connection of Services

Statutory powers can be used to ensure the re-connection (or to prevent the disconnection) of the gas, electricity or water supply, to lettings within tenanted properties. These powers will only be used where the tenant is not responsible for payment of the bill. In these cases the details will be passed to the Tenancy Relations section as non-payment of a utility bill, which is likely to lead to tenants being without services through no fault of their own, is a form of harassment.

If section 19 of the Greater London Council (General Powers) Act 1972 is used to arrange the re-connection of the gas or electricity supply, the owner will be charged an additional 30% to cover the Council's costs, in addition to the costs of re-connection and payment of the bill plus interest.

If section 33 of the Local Government (Miscellaneous Provisions) Act 1976 is used the owner will be charged the cost of re-connection and/or payment of the bill plus interest.

13. Works in Default

In some circumstances, failure to comply with a notice may result in the council arranging for the necessary works to comply with the notice to be carried out (work in default). Should the council need to carry out work on a dwelling in default of the responsible person, we will charge the full cost of the works plus an administration fee of 30%. This is to cover the officer time involved.

Where works in default have been carried out, the council may register this as a local land charge. The council will then seek to use the enforced sale procedure under the Law and Property Act 1925 to recover payment. This allows the council to force the sale of their property in order to recover its costs. A court order is not necessary.

This is a discretionary power and in all cases the council's ability to use it is dependent on sufficient financial resources being available. We will approach

each case on its merits, where the budget is limited it will be prioritised for cases which present a significant and imminent health and safety risk.

Debts owed for works carried out in default will be registered as a charge on Local Land Charges Register and the HM Land Registry until such time as the debt is recovered.

14. When a Service to Tenants is not Provided

Where any of the following situations arise consideration will be given to either not providing a service or ceasing to provide a service:

- where the only defect in the property results in a low scoring hazard of band G, H, I or J assessed in accordance with the Housing Health and Safety and Rating System;
- where the tenant(s) are, of their own free will, shortly to move out of the property;
- where the tenant(s) unreasonably refuse access to the landlord, managing agent or contractors to arrange or carry out works;
- where the tenant(s) have, in the opinion of the Council, clearly caused the damage to the property that they are complaining about, and there are no other items of disrepair;
- the housing enforcement team cannot assist with re-housing. If a tenant does not want their present accommodation to be brought up to standard in the hope of being re-housed, we will signpost to the correct services;
- where the tenant(s) have requested a service and then failed to keep an appointment and do not respond to a follow up letter or telephone call;
- where the tenants have been aggressive, threatening, or verbally or physically abusive towards officers.

15. Leaseholders and Owner Occupiers

We will not normally become involved in disputes between leaseholders and freeholders or between neighbouring owner occupiers. Such disputes, and their outcome, rely on legal clauses within leases or deeds and we are not equipped to interpret these sufficiently to take legal enforcement action. We may give general advice and/or signpost the complainant to other organisations which may offer advice, including advice on the taking of civil action.

The exception to the above is where a statutory nuisance, drainage or pest control issue is emanating from a clearly identified property and is affecting or has the potential to affect neighbouring properties and people.

16. Simple Cautions

The Ministry of Justice issued guidance (effective from 13 April 2015) on the use of simple cautions and this guidance will be used for all decisions relating to simple cautions. The simple caution scheme is designed to provide a means of dealing with low-level, mainly first time, offending without a prosecution. A simple caution must not be offered to a person who has not made a clear and reliable admission to committing the offence. Decisions to issue simple cautions must be made in accordance with the Full Code Test as set out in the Code for

Crown Prosecutors and charging guidance.

Before a Simple Caution can be given, it is important to establish:

- The views of the victim about the offence (normally the occupiers),
- The nature of any harm or loss caused by the offence and its significance to the victim,
- Whether the offender has made any form of reparation or paid compensation

The views of the victim are important but are not conclusive. The decision to offer a simple caution will take these into account alongside wider public interest factors

A Simple Caution must be accepted in writing by the offender (or officer of a limited company which is the alleged offender), who is then served a copy of the caution. A second copy is held as the official record.

If the offender refuses to accept a Simple Caution, the option to pursue the offender by other means, i.e. to prosecute remains.

The fact that the offender has received a caution can be cited in court in future legal proceedings This information may also be used to inform future enforcement decisions if incidents arise involving that same person or organisation.

17. Prosecution

Where there is a breach of a legal requirement and the Council considers that formal action is required we may seek to prosecute the offender. Although we will judge each case (and our response) on the merits of each individual case, prosecution will generally be reserved for the most serious cases. These include failures to provide documentation on information requested to determine interested parties and the occupancy of premises. Any decision to prosecute will be taken in accordance with the Regulators 'Code, this policy and the Code for Crown Prosecutors.

The following factors will be taken into account in any such decision:

- The seriousness of the offence, including the risk and harm (actual or potential) this breach entailed);
- The previous compliance history of the subject concerned;
- The willingness of that party to prevent a recurrence of the problem;
- Whether the issuing of a simple caution would be more appropriate or effective;
- Whether the offence was committed deliberately;
- Any evidence of the obstruction of the officers or threats made to them or others involved in the investigation; and
- The financial benefit obtained from the alleged offending.

In deciding whether or not to prosecute for an alleged infringement regard must be had to "The Code for Crown Prosecutors". In particular, a prosecution should not be commenced unless the criteria specified in the Full Code Test, namely the evidential stage and the public interest stage have been met.

18. Civil penalties and other fines

The Council may as an alternative to prosecution, serve notices imposing civil penalties of up to a maximum of £30,000. The Council's Civil Penalties and Rent Repayment Order policy can be viewed at [add a link to your new policy]

19. Rent Repayment Orders

A rent repayment order is an order made by the First-tier Tribunal requiring a landlord to repay a specified amount of rent. The Housing Act 2004 introduced rent repayment orders to cover situations where the landlord of a property had failed to obtain a HMO licence for a property that was required to be licensed as such. The Housing and Planning Act 2016 extended this power to now cover a much wider range of offences. The Council's Civil Penalties and Rent Repayment Order policy can be viewed at [add a link to your new policy]

20. Statutory Nuisances which are Prejudicial to Health

Where a statutory nuisance is found to be prejudicial to health, less than 21 days (the standard appeal period) may be given for completion of the works to abate the nuisance. Examples of situations which are regarded as being prejudicial to health, and for which a notice under section 80 of the Environmental Protection Act 1990 will be served, include:

- extensive water penetration;
- defective boilers leaving the property without any means of providing either hot water and/or heating (dependent on the time of year and whether or not there are vulnerable occupants).
- dampness or condensation resulting in mould growth where there are occupants with respiratory problems.

21. Licensing of Houses in Multiple Occupation (HMOs)

All decisions in respect of HMO licensing will be taken in accordance with the provisions of the Housing Act 2004 and regulations made under the Act.

If the Council intends to make to make an interim management order (IMO) under the provisions of the Housing Act 2004 the Head of Section and Director of the department must agree that this course of action is appropriate.

If the Council intends to make a Final Management Order to take control of an HMO which has an Interim Management Order in place, the Head of Section and the Director of the department must agree that this course of action is appropriate.

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Committee: Sustainable Communities Overview and Scrutiny Panel

Date: 18th January 2022

Wards: ALL

Subject: Allotment Gardens

Lead officer: John Bosley, Assistant Director of Public Space

Contact officer: Claire Walshe

Recommendations:

A. That the Committee note and comment on the report.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. Allotments across the borough provide a vital place for plot holders to undertake urban horticulture, growing food and plants for both leisure and functional reasons. They are also an important green infrastructure used by birds, mammals and invertebrates, enhancing the biodiversity within our communities.
- 1.2. This valuable community resource also provides ‘*green exercise*’ opportunities to improve health outcomes and acts as a social contact point, aiding in improving an individual’s mental health and supporting their independence.
- 1.3. Allotments are oversubscribed and the service has undertaken proactive work over the last year to positively address this, welcoming 163 new plot holders over this period.
- 1.4. The network of allotments can be improved and the council’s Greenspaces team will continue to look at opportunities to improve how the sites are used and associations can be supported.

2 DETAILS

2.1. History of Allotment Gardens

- 2.2 Allotments have been in existence for hundreds of years with the system we recognise today stemming from the introduction of the Allotments Act 1887, which provided the mechanism for compulsory purchase of land to enable allotments and a responsibility to provide allotments if there was sufficient demand. The Small Holdings and Allotments Act of 1908 further provided the mechanism to enable a national network of sufficient allotments for the provision of growing food for domestic consumption, superseded this. This allowed labouring poor to be self-sufficient during the heyday of the industrial revolution and enable a strategic infrastructure during both World Wars.
- 2.3 In 1922, the Allotments Act in England and Wales, gave better rights for allotment holders but the most important change came in a revision to the

Act in 1925, which established statutory allotments which local authorities could not sell off or convert without Ministerial consent, known as Section 8 Orders.

2.5 Further legislation has been listed over the intervening years, which have affected allotments, the latest of which is the Localism Act 2011 in relation to the compulsory acquisition of land.

3. OVERVIEW OF ALLOTMENT SERVICES IN MERTON

3.1 The Allotments Service is currently managed by idverde Ltd as the grounds maintenance contractor for the council as part of the South London Waste Partnership suite of contracts (Phase C, Lot 2).

3.2 Allotments are available for residents residing within the borough and all of the council managed sites having an applicable waiting lists. Residents can apply to one (1) waiting list and, unfortunately, some popular locations have waiting lists that are currently closed as the estimated time for an available allotment exceeds five (5) years.

3.3 There are 18 allotment sites in the borough, 13 of these are operated by the council through its agent idverde Ltd and five (5) are self-managed sites as outlined in table one (1) below.

3.4 Across these sites, there are 1,454 plots, utilising approximately 28 hectares of land to facilitate urban leisure gardening for the benefit of borough residents.

Table 1. Merton Council Allotments

Site Name	Management	Hectares	Total Plots
Brooklands Ave. Allotments	Merton Council	0.25	19
Cannizaro Park Allotments	Merton Council	0.7	42
Cannon Hill Common Paddock Allotments	Self-Managed	2.13	107
Cottenham Park Allotments	Merton Council	4.32	309
Durnsford Road Allotments	Merton Council	0.89	57
Eastfields Allotments	Merton Council	1	55
Effra Road Allotments	Merton Council	0.15	12
Eveline Rd Allotment Gardens	Merton Council	0.5	31
George Hill East & West Allotments	Self-Managed	2.4	116

Haslemere Ave. Allotments	Merton Council	0.92	9
Havelock Road Allotments	Merton Council	1.86	96
Martin Way East Allotments	Self-Managed	1.26	235
Martin Way West Allotments	Self-Managed	3.16	
New Barnes Ave. Allotments	Merton Council	0.94	61
Phipps Bridge Rd. Allotments	Merton Council	2.19	84
Tamworth Farm Allotments	Self-Managed	2.86	88
Thurlston Road Allotments	Self-Managed	0.59	47
Western Road Allotments	Merton Council	1.53	86
		27.65	1454

- 3.5 Historically, allotments are rented by the 'rod' or 'perch', which is an ancient unit of measurement based on the tool utilised by farmers to control the oxen plough team. Council plots are typically comprised of either 10 rod (approximately 250 square metres/ 30ft x 90ft) or 5 rod (approximately 125 square metres/ 30ft x 45ft).
- 3.6 The service, in order to meet current demand, prioritises the renting of 5 rod plots to enable more residents to start allotmenting.
- 3.7 The current costs for residents associated with renting allotments comprises an annual basic rent and a levy for water use with the annual period commencing on the 1st October in each calendar year. Below in table two (2) below are the recent annual rental rates associated with renting an allotment plot. The concession rate is available for allotment holders that have either a disability, those aged 60+ years or those not in full-time employment (holding an ES40 entitlement or supplementary benefits) and juniors.

Table 2. Annual Rental rates for Allotment Plot(s)

	Basic Rate	Concession Rate	Water Rate
2017/2018	£19.30	£13.50	£1.30
2018/2019	£19.86	£13.90	£1.68
2019/2020	£22.00	£15.50	£3.40
2020/2021	£22.00	£15.50	£6.80
2021/2022	£22.44	£15.81	£6.94

- 3.8 Further allotment information, including map links to site locations, is available to residents on the council website - [Allotments | Merton Council](#)

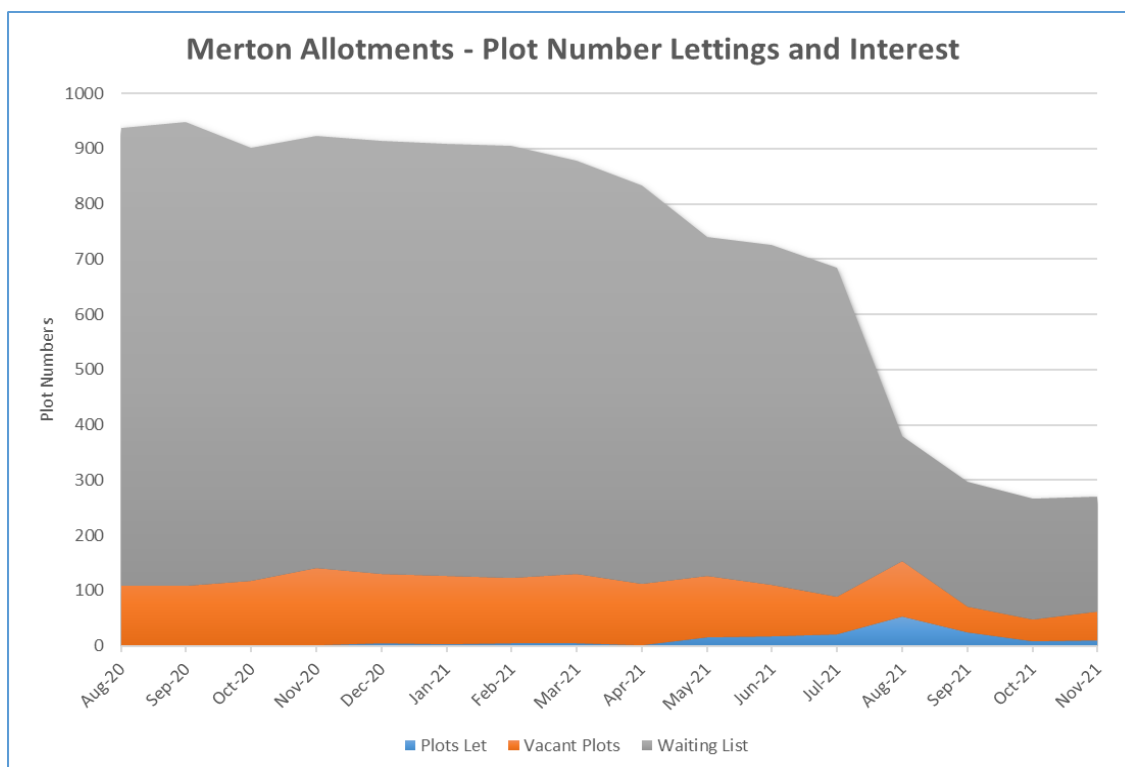
4 MANAGEMENT OF MERTON'S ALLOTMENT SITES

- 4.1 The council's service provider, idverde Ltd, are contracted to carry out the cutting of pathways and hedges, mowing and maintenance at all allotment sites maintained by the borough. They also manage the administration of relevant allotment tenancies, including inspection and non-cultivation notices, notices to quit, supply and issue of keys, processing tenancy agreements, and dispute resolution.
- 4.2 Idverde also provide a collection of on-site waste bays at allotments sites in Merton on a bi-monthly basis.
- 4.3 Idverde Ltd are responsible for invoicing allotment tenants on an annual basis and collecting rent acting as the agent on behalf of the council. The rental monies received for the annual rental of allotment tenancies.
- 4.4 The management of allotments is reported to the council contract client team through the Annual Report process, as well as reporting to the council at monthly contract meetings. The monthly contract meeting focuses on reviewing the progress on the letting of available allotment plots and the waiting list for plots.
- 4.5 Idverde Ltd work in partnership with Greenspaces and Facilities Management colleagues in Merton for management of water at all allotment sites including turning the water off and on to coincide with the growing season and to prevent freezing and burst pipes, and any issues with this infrastructure are reported to the Authorising Officer.

5 APPLICATIONS TO THE ALLOTMENT SERVICE

- 5.1 Allotment space in Merton is, and has historically been, oversubscribed. The service has been working to alleviate the long waiting list by ensuring that plots are released more quickly and that the waiting list is actively managed. The chart below illustrates the progress made within the service to both improve the management of the waiting list and to increase available lettings of plots.
- 5.2 In early 2021 following the 2021 Annual Review, the council client team required further improvement by idverde to improve the rate of plot letting and the management of stagnant waiting lists. Idverde sent offer letters to the potential plot holders at the top of waiting list for nearly every site in Merton. Those people on the waiting list had 14 days allowed to respond to re-confirm that they wished to remain on the waiting list and were able take up an offer for a plot if available.

Chart 1. Plot lettings (August 2020 to November 2021)

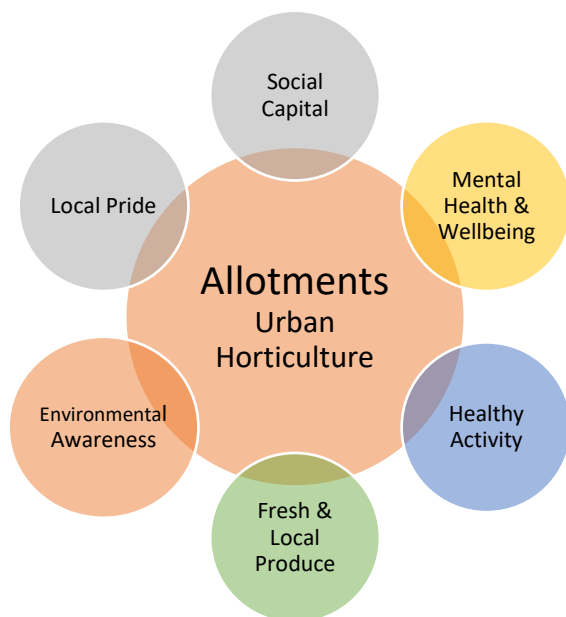


- 5.3 This process resulted in an increased number of plot viewings and an improved rate of new plot rentals. Over this period. It was anticipated that by the end of April 2021 there would be a substantial uplift in the number of vacant plots filled.
- 5.4 Following this endeavour, the council received a further update in August 2021 that the waiting list had been significantly reduced following the actions detailed above.
- 5.5 There was one final push to get vacant plots filled during September prior to the invoicing season, during which no one will be contacted. This period is between October and January.
- 5.6 To this end, idverde carried out a programme of actively communicating with customers on the waiting lists to reassess customer interest in securing an allotment plot, while also improving the assessment of plots that were either left fallow or required improvement. Identified plots that required preparation to allow for a new rental were prioritised and, from February 2021 to date, has resulted reducing the waiting list by 75% and reducing vacant plots by 50%.
- 5.7 The improvements made during this period has enabled 163 new customers to rent allotment plots and enjoy allotmenting, enjoying our outdoor community space and using our valuable green infrastructure in a healthy and positive way.

6 HEALTH BENEFITS OF ALLOTMENT GARDENS

- 6.1 There are a huge number of benefits to gardening and allotment gardening, as set out on the National Allotment Society website (nsalg.org.uk).

Chart 2. Benefits of Allotments



- 6.2 Social Capital – Allotmenting has the benefit to individuals of being a part of something, a collective with purpose, whilst also maintaining personal independence. This is particularly true for individuals who have retired, work, or live in non-traditional social norms. Successful allotment societies often volunteer at their site, spending time together for the benefit of others and the improvement of the site. The social contact and sense of togetherness as benefits to both the individual and the group.
- 6.3 Mental Health & Wellbeing – The pressures of a hectic modern life are well established and also well documented are the positive benefits of being in nature and, specifically, the benefit that individuals receive through gardening. Allotments provide a focal point to enable residents to enjoy these benefits. The University of Sheffield study (November 2020, *British Food Journal*) documents the benefits that plot holders receive whilst working their plots. Further details can be found here - [Allotments are good for you – and for your mental health](#).
- 6.4 In addition, there is a benefit to users from the knowledge and skills gained from tending an allotment, practically demonstrated by the produce and plants produced. The self-worth and achievement gained has a significant benefit to the allotment holder.
- 6.5 Healthy Activity – The need for regular attendance to have an allotment perform well is a valuable source of ‘green exercise’ for plot holders. In addition to the benefits allotmenting has on improving mood and self-esteem, the regularity of physical exercise is important to users, keeping people mobile and independent, as long as plot holders cover-up from the sun.

- 6.6 Fresh & Local Produce – It is well known through the nation’s *Dig for Victory* campaign, allotments can be pivotal in providing foods for families and the same is true today. Importantly, the food grown locally is often free of pesticides and is not cultivated with artificial chemicals that large-scale agriculture operations use. The environmental impact is less, there is a benefit to the user through healthy eating, and the wider community benefits in limiting the amount of carbon associated with food.
- 6.7 Environmental Awareness & Local Pride – The personal positive benefits for users working in an outdoor environment have been established, but in addition there is a net positive relationship with flora and fauna which profits from the environment created by the borough network of allotments. The wildlife present in allotments is also well documented, from slow worms, frogs, toads, field mice, birds, bees and invertebrates, which contributes to a richness in bio-diversity in our communities.
- 6.8 Allotment tending is a year-round activity and provides the user with a connection to the natural environment and the importance of preserving our environment. Civic pride, positive environmental action, reuse & recycling and an awareness of the threat of climate change empowers and encourages allotment holders to take positive steps to minimise their impact on the environment. The sense of community and Local Pride is inherent with site users and is an incalculable benefit that users provide society. Acting as custodians of our green infrastructure for future generations and being champions of these valuable spaces is an inherent benefit that users provide our local communities.
- 6.9 Allotments during the pandemic have also provided a refuge to plot holders, a place where they could exercise during lockdown and spend time safely distanced but in social contact with their fellow gardeners.

7 WILDLIFE ON ALLOTMENTS (INFORMATION SOURCES FROM NATIONAL SOCIETY OF ALLOTMENT AND LEISURE GARDENERS LTD).

- 7.1 Although the primary purpose of allotment sites is to grow food, they offer many other benefits. Their contribution to supporting wildlife in urban areas is significant. They habitat environments and wildlife corridors, creating links with parks, tracks, hedgerows, churchyards and rivers.
- 7.2 Plot-holders can help to support wildlife and ensure a balanced eco-system that will reduce pests and diseases and increase productivity by following some simple steps.
- 7.3 Allotment sites can make communal efforts to be wildlife friendly by managing hedges appropriately and setting aside un-mown grassy areas to nurture insects and amphibians; a patch of nettles will provide both plant food and a breeding area for butterflies. Orchard areas managed in a traditional way provide potential breeding sites for many different species of wildlife.

8 FUTURE OPTIONS

- 8.1 The self-management or devolved management of community allotments is an important next step for the service to consider, especially considering the general interest in allotments as demonstrated by the long waiting lists for plots and the financial pressures that wider council services need to balance.
- 8.2 The outcomes of devolved management has many potential benefits to community allotments, including local management of the letting process, retention of rental income to invest into the community allotment, improved engagement and involvement of plot holders. Properly managed and implemented devolved managed allotments allow groups to address derelict areas for the benefit of the plot holders and for enhanced community use, while also providing associations improved access to external funding to develop the site.
- 8.3 There are levels of devolved management that can be developed and this approach may not be right for all sites. It is important to state that any suggested move toward this model will need to be underpinned by meaningful consultation and communication. For illustrative purposes, the broad levels of potential self-management includes;

Level 1 - There is a site representative who liaises with the council and the plot holders informally accept responsibility for minor maintenance works. The association promotes good gardening and sustainable use of plots on the site; they administer the waiting list with the service provider (idverde). There is a developed mechanism by which site representatives are consulted on capital expenditure.

There is no written devolved management agreement between the association and the council and no financial responsibilities.

Level 2 - The association accepts formal responsibility for a range of duties, which include collecting rents on behalf of the landlord, administering the waiting list, allocates plots and supports new tenants. To raise funds and administer the finance allocated by the council. Routine maintenance and possibly taking responsibility for water bills. A proportion of rental income is provided for this purpose but this model leaves the council to carry out major works and undertake all legal formalities. A written devolved management agreement or license between the association and the council is required. This model requires a formal constitution to establish responsibilities and obligations it will also require a bank account and a proper system of financial management.

Level 3 - The allotment association leases the site from the council, arranges tenancy agreements, collects rents and reinvests revenue on maintenance, repair and capital items. Depending upon the term of the lease, plot holders may become the tenants of the association rather than of the council. The council retains defined oversight and strategic functions through establishing a strategic management agreement. A devolved management agreement between the association and the

council is essential and there is the requirement for investment from the council in beginning, as it is unlikely that the rental income will be sufficient to fund short-term requirements. This can be undertaken by a support grant, possibly in the form of endowment. This option is more complex, initially, but provides the longest strategic benefit.

9 ALTERNATIVE OPTIONS

9.1 Not applicable for this report.

10 CONSULTATION UNDERTAKEN OR PROPOSED

10.1 Not applicable for this report.

11 TIMETABLE

11.1 The National Allotments Week (2022) is scheduled for August 9th to the 14th. The Greenspaces team will be developing ideas on how to raise awareness of urban horticulture across the borough and the benefit that allotments provide users and the wider community.

12 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

12.1 The substantive network of allotments across the borough has a significant potential cost and risk to the Council. Costs associated with the operational management of allotments include water supplies, utilities, infrastructure and boundary fencing. It is important to note these risks and that they are managed through the constant review of the operations and the survey of infrastructure.

12.2 In terms of rental incomes associated with allotments, the annual fees recovered are not significant in comparison to the expenditure in managing the services. Water charges are applied on a full-cost recovery model. The below table provides an overview of income associated with the service.

Table 3. Annual Fees & Charges associated with Allotments

Year	Rent	Water Charge	Combined Charges
2020/21	£55,277	£20,075	£75,392
2021/22	£60,282	£22,199	£82,481

13 LEGAL AND STATUTORY IMPLICATIONS

13.1 See section 2.1 regarding history and relevant legislation. The below are the primary legislative mechanisms associated with the provision of allotments.

13.2 The Small Holdings and Allotments Act 1908 deals with the provision of Allotments, powers of councils and acquisition of land to fulfil statutory requirements.

- 13.3 The Allotments Act 1925 specifies that land purchased or appropriated by local authorities for use as allotments must not be disposed of without Ministerial consent. The Secretary of State must be satisfied that 'adequate provision will be made for allotment holders displaced by the action of the local authority, or that such provision is unnecessary or not reasonably practicable'.

14 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 14.1 We positively welcome and aim to support the growing diversity of the community we serve and the people we employ.
- 14.2 We aim to provide an inclusive service and will not discriminate (indirectly, directly or by association) on the grounds of race, sex, gender reassignment, marital or partnership status, sexual orientation, age, religion or belief, HIV status, or disability (e.g. sensory and physical disabilities, learning disabilities and mental health status).
- 14.3 Quality means equality in the services we plan and provide, and in the staff, we employ to provide those services.

15 CRIME AND DISORDER IMPLICATIONS

- 15.1 Not applicable for this report.

16 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 16.1 Not applicable for this report.

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

- 17.1 Appendix 1 – Summary of Allotment Protocol.

18 BACKGROUND PAPERS

- 18.1 A borough-wide map of allotment locations can be found here - [The Allotment Map of Merton Council](#)

Summary of Allotment Protocol, April 2010

- Plots are offered to the person at the top of the waiting list as they become available.
- Allotment applicants can only add their details to one of the available waiting lists.
- Waiting lists will close when they reach the same capacity as number of plots on the site.
- Tenants who already have a plot on one site cannot apply for another on the same site or another site.
- Existing tenants who have their name on a waiting list for another site must swap plots and cannot take on an additional plot in the event that they reach the top of the waiting list.
- Applicants at the top of the waiting list will be given two opportunities in total to accept an offer of a plot (during this process they will remain at the top of the waiting list until a suitable plot is chosen). Should they reject the second offer their details will be placed at the bottom of the waiting list.
- Allotment waiting lists are closed to non-residents of the borough. Such applicants will be encouraged to apply to their own or neighbouring boroughs.
- Tenants cannot wait for specific plot numbers on a chosen site.
- LBM will issue 5-rod plots as standard. 10-rod plots will be halved into two 5-rod plots should they become available. New tenants can take on 2.5 rods if they find this more manageable.
- Applicants from the same household can only apply to one waiting list.
- Tenants cannot choose whom to give their plot to, or pass their plot onto family members unless they are named as a second tenant on the joint tenancy agreement.
- Helpers/co-workers should be added formally as second tenants on a joint tenancy agreement in order to secure their tenancy. There must be a lead tenant who will receive the annual invoice and be responsible for payment. Should the lead tenant terminate their agreement, the tenancy can be transferred to the second tenant on the completion of a new tenancy agreement.
- Any amendments to tenancy agreements will be subject to a charge.
- Second tenants will not be permitted to remain on any allotment waiting list.
- No more than two named individuals will be permitted on any allotment tenancy agreement.
- To be eligible for a concession on allotment rent, proof of entitlement must be received no later than 1 September to receive a discount for the coming year commencing 1 October.
- Concessions are allowed on a maximum of 10 rods per tenant and only apply to London Borough of Merton residents or those working in or attending full time education in the borough.
- Site inspections for non-cultivation will take place twice annually.
- Tenants who have not cultivated their plots will be sent one warning, allowing 21 days to show noticeable signs of improvement.
- If there has been no improvement to cultivation after 21 days, tenants will be issued with a final Notice to Quit. Any representations against the non-cultivation warning must be made during the 21-day warning period.

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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
Tel: 020 8545 4035; Email: rosie.mckeever@merton.gov.uk

For more information about overview and scrutiny at LB Merton, please visit 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
Holding the executive to account	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
Holding the executive to account	Housing: Accommodation and Eviction Ban		Steve Langley, Head of Housing Needs	
Holding the executive to account	Actions Log	.	Chris Lee, Director of Environment and Regeneration	Implementation update prior to November Council
Performance management	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
Setting the work programme	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
Standing items	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
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
Holding the executive to account	Support to deliver Clarion's estate regeneration programme including the Stock Transfer Agreement		James McGinlay, Assistant Director for Sustainable Communities	Update prior to Cabinet
Holding the executive to account	Housing: Accommodation and Eviction Ban	Report	Steve Langley, Head of Housing Needs	Carried over from 24 June meeting
Holding the executive to account	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
Standing items	Actions log Performance Monitoring Work programme	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;	Monitor progress of recommendations
Budget scrutiny	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
Scrutiny review	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*)

Scrutiny category	Item/issue	How	Lead member and/or lead officer	Intended outcomes
Standing items	Actions log Performance Monitoring Work programme	Reports and verbal updates	Chair, Panel and Scrutiny Officer	To highlight any items of concern and monitor progress
Holding the executive to account	Housing and Environmental Health	Verbal update	Elliot Brunton, John Morgan	Understanding the issues, the flow of complaints received and the threshold before the EH team inspect
Budget scrutiny	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
Call in	School Streets - Aragon	Report	Paul McGarry	
Holding the executive to account	Allotments	Written report including how they are allocated and managed.	Chris Lee, Director of Environment and Regeneration; John Bosley	How can our boroughs allotments be best utilised to promote thriving ecology and healthy living?

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
Standing items	Actions log Performance Monitoring Work programme	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;	Monitor progress of recommendations
Holding the executive to account	Design Review Panel	Written report	Paul McGarry, Head of futureMerton	
Holding the executive to account	Planning enforcement	Written report	Cabinet member, James McGinlay, Lesley Barakchizadeh	As requested by November council
Scrutiny review	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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