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Merton Council

Healthier Communities and Older People Overview and Scrutiny Panel



Date: 10 January 2023

Time: 7.15 pm

Venue: Council chamber - Merton Civic Centre, London Road, Morden SM4 5DX

AGENDA

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Healthier Communities and Older People Overview and Scrutiny Panel membership

Councillors:

Agatha Mary Akyigyina OBE (Chair)
Jenifer Gould (Vice-Chair)
Laxmi Attawar
Max Austin
Caroline Charles
Eleanor Cox
Simon McGrath
Slawek Szczepanski
Martin Whelton

Substitute Members:

Mike Brunt
Michael Paterson
Dennis Pearce
Tony Reiss
Matthew Willis

Co-opted Representatives

Diane Griffin (Co-opted member, non-voting)

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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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HEALTHIER COMMUNITIES AND OLDER PEOPLE OVERVIEW AND SCRUTINY PANEL

1 NOVEMBER 2022

(7.15 pm - 9.00 pm)

PRESENT: Councillors Councillor Agatha Mary Akyigyina (in the Chair), Councillor Jenifer Gould, Councillor Max Austin, Councillor Caroline Charles, Councillor Eleanor Cox, Councillor Martin Whelton, Di Griffin and Councillor Matthew Willis

ALSO PRESENT: Councillors Sally Kenny (Cabinet Member for Education and Lifelong Learning)

Mike Procter, Director of Transformation – Merton and Wandsworth, NHS South West London CCG, Melody Woolcock, Senior Transformation Manager, Merton and Wandsworth, NHS South West London CCG, Stella Akintan (Scrutiny Officer), Keith Burns (The Interim Assistant Director, Commissioning), Julia Groom and John Morgan (Interim Director, Community & Housing)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies for absence were received from Councillor Simon McGrath and Councillor Matthew Willis attended as a substitute.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of pecinary interests

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

The minutes of the previous meeting were agreed as a true and accurate record.

4 MERTON WINTER RESILIENCE PLAN (Agenda Item 4)

The Senior Transformation Manager gave an overview of the report stating it will be a challenge to manage the pressures but there is a plan in place.

A Panel member asked about plans for potential staff shortages and illness, The Director of Transformation said the potential industrial action is new to the NHS and they will use same staff resilience plans. Staff illness is accounted for on the staff rota and adjusted to make additional provision during the winter period.

Panel members asked if people are taking up vaccinations and how the enhanced primary care hub is supporting this. Also, if the winter plan extends to care homes to relieve capacity and prevent overflow at hospitals.

The Director of Transformation said there has been higher levels of staff absence due to covid and staff resilience measures remain the same. Care homes are included in the winter planning and measures in place to ensure staff and residents are vaccinated. Patients who have covid and a risk of infection but fit to leave hospital will go to temporary alternative discharge destination in the interim.

The Senior Transformation Manager said enhanced primary care hubs run an 8am to 8pm service, and urgent care centre at St Georges. These can all relieve the pressure on accident and emergency services.

A Panel member asked about pick-up times for ambulances, it was reported that there is real time information for ambulances across London to move pressure around the system and can divert some ambulances. Biggest wait for ambulances is when they are occupied with a previous call.

A panel member asked if they have been able to recruit enough carers and district nurses, The Director of Transformation said when there is pressure in the community services they use staff flexibly and move them into other areas of the system.

The Interim Director of Community and Housing highlighted that the council has a strong re-ablement team who provide a care package for patients who go home so they can work toward the level of function they had before. Extra resources have been put into reablement providing additional capacity during the winter period.

5 DAY OPPORTUNITIES PROGRAMME (Agenda Item 5)

The Integrated Head of Learning Disability gave an overview of the report. The Chair invited a local resident to address the panel. They gave an overview of their concerns stating that; the provision of suitable day opportunities can make a significant difference for those with learning disabilities, day centre activities can be particularly valuable both to the client and their carer. They welcome plans to expand provision to more sites and younger clients, some people benefit from travel training while others cannot manage it. Transport to new facilities is essential as some carers concerned that they will have additional responsibility e.g. arranging transport will be burdensome, even through the direct payment system. The council needs to ensure the system is not harder for carers and there is sufficient funding.

A panel member said we should not rely on voluntary services and asked what the impact of the saving will be. The integrated Head of Learning Disability said they are working closely with voluntary organisations such as Mencap and will provide navigators to support carers to manage they process. However, savings will need to be made.

A panel member asked where a community hub will be located and the governance structure in place. The integrated Head of Learning Disability said there will be a range of options for people to choose from on a sessional basis with a menu of activities.

A panel member asked if skills and new training will be linked to the workplace. The integrated Head of Learning Disability said they are looking at employability which looks at supporting younger people with autism, but they will need support to get into employment.

A panel member asked if there is a shortage of independent living options, the Integrated Head of Learning Disability said there is good availability of service but would like more in the Merton area.

A panel member asked if the team are aware of what the young people want. The integrated Head of Learning Disability said a wide range of consultation had been conducted with young people such as Kids First, Adults First, Merton Mencap and carers and young people in transition and send services. They would also like more young people on reference groups.

The Interim Director of Community and Housing said they have commissioned an external specialist agency who spoke to over 400 people to gauge their views of young people and older people across the borough with moderate to complex learning disabilities.

The Interim Director thanked the local resident for attending and sought to provide reassurance to panel members that there is a new purpose-built day centre at Leyton Road, for people with moderate learning disabilities. The department also has a desire to re-build a current day centre into a state-of-the-art day centre for those with the most complex needs, alongside supported living. The current day centres are well managed and valued by the users, however pre-pandemic it was found that this model is limited and old fashioned. During the pandemic, small groups of clients were taken out into the community to participate in a range of activities and this approach was very successful. This model will be looked at alongside all the other options. The council want to build a better system to provide opportunities for people with learning disabilities in their everyday lives such as through employment and volunteering.

6 ADULT SOCIAL CARE REFORM (Agenda Item 6)

The Interim Assistant Director, Commissioning gave an overview of the report, highlighting the timetable may change due to the legislative calendar.

A panel member asked about the future of care as people would prefer to receive care at home, The Interim Assistant Director, Commissioning said there is a shift from residential to a supportive living model.

A panel member asked about the opportunities in digitalisation and social care the steps being taken to reap the benefits of a digitalised provision. The Interim Assistant

Director, Commissioning said they are considering options for online self-assessment. Some clients may have family members who can support them with digital solutions.

A panel member said they are concerned about increased administration in providing assessment and data. The Interim Assistant Director, Commissioning said the council have the knowledge and expertise but will need the resource including social workers and people to do financial assessments.

7 WORK PROGRAMME (Agenda Item 7)

A panel asked for the report on suicide to address why Merton has a higher rate of suicide for women.

The agenda for the 10th January was agreed

Committee: Healthier Communities & Older People Overview and Scrutiny Panels

10 January 2023

Children and Young People Overview and Scrutiny Panels

11 January 2023

Sustainable Communities Overview and Scrutiny Panel

19 January 2023

Overview and Scrutiny Commission

25 January 2023

Wards: ALL

Subject: Business Plan Update 2023-2027 (Members are requested to bring the Member's Information Pack with them to these meetings)

Lead officer: Roger Kershaw

Lead member: Councillor Billy Christie

Contact officer: Roger Kershaw

Recommendations:

1. That the Panels consider the draft savings/income proposals and associated draft equalities analyses set out in the Member's Information Pack;
 2. That the Panels consider the proposed new growth proposals set out in the Member's Information Pack;
 3. That the Overview and Scrutiny Commission also consider the Draft Business Plan 2023-27 report received by Cabinet at its meeting on 16 January 2023;
 4. That the Panels consider the draft capital programme 2023-27 set out in Appendix 2 of the attached report on the Business Plan;
 5. That the Panels consider the contents of the Member's Information Pack circulated;
 6. That the Overview and Scrutiny Commission considers the comments of the Panels on the Business Plan 2023-2027 and details provided in the information pack and provides a response to Cabinet when it meets on the 20 February 2023.
-

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 2023/24, including new savings proposals, new growth proposals, the draft capital programme 2023-27, 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 2023-27 to Cabinet when it meets on the 20 February 2023.

2. **Details - Revenue**

- 2.1 The Cabinet of 5 December 2022 received a report on the business plan for 2023-27.
- 2.2 At the meeting Cabinet

RESOLVED:

1. That Cabinet considers and agrees the draft growth proposals (Appendix 4) put forward by officers and refers them to the Overview and Scrutiny panels and Commission in January 2023 for consideration and comment.
2. That Cabinet considers and agrees the new savings proposals for 2023/24 to 2026/27 (Appendix 5) and refers them to the Overview and Scrutiny panels and Commission in January 2023 for consideration and comment.
3. That Cabinet considers and agrees the new capital proposals for 2023/24 to 2026/27 and the draft Capital Programme 2023-2027 (Appendix 7) and refers them to the Overview and Scrutiny panels and Commission in January 2023 for consideration and comment.
4. That Cabinet agrees the proposed Council Tax Base for 2023/24 set out in paragraph 2.7 and Appendix 1.
5. 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 5 December 2022 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 20 February 2023, prior to Council on 1 March 2023, agreeing the Budget and Council Tax for 2023/24 and the Business Plan 2023-27, including the MTFs and Capital Programme 2023-27.

4. **Capital Programme 2023-27**

- 4.1 Details of the draft Capital Programme 2023-27 were agreed by Cabinet on 5 December 2022 in the attached report 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 in February 2023 with businesses as part of the statutory consultation with NNDR ratepayers. Any feedback from this meeting will be reported verbally to Cabinet on 20 February 2023.
- 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 2023 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 2023-27
 - New Growth proposals 2023-27
 - A draft Equality impact assessment for each saving proposal where applicable.

6. **Timetable**

- 6.1 The timetable for the Business Plan 2023-27 including the revenue budget 2023/24, the MTFs 2023-27 and the Capital Programme for 2023-27 was agreed by Cabinet on 10 October 2022. 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 10 October 2022 (Appendix 1), and 5 December 2022 (Appendix 2) 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 20 February 2023.
- 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 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 10 October 2022: Draft Business Plan 2023-27

Appendix 2 - Cabinet report 5 December 2022: Draft Business Plan 2023-27

(NB: These exclude Savings, Growth 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.
2022/23 Budgetary Control and 2021/22 Final Accounts Working Papers in the Corporate Services Department.
Budget Monitoring working papers
MTFS working papers

13. **REPORT AUTHOR**

- Name: Roger Kershaw
- Tel: 020 8545 3458

email: roger.kershaw@merton.gov.uk

Cabinet

Date: 10 October 2022

Subject: Draft Business Plan 2023-27

Lead officer: Caroline Holland – Director of Corporate Services

Lead member: Councillor Billy Christie - Cabinet Member for Finance and Corporate Services

Contact Officer: Roger Kershaw

Recommendations:

1. That Cabinet notes the approach to rolling forward the MTFS for 2023-27.
 - 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 outlined in Section 4 as the basis for the setting of targets for 2023-27
 - 4 That Cabinet agrees the proposed savings targets based on a standstill position.
 - 5 That Cabinet agrees the timetable for the Business Plan 2023-27 including the revenue budget 2023/24 the MTFS 2023-27 and the Capital Programme for 2023-27.
-

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 2023/24.
- 1.2 The report sets out the approach towards setting a balanced budget for 2023-2027 and a draft timetable for the business planning process for 2023/24. 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 / Budget.
- 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 current issues that impact on local government such as the current high level of inflation and also specific issues such as addressing the DSG deficit.

- 1.5 Finally, there is an assessment of the potential impact in 2023/24 and possibly beyond, of the coronavirus pandemic which first impacted at the end of the 2019/20 financial year.

Details

2. Medium Term Financial Strategy 2023-27

2.1 Background

Council on 2 March 2022 agreed the Budget 2022/23 and MTFS 2022-26. Whilst a balanced budget was set for 2022/23 there was a gap remaining in future years which needs to be addressed, as shown in the following table:-

	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m
MTFS gap (cumulative)	4,618	18,791	21,659	27,767

- 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.

Regular updates will be provided throughout the year as part of Business Planning reports for the MTFS period 2023-27 and the estimated impact of inflation, COVID-19 and eliminating the DSG deficit will be modelled and included in this analysis.

2.3 Review of Assumptions

The pay and price calculations have been reviewed using the approved budget for 2022/23 as the starting point.

2.3.1 Pay

Based on pay awards of 2% the provision in the MTFS approved by Council has been reviewed as follows:-

Provision for Pay Inflation:

(Cumulative £000)	2023/24	2024/25	2025/26	2026/27
Pay inflation (%)	2.0%	2.0%	2.0%	2.0%
MTFS 2022-26 (Council 2/3/22)	1,920	3,840	5,760	7,680
Pay inflation (%)	3.0%	2.0%	2.0%	2.0%
MTFS 2023-27 (Latest)	2,974	4,957	6,940	8,923
Change (cumulative £000)	1,054	1,117	1,180	1,243

Pay Negotiations 2022/23

For 2022/23 the final pay award has not been agreed but provision of 2% was included in the MTFs, and 2% also for each subsequent year. On 6 June 2022, the three local government unions, UNISON, GMB and Unite, representing 1.4 million council and school employees, submitted a pay claim for staff in England, Wales and Northern Ireland.

The 2022 claim, which would apply from the start of April 2022, would see council employees receive either a £2,000 rise at all pay grades or the current rate of RPI (presently 11.1%), whichever is higher for each individual.

On 25 July 2022, the National Employers agreed to make the following one-year (1 April 2022 to 31 March 2023), final offer to the unions representing the main local government NJC workforce:

- With effect from 1 April 2022, an increase of £1,925 on all NJC pay points 1 and above
- With effect from 1 April 2022, an increase of 4.04 per cent on all allowances
- With effect from 1 April 2023, an increase of one day to all employees' annual leave entitlement
- With effect from 1 April 2023, the deletion of pay point 1 from the NJC pay spine

This offer would achieve a bottom rate of pay of £10.50 with effect from 1 April 2022 (which equates to a pay increase of 10.50 per cent for employees on pay point 1); everyone on the NJC pay spine would receive a minimum 4.04 per cent pay increase; and the deletion of pay point 1 on 1 April 2023, would increase the bottom rate to £10.60 (providing 10p headroom above the current upper-end forecast for the NLW on that date), pending agreement being reached on a 2023 pay award.

Potential rates of pay for London from 1 April 2022 based on the national employers' pay offer to the unions representing Local Government Services employees.

- With effect from 1 April 2022 the national offer is for a pay increase of £1,925 on all NJC pay points.
- In London this translates to an equivalent offer of £2,229 on all Outer London pay points and an increase of £2,355 on all Inner London pay points.
- Allowances to be increased by 4.04%

It is estimated that the overall increase in pay arising from this offer will be c.6.0%

National Living Wage

The offer from the National Employers also made the following comments about the National Living Wage (NLW):-

“At the pay briefings, your council may have been among those who supported a long-term (two years) pay deal, covering the period 1 April 2022 to 31 March 2024. A pay offer of that duration was until recently looking the most likely option for the National Employers. However, the current wider political situation means there is now some uncertainty that the current policy of the NLW reaching 66 per cent of median earnings in 2024 will remain as previously stated.

As was conveyed at the regional pay briefings, since its introduction in 2014, the NLW has presented a huge challenge for local government in managing to maintain headroom between the bottom pay points and the statutory NLW. Local government is almost alone in the public sector in having this challenge. Other public sector pay structures’ lower rates of pay are far enough above the NLW for it not to present the same pressure as we face and involve a far smaller proportion of those sectors’ workforces than is the case in local government.

The National Employers hold a longstanding principle of not pegging the bottom rate in local government to the NLW, as they do not believe the sector should be a minimum wage employer.

When the NLW was increased to 60 per cent of national median earnings in the last parliament, local government managed to achieve some breathing space by revamping its pay spine in 2018-19. On 1 April 2019, there was 79p headroom between the lowest local government pay rate and the NLW. However, following the General Election in December that year, central government introduced a revised policy for the NLW to increase from a target of 60 per cent of national average earnings, to 66 per cent by April 2024.

Since 1 April 2022, the bottom rate of pay in local government has been at parity with the NLW at £9.50 (pending this year’s pay award). 2020 to 2022 saw a 8.94 per cent increase in the NLW, while affordability of pay awards in local government has resulted in pay growth in the sector over the same period at only around half that: 4.55 per cent.

The economic turmoil over the past two years has only increased the volatility of the projections. In April 2020, the Low Pay Commission (LPC) set out that the projected NLW rate for April 2024 was £10.69. Due to the impact on the economy of the COVID pandemic, the OBR revised down this forecast to £10.10 in December 2020, though by April 2021, when the LPC published that year’s NLW consultation documentation, the projection had rebounded to £10.33. By the Budget in Autumn 2021, the projection had rebounded once more and stood at £10.70.

The LPC's latest published forecast for the NLW states from March 2022:

Although our recommendations in the autumn will be subject to Commissioners' assessment of economic conditions, our current best estimate for the on-course NLW rate in April 2023 is £10.32, within a range of £10.14 - £10.50. Our current best estimate of an NLW set at two-thirds of median earnings for those aged 21 and over in 2024 would be £10.95 within a range of £10.58 - £11.33. These are based on the latest wage growth forecasts, but actual wage growth may turn out higher or lower, and we will update these ranges in the summer based on changing forecasts. We will publish a report, to coincide with the increase in NLW and NMW rates, setting out this pathway in more detail.

This projection is the highest rate yet predicted for the NLW in 2023 and 2024 and there is no guarantee it won't rise further due to the ongoing economic volatility, potential impact of the international context and expected further increases in the rate of inflation. The lack of a fixed figure to work towards and the volatility of the forecasts of what the NLW rate will be, has made it difficult for local government to plan effectively over the past few years.

The National Employers fully support the increase of the NLW but have made clear to government that in meeting the cost of this policy, additional funding is required. If this is not forthcoming, jobs and services will be at risk as employers struggle to accommodate this additional cost when trying to balance their budgets.

Conclusion

The National Employers are eleven senior elected members, some of whom are Leader of their council. They are all acutely aware of the additional pressure this year's offer will place on already hard-pressed budgets, especially for those councils and schools with large numbers of employees on the lower pay points. However, for the reasons set out above, they believe their offer meets the NLW challenge (at least in the short-term) and is fair to employees, given the wider economic backdrop and is in line with awards made recently to other parts of the public sector workforce. However, they are also aware that without additional funding from central government, meeting the NLW challenge and providing a fair award for local government staff will come at a cost to jobs and / or service provision. The National Employers have written to the relevant government department (DLUHC) to make this point clear."

Unions are balloting their members on the offer. There are three recognised unions involved, Unison, GMB and Unite. Unison members have voted to accept the offer whilst the outcome of the GMB and Unite ballots will not be known until October.

Further details on any progress towards agreeing a pay award for 2022/23 and the impact on the MTFs, will be reported during the Business Planning process as more information becomes available.

Impact of 2022/23 Pay Award on MTFS 2023-27

The cost to the Council of the 2022/23 pay offer outlined above are expected to be c.6%.

Each 1% of pay costs c. £0.990m and if a 6% pay award is made in 2022/23 this will have the following impact on the MTFS 2023-27:-

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Additional Impact of a 6% pay award	3,960	4,039	4,120	4,202

2.3.2 Prices

The current assumptions regarding price inflation incorporated into the MTFS are

- 2.5% in 2022/23 and 1.5% in each subsequent year of the MTFS

The MTFS agreed by Council on 2 March 2022 includes the following provision for price inflation

Provision for Prices Inflation:

	2023/24	2024/25	2025/26	2026/27
Price inflation in MTFS (%)	1.5%	1.5%	1.5%	1.5%
Original MTFS 2022-26 (cumulative £000)	2,139	4,278	6,417	8,556

This has been reviewed using the approved budget for 2022/23 and the latest estimate based on 1.5% price inflation is:-

(Cumulative)	2023/24	2024/25	2025/26	2026/27
Price inflation (%)	1.5%	1.5%	1.5%	1.5%
Revised Estimate (cumulative £000)	2,282	4,564	6,846	9,129
Change	143	286	429	573

Each 1% of price inflation costs c. £1.5m.

Given the forecast level of inflation is not expected to drop back to 2.5% until 2024, the current 1.5% provision in 2023/24 may not be adequate and an increase to 3% in 2023/24 and 2% in 2024/25 is proposed

(Cumulative)	2023/24	2024/25	2025/26	2026/27
Price inflation (%)	3.0%	2.0%	1.5%	1.5%
Revised Estimate (cumulative £000)	4,564	7,607	9,889	12,172

Net change in Pay and Price inflation provision:

The overall change in inflation provision since Council in March 2022 is

(Cumulative) (£000)	2023/24	2024/25	2025/26	2026/27
Latest Inflation estimate	10,507	15,612	19,958	24,306
Original MTFFS 2022-26 (Council March 2022)	4,059	8,118	12,177	16,237
Change	6,448	7,494	7,781	8,069

Current inflation

The Consumer Prices Index (CPI) rose by 9.9% in the 12 months to August 2022, down from 10.1% in July. On a monthly basis, CPI rose by 0.5% in August 2022, compared with a rise of 0.7% in August 2021. A fall in the price of motor fuels made the largest downward contribution to the change in both the CPIH and CPI annual inflation rates between July and August 2022. Rising food prices made the largest, partially offsetting, upward contribution to the change in the rates.

The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 8.6% in the 12 months to August 2022, down from 8.8% in July. On a monthly basis, CPIH rose by 0.5% in August 2022, compared with a rise of 0.6% in August 2021. The largest upward contributions to the annual CPIH inflation rate in August 2022 came from housing and household services (principally from electricity, gas and other fuels, and owner occupiers' housing costs), transport (principally motor fuels), and food and non-alcoholic beverages.

The RPI rate for August 2022 was 12.3%, which is unchanged from July 2022.

Outlook for inflation:

The Bank of England's Monetary Policy Committee (MPC) sets monetary policy to meet the 2% inflation target and in a way that helps to sustain growth and employment.

At its meeting ending on 21 September 2022, the MPC voted to increase Bank Rate by 0.5 percentage points, to 2.25%. Five members voted to raise Bank Rate by 0.5 percentage points, three members preferred to increase Bank Rate by 0.75 percentage points, to 2.5%, and one member preferred to increase Bank Rate by 0.25 percentage points, to 2%. The Committee also voted unanimously to reduce the stock of purchased UK government bonds, financed by the issuance of central bank reserves, by £80 billion over the next twelve months, to a total of £758 billion, in line with the strategy set out in the minutes of the August MPC meeting.

The next Bank of England MPC base rate decision is on 3 November 2022.

In the minutes to the September meeting, the MPC gave a bleak economic outlook stating that "In the August Monetary Policy Report, the MPC noted that the risks around its projections from both external and domestic factors were exceptionally large, given the very large increase in wholesale

gas prices since May and the consequent impacts on real incomes for UK households and on CPI inflation.

Since August, wholesale gas prices have been highly volatile, and there have been large moves in financial markets, including a sharp increase in government bond yields globally. Sterling has depreciated materially over the period.

Uncertainty around the outlook for UK retail energy prices has nevertheless fallen, following the Government's announcements of support measures including an Energy Price Guarantee. The Guarantee is likely to limit significantly further increases in CPI inflation, and reduce its volatility, while supporting aggregate private demand relative to the Committee's August projections. An additional Growth Plan announcement is scheduled to take place shortly after this MPC meeting, which is expected to provide further fiscal support, and is likely to contain news that is material for the economic outlook. Once this announcement has been made, and as part of its November MPC round, the Committee will make a full assessment of the impact on demand and inflation from all these announcements, along with other news, and determine further implications for monetary policy..... Nevertheless, energy bills will still go up and, combined with the indirect effects of higher energy costs, inflation is expected to remain above 10% over the following few months, before starting to fall back.

The MPC's remit is clear that the inflation target applies at all times, reflecting the primacy of price stability in the UK monetary policy framework. The framework recognises that there will be occasions when inflation will depart from the target as a result of shocks and disturbances. The economy has been subject to a succession of very large shocks. Monetary policy will ensure that, as the adjustment to these shocks continues, CPI inflation will return to the 2% target sustainably in the medium term. Monetary policy is also acting to ensure that longer-term inflation expectations are anchored at the 2% target."

On 26 September the Governor of the Bank of England made the following statement:-

"The Bank is monitoring developments in financial markets very closely in light of the significant repricing of financial assets. In recent weeks, the Government has made a number of important announcements. The Government's Energy Price Guarantee will reduce the near-term peak in inflation. Last Friday the Government announced its Growth Plan, on which the Chancellor has provided further detail in his statement today. I welcome the Government's commitment to sustainable economic growth, and to the

role of the Office for Budget Responsibility in its assessment of prospects for the economy and public finances.

The role of monetary policy is to ensure that demand does not get ahead of supply in a way that leads to more inflation over the medium term. As the MPC has made clear, it will make a full assessment at its next scheduled meeting of the impact on demand and inflation from the Government's announcements, and the fall in sterling, and act accordingly. The MPC will not hesitate to change interest rates as necessary to return inflation to the 2% target sustainably in the medium term, in line with its remit."

On 4 August 2022, the Bank of England also published its quarterly Monetary Policy Report for August 2022. In this report the MPC include forecast quarterly CPI inflation rates over the next three years as follows:-

2022	2022	2023	2023	2023	2023	2024	2024	2024	2024	2025	2025	2025
Qtr.3	Qtr.4	Qtr.1	Qtr.2	Qtr.3	Qtr.4	Qtr.1	Qtr.2	Qtr.3	Qtr.4	Qtr.1	Qtr.2	Qtr.3
CPI %	CPI %	CPI %	CPI %	CPI %	CPI %	CPI %	CPI %	CPI %	CPI %	CPI %	CPI %	CPI %
9.9	13.1	12.6	10.8	9.5	5.5	4.3	2.6	2.0	1.4	1.2	0.9	0.8

The MPC's analysis of this forecast are that "the direct contribution of energy prices to CPI inflation alone is expected to peak at 6½ percentage points in 2022 Q4. That is substantially higher than in the Committee's forecasts over the past year, given the successive very sharp increases in global energy prices over this period. Together with higher indirect effects from energy prices, which can affect both goods and services prices, this accounts for most of the much higher outlook for CPI inflation over the first half of the forecast since May. Though responsible for much less of the rise in headline inflation, domestic inflationary pressures have also increased and are projected to be a little stronger than previously expected. In particular, it appears that the labour market is currently tighter than the Committee previously assumed. Together with a little more upward pressure on pay from higher price inflation, nominal private sector regular pay growth rises by more than in May over the first half of the forecast. This is broadly consistent with the Agents' survey on employment and pay, which suggests that firms expect pay settlements to average 6% over the next year, higher than the equivalent survey set out in the February Report. As a result, CPI inflation is a little higher throughout the projection from this judgement."

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 2022)			
	Lowest %	Highest %	Average %
2022 (Quarter 4)			
CPI	7.4	14.0	10.2
RPI	8.7	17.7	13.1
LFS Unemployment Rate	3.6	4.5	4.1
2023 (Quarter 4)	Lowest %	Highest %	Average %
CPI	0.9	7.6	4.0
RPI	1.6	8.9	5.1
LFS Unemployment Rate	3.2	5.0	4.3

Note the wide range between highest and lowest forecasts which reflects the volatility and uncertainty arising from volatile fuel and utility costs impacting on the cost of living 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 2022 to 2026 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (August 2022)					
	2022	2023	2024	2025	2026
	%	%	%	%	%
CPI	8.3	4.7	1.3	1.6	1.8
RPI	9.1	6.5	2.4	3.1	3.4
LFS Unemployment Rate	3.9	4.2	4.2	3.8	3.7

2.3.3 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 budgeted inflation allowance provided when setting the budget. This will only be released for specific demonstrable demand. This was increased to £2.5m in 2022/23 but reduces to £0.5m from 2023/24 onwards. Whether this is sufficient is dependent on inflation reducing back towards the Government's 2% target by 2023/24 and the extreme volatility in utilities costs and supply being brought under control.

The provision in the MTFS is currently :-

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Budget in MTFS 2022-26	500	500	500	500

The cash limiting strategy is not without risks and if the inflation rate fails to return to the Government's 2% target levels of inflation by 2025/26 it will lead to further pressure on service budgets.

2.3.4 London Living Wage (LLW) and Living Wage Employer Accreditation

Merton is seeking accreditation as a Living Wage Employer and will introduce the Real Living Wage into Merton contracts - as and when the contracts come up for re-tendering (excluding Care Home contracts) – Phase I.

More work will be undertaken to ascertain a more realistic cost for implementing the LLW across Merton's Care Home contracts and this work will be carried out after Merton has achieved its Living Wage Employer accreditation – Phase II.

The total additional cost to the Council - for the life of contracts which do not currently cover LLW and excluding Care Homes - is in the region of £7.23m over the next five years. The Living Wage foundation reviews its rates each year. These rates are not in line with RPI and as such it is difficult to predict what the uplift will be year-on-year and the actual increased cost to the Council.

Contract	Financial Year					Total
	2022/23	2023/24	2024/25	2025/26	2026/27	
Corporate Catering	£ 33,288	£ 33,288	£ 33,288	£ 33,288	£ 33,288	£ 166,440
Corporate Cleaning	£ 70,888	£ 70,888	£ 70,888	£ 70,888	£ 70,888	£ 354,440
Corporate Security	£ 56,410	£ 56,410	£ 62,051	£ 62,051	£ 62,051	£ 298,973
School Catering	£ 155,324	£ 155,324	£ 155,324	£ 51,775	£ 155,324	£ 673,071
School Cleaning	£ 169,669	£ 254,504	£ 254,504	£ 254,504	£ 84,835	£ 1,018,016
Home Care	£ 744,123	£ 372,062	£ 1,200,000	£ 1,200,000	£ 1,200,000	£ 4,716,185
	£ 1,229,702	£ 942,476	£ 1,776,055	£ 1,672,506	£ 1,606,386	£ 7,227,124

Figures in red are based on new contracts that would include LLW

Some figures vary year-to-year due to contract start / end dates not aligning to full financial year

The MTFS 2022-26 currently includes provision for the additional cost of implementing the LLW for the contracts included in the table above (i.e. excluding care homes) as follows:-

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Provision in MTFS 2022-26	521	711	2,382	2,430	2,478

The provision will be reviewed and an update provided in a future report once the final increase has been announced.

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.6.3% 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 main elements of financial planning that impact on local government are summarised as follows

Spending Review

The Spending Review 2021 covered the period 2022/23 to 2024/25. It was published on 27 October 2021 at the same time as the Autumn 2021 Budget.

Spending Reviews set out departmental Resource and Capital Departmental Expenditure Limits for forthcoming years. Details from the Spending Review will form the basis of allocations to local authorities for 2023-27 and beyond as announced in the Local Government Finance Settlement 2023-24. 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

The government first announced that there would be a 'fair funding review' in February 2016 which was followed by consultations in July 2016 and December 2017. The results of the latter were published in December 2018.

At the start of 2022 the government announced that it would be consulting on potential reform on local government finance "in the spring". The Government has stated its commitment to ensuring that funding allocations for councils are based on an up-to-date assessment of their needs and resources. The Government has also noted that the data has not been updated for a number of years and that it will work closely with the sector and other stakeholders to update this and to look at the challenges and opportunities facing the sector before consulting on any potential changes.

The Institute of Fiscal Studies (IFS) state that “the current spending needs formulas use data that is now around ten years ago and were originally devised in the mid-2000s. There hasn’t been a well-functioning funding system that takes account of both spending needs and revenue-raising capacity since the mid-2000s either. Funding allocations are therefore based on increasingly out-of-date data and arbitrary and ad hoc decisions. This is what prompted the Fair Funding Review in the first place. But it also makes it harder to deliver the Review, especially in the context of a funding environment that looks increasingly tight, not least due to rising inflation. That’s because the ‘fair’ funding allocations implied by the new formulas and funding system are likely to differ significantly from the out-of-date and arbitrary allocations local authorities currently receive. Moving to the new allocations would therefore create many big losers who would see their real-terms funding cut – and this group who would likely be much more vocal than those winning.”

The MTFS included an adjustment of £3m from 2023/24 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.

Spring Statement 2022 and Autumn Budget 2022

Following the Russian invasion of Ukraine and the significant jump in utilities costs and inflation, the Government issued a Spring Statement on 23 March.

It is expected that there will be an Autumn Budget, probably around October 2022, and this may be accompanied by a Spending Review 2022. The financial implications of these for local authorities will be incorporated into the Provisional Local Government Finance Settlement 2023/24 which is usually issued in mid-December at the earliest. The funding announcements in the provisional Settlement will underpin the Council’s funding estimates for 2023/24.

Updates on the expected timetable for these announcements will be reported as part of the Business Planning process when further information is known.

- 2.6.2 The current level of resources included in the draft MTFS 2023-27 as agreed by Council in March 2022 is as follows:-

DRAFT MTFS 2023-27:				
	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Revenue Support Grant	0	0	0	0
*Business Rates (inc. Section 31 grant)	*(41,216)	*(41,658)	*(42,105)	*(42,556)
Adult Social Care Grants inc. BCF	(5,010)	(5,010)	(5,010)	(5,010)
Social Care Grant	(6,282)	(6,282)	(6,282)	(6,282)
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(300)	(300)	(300)	(300)
Corporate Funding in the MTFS	(57,605)	(58,047)	(58,494)	(58,945)

* Net of £3m adjustment for Fair Funding Review and Spending Review 2022 potential effect.

These figures currently assume the London Business Rates pool is not reintroduced in 2023/24 and 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 2023/24 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 the levelling up agenda.

The Government's aim is to allow local authorities to retain 75% of their Business Rates income but this has been deferred and the deadline for implementation is not yet known.

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

2.6.4 Social Care Funding

Improved Better Care Fund

In 2022/23 the Improved Better Care Fund (iBCF) was increased by £63m (3%) and £10m in London. This was an inflationary uplift on 2021-22 allocations in line with the September 2020 to September 2021 change in the Consumer Price Index (CPI) and the distribution formula was unchanged and the grant will continue to be required to be pooled as part of the Better Care Fund .

Merton's allocation for 2022/23 was

Improved Better Care Fund	2022-23 £m
Merton	5.010

Social Care Grant

National Social Care Grant allocations were increased by £636m in 2022-23. This grant is not ringfenced, and there are conditions attached on reporting requirements. In particular, local authorities can determine how much of it should be spent on adult social care and how much should be spent on children's social care.

Merton's 2022/23 allocation is:-

Social Care Grant	2022-23 £m
Merton	6.282

2.6.5 Business Rates - Update

As previously reported, due to uncertainty arising from COVID-19 and the collapse in Business Rates income replaced by government Section 31 grant, the London Business Rates pool was discontinued for 2021/22 and 2022/23. Although the economic position is slowly improving for businesses, it is not currently known whether there will be an attempt to reinstate the London pool for 2023/24. Reconciliation of final figures for when the London pool was in operation has not yet taken place as some London boroughs have not yet produced audited Statements of Account.

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 2022 assumes that the Council Tax Base will increase by 0.5% per year with a collection rate 98.75% from 2023/24 to 2026/27. It also assumes the following changes in Council Tax over the MTFS period:-

	2023/24 %	2024/25 %	2025/26 %	2026/27 %
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)	2023/24	2024/25	2025/26	2026/27
	£'000	£'000	£'000	£'000
Council Tax - No change in rate	105,933	106,507	107,125	107,532
Council Tax – General (2%)	2,119	4,259	6,420	8,603
Council Tax income	108,052	110,766	113,545	116,135

The Council Tax Referendum Principles for 2023/24 will not be known until the Provisional Local Government Finance Settlement for 2023/24 is announced, usually around mid-December.

There are several main issues that need to be considered when formulating a council tax strategy for the MTFs period 2023-27:-

- i) To what extent will the high cost of living inflation impact on collection rates in 2023/24 and beyond?
- 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 will the high level of inflation have on the level on collection rates in 2022/23 and therefore what level of budget deficit relating to council tax will it be necessary to fund in 2023/24 ? (This will be reflected in a Collection Fund deficit as at 31 March 2023)

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 2 March 2022, the shares to preceptors of the collection surplus/deficit for Council Tax and NNDR based on the estimated Collection Fund balance at 31 March 2022 are summarised in the following table:-

	Surplus/ (deficit) as at 31/03/22 Estimate	Surplus/ (deficit) as at 31/03/22 Estimate	Total surplus/ (deficit) as at 31/03/22
	Council Tax	NNDR	
	£000	£000	£000
Central Government	N/A	(4,939)	(4,939)
GLA	554	(5,537)	(4,983)
Merton	2,026	(4,490)	(2,464)
Total	2,580	(14,966)	(12,386)
Payable in 2022/23	3,701	(13,052)	(9,351)
3 year spread to 2023/24	(1,121)	(1,914)	(3,035)

2.7.3 Merton's share of the surplus/deficit for council tax and NNDR were built into the MTFS agreed by Council in March 2022.

2.7.4 Since then, the Council has produced its draft 2021/22 accounts as at 31 March 2022 which are currently being audited. The draft accounts for 2021/22 include the following surplus/deficit for Council Tax and NNDR as at 31 March 2022.

	Surplus/ (deficit) as at 31/03/22 Outturn	Surplus/ (deficit) as at 31/03/22 Outturn	Total surplus/ (deficit) as at 31/03/22
	Council Tax £000	NNDR £000	£000
Central Government	N/A	(6,652)	(6,652)
GLA	590	(7,459)	(6,869)
Merton	1,948	(6,051)	(4,103)
Total	2,538	(20,162)	(17,624)

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

	Surplus/ (deficit) as at 31/03/22	Surplus/ (deficit) as at 31/03/22	Total surplus/ (deficit) as at 31/03/22
	Council Tax £000	NNDR £000	£000
Central Government	N/A	(1,713)	(1,713)
GLA	36	(1,922)	(1,886)
Merton	(78)	(1,561)	(1,639)
Total	(42)	(5,196)	(5,238)

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

	Estimated Surplus/ (deficit) as at 31/03/22	Outturn Surplus/ (deficit) as at 31/03/22	Surplus/ (deficit) as at 31/03/22 Change
	£000	£000	£000
Council Tax	2,026	1,948	(78)
NNDR	(4,490)	(6,051)	(1,561)
Total	(2,464)	(4,103)	(1,639)

2.7.7 There is no change to the surplus/deficit figures agreed for 2022/23 as all variations are managed via the Collection Fund. However, the net deficit of £1.639m 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 2023/24.

2.7.8 The calculation of the estimated surplus/deficit on the Collection Fund as at 31 March 2023 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 2021/22 of £1.639m will be included in the draft MTFs for 2023/24.

2.8 Capital Programme 2023-27 and implications for Treasury Management: Capital Financing Costs and Investment income

2.8.1 Council in March 2022 approved the following Capital Programme for 2021-26:-

Capital Expenditure	2021/22	2022/23	2023/24	2024/25	2025/26
	Estimate	Estimate	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
Capital Expenditure	26,872	32,611	18,050	15,949	37,869
Slippage and Underspends	(5,118)	(2,408)	3,921	(119)	(392)
Total Capital Expenditure *	21,754	30,203	21,971	15,830	37,477
Financed by:					
Capital Receipts	1,856	900	900	900	500
Capital Grants & Contributions	14,778	18,730	10,177	5,756	4,464
Revenue Provisions inc. borrowing	5,120	10,573	10,894	9,174	32,513
Total financing	21,754	30,203	21,971	15,830	37,477

*Includes Multi-Function Devices finance lease.

2.8.2 Since the capital programme was approved by Council in March 2022 and the revenue implications built into the MTFs, there have been a number of amendments arising from outturn 2021/22, 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.

2.8.4 Following the closing and preparation of final accounts for 2021/22, the level of slippage required from 2021/22 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.

2.9 Reserves – Review of Earmarked Reserves

2.9.1 Reserve for Use in Future Year's Budgets

The Business Plan and MTFS for 2022-2026 approved by Council on 2 March 2022 forecast that a contribution of £8.112m would be required in 2022/23 with the balance of £8.513m applied in 2023/24.

Following the final accounts process for 2021/22 (subject to audit), the balance on the Reserve for use in Future Year's Budgets (subject to audit) on the Reserve as at 31 March 2022, excluding the contribution set aside for 2022/23 of £8.112m is £9.172m. This means that there is c. £0.659m 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.

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 2021/22 and Current Budget and Spending 2022/23

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 2023-27.

2.10.2 Monitoring 2022/23

At period 4 to 31 July 2022 the year end forecast is a net £5.448m unfavourable variance compared to the current budget:-

APPENDIX 1

	Original Budget 2022/23 £000s	Current Budget 2022/23 £000s	Year to Date Budget (July) £000s	Year to Date Actual (July) £000s	Full Year Forecast (July) £000s	Forecast Variance at year end (July) £000s
<u>Department</u>						
Corporate Services	29,209	30,090	10,020	11,709	31,234	1,144
Children, Schools and Families	60,401	60,995	17,699	20,902	61,995	1,202
Community and Housing	66,201	66,539	26,479	22,972	67,387	848
Public Health	(162)	(162)	651	(5,019)	(162)	0
Environment & Regeneration	11,763	11,931	366	(7,814)	16,723	4,792
Overheads		(267)			0	267
NET SERVICE EXPENDITURE	167,412	169,126	55,215	42,750	177,177	8,253
				6		
TOTAL CORPORATE PROVISIONS	166	(1,687)	7,969	1,349	(4,115)	(2,428)
Covid-19	0	0	0	52	52	52
TOTAL GENERAL FUND	167,578	167,439	63,184	44,099	173,114	5,877
FUNDING	(167,305)	(167,305)	(10,317)	(14,403)	(167,734)	(429)
NET	273	134	52,867	29,696	5,380	5,448

The main reasons for the variance based on July 2022 monitoring are:-

- a) Corporate Services: Marketing and communications, Press and publications, bailiffs service income, human resources
- b) Children's, Schools and Families: Child Social Care and Youth inclusion including agency social workers and Social Care Placements. Education - high transport costs. DSG budgets in line with Safety Valve Agreement is showing a deficit of £10.4m
- c) Environment and Regeneration: Regulatory Services, Parking Services income, waste services, Leisure and culture, Greenspaces, Future Merton, Building and Development Control
- d) Community and Housing: Adult Social Care placements, Housing General Fund – Temporary Accommodation

2.10.3 COVID-19

Hopefully the implications of COVID-19 will have been addressed by 2023/24 and not have a significant impact whilst recognising at the same time there have inevitably needed to be some changes to how the Council delivers some services. The most affected services, particularly those to vulnerable groups will continue to be reviewed and monitored to ensure that they are managed effectively.

2.10.4 Savings under pressure

As shown in the following table, the budget monitoring report for July indicates that some savings assumed in the MTFs are under pressure in 2022/23 and this may impact on 2023/24.

Department	Target Savings 2022/23	Projected Savings 2022/23	2022/23 Expected Shortfall
	£000	£000	£000
Corporate Services	550	395	155
Children Schools and Families	1,888	1,338	550
Community and Housing	1,659	305	1,354
Environment and Regeneration	1,898	833	1,065
Total	5,995	2,871	3,124

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 2022 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. £3.124m 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

New proposals for growth in service budgets will be considered at a future meeting.

2.11 DSG Safety Valve Agreement – implications for the MTFs

2.11.1 The DSG deficit was moved to an unusable reserve at the end of 2020/21 and will continue to grow unless action is taken. Resolution of the underlying problem was a consistent cause of uncertainty throughout 2021/22 but, following negotiations, agreement was reached with the government

(Department for Education) and a Dedicated Schools Grant “Safety Valve” Agreement signed in March 2022 with the DfE.

2.11.2 Under the terms of the Agreement it is planned that the DSG deficit will be cleared by 2026/27 and thereafter will need to be effectively managed so that it breaks even, year on year.

2.11.3 As reported in the 2021/22 Outturn report to Cabinet, the first phase of implementing the Safety Valve Agreement has been executed and had a significant impact in 2021/22 with receipt of £11.6m Safety Valve Grant turning an overspend of £0.8m in 2021/22 to an underspend of £10.8m. For the Medium Term Financial Strategy, the Safety Valve Agreement will have an ongoing impact on future years and, subject to successful implementation it will eliminate the deficit by 2026/27.

2.11.4 Although they will continue to be a continuing, but reducing annual deficit until 2026/27, thereafter it should breakeven.

2.11.5 In monitoring and managing the elimination of the DSG deficit, there are four key elements:-

- The DSG Deficit Unusable Reserve
- The Spending Review Reserve containing Merton resources to contribute towards eliminating the deficit
- Merton’s annual revenue budget towards eliminating the deficit
- The Government’s Safety Valve grant payments up to 2026/27

2.11.6 The financial implications of the Safety Valve Agreement if successfully implemented, over the period of the MTFs, are summarised as follows:-

DSG Unusable Reserve	Outturn 2021/22 £m	Forecast 2022/23 £m	Forecast 2023/24 £m	Forecast 2024/25 £m	Forecast 2025/26 £m	Forecast 2026/27 £m
B/F DSG Deficit	24.98	26.93	31.03	32.93	34.03	34.23
In year deficit	13.55	7.10	5.40	4.60	3.70	(0.90)
Sub-total	38.53	34.03	36.43	37.53	37.73	33.33
Safety Valve Payments	(11.60)	(3.00)*	(3.50)	(3.50)	(3.50)	(3.20)
Deficit c/f	26.93	31.03	32.93	34.03	34.23	30.13

* Safety Valve payment £3.5m less £0.5m required for staffing costs

Spending Review Reserve Cover for DSG	Outturn 2021/22 £m	Forecast 2022/23 £m	Forecast 2023/24 £m	Forecast 2024/25 £m	Forecast 2025/26 £m	Forecast 2026/27 £m
B/f Provision	23.74	26.93	31.03	32.93	34.03	34.23
Budget provision for DSG Deficit	14.08	10.54	11.63	12.71	13.80	15.00
Revised balance	37.82	37.47	42.66	45.64	47.83	49.23
Sum Required to meet DSG Deficit	26.93	31.03	32.93	34.03	34.23	30.13
Balance available to be released/(overspend)	10.89	6.44	9.73	11.61	13.60	19.10
Less: Corporate contribution		0.50	0.50	0.50	0.50	0.50
Balance Available for Other purposes		5.94	9.23	11.11	13.10	18.60

2.11.7 As can be seen, successful implementation of the Safety Valve Agreement will enable c. £58m of revenue resources to be used on other council services whereas failure to implement the Agreement will jeopardise the £28.8m grant that the government has pledged if the Council eliminates the deficit.

3. Re-priced MTFS 2023-27

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)	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
MTFS Gap (Council March 2022)	4,618	18,791	21,659	27,767
- DSG Safety Valve Benefit	(9,228)	(11,114)	(13,099)	(18,600)
- Inflation reprice - Pay and Prices	7,439	8,486	8,773	9,060
- Collection fund deficit revised for 21/22 outturn	1,629	0	0	0
- Capital financing costs (July monitoring, No slippage)	440	405	410	463
- Waste contract	0	0	1,800	1,800
- Parking contract and systems	0	0	900	900
- Use of Reserves	(659)	0	0	0
Revised MTFS Gap 2023-27	4,239	16,568	20,443	21,390

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. Hopefully, the impact and uncertainty of COVID-19 and the DSG Deficit issue have been brought under control and although there is currently the problem of high levels of inflation, this will be relatively short term and can be managed over the MTFS period to reduce the budget gap by the end of 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 2023/24 and there is a great deal of work to be done.

4.2 Savings Targets for 2023-27

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	5,222	254	4,968
Children, Schools & Families	3,533	518	3,015
Environment & Regeneration	7,257	624	6,633
Community & Housing	8,033	1,100	6,933
Total	24,044	2,496	21,549

4.2.2 APPROACH FOR 2023-24

It is proposed that the savings targets for 2023-2027 are based entirely on each service department's controllable budgets for 2022/23 which are as follows:-

DEPARTMENTAL SAVINGS TARGETS USING 2022/23 CONTROLLABLE BUDGETS	Controllable Expenditure 2022/23 £000	Weighting by dept. No.	Weighted Controllable £000	Weighted Controllable %
Corporate Services	31,081	1.50	46,621	23.4%
Children, Schools and Families	38,032	0.75	28,524	14.3%
Environment and Regeneration	38,990	1.50	58,484	29.4%
Community and Housing	65,353	1.00	65,353	32.8%
Total	173,455		198,982	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	Total £000
Corporate Services	5,012	5,012
Children, Schools and Families	3,066	3,066
Environment and Regeneration	6,287	6,287
Community and Housing	7,025	7,025
Total	21,390	21,390

SAVINGS TARGETS BY DEPARTMENT	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
Corporate Services	993	2,889	908	222	5,012
Children, Schools and Families	608	1,767	555	136	3,066
Environment and Regeneration	1,246	3,624	1,139	278	6,287
Community and Housing	1,392	4,049	1,273	311	7,025
Total	4,239	12,329	3,875	947	21,390
Total (cumulative)	4,239	16,568	20,443	21,390	

5. Alternative Options

5.1 The range of options available to the Council relating to the Business Plan 2023-27 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.

6. Consultation Undertaken or Proposed

6.1 All relevant bodies have been consulted.

7. Timetable

7.1 In accordance with current financial reporting timetables.

7.2 A chart setting out the proposed timetable for developing the business plan is provided as Appendix1.

8. Financial, resource and property implications

8.1 As contained in the body of the report.

9. Legal and statutory implications

9.1 As outlined in the report.

10. Human rights, equalities and community cohesion implications

10.1 None for the purposes of this report, these will be dealt with as the budget is developed for 2023 – 2027.

11. Crime and Disorder Implications

11.1 Not applicable.

12. Risk Management and health and safety implications

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

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

Appendix 1 – Business Plan Timetable 2023-27

Appendix 2 – Revised MTFS Gap

14. Background Papers

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

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

2022/23 Budget Monitoring working papers

MTFS working papers

15. REPORT AUTHOR

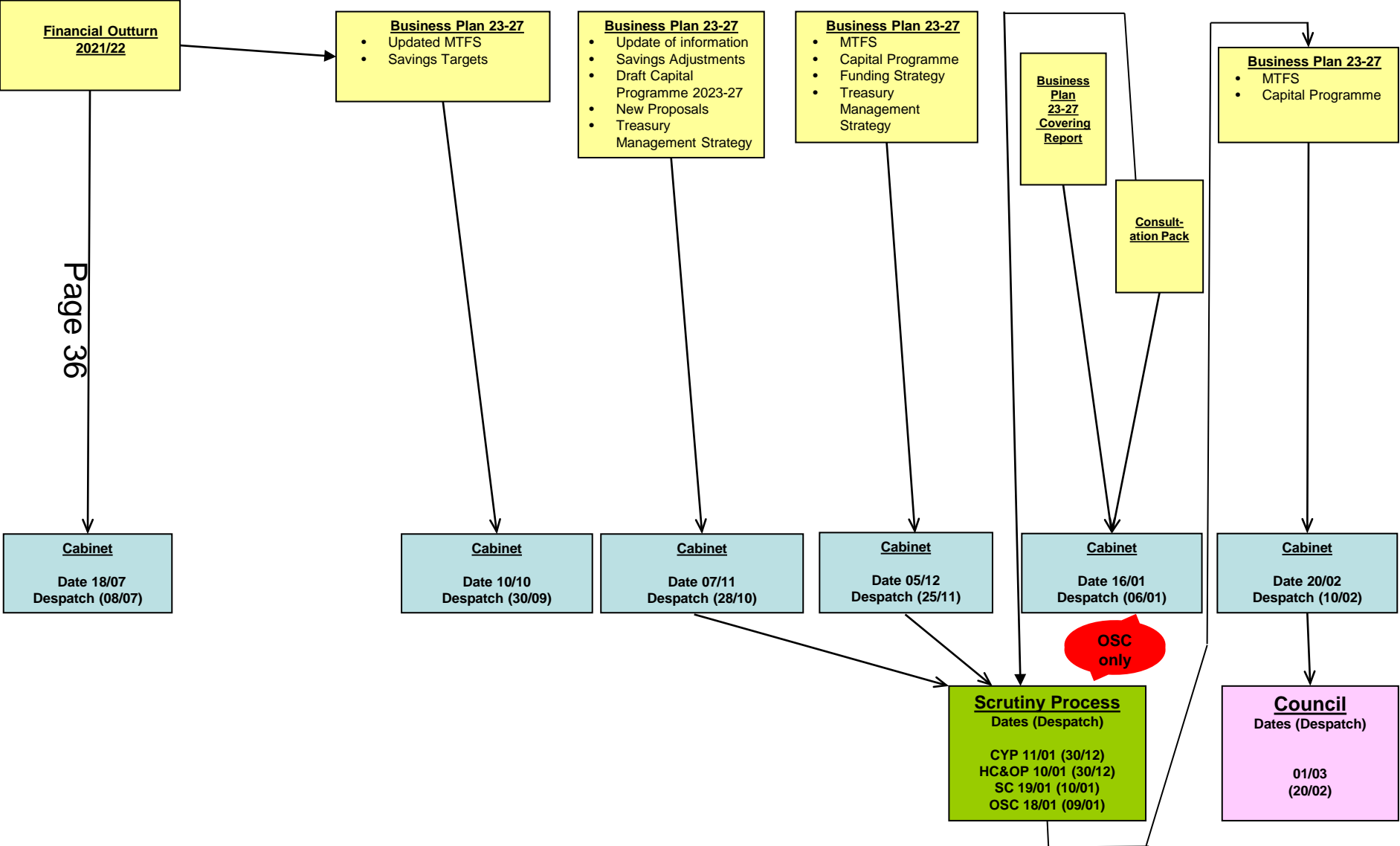
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BUSINESS PLANNING TIMETABLE - BUSINESS PLAN 2023-27 APPENDIX 1

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OSC only

DRAFT MTFS 2023-27:				
	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000
Departmental Base Budget 2021/22	173,022	173,022	173,022	173,022
Inflation (Pay, Prices)	8,229	14,926	19,191	23,456
NI increase	7	16	24	32
Salary oncost increase (15.2% to 17.06%)	48	72	96	120
FYE – Previous Years Savings	(2,218)	(2,166)	(2,063)	(2,072)
FYE – Previous Years Growth	390	390	390	390
Amendments to previously agreed savings/growth	0	0	0	0
Change in Net Appropriations to/(from) Reserves	(3,226)	(3,226)	(3,676)	(3,676)
Taxi card/Concessionary Fares	1,457	4,468	5,712	5,712
Social Care - Additional Spend offset by grant/precept	(479)	(469)	(482)	(477)
Growth	0	0	0	0
DSG Safety Valve	0	0	0	0
Provision - DSG Deficit	2,400	1,600	700	(3,600)
Contract increases	0	0	2,700	2,700
Other	4,440	4,599	4,760	4,922
Re-Priced Departmental Budget	184,070	193,232	200,374	200,530
Treasury/Capital financing	11,968	12,989	12,821	16,335
Pensions	0	0	0	0
Other Corporate items	(20,050)	(20,323)	(20,646)	(20,328)
Levies	611	611	611	611
Sub-total: Corporate provisions	(7,471)	(6,723)	(7,214)	(3,382)
Sub-total: Repriced Departmental Budget + Corporate Provisions	176,598	186,509	193,160	197,147
Savings/Income Proposals 2022/23	0	0	0	0
Sub-total	176,598	186,509	193,160	197,147
Appropriation to/from departmental reserves	(752)	(752)	(302)	(302)
Appropriation to/from Balancing the Budget Reserve	(9,172)	0	0	0
ONGOING IMPACT OF COVID-19 (NET)	505	0	0	0
BUDGET REQUIREMENT	167,179	185,757	192,858	196,845
Funded by:				
Revenue Support Grant/Covid RNF & LCTS grant	0	0	0	0
Business Rates (inc. Section 31 grant)	(41,216)	(41,658)	(42,105)	(42,556)
Adult Social Care Grants inc. BCF	(5,010)	(5,010)	(5,010)	(5,010)
Social Care Grant	(6,282)	(6,282)	(6,282)	(6,282)
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(300)	(300)	(300)	(300)
Council Tax inc. WPCC	(108,428)	(111,141)	(113,921)	(116,510)
Collection Fund – (Surplus)/Deficit	3,093	0	0	0
Market Sustainability and Fair Cost of Care Fund	0	0	0	0
2022/23 Services Grant	0	0	0	0
TOTAL FUNDING	(162,940)	(169,188)	(172,414)	(175,455)
GAP including Use of Reserves (Cumulative)	4,239	16,568	20,443	21,390

CABINET

5 December 2022

Agenda item:

Business Plan Update 2023-2027

Lead officer: Roger Kershaw

Lead member: Councillor Billy Christie

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

Recommendations:

1. That Cabinet considers and agrees the draft growth proposals (Appendix 4) put forward by officers and refers them to the Overview and Scrutiny panels and Commission in January 2023 for consideration and comment.
2. That Cabinet considers and agrees the new savings proposals for 2023/24 to 2026/27 (Appendix 5) and refers them to the Overview and Scrutiny panels and Commission in January 2023 for consideration and comment.
3. That Cabinet considers and agrees the new capital proposals for 2023/24 to 2026/27 and the draft Capital Programme 2023-2027 (Appendix 7) and refers them to the Overview and Scrutiny panels and Commission in January 2023 for consideration and comment.
4. That Cabinet agrees the proposed Council Tax Base for 2023/24 set out in paragraph 2.7 and Appendix 1.
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 2023-27 and in particular on the progress made so far towards setting a balanced revenue budget for 2023/24 and over the MTFS period as a whole.
- 1.2 Members will recall that the standstill budget gap for 2023/24 to Cabinet in October 2022 was c. £4.2m. Since then, a range of growth pressures have been assessed together with proposals for savings to assist with balancing the MTFS. Incorporating the growth pressures and savings into the MTFS leaves a gap of c.£4.3m which will have to be addressed in order to set a balanced budget for 2023/24 at the Council meeting in March

2023. This means that additional savings and income proposals will be required and these will be included in the Business Plan update report to Cabinet in January 2023.

- 1.3 Members will note that we still await the Provisional Local Government Finance Settlement 2023/24 (due mid-December 2022) which will provide details on the grant funding for Councils together with information on how the Council Tax Referendum Principles will be applied.
- 1.4 As stated, the report provides details of proposed revenue savings which are needed to enable the Council to be able to set a balanced budget for 2023/24 in March 2023. Draft equalities analyses where applicable will be included in the Member's Information Pack to be provided at the end of December.
- 1.5 The report also presents details of new growth proposals for 2023-27
- 1.6 The report also provides details of new capital proposals and an update on the capital programme for 2023-32 and the financial implications for the MTFS.
- 1.7 The report provides a general update on all of the latest information relating to the Business Planning process for 2023-27 and an assessment of the implications for the Medium Term Financial Strategy 2023-27.
- 1.8 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 2023 as part of the information pack. It is intended that all of the detailed proposals will be incorporated into a Member's Information Pack to be despatched to all Members at the end of December 2022.

2. **DETAILS**

Introduction

- 2.1 A review of assumptions in the MTFS was undertaken and reported to Cabinet on 10 October 2022. As a result Cabinet agreed departmental savings targets and details of proposed departmental savings are presented in this report in Appendix 5.
- 2.2 The draft MTFS 2023-27 in the Cabinet report in October 2022 included financial implications of a draft Capital Programme 2023-32 based on July 2022 monitoring and incorporating outturn 2021/22 expenditure and financing. This has been further reviewed and details of new bids are included in this report, together with an assessment of the capital financing costs arising from the proposals.
- 2.3 The overall MTFS budget gap reported to Cabinet in the October 2022 report was based on a repriced, standstill position and is summarised in the following table:-

(Cumulative Budget Gap)	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
MTFS Gap (Cabinet October 2022)	4,239	16,568	20,443	21,390

2.4 Review of Assumptions

Since Cabinet in October, work has been continuing to review assumptions, consider the necessity for revenue growth in some services, identify new savings/income proposals, review the capital programme, develop some new capital bids and analyse financial and economic information which has been received since then.

2.4.1 Pay

2022-23:

For 2022/23 the final pay award has now been agreed but provision of 2% was included in the MTFS for 2022-26.

The three local government unions, UNISON, GMB and Unite, representing 1.4 million council and school employees, submitted a pay claim for staff in England, Wales and Northern Ireland.

On 25 July 2022, the National Employers agreed to make a one-year (1 April 2022 to 31 March 2023), final offer to the unions representing the main local government NJC workforce.

Local government unions balloted their members and on 1 November agreed to accept the offer.

For Merton, the offer is estimated to be equivalent to c. 6% in a full year and this has been incorporated into the draft MTFS 2023-27.

As reported to Cabinet in October 2022, each 1% of pay costs c. £0.990m and a 6% pay award in 2022/23 will have the following impact on the MTFS 2023-27:-

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Additional Impact of a 6% pay award	3,960	4,039	4,120	4,202

2023/24 and future years:

The provision for future pay awards currently included in the MTFS 2023-27 as reported to Cabinet in October 2022 is :-

(Cumulative £000)	2023/24	2024/25	2025/26	2026/27
Pay inflation (%)	3.0%	2.0%	2.0%	2.0%
MTFS 2023-27 (Latest)	2,974	4,957	6,940	8,923
Change (cumulative £000)	1,054	1,117	1,180	1,243

It is recognised that the inflation rate is currently much more than 3% so if the 2023/24 award exceeds 3%, each 1% will cost c.£0.990m.

Further details on the pay negotiations for 2023/24 and beyond, and the impact on the MTFS will be reported when they are known. This will include any information about Government assumptions about local government pay announced in the Autumn Statement and expected in the provisional Local Government Settlement.

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 2023-27 reported to Cabinet in October 2022 included the following percentage increases and no changes are proposed at the current time:-

(Cumulative)	2023/24	2024/25	2025/26	2026/27
Price inflation (%)	3%	2%	1.5%	1.5%
Revised Estimate (cumulative £000)	4,564	7,607	9,889	12,172

Prices:

The Consumer Prices Index (CPI) rose by 11.1% in the 12 months to October 2022, up from 10.1% in September 2022. CPI rose by 2.0% in October 2022, compared with a rise of 1.1% in October 2021. Despite the introduction of the government's Energy Price Guarantee, gas and electricity prices made the largest upward contribution to the change in both the CPIH and CPI annual inflation rates between September and October 2022. Rising food prices also made a large upward contribution to change with transport (principally motor fuels and second-hand car prices) making the largest, partially offsetting, downward contribution to the change in the rates. The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 9.6% in the 12 months to October 2022, up from 8.8% in September 2022. The largest upward contributions to the annual CPIH inflation rate in October 2022 came from housing and household services

(principally from electricity, gas, and other fuels), food and non-alcoholic beverages, and transport (principally motor fuels).

The RPI rate for October 2022 was 14.2%, up from 12.6% in September 2022.

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 2022)			
	Lowest %	Highest %	Average %
2022 (Quarter 4)			
CPI	9.6	14.0	10.5
RPI	11.3	14.5	12.9
LFS Unemployment Rate	3.4	4.2	3.8
2023 (Quarter 4)			
CPI	2.2	7.4	5.0
RPI	2.6	11.0	6.7
LFS Unemployment Rate	3.2	5.4	4.4

Note the wide range between highest and lowest forecasts which reflects the volatility and uncertainty arising from volatile fuel and utility costs impacting on the cost of living 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 2022 to 2026 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (November 2022)					
	2022	2023	2024	2025	2026
	%	%	%	%	%
CPI	9.0	7.4	3.2	2.6	2.7
RPI	10.4	9.0	4.1	4.0	3.9
LFS Unemployment Rate	3.7	4.2	4.3	4.1	4.2

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. The MPC currently uses two main monetary policy tools. First, they set the interest rate that banks and building societies earn on deposits, or 'reserves', placed with the Bank of England – this is Bank Rate. Second, the MPC can buy government and corporate bonds, financed by the issuance of central bank reserves – this is asset purchases or quantitative easing.

At its meeting ending on 2 November 2022, the MPC voted by a majority of 7-2 to increase Bank Rate by 0.75 percentage points, to 3%. One member preferred to increase Bank Rate by 0.5 percentage points, to 2.75%, and one member preferred to increase Bank Rate by 0.25 percentage points, to 2.5%.

At the same time the MPC also published the November Monetary Policy Report, in which the MPC's updated projections for activity and inflation describe a very challenging outlook for the UK economy.

The MPC's report summarises the medium term forecast and their "latest projections describe a very challenging outlook for the UK economy. It is expected to be in recession for a prolonged period and CPI inflation remains elevated at over 10% in the near term. From mid-2023, inflation is expected to fall sharply, conditioned on the elevated path of market interest rates, and as previous increases in energy prices drop out of the annual comparison. It then declines to some way below the 2% target in years two and three of the projection. This reflects a negative contribution from energy prices, as well as the emergence of an increasing degree of economic slack and a steadily rising unemployment rate. The risks around that declining path for inflation are judged to be to the upside....The MPC's forecast does not incorporate any further measures that may be announced in the Autumn Statement scheduled for 17 November".

In terms of the outlook over the next three years, the MPC's central projection "that is conditioned on the elevated path of market interest rates, domestic inflationary pressures subside given the increasing amount of economic slack. Energy prices are projected to make a negative contribution to inflation in the medium term. CPI inflation is projected to fall sharply to 1.4% in two years' time, below the 2% target, and to 0.0% in three years' time. The risks around these projections are judged to be skewed to the upside.

Based on this the MPC's overall forecast summary is as follows

	2022(Qtr.4)	2023(Qtr.4)	2024(Qtr.4)	2025(Qtr.4)
	%	%	%	%
GDP	0.2	-1.9	-0.1	0.2
CPI	10.9	5.2	1.4	0.0
LFS Unemployment Rate	3.7	4.9	5.9	6.4
Excess supply/Excess demand	0.75	-2.5	-3.0	-3.0
Bank Rate	3.0	5.2	4.7	4.4

In producing their forecast, the MPC have included the following key judgements and risks:-

Key judgement 1: there has been a material tightening in financial conditions, including the elevated path of market interest rates. In addition, high energy prices continue to weigh on spending, despite an assumption of some fiscal support for household energy bills over the next two years. As a result, the UK economy is expected to remain in recession throughout 2023 and 2024 H1, and GDP is expected to recover only gradually thereafter.

Key judgement 2: although there is judged to be a greater margin of excess demand currently, continued weakness in spending leads to an increasing degree of economic slack emerging from 2023 H1, including a rising unemployment rate.

Key judgement 3: despite a decline in global price pressures and a significant fall in the contribution of household energy prices to CPI inflation, domestic inflationary pressures remain strong over the next year. But an increasing degree of economic slack depresses domestic pressures further out. Conditioned on the elevated path of market interest rates, CPI inflation declines to below the 2% target in the medium term, although the Committee judges that the risks to the inflation projections are skewed to the upside.

Bank of England (MPC) Quarterly Central Projection for CPI Inflation (November 2022)

%	2022 Qtr.4	2023 Qtr.1	2023 Qtr.2	2023 Qtr.3	2023 Qtr.4	2024 Qtr.1	2024 Qtr.2	2024 Qtr.3	2024 Qtr.4	2025 Qtr.1	2025 Qtr.2	2025 Qtr.3	2025 Qtr.4
CPI	10.9	10.1	9.5	7.9	5.2	4.0	1.1	1.2	1.4	1.2	0.8	0.6	0.0

2.4.3 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 inflation allowance provided when setting the budget. The provision included in the October 2022 Cabinet was £0.5m which is equivalent to an additional c. 0.33%. In the current inflationary environment it is considered that this may be insufficient and it is therefore proposed to increase this by £2.688m to £3.188m which is equivalent to an additional c.1.8% on the price inflation already provided for. The increase of £2.688m is made up of £1.9m new funding and £0.788m from a review of corporate budgets. This will be retained centrally and allocated to departments in those instances where excessively high inflation is being experienced,

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Provision for Excess inflation October Cabinet	500	500	500	500
Transfer from review of corporate budgets	788	788	788	788
New Provision	1,900	1,900	1,900	1,900
Revised Provision for Excess inflation	3,188	3,188	3,188	3,188

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 Social Care Levy

On 7 September 2021, the government 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). As part of this proposal employers would be required to pay a social care levy equivalent to 1.25% of National Insurance contributions.

On 22 September 2022, the then Chancellor Kwasi Kwarteng announced the 1.25 percentage point rise in NICs rates for employees, employers and the self-employed would be reversed from 6 November 2022, and that the Health and Social Care Levy Act 2021 would be repealed.

The MTFs 2023-27 currently includes the following provision for the Social Care Levy which will no longer be required:-

(cumulative)	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Provision in MTFs for Employers NI for social Care	1,001	1,013	1,025	1,038

2.4.6 Pension Fund contributions

As part of the actuarial review of the Pension Fund it is proposed to reduce contributions by 0.5 % which leads to an annual saving of c. £0.5m.

2.4.7 Budgetary Control 2022/23

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 2023-27.

Monitoring 2022/23

At period 7 to 31 October 2022 the year end forecast is a net £0.988m unfavourable variance compared to the current budget

	Current Budget 2022/23 £000	Full Year Forecast (Oct) £000	Forecast Variance at year end (Oct) £000
Corporate Services	31,090	32,183	1,093
Children, Schools and Families	60,867	62,223	1,356
Environment & Regeneration	12,068	16,888	4,820
Community and Housing	66,377	67,207	830
Net Overheads	(272)	0	272
NET SERVICE EXPENDITURE	170,131	178,501	8,371
Corporate	(2,826)	(9,779)	(6,953)
Total Expenditure	167,305	168,722	1,418
Funding	(167,305)	(167,734)	(429)
Net Expenditure	0	988	988

Based on October 2022 monitoring, an overall unfavourable variance is forecast, with the following pressures being flagged:-

- a) Corporate Services: Customers, Policy and Improvement, Infrastructure and Technology, Resources, Human Resources, Housing Benefits Rent Allowance subsidies.
- b) Children's Schools and Families: High cost and dependency on agency staff, high cost of child placements and transport, DSG deficit
- c) Environment and Regeneration: The main areas of variance are Regulatory Services, Parking Services, Waste, Leisure & Culture, Greenspaces, Property Management, Development & Building Control, Future Merton and Safer Merton. The primary reasons are the reduced revenue within Parking Services of £2.6m, a projected utility budget overspend of approximately £1m and increased inflationary costs for services, materials and equipment.
- d) Community and Housing: Adult Social Care, Housing General Fund, and libraries and heritage.

2.4.8 Growth

The MTFs reported to Cabinet in October 2022 was repriced to include inflation but was based on a standstill position. It did not include any provision for growth in services for 2023/24 to 2026/27 but it is clear that there will be some areas that will require additional support in order to be able to cope with pressures currently identified.

Service departments have been reviewing their service projections against current budgets and have identified some growth requirements. Details are provided in Appendix 4 and are summarised in the following table:-

Cumulative growth	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	Total £'000
Corporate Services	315	120	120	0	555
Children, Schools and Families	1,871	(475)	0	0	1,396
Environment and Regeneration	905	0	0	0	905
Community and Housing	274	0	(97)	0	177
Total	3,365	(355)	23	0	3,033
Cumulative	3,365	3,010	3,033	3,033	

Cabinet are requested to review and agree the proposals and refer them to the Overview and Scrutiny Panels and Commission for scrutiny in January 2023.

2.4.9 Capital Programme for 2023-27

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 October 2022 set out the current capital programme, The latest current capital programme based on October 2021 monitoring, including slippage and new bids are set out in Appendix 7.

The following tables summarise the change in proposed capital expenditure and associated capital financing costs from Council in March 2022 to the latest forecast costs:-

Capital Expenditure	2023/24 Estimate £000's	2024/25 Estimate £000's	2025/26 Estimate £000's	2026/27 Estimate £000's
Capital Expenditure (Council March 2022)	21,971	15,830	37,477	29,982
Change	13,021	10,002	1,034	(2,296)
Capital Expenditure (October monitoring with slippage)	34,992	25,832	38,511	27,686
Change	10,680	22,671	14,648	5,718
Capital Expenditure (October, slippage and New Bids)	45,672	48,503	53,159	33,404

Capital Financing Costs	2023/24 Estimate £000's	2024/25 Estimate £000's	2025/26 Estimate £000's	2026/27 Estimate £000's
Capital Financing costs (Council March 2022)	11,903	12,929	12,736	16,186
Change	(796)	(902)	(730)	(1,335)
Capital Financing costs (October monitoring with slippage)	11,107	12,027	12,006	14,851
Change	0	285	1,269	2,465
Capital Financing costs (October, slippage and New Bids)	11,107	12,312	13,275	17,316

2.5 Forecast of Resources and Provisional Local Government Finance Settlement

2.5.1 Autumn Statement

Since October there has been significant political and economic change in the United Kingdom with turmoil in the financial markets and continuing high inflation and volatility in energy supply and prices. The financial implications arising from the Government's economic projections and Medium-Term Fiscal Plan have been uncertain with a number of proposals being reversed in recent weeks.

On 26 October 2022, the Chancellor of the Exchequer requested an Office for Budget Responsibility (OBR) forecast to be published on 17 November. 2022, This will be published alongside the Chancellor's Autumn Statement.

The Autumn Statement gives details on Government taxation and spending plans to address the cost of living crisis. Whilst Government Departmental Expenditure Limits are expected to be announced, individual local authorities allocations will not be known until the Provisional Local Government Finance Settlement 2023 is published (expected in mid-December).

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. Ideally, the Provisional Settlement will provide an indication of funding allocations over a number of years but recent years have tended to be for one year only. This makes medium to long-term financial planning extremely difficult.

An analysis on the potential financial impact of the provisional Settlement will be included in the report to Cabinet in January 2023.

2.6 London Business Rates 2023-24

- 2.6.1 As previously reported, due to uncertainty arising from COVID-19, the London Business pool was discontinued for 2021/22 and similarly for 2022/23. It is assumed that there will not be a London Business Rates pool in 2023/24.
- 2.6.2 There were a number of announcements affecting Business Rates in the Autumn Statement published on 17 November 2022 and these are included in the summary of the Autumn Statement in Appendix 6.

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 2023/24. 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 2023/24. The Council is required to determine its Council Tax Base by 31 January 2023.
- 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 2022 is the basis for the calculation of the Council Tax Base for 2023/24.
- 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 2023/24 compared to 2022/23 is set out in the following table:-

Council Tax Base	2022/23	2023/24	Change %
Whole Area	75,754.6	77,694.3	2.6%
Wimbledon & Putney Common Conservators	11,705.0	11,761.2	0.5%

3. SAVINGS PROPOSALS 2023-27

- 3.1 Cabinet on 10 October 2022 agreed savings targets as follows:-

SAVINGS TARGETS BY DEPARTMENT	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
Corporate Services	993	2,889	908	222	5,012
Children, Schools and Families	608	1,767	555	136	3,066
Environment and Regeneration	1,246	3,624	1,139	278	6,287
Community and Housing	1,392	4,049	1,273	311	7,025
Total	4,239	12,329	3,875	947	21,390
Total (cumulative)	4,239	16,568	20,443	21,390	

- 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 2023-27: SUMMARY

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	TOTAL £000
Corporate Services	880	0	(100)	0	780
Children, Schools and Families	523	0	0	0	523
Environment and Regeneration	582	0	0	0	582
Community and Housing	1,113	0	0	0	1,113
TOTAL	3,098	0	(100)	0	2,998
Cumulative Total	3,098	3,098	2,998	2,998	

- 3.4 Details of the savings proposals are included in Appendix 5. Cabinet are requested to review and agree the proposals and refer them to the Overview and Scrutiny Panels and Commission for scrutiny in January 2023.
- 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. **BUDGET STRATEGY AND UPDATE TO MTF5 2023-27**
- 4.1 The council has a statutory duty to set a balanced budget.
- 4.2 The MTF5 reported to Cabinet in October 2022 assumed a 2% general Council Tax increase in 2023/24.
- 4.3 Taking into account the changes set out in this report, the latest budget gap forecast is:-

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
MTFS Gap (October 2022 Cabinet)	4,239	16,568	20,443	21,390
Council Tax Base - Income	(1,384)	(1,427)	(1,470)	(1,513)
Increase provision for Excess Inflation	2,688	2,688	2,688	2,688
Review of corporate Contingencies	(780)	(780)	(780)	(780)
Government scrap NI increase for Social Care Levy	(1,001)	(1,013)	(1,025)	(1,038)
Pension Fund – 0.5% reduction in contributions	(500)	(500)	(500)	(500)
Capital Financing Costs – October monitoring/slippage	(1,237)	(1,308)	(1,140)	(1,798)
Capital Financing Costs – New Bids	0	285	1,269	2,466
Revenue Growth 2023-37	3,365	3,010	3,033	3,033
New Savings 2022-26	(3,098)	(3,098)	(2,998)	(2,998)
Use of Reserves	2,050	(1,000)	(1,000)	(50)
Revised Gap	4,342	13,425	18,520	20,899

4.4 A more detailed MTFS is included as Appendix 2. Analysis of the movement in the MTFS from Council in March 2022 to Cabinet in December 2022 is included in Appendix 3.

4.5 Draft Service department budget summaries based on the information in this report will be included in the pack available for scrutiny.

5. GLA BUDGET AND PRECEPT SETTING 2023-24 – PROVISIONAL TIMETABLE

5.1 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.

5.2 The GLA's provisional timetable for its precept setting process is as follows:-

Mid to late December 2022	Following the publication of the provisional Local Government, Fire and Police Settlements, issue the Mayor's Consultation Budget.
26 January 2023	Assembly to consider Draft Consolidated Budget.
23 February 2023	Assembly to consider Final Draft Consolidated Budget.
27 February 2023	Statutory deadline by which the GLA precept must be approved and the Mayor's statutory Capital Spending Plan published.

5.3 NNDR1 returns will be required to be submitted to the DLUHC by 31 January 2023. 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 2023/24 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.

6. CONSULTATION UNDERTAKEN OR PROPOSED

- 6.1 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.
- 6.2 In accordance with statute, consultation is taking place with business ratepayers and a meeting will be arranged for February 2023.
- 6.3 As previously indicated, a Member's information pack will be prepared and distributed to all councillors at the end of December 2022 that can be brought to all Scrutiny and Cabinet meetings from 10 January 2023 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.
- 6.4 The pack will include:
- Growth proposals
 - Savings proposals
 - New Capital proposals 2022-32
 - A draft Equality impact assessment for each saving proposal.

7. TIMETABLE

- 7.1 The key deadlines are as follows:-

5 December 2022	Cabinet
Late December	Provisional Local Government Finance Settlement
End of December	Member's Information Pack circulated
10 January 2023	Healthier Communities Overview & Scrutiny Panel
11 January 2023	Children and Young People Overview & Scrutiny Panel
16 January 2023	Cabinet
19 January 2023	Sustainable Communities Overview & Scrutiny Panel
25 January 2023	Overview and Scrutiny Commission
20 February 2023	Cabinet
_1 March 2023	Council approves Council Tax 2023/24 and MTFS 2023-27

8. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

8.1 All relevant implications have been addressed in the report.

9. LEGAL AND STATUTORY IMPLICATIONS

9.1 All relevant implications have been addressed in the report.

10. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

10.1 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.

11. CRIME AND DISORDER IMPLICATIONS

11.1 Not applicable.

12. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

12.1 Not applicable.

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

Appendix 1: Council Tax Base 2023/24

Appendix 2: MTFS Update

Appendix 3: Movement in MTFS Council March 2022 to Cabinet 5 December 2022

Appendix 4: Growth Proposals 2023-27 **SEE MEMBER'S INFORMATION PACK**

Appendix 5: Savings Proposals 2023-27 **SEE MEMBER'S INFORMATION PACK**

Appendix 6: London Council's summary of Autumn Statement (17 November 2022)

Appendix 7: Capital Bids and Draft Capital Programme 2023-27

BACKGROUND PAPERS

Budget files held in the Corporate Services department.

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Council Tax Base 2023/24

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 DLUHC of their unadjusted Council Tax Base using a CTB Form using valuation list information as at 12 September 2022.
- 1.6 The CTB form for 2022 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 2023/24

2.1 Information from the October 2022 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	2023/24
Merton – General	78,677.8
Wimbledon & Putney Common Conservators	11,910.1

3. ASSUMPTIONS IN THE MTFS

- 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 2022 assumed that the Council Tax Base increases by 0.5% per year and that the collection rate will be 98% in 2022/23, and 98.75% in 2023/24 and 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 2023-27 is as set out in the following table:-

Council Tax Base - Revised Calculation 2022/23 to 2025/26	2023/24	2024/25	2025/26	2026/27
Council Tax Base	78,677.8	78,677.8	79,071.2	79,466.6
Assumed Annual increase	-	393.4	395.4	397.3
Estimated Council Tax Base before collection rate adjustment	78,677.8	79,071.2	79,466.6	79,863.9
Collection Rate	98.75%	98.75%	98.75%	98.75%
Estimated Council Tax Base after collection rate adjustment	77,694.3	78,082.8	78,473.4	78,865.6

- 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 2023-27

- 4.1 Based on a collection rate of 98.75% (paragraph 3.2 refers), on a like for like basis (i.e. assuming council tax charges do not change) the estimated income in 2023/24 compared to 2022/23 is summarised in the following table:-

Council Tax: Whole area	2022/23	2023/24
Tax Base	75,754.6	77,694.3
Band D Council Tax	£1,380.87	£1,380.87
Estimated Yield	£104.607m	£107.286m
Change: 2022/23 to 2023/24 (£m)		£2.679m
Change: 2022/23 to 2023/24 (%)		2.6%

4.2 Analysis of changes in yield 2022/23 to latest 2023/24

- 4.2.1 The reasons for the change in estimated yield, excluding any change in Council Tax level, between 2022/23 and the latest 2023/24 estimate based on the CTB data are:-

- Change in Council Tax Base before adjusting for collection rate by 1,377.2 from 77,300.6 to 78,677.8 which multiplied by the Band D Council Tax of £1,380.87 results in increased yield of c. £1.9m
- Change in Council Tax collection rate of 0.75% from 98% to 98.75%, equivalent to additional council tax base of 590 which multiplied by the Band D Council Tax of £1,380.87 results in increased yield of c. £0.8m

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 966 from 86,133 to 87,099 and the number of exempt dwellings increased by 4 from 994 to 998. This means that the number of chargeable dwellings increased by 962 between years. Based on a full charge, this equates to additional council tax of £1.328m.

b) Amount of Council Tax Support Reduction

Based on October 2021 there was a reduction of 8,086.0 to the Council Tax Base for local council tax support. This has reduced to 7,441.2 in based on October 2022 which is a change of 644.8 and equates to an increase in council tax of about £0.890m.

c) Changes in Discounts, Exemptions and Premiums

Overall, the number of properties subject to discounts or exemption increased by 867 and those subject to premiums increased by 40 between October 2021 and October 2022.

d) Change in collection rate

There has been a change made to the estimated collection rate of 0.75%, which has increased from 98% to 98.75%.

Summary

The following puts the individual elements together to show how the potential council tax yield changes between 2022/23 and 2023/24:-

	Approx. Change in Council Tax Base	Approx. Change in Council Tax yield
		£m
Increase in number of chargeable dwellings	966.0	1.328
Change in Council Tax Support Reductions	644.8	0.890
Change in discounts, exemptions, premiums and distribution	(261.1)	(0.354)
Change in collection rate	590.0	0.815
Total	1,939.7	2.679

4.3 Council Tax Yield 2023/24

4.3.1 The draft MTFS assumes a Council Tax increase of 2% in 2023/24. Assuming this the estimated Council Tax yield for 2023/24 is:-

Council Tax: Whole area	Tax Base	Band D 2023/24	Council Tax Yield 2023/24	Council Tax Yield 2022/23
Merton	77,694.3	1,408.48	£109.4m	£104.6m

4.3.2 There has been no guidance published by the government yet regarding Council Tax Referendum Principles relating to Council Tax increases for general and Adult Social Care precepts.

4.3.3 The updated MTFS is based on the following assumptions, subject to announcement in the Local Government Finance Settlement 2023/24 of the Referendum Principles for 2023/24:-

	2023/24	2024/25	2025/26	2026/27
Increase in CT Base	0.5%	0.5%	0.5%	0.5%
Collection Rate	98.75%	98.75%	98.75%	98.75%
Council Tax – General*	2%	2%	2%	2%
Council Tax – Adult Social Care†	0%	0%	0%	0%

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

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:-

	2023/24	2024/25	2025/26	2026/27
Council Tax (Band D) b/f from previous year	£1,380.87	£1,408.48	£1,436.64	£1,465.37
2% increase - General	£27.61	£28.16	£28.73	£29.30
0% for Adult Social Care	0	0	0	0
Revised Council Tax (Band D)	£1,408.48	£1,436.64	£1,465.37	£1,494.67
	£m	£m	£m	£m
Estimated Council Tax Yield	109.4	111.6	113.8	116.1

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

	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m
MTFS (Cabinet 10 October 2022)	108.1	110.8	113.5	116.1
Revised Estimated Council Tax Yield	109.4	111.6	113.8	116.1
Change	1.3	0.8	0.3	0.0

5. SUMMARY

5.1 Based on the information discussed, the council tax bases for 2023/24 and compared to 2022/23 are summarised in the following table:-

Council Tax Base	2022/23	2023/24	Change
Whole Area	75,754.6	77,694.3	2.6%
Wimbledon & Putney Common Conservators	11,705.0	11,761.2	0.5%

Summarised Transition from Council March 2022 to Cabinet 5 December 2022

Budget Forecast 2022/23 to 2025/26				
	2023/24	2024/25	2025/26	2026/27
	£'000	£'000	£'000	£'000
Budget Gap Council March 2022	4,618	18,791	21,659	27,767
EXPENDITURE				
Inflation - Pay	1,055	1,118	1,181	1,244
Inflation - Prices	2,425	3,329	3,472	3,615
Inflation - Pay Award 2021/22 additional effect	3,960	4,039	4,120	4,202
Inflation - Provision for excess inflation	2,688	2,688	2,688	2,688
Additional Employer's NI for Social Care	(1,008)	(1,029)	(1,049)	(1,070)
FYE - Amendments to existing savings since Cabinet March 2021	0	0	0	0
External Borrowing Costs	(412)	(263)	873	1,454
NEW SAVINGS 2022-23	(3,098)	(3,098)	(2,998)	(2,998)
Change in requirement for DSG Deficit	(9,228)	(11,114)	(13,099)	(18,600)
PENSION FUND REVALUATION 2022 - Reduce Oncost	(500)	(500)	(500)	(500)
Change in corporate budgets	(780)	(780)	(780)	(780)
Proposed Growth - Services	3,365	3,010	3,033	3,033
Waste contract relet	0	0	1,800	1,800
Parking contract and Systems	0	0	900	900
FUNDING				
Investment Income	(385)	(355)	(334)	(323)
Council Tax income	(1,378)	(1,412)	(1,447)	(1,481)
Collection Fund - t/f of Ctax surplus(-)/deficit	68	0	0	0
Collection Fund - t/f of BRates surplus(-)/deficit	1,561	0	0	0
Use of Reserves	1,391	(1,000)	(1,000)	(50)
Cabinet 5 December 2022	4,342	13,425	18,520	20,900

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London Councils' On The Day Briefing

London Councils is the collective of local government in London. It is a cross-party organisation that works on behalf of all its member authorities regardless of political persuasion.

Overview

The Chancellor of the Exchequer, Jeremy Hunt, delivered his first Budget on 17th November 2022. As well as the usual updates on the state of public finances and the performance of the economy (in the context of challenging global conditions), the Chancellor also set out the broad policy direction in three key areas: economic stability, economic growth and public services. The key policy announcements relating to public spending and local government are summarised below:

Key Headlines

- **The Council tax referendum limit will rise from 2% to 3% in 2023-24**, with the **adult social care precept flexibility rising from 1% to 2%**. This could generate an extra £80m for London boroughs.
- **Adult Social Care funding reforms will be pushed back by two years to October 2025**.
- **The funding to deliver ASC reforms will be repurposed**, with £1.3bn in 2023-24 and £1.9bn in 2024-25 distributed to local authorities through the **Social Care Grant**.
- **An extra £1bn go towards social care** via the Better Care Fund (£600m) and through a ringfenced ASC grant (£400m) in 2023-24, rising to £1.7bn in 2024-25.
- The **business rates multiplier will be frozen in 2023-24 and local authorities will be fully compensated** for any loss of income.
- **Social rents will be capped at 7%** (costing London boroughs an estimated over £100m).
- **The £1bn Household Support fund** will be continued for another 12 months from April 2023.
- The **NHS budget will increase by £3.3bn** in each of next 2 years above the SR21 level.
- The **Schools budget will increase by £2.3bn** in each of next 2 years above the SR21 level.
- **The Energy Price Guarantee will rise to £3,000** from April 2023 from the current level (£2,500).
- It is unclear whether the **Energy Bill Relief Scheme will continue for public sector bodies**.
- **State pensions, benefits and tax credits will rise in line with inflation (10.1%)** from April 2023.
- **Local Housing Allowance rates will remain frozen** in cash terms at the current levels.
- A new ambition has been set out to **reduce energy consumption from buildings and industry by 15% by 2030**, with £6bn of new funding set out from 2025 to achieve this goal.

Economic and Fiscal Outlook

- Rising energy, food, and other goods prices have pushed up interest rates to levels not seen since the 2008 financial crisis.
- CPI inflation is set to peak at a 40-year high of 11% in the current quarter before dropping sharply next year and falls below zero in the middle of the decade by falling energy and food prices before returning to nearer its 2% target in 2027.
- Unemployment is set to rise by 505,000 from 3.5% to peak at 4.9% in the Q3 2024.
- The medium-term fiscal outlook has materially worsened since the OBR's March forecast due to a weaker economy, higher interest rates, and higher inflation.
- Taking forecast and policy changes together, the deficit is set to rise from £133.3bn (5.7% of GDP) last year to £177.0bn (7.1% of GDP) this year.
- Borrowing is set to fall by £37bn next year to £140.0bn (5.5% of GDP) due to previously announced tax rises and scaled-back fiscal support and continues falling to £69.2bn (2.4% of GDP) in 2027-28.
- Total public spending will rise from 39.3% of GDP in 2019-20 to 43.4% of GDP in 2027-28. This is 2.9% higher than predicted by the OBR in March, reflecting higher debt interest and welfare spending, rising cash spending, and the smaller economy.
- Total tax revenues will rise from 33.1% of GDP in 2019-20 to 37.1% of GDP at the forecast horizon, 1.0% higher than forecast by the OBR in March and its highest sustained level since the Second World War.
- The near tripling of interest rates since March means the share of revenues consumed by servicing that debt will rise from under 5% in 2019-20 to 8.5% in 2027-28, leaving the public finances more vulnerable to future shocks or swings in market sentiment.
- The Government's two legislated fiscal targets - to balance the current budget and get underlying debt falling in 2025-26 - are on course to be missed by £8.7bn and £11.4bn respectively.
- **The Government has announced two new fiscal targets: to get borrowing below 3% of GDP and underlying debt falling in five years' time.** The OBR expects these to be met with £18.6bn and £9.2bn to spare, respectively.

Key Economic & Fiscal Indicators

- On a calendar-year basis, CPI inflation falls back from 9.1% in 2022 to 7.4% in 2023. Thereafter dropping sharply to 0.6% in 2024, becoming negative in 2025, and returning to positive territory in 2026 before returning to a near target 1.7% in 2027.
- The current unemployment rate starts to climb from 3.6% in 2022 to 4.1% in 2023, and peaks at 4.9% in 2024. Thereafter, unemployment is forecast to fall in 2026 and 2027.
- Public sector net borrowing (PSNB) was £133bn (5.7% of GDP) in 2021 and is forecast to rise to £177bn (7.1% of GDP) in 2022. Thereafter PSNB falls in each of the five-years 2023 to 2027 inclusive, ending the forecast period at £69.2bn (2.4%).
- Public sector net debt (excluding the Bank of England) is predicted be over 97% of GDP in 2024, remaining above that level until the end of the forecast period in 2027.

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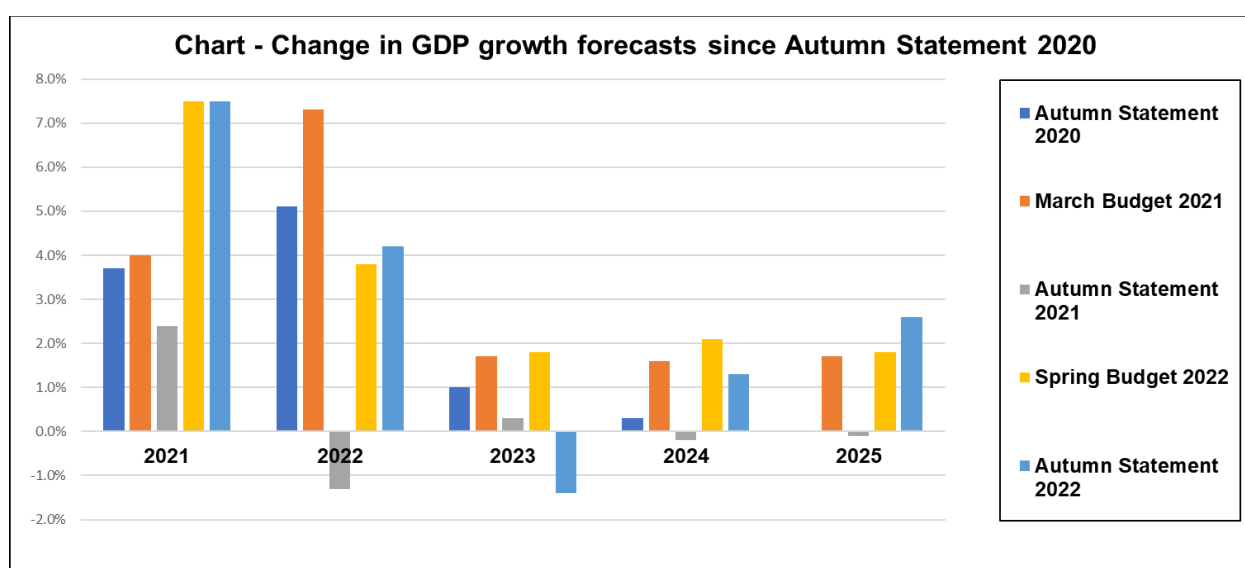
Table 1 – Key Economic & Fiscal Indicators

	Outturn		Forecast				
	2021	2022	2023	2024	2025	2026	2027
	Percentage change on a year earlier, unless otherwise stated						
Gross domestic product (GDP)	7.5	4.2	(1.4)	1.3	2.6	2.7	2.2
CPI	2.6	9.1	7.4	0.6	(0.8)	0.2	1.7
Employment (million)	32.4	32.7	32.8	32.7	32.9	33.3	33.6
LFS unemployment (%)	4.5	3.6	4.1	4.9	4.7	4.3	4.2
Public sector net borrowing (% GDP)	5.7	7.1	5.5	3.2	2.8	2.9	2.4
Public sector net borrowing (£Bb)	133.3	177.0	140.0	84.3	76.9	80.3	69.2
Public sector net debt (% GDP – Excl. Bank of Eng.)	84.3	89.9	95.9	97.2	97.6	97.6	97.3
Public sector net debt (£Bn)	2,372.6	2,571.3	2,751.6	2,825.3	2,808.6	2,871.6	2,963.2

Source: Office for Budget Responsibility - Economic & Fiscal Outlook, November 2022, Tables TA1 and TA5

Growth

- The squeeze on real incomes, rise in interest rates, and fall in house prices all weigh on consumption and investment, tipping the economy into a recession lasting just over a year from the third quarter of 2022, with a peak-to-trough fall in GDP of 2%.
- The economy is forecast to enter a recession lasting just over a year from the third quarter of 2022, with a peak-to-trough fall in GDP of 2%. GDP is expected to fall by 1.4% in 2023.
- GDP data for the third quarter of 2022, released after the OBR forecast closed, showed output declining by 0.2% and the OBR expects a further fall in the fourth quarter. However, base effects from strong growth in the second half of 2021 are expected to result in annual GDP growth in 2022 as a whole of 4.2%.
- Without the fiscal support to households and businesses provided by the Energy Price Guarantee and other measures announced since March, the OBR estimates that the recession would be 1.1% deeper, with a peak-to-trough fall in GDP of 3.2%.
- The chart below shows a forecast reduction in GDP of 1.4% in 2023 followed by growth of 1.3% in the following year and 2.6% in 2025.



Public Spending

- The Autumn Statement updated the overall envelope for public spending to 2027-28.
- TME will decrease from 44.7% of GDP in 2021-22 to 43.4% of GDP in 2027-28.
- Resource Annually Managed Expenditure (AME) is forecast to rise by 33.8% from £461.7bn in 2021-22 to £617.6bn in 2027-28.
- Resource Departmental Expenditure Limits (DEL) will increase by 8.5% from £451.8bn to £490.1bn over the same period.
- Total departmental spending (resource and capital) will increase to £562bn by 2024-25, an increase of 3.2% from current levels
- Annual spending does, however, decrease between 2022-23 and 2023-24 by £0.8bn

Table 2 - Total Managed Expenditure 2021-22 to 2027-28 (in £bn, unless otherwise stated)

	Outturn 2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Current expenditure							
Resource AME	461.7	581.3	578.3	559.4	570.7	600.6	617.6
Resource DEL excluding depreciation	451.8	452.2	456.2	458.6	466.5	476.6	490.1
<i>of which: Energy support funding</i>	-	13.9	-	-	-	-	-
<i>of which: COVID-19 funding</i>	74.6	-	-	-	-	-	-
Ring-fenced depreciation	24.4	28.6	29.2	29.6	30.0	30.7	31.5
Total public sector current expenditure	937.9	1,062.1	1,063.6	1,047.6	1,067.1	1,107.8	1,139.2
Capital expenditure							
Capital AME	16.6	1.5	21.6	17.5	16.5	16.3	16.7
Capital DEL excluding ringfenced depreciation	93.0	118.3	113.6	115.2	115.6	115.6	115.2
<i>of which: Energy support funding</i>	-	5.5	-	-	-	-	-
<i>of which: COVID-19 funding</i>	0.9	-	-	-	-	-	-
Total public sector gross investment	109.6	119.8	135.1	132.8	132.1	131.9	131.9
Total managed expenditure	1,047.5	1,181.9	1,198.8	1,180.3	1,199.2	1,239.7	1,271.1
<i>Total managed expenditure % of GDP</i>	<i>44.7%</i>	<i>47.3%</i>	<i>47.2%</i>	<i>44.9%</i>	<i>44.2%</i>	<i>44.0%</i>	<i>43.4%</i>
of which: Total DEL	544.8	570.5	569.8	573.8	582.1	592.2	605.3

Source: HMT Autumn Statement 2022, page 24, Table 2.3

Key Announcements

Council Tax

- The core referendum limit for increases in council tax will **increase from 2% to 3%** per year from April 2023.
- The adult social care precept flexibility will **increase from 1% to 2%** per year from April 2023.
- The increase in thresholds could generate an additional £80m across London boroughs in 2023-24.
- The OBR forecasts increases in council tax revenues of over 5% per annum (see Table 3 below).

Business Rates

- **The Business Rates Revaluation** will take effect from 1st April 2023.
- A package of targeted support worth £13.6bn over the next 5 years will support businesses as they transition to their new bills. **Local Authorities will be fully compensated for the loss of income** and will receive **new burdens funding for administrative and IT costs**.
- **The business rates multipliers will be frozen in 2023-24** at 49.9 pence and 51.2 pence. This is a tax cut worth £9.3bn over the next five years. DLUHC officials have confirmed local authorities will receive c.£1bn compensation for the freeze (rather than indexation to CPI inflation).
- **Upwards Transitional Relief scheme will have “upward caps” of 5%, 15% and 30%**, respectively, for small, medium, and large properties in 2023-24, and will be applied before any other reliefs or supplements.
- **For rates bills that fall there will be no downwards cap.**
- New ratepayer reliefs include:
 - An extension of the existing retail, hospitality, and leisure reliefs to 2023-24 and an increase from **50% to 75%** rates relief up to £110,000 per business;
 - A **£600 annual cap** on bill increases for small businesses losing relief eligibility for the next three years; and
 - A 12-month relief from any rate increases due to making qualifying improvements to an occupied property, available beginning April 2024 through to 2028.
- Business rates are expected to increase in the first three years of the OBR’s forecast and then remain relatively flat for the last three years with the overall amount increasing by £10.5bn over the period (see Table 3). Note, the amount of business rates retained by local authorities was not included in the forecasts.

Table 3 – OBR Forecasts for England: Council Tax and Business Rates (£bn, unless otherwise stated)

	Outturn	Forecast					
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Council tax	39.0	41.3	43.4	45.6	48.0	50.6	53.2
<i>Change in council tax</i>		5.9%	5.1%	5.1%	5.3%	5.4%	5.1%
Business rates	25.7	28.8	30.7	35.6	35.8	36.0	36.2
<i>Change in business rates</i>		12.1%	6.6%	16.0%	0.6%	0.6%	0.6%

Source: OBR Fiscal Supplementary Tables, November 2022 – Table 2.9 Current Receipts

Note: The amounts of business rates retained by local authorities was not published by OBR with the Autumn Statement.

Cost of Living

- The Energy Price Guarantee (EPG) will rise to **£3,000** from April 2023 from the current level (£2,500).
- The **Energy Bill Relief Scheme (EBRS) for businesses will be reviewed by HMT** to determine support for non-domestic energy consumers, excluding public sector organisations, beyond 31st

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March 2023, and the outcome published by 31st December 2022. (It isn't clear from the Autumn Statement what will happen regarding support for public sector organisations include local authorities).

- State pensions, benefits and tax credits will rise in line with inflation (**10.1%**).
- The **£1bn Household Support Fund will continue** for a further 12 months from April 2023.
- In 2023-24 an additional **Cost of Living Payment of £900** will be provided to households on means-tested benefits, of £300 to pensioner households, and of £150 to individuals on disability benefits.
- Local Housing Allowance rates will remain **frozen in cash terms** at the current levels.
- Alternative fuels support will double to £200.
- The National Living Wage will increase from **£9.50 to £10.42** for individuals aged over 23 (an increase of 9.7%).
- The government has also accepted the LPC's recommendations for other national minimum wage rates including increases of:
 - 10.9% to £10.18 an hour for 21-22 year olds.
 - 9.7% to £7.49 an hour for 18-20 year olds.
 - 9.7% to £5.28 an hour for 16-17 year olds.
- Income tax, National Insurance and Inheritance Tax thresholds will be maintained at their current levels for a further two years, to April 2028.
- £280m will be invested into the DWP between now and 2024-25 to target fraud, error and debt across the benefits system.

Health and social care

- The NHS budget will increase by **£3.3bn** in both 2023-24 and 2024-25.
- The implementation of Adult Social Care funding reforms will be pushed back by a further two years to October 2025.
- A total of up to **£2.8bn** in 2023-24 and **£4.7bn** in 2024-25 will be made available to support adult social care. This includes:
 - **£1bn** (2023-24) and **£1.7bn** (2024-25) of new grant funding, comprising **£600m** (2023-24) and **£1bn** (2024-25) to support timely hospital discharges, through the Better Care Fund; and £400m (2023-24) and £680m (2024-25) allocated to local authorities through a ringfenced adult social care grant, which will also help to support discharge.
 - **£1.3bn** (2023-24) and **£1.9bn** (2024-25) to local authorities to fund adult and children's social care through the Social Care Grant (repurposing the funding that had been earmarked for adult social care funding reform).
 - Additional funding through **the rises in council tax referendum cap and the ASC precept.**

Housing

- **Social housing rent rises will be capped at a maximum of 7%** instead of **CPI + 1%** in 2023-24 (costing London boroughs over £100m).

- This policy applies to Registered Providers (including Local Authorities and Housing Associations), however, Supported Housing provided by Registered Providers will be exempt.

Education

- For the next two years, schools in England will receive an additional **£2.3bn** of funding – taking the core schools budget to **£58.8bn** by 2025.
- This will restore per pupil funding in real terms to 2010 levels, as promised in the 2021 Spending Review.
- The government will **not impose VAT** on independent schools, citing the move could be detrimental for around 90,000 students.

Transport & Environment

- Electric vehicles will no longer be exempt from vehicle excise duty from April 2025.
- The Government confirmed it remains committed to reducing emissions by 68% by 2030 as agreed at COP26.
- Nuclear power will continue to be rolled-out through the delivery of large-scale projects, including Sizewell C. Renewable energy projects will also be explored.
- A new ambition has been set out to **reduce energy consumption from buildings and industry by 15% by 2030**: a £28bn saving from the national energy bill.
- A further £6bn of new funding will be set out from 2025 to achieve this goal.
- The Business and Energy Secretary will publish further details on the Government's energy independence plans and launch a new Energy Efficiency Taskforce shortly.

Business and innovation

- The existing Investment Zones programme is being reconsidered and previously submitted applications will no longer move forward.
- Research and development tax reliefs will be modified from April 2023, with the R&D Expenditure Credit rate increasing from **13% to 20%** and small and medium-sized enterprise deductions decreasing.
- For two years, tariffs will be removed on over 100 goods to reduce business production costs.
- The government will not introduce an online sales tax.
- The National Insurance Secondary Threshold for employers is fixed at **£9,100** until April 2028

Infrastructure investment

- Total departmental capital spending in 2024-25 will be maintained in cash terms until 2027-28, delivering **£600bn of investment over the next 5 years**.
- At least £1.7bn will be allocated to priority local infrastructure projects through the second round of the Levelling Up Fund. Successful bids will be announced before the end of the year.

General Taxation

- The **Energy Profits Levy**, an additional tax which reflects the extraordinary global context of high oil and gas prices, will increase from 25% to 35%. HMT estimates this will **generate an additional £19bn** between 2022-3 and 2027-28.
- A new, **temporary 45% Electricity Generator Levy** will be applied from 1st January 2023 in the returns being made by electricity generators. HMT estimates this will **generate an additional £14bn** between 2022-3 and 2027-28.
- The government will implement the OECD Pillar 2 rules to apply a global minimum corporate tax rate of 15%, for accounting periods beginning on or after 31st December 2023.
- The point at which the highest earners start paying the top rate of income tax will be lowered from £150,000 to £125,140.
- VAT registration threshold maintained at £85,000 for two years from April 2024.
- The Annual Investment Allowance (AIA) will be raised to £1m from 1st April 2023.

Devolution

- A further mayoral devolution deal has been agreed with Suffolk County Council and advanced discussions on mayoral devolution deals are continuing with local authorities in Cornwall, Norfolk and the North East of England.
- Taken together, these deals will increase the proportion of people living under a directly elected mayor with devolved powers in England to over 50%.
- Current negotiations with the 'trailblazer' areas of Greater Manchester Combined Authority and West Midlands Combined Authority **will explore the potential for single departmental-style finance settlements** and local control over economic growth funds, moving away from competitive bidding.

Cost Centre Narrative	Project Narrative	Revised Budget 2022-23	Revised Budget 2023-24	Revised Budget 2024-25	Revised Budget 2025-26	Proposed Budget 2026-27
Business Improvement						
Customer Contact Programme	Customer Contact Programme	304	1,000	0	1,000	1,000
Customer Contact Programme	Web Content Management System	54	0	100	0	0
Business Systems	Ancilliary System	50	0	0	0	50
Business Systems	Youth Justice	0	0	0	100	0
Business Systems	Parking System	0	270	0	0	0
Business Systems	Payroll System	156	0	0	0	160
Business Systems	Invoice Scanning SCIS/FIS	0	150	0	0	0
Business Systems	Environmental Asset Management	0	240	0	0	250
Business Systems	Housing System (Capita Housing)	48	0	0	120	0
Business Systems	Payments project	0	0	150	0	0
Business Systems	GIS Mapping (Spectrum Spatial Ana	170	100	0	200	0
Business Systems	Gazetteer Management System (Align	75	0	0	0	90
Business Systems	Planning&Public Protection Sys	100	241	550	0	0
Replacement SC System	Replacement SC System	0	819	1,000	0	0
Replacement SC System	SEN Case Management	0	0	0	0	170
Facilities Management						
Works to Other Buildings	Repair and Maintenance	650	650	650	650	650
Civic Centre	Combined Heat and Power (CHP) Sy	0	0	0	0	0
Civic Centre	Absorption Chiller Replacement	0	0	0	0	0
Invest to Save	Project General	610	300	300	300	300
Information Technology						
Planned Replacement Program	Project General	1,230	770	1,405	1,060	970
Resources						
Financial Systems	Improving Financial Systems	0	700	0	0	0
Corporate Budgets						
Multi-Functioning Device (MFD)	Multi-Functioning Device (MFD) - F	0	0	600	0	0
Acquisitions Budget	Project General	469	0	0	6,316	0
Capital Bidding Fund	Project General	0	0	0	1,000	0
Corporate Capital Contingency	Project General	0	0	0	1,681	0
Compulsory Purchase Order	Clarion - CPO	0	13,934	0	0	0
Total Corporate Services		6,592	20,280	5,155	12,427	3,640

Cost Centre Narrative	Project Narrative	Revised Budget 2022-23	Revised Budget 2023-24	Revised Budget 2024-25	Revised Budget 2025-26	Proposed Budget 2026-27
Housing						
Disabled Facilities Grant	Project General	873	827	827	827	280
Major Projects Social Care H	LD Supported Living	0	0	1,728	0	0
Libraries						
Library Enhancement Works	West Barnes Re-Fit	0	0	200	0	0
Library Enhancement Works	Library Re-Furbishment	0	0	0	0	201
Libraries IT	Library Management System	24	0	140	0	0
Library Major Projects	Library Self Service	5	0	0	350	0
Total Community and Housing		914	827	2,895	1,177	481

Cost Centre Narrative	Project Narrative	Revised Budget 2022-23	Revised Budget 2023-24	Revised Budget 2024-25	Revised Budget 2025-26	Proposed Budget 2026-27
Primary Schools						
Joseph Hood School	School Capital Maintenance	53	66	0	0	0
Unlocated Primary School Proj.	School Capital Maintenance	0	2,864	2,500	2,500	2,500
Special Schools						
Perseid School	Perseid School Expansion	9	0	0	0	0
Perseid School	School Capital Maintenance	290	0	0	0	0
Cricket Green	School Capital Maintenance	7	0	0	0	0
Cricket Green	Cricket Green School Expansion	39	0	0	0	0
Melrose	Melrose School Expansion	422	0	0	0	0
Melrose	School Capital Maintenance	167	0	0	0	0
Whatley Avenue	School Capital Maintenance	50	0	0	0	0
Unlocated SEN	Medical PRU	432	30	0	0	0
Unlocated SEN	Whatley Avenue	2,973	0	0	0	0
Unlocated SEN	Safety Valve - New SEN School	0	0	0	0	10,300
Mainstream SEN (ARP)	West Wimbledon Primary ARP expa	190	235	0	0	0
Mainstream SEN (ARP)	Cranmer Primary School New ARP	40	623	0	0	0
Mainstream SEN (ARP)	Further Primary School ARP expansi	0	200	216	0	0
Mainstream SEN (ARP)	Raynes Park school ARP expansion 1	5	1,015	1,019	0	0
Mainstream SEN (ARP)	Secondary School ARP Expansion 2	0	300	576	0	0
Mainstream SEN (ARP)	Secondary School ARP Expansion 3	0	500	1,209	0	0
Mainstream SEN (ARP)	Secondary School ARP Expansion 4	0	30	700	979	0
Mainstream SEN (ARP)	Safety Valve - New ARP	0	0	0	0	900
Perseid Lower School	Perseid School Expansion	50	1,550	2,517	0	0
Other						
Youth Provision	Pollards Hill Digital Divide	28	210	0	0	0
Other	Care Leaving Accommodation	66	66	0	0	0
Total Children, Schools & Families		8,612	7,689	8,737	3,479	13,700

Cost Centre Narrative	Project Narrative	Revised Budget 2022-23	Revised Budget 2023-24	Revised Budget 2024-25	Revised Budget 2025-26	Proposed Budget 2026-27
Public Protection and Development						
On Street Parking - P&D	Pay and Display Machines/emissions	300	107	0	0	0
On Street Parking - P&D	Replacement ANPR cameras with air	0	300	300	300	300
CCTV Investment	CCTV cameras and infrastructure upg	698	554	0	0	0
CCTV Investment	Rapid deployment cameras	54	0	0	45	45
CCTV Investment	5 new permanent cameras per year, a	0	135	100	100	100
CCTV Investment	Designing out crime for ASB, violenc	50	35	20	20	0
Street Scene and Waste						
Fleet Vehicles	Replacement of Fleet Vehicles	0	300	0	1,212	0
Alley Gating Scheme	Project General	46	24	24	24	24
Waste SLWP	Project General	0	0	0	42	0
Waste SLWP	Replacement of Fleet Vehicles	340	0	0	15,000	0
Sustainable Communities						
Street Trees	Street Tree Programme	60	60	60	60	60
Highways & Footways	Street Lighting Replacement Pr	290	290	290	290	290
Highways & Footways	Traffic Schemes	150	150	150	150	150
Highways & Footways	Surface Water Drainage	100	100	100	100	60
Highways & Footways	Repairs to Footways	966	1,000	1,000	1,000	1,000
Highways & Footways	Maintain AntiSkid and Coloured	60	60	60	60	60
Highways & Footways	Borough Roads Maintenance	1,200	1,200	1,200	1,200	1,200
Highways & Footways	Highways bridges & structures	600	626	260	260	260
Highways & Footways	Motspur Park Station Access for All	190	500	0	0	0
Highways & Footways	Haydons Road Access for All	0	100	0	0	0
Highways & Footways	Various Culverts Strengthening & Up	300	208	0	0	0
Highways & Footways	ANPR Cameras Supporting Enforcen	219	0	0	0	0
Highways & Footways	Street Lighting Wimbledon	322	0	0	0	0
Highways & Footways	Bishopsford Rd Bridge	291	0	0	0	0
Highways & Footways	Cycle Lane & Roadway Bishopsford	6	0	0	0	0
Highways & Footways	Residential Secure Cycle Storage	0	26	0	0	0
Highways & Footways	S Wimb Bus Area Wayfinding	135	0	0	0	0
Highways & Footways	Milner Rd Improvements	140	0	0	0	0
Highways & Footways	Vivacity Monitors	39	0	0	0	0
Cycle Route Improvements	Cycle Lane Works Plough Lane	204	0	0	0	0
Cycle Route Improvements	Cycle Access/Parking TFL	114	45	0	0	0
Mitcham Area Regeneration	Pollards Hill Bus Shelter/Toilets Ref	50	200	0	0	0
Wimbledon Area Regeneration	Wimbledon Public Realm Implement	170	475	0	0	0
Wimbledon Area Regeneration	Wimbledon Village - Heritage Led P	0	800	0	0	0
Morden Area Regeneration	Morden TC Regen Match Funding	0	0	2,000	4,000	0
Borough Regeneration	Lost Rivers Repairs	0	300	0	0	0
Wimbledon Park	Watersport Fleet	10	0	0	0	0
Wimbledon Park	New Wimbledon Park lakeview build	0	0	0	500	2,000
Sports Facilities	Leisure Centre Plant & Machine	315	250	250	250	250
Parks Investment	Parks Investment	271	300	300	300	300
Parks Investment	Canons Parks for People Dev (2) -HL	65	0	0	0	0
Parks Investment	Sports Drainage	150	150	0	0	0
Parks Investment	Refurbishment of Mertons Multi Use	181	175	0	0	0
Parks Investment	Morely Park Enhancements	19	0	0	0	0
Parks Investment	Wimbledon Park	13	0	0	0	0
Parks Investment	Resurface Tennis Courts	150	0	0	0	0
Parks Investment	Figges Marsh Ward Allocation - Figg	10	0	0	0	0
Parks Investment	Graveney Ward Allocation - Edenval	10	0	0	0	0
Parks Investment	Lavender Fields Ward Alloc - Lavenc	10	0	0	0	0
Parks Investment	Longthornton Ward Alloc - Long Bo	10	0	0	0	0

Cost Centre Narrative	Project Narrative	Revised Budget 2022-23	Revised Budget 2023-24	Revised Budget 2024-25	Revised Budget 2025-26	Proposed Budget 2026-27
Parks Investment	ColliersWood Rec	69	0	0	0	0
Parks Investment	Abbey Rec	48	0	0	0	0
Parks Investment	Myrna Close Public Realm	49	0	0	0	0
Parks Investment	New interactive water play feature at	43	0	183	0	0
Parks Investment	Paddling Pools (borough wide) OPTI	200	70	0	0	0
Parks Investment	Wandle Nature Park Flood Defence	14	0	0	0	0
Total Environment & Regeneration		13,532	10,587	6,297	24,913	6,134
Total Capital		29,650	39,383	23,084	41,996	23,955

Business Plan 2023-27 Capital Bidding**Appendix 7b**

Cost Centre	Project	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	Total
		£	£	£	£	£	£	£	£	£	£	£
Environment and Regeneration												
Prior Year Commitment Already in the Approved Capital Programme												
Highways and Footway	Haydons Rd Station Step Free Access	100,000										100,000
Morden Area Regenera	Morden TC Regeneration Match Funding				(2,000,000)	2,000,000						0
Statutory												
Public Protection and I	Upgrade and Replace the Boroughs Automated Air Quality Monitoring Station		250,000									250,000
Waste SLWP	Waste Transfer Station Infrastructure Improvements			1,000,000	4,500,000	500,000						6,000,000
Public Protection and I	Noise Monitoring Equipment		70,000									70,000
Mortuary Provision	Mortuary Provision			100,000	100,000	100,000	100,000					400,000
Waste SLWP	Electric Sub-Station Garth Road			4,000,000								4,000,000
Health and Safety												
Parks Investment	Bridges and Structures		36,000	80,000	80,000	80,000						276,000
Highways and Footway	Footways (Block Scheme)		300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	2,700,000
Highways and Footway	Borough Roads (Block Scheme)		1,000,000	1,000,000	1,000,000	600,000	600,000	600,000	600,000	600,000	600,000	6,600,000
Cycle Route Improvem	Haydons Rd Bridge Cycle Lane		135,000									135,000
Parks Investment	Wandle Tree Trail Safety & Management Programme		60,000	60,000	60,000							180,000
Corporate Priority - Building a Sustainable Future												
Major Projects Afforda	Affordable Housing Delivery Project		10,000,000	10,000,000	9,000,000							29,000,000
Highways and Footway	Raynes Park Station Step Free Access						250,000	250,000				500,000
Fleet Vehicles	Fleet Vehicle Replacement (Block Scheme)		0	0	0	0	0	0	0	0	1,212,000	1,212,000
Corporate Priority - Borough of Sport												
Parks Investment	Playground Priority Upgrades Programme		350,000	350,000	350,000	350,000	350,000					1,750,000
Sports Facilities	Leisure Centres Plant & Equipment (Block Scheme)		0	0	0	30,000	30,000	50,000	50,000	70,000	70,000	300,000
Canons Leisure Centre	New Sports Hall Equipment		25,000	200,000	25,000							250,000
Parks Investment	New Green Flag Improvement Programme		50,000	150,000	100,000							300,000
Parks Investment	Existing Green Flag Improvement Programme		50,000	150,000	100,000							300,000
Parks Investment	Tennis Court Refurb		150,000	75,000	75,000	75,000						375,000
Morden Park	Morden Park Running Track		400,000	1,500,000	850,000							2,750,000
Parks Investment	Parks Security Measures & Traveller Prevention		75,000	50,000	50,000							175,000
Corporate Priority - Nurturing Civic Pride												
Borough Regeneration	Civic Pride Public Realm Enhancements		50,000	1,500,000	1,500,000							3,050,000
Borough Regeneration	Shopping Parade Improvements		260,000	800,000	460,000							1,520,000
Total Environment and Regeneration		0	13,261,000	21,315,000	16,550,000	4,035,000	1,630,000	1,200,000	950,000	970,000	2,182,000	62,093,000

Business Plan 2023-27 Capital Bidding Continued....

Appendix 7b

Cost Centre	Project	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	Total
		£	£	£	£	£	£	£	£	£	£	£
Corporate Services												
Business Systems	Aligned Assets LLP&LSG System (Block Scheme)		0	0	0	10,000	0	0	0	0	100,000	110,000
Business Systems	Environmental Asset Management Re-Phasing (Block Scheme)		0	250,000	0	(250,000)	0	0	0	500,000		500,000
Business Systems	Revenues and Benefits Re-Phasing (Block Scheme)		0	0	0	0	0	0	(750,000)	750,000	0	0
Business Systems	Planning & Public Protection Re-Phasing (Block Scheme)								(550,000)	550,000		0
Business Systems	Spectrum Spatial Analysis (GIS) (Block Scheme)					300,000				(200,000)		100,000
Business Systems	Kofax Scanning (Block Scheme)		0	0	0	0	0	0	0	0	150,000	150,000
Business Systems	Ancillary Systems (Block Scheme)		0	0	0	0	0	0	0	0	50,000	50,000
Business Systems	Payroll system (Block Scheme)		0	0	0	0	0	0	0	0	160,000	160,000
Business Systems	Parking System (Block Scheme)			400,000			(175,000)			600,000		825,000
Business Systems	Exacom (Block Scheme)			40,000					40,000			80,000
Business Systems	Safer Merton Case Management System (Block Scheme)			60,000					60,000			120,000
Social Care IT System	Transport Allocation (Block Scheme)		0	0	150,000	0	(150,000)	0	150,000	0	0	150,000
Social Care IT System	SEN Case Management (Block Scheme)										170,000	170,000
Civic Centre	Replacement of Electrical Incomer Distribution Boards		20,000	177,000	0	0	0	0	0	0	0	197,000
Governance	New Election Booths - No Bid Form		35,000									35,000
Acquisitions Budget	Acquisitions Budget - No Bid Form				(6,315,780)	6,315,780						
Capital Bidding Fund	Capital Bidding Fund - No Bid Form				(1,000,000)	1,000,000						
Corporate Capital Cont	Corporate Capital Contingency - No Bid Form				(1,680,940)	1,680,940						
Total Corporate Services		0	55,000	927,000	(8,846,720)	9,056,720	(325,000)	0	(1,050,000)	2,200,000	630,000	2,647,000
Community and Housing												
Disabled Facilities Gra	Disabled Facilities Grant - removing match funding		0	0	0	(280,000)	(280,000)	(280,000)	(280,000)	(280,000)	(280,000)	(1,680,000)
Major Projects Afford	Empty Homes Scheme		125,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	3,125,000
Library Enhancement	Library Re-Furbishment Re-Phasing					(201,000)	(235,000)					(436,000)
Major Projects - Social	Learning Disability Aff Housing			3,172,000	4,900,000							8,072,000
Total Community and Housing		0	125,000	3,547,000	5,275,000	(106,000)	(140,000)	95,000	95,000	95,000	95,000	9,081,000
Children, Schools and Families												
Unallocated SEN	Safety Valve New School		0	0	0	(10,300,000)	0	0	0	0	0	(10,300,000)
Youth Provision	Pollards Hill Digital Divide		0	66,260	0	0	0	0	0	0	0	66,260
Total Children, Schools and Families		0	66,260	0	0	(10,300,000)	0	0	0	0	0	(10,233,740)

Total Merton		0	13,507,260	25,789,000	12,978,280	2,685,720	1,165,000	1,295,000	(5,000)	3,265,000	2,907,000	63,587,260
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October 2022 Monitoring 29,650,380 39,383,100 23,084,010 41,995,920 23,955,000 11,921,500 10,604,000 20,219,000 10,609,000 10,094,000

October 2022 Monitoring with Bids 29,650,380 52,890,360 48,873,010 54,974,200 26,640,720 13,086,500 11,899,000 20,214,000 13,874,000 13,001,000

Key

Expected in year bidding - already in the programme

Outside the Business Planning Period of 2023-27

Detailed Capital Programme 2023-27

Appendix 7c

Cost Centre Narrative	Project Narrative	Revised Budget 2022-23 £000s	Revised Budget 2023-24 £000s	Revised Budget 2024-25 £000s	Revised Budget 2025-26 £000s	Proposed Budget 2026-27 £000s
Business Improvement						
Customer Contact Programme	Customer Contact Programme	304	1,000	0	1,000	1,000
Customer Contact Programme	Web Content Management System	54	0	100	0	0
Customer Contact Programme	Fix My Streets	50	0	0	0	0
Customer Contact Programme	Robotics Process Automation (RPA)	110	0	0	0	0
Business Systems	Ancilliary System	50	0	0	0	50
Business Systems	Youth Justice	0	0	0	100	0
Business Systems	School Admissions System	125	0	0	0	0
Business Systems	Regulatory Project	29	0	0	0	0
Business Systems	Parking System	0	270	400	0	0
Business Systems	Payroll System	156	0	0	0	160
Business Systems	Customer Portal Account	188	0	0	0	0
Business Systems	CRM&TK Amendments	28	0	0	0	0
Business Systems	CRM Workplan & Delivery	118	0	0	0	0
Business Systems	Office 365 Tools incl Power BI	168	0	0	0	0
Business Systems	Vehicle Route Mapping System	30	0	0	0	0
Business Systems	Invoice Scanning SCIS/FIS	0	150	0	0	0
Business Systems	Environmental Asset Management	0	240	250	0	0
Business Systems	Housing System (Capita Housing)	48	0	0	120	0
Business Systems	Revenue & Benefits	0	300	400	0	0
Business Systems	Payments project	0	0	150	0	0
Business Systems	GIS Mapping (Spectrum Spatial Ana	170	100	0	200	300
Business Systems	LLPG&LSG System ((Gazetteer Ma	75	0	0	0	100
Business Systems	Planning&Public Protection Sys	100	241	550	0	0
Business Systems	Exacom	0	0	40	0	0
Business Systems	Safer Merton Case Management	0	0	60	0	0
Business Systems	Transport Management System	150	0	0	150	0
Replacement SC System	Replacement SC System	0	819	1,000	0	0
Replacement SC System	EHCP Hub	64	0	0	0	0
Replacement SC System	SEN Case Management	0	0	0	0	170
Replacement SC System	ASC Mosiac System Updates	120	0	0	0	0
Replacement SC System	Mosiac Workflow & System Imps	27	0	0	0	0
Replacement SC System	Transitions Tracker	35	0	0	0	0
Replacement SC System	Insights to Intervention	15	0	0	0	0
Replacement SC System	SEN Transport Allocation	20	0	0	0	0
Facilities Management						
Works to Other Buildings	Repair and Maintenance	650	650	650	650	650
Works to Other Buildings	Morden Park House Courtyard	161	0	0	0	0
Works to Other Buildings	Replacement Boilers	12	367	0	0	0
Civic Centre	Civic Centre Cycle Parking	0	60	0	0	0
Civic Centre	Civic Centre Lighting Upgrade	300	0	0	0	0
Civic Centre	Electrical Incomer	0	20	177	0	0
Invest to Save	Project General	610	300	300	300	300
Invest to Save	Photovoltaics	50	0	0	0	0
Invest to Save	De-Carbonisation Scheme	195	0	0	0	0
Information Technology						
Disaster recovery	Disaster recovery	94	0	0	0	0
Planned Replacement Program	Project General	1,230	770	1,405	1,060	970
Resources						
Financial Systems	Improving Financial Systems	0	700	0	0	0
Corporate Budgets						
Multi-Functioning Device (MF	Multi-Functioning Device (MFD) - F	0	0	600	0	0
Acquisitions Budget	Project General	469	0	0	0	6,316
Capital Bidding Fund	Project General	0	0	0	0	1,000
Corporate Capital Contingency	Project General	0	0	0	0	1,681
Westminster Coroners Court	Westminster Coroners Court	589	379	0	0	0
Governance	New Election Booths	0	35	0	0	0
Housing Company - Loan	Project General	0	0	0	0	0
Housing Company - Equity	Project General	0	0	0	0	0
Compulsory Purchase Order	Clarion - CPO	0	13,934	0	0	0
Total Corporate Services		6,592	20,335	6,082	3,580	12,697

Detailed Capital Programme 2022-27 October 2022 Monitoring with bids

Appendix 7c

Cost Centre Narrative	Project Narrative	Revised Budget 2022-23 £000s	Revised Budget 2023-24 £000s	Revised Budget 2024-25 £000s	Revised Budget 2025-26 £000s	Proposed Budget 2026-27 £000s
Housing						
Disabled Facilities Grant	Project General	873	827	827	827	0
Major Projects Affordable Hou	Empty Homes Strategy	0	125	375	375	375
Major Projects Affordable Hou	Affordable Housing Delivery Projec	0	10,000	10,000	9,000	0
Major Projects Social Care H	LD Supported Living	0	0	4,900	4,900	0
Libraries						
Library Enhancement Works	West Barnes Re-Fit	0	0	200	0	0
Library Enhancement Works	Library Re-Furbishment	0	0	0	0	0
Libraries IT	Library Management System	24	0	140	0	0
Library Major Projects	Library Self Service	5	0	0	350	0
Total Community and Housing		914	10,952	16,442	15,452	375

Cost Centre Narrative	Project Narrative	Revised Budget 2022-23 £000s	Revised Budget 2023-24 £000s	Revised Budget 2024-25 £000s	Revised Budget 2025-26 £000s	Proposed Budget 2026-27 £000s
Primary Schools						
Joseph Hood School	School Capital Maintenance	53	66	0	0	0
Unlocated Primary School Proj	School Capital Maintenance	0	2,864	2,500	2,500	2,500
Special Schools						
Perseid School	Perseid School Expansion	9	0	0	0	0
Perseid School	School Capital Maintenance	290	0	0	0	0
Cricket Green	School Capital Maintenance	7	0	0	0	0
Cricket Green	Cricket Green School Expansion	39	0	0	0	0
Whatley Avenue	School Capital Maintenance	50	0	0	0	0
Melrose	Melrose School Expansion	422	0	0	0	0
Melrose	School Capital Maintenance	167	0	0	0	0
Unlocated SEN	Medical PRU	432	30	0	0	0
Unlocated SEN	Whatley Avenue	2,973	0	0	0	0
Melbury College – Smart Centr	School Capital Maintenance	155	0	0	0	0
Mainstream SEN (ARP)	West Wimbledon Primary ARP expa	190	235	0	0	0
Mainstream SEN (ARP)	Hatfeild Primary School ARP expans	188	0	0	0	0
Mainstream SEN (ARP)	Cranmer Primary School New ARP	40	623	0	0	0
Mainstream SEN (ARP)	Further Primary School ARP expans	0	200	216	0	0
Mainstream SEN (ARP)	Raynes Park school ARP expansion	5	1,015	1,019	0	0
Mainstream SEN (ARP)	Secondary School ARP Expansion 2	0	300	576	0	0
Mainstream SEN (ARP)	Secondary School ARP Expansion 3	0	500	1,209	0	0
Mainstream SEN (ARP)	Secondary School ARP Expansion 4	0	30	700	979	0
Mainstream SEN (ARP)	Safety Valve - New ARP	0	0	0	0	900
Perseid Lower School	Perseid School Expansion	50	1,550	2,517	0	0
Other						
Youth Provision	Pollards Hill Digital Divide	28	276	0	0	0
Total Children, Schools & Families		8,612	7,755	8,737	3,479	3,400

Detailed Capital Programme 2022-27 October 2022 Monitoring with bids continued..... Appendix 7c

Cost Centre Narrative	Project Narrative	Revised Budget 2022-23 £000s	Revised Budget 2023-24 £000s	Revised Budget 2024-25 £000s	Revised Budget 2025-26 £000s	Proposed Budget 2026-27 £000s
Public Protection and Development						
On Street Parking - P&D	Pay and Display Machines/emissions	300	107	0	0	0
On Street Parking - P&D	Replacement ANPR cameras with ai	0	300	300	300	300
Off Street Parking - P&D	Car Park Upgrades	230	545	0	0	0
Off Street Parking - P&D	Peel House Car Park	0	700	0	0	0
CCTV Investment	CCTV cameras and infrastructure up	698	554	0	0	0
CCTV Investment	CCTV business continuity and resili	0	173	0	0	0
CCTV Investment	Rapid deployment cameras	54	0	0	45	45
CCTV Investment	5 new permanent cameras per year, a	0	135	100	100	100
CCTV Investment	Designing out crime for ASB, violen	50	35	20	20	0
CCTV Investment	Brangwyn Crescent / Commonside Ea	52	0	0	0	0
CCTV Investment	Willow Lane Bridge BID - Improver	39	0	0	0	0
Public Protection and Developpr	Upgrade and Replace the Boroughs	0	250	0	0	0
Public Protection and Developpr	Noise Monitoring Equipment	0	70	0	0	0
Public Protection and Developpr	Project General	0	0	0	0	35
Street Scene and Waste						
Fleet Vehicles	Replacement of Fleet Vehicles	0	300	0	1,212	0
Alley Gating Scheme	Project General	46	24	24	24	24
Waste SLWP	Project General	0	0	0	42	0
Waste SLWP	Replacement of Fleet Vehicles	340	0	0	15,000	0
Waste SLWP	Waste Transfer Station	0	0	1,000	4,500	500
Waste SLWP	Electricity Sub Station	0	0	4,000	0	0
Sustainable Communities						
Street Trees	Street Tree Programme	60	60	60	60	60
Street Trees	New street tree planting programme	44	0	0	0	0
Raynes Park Area Roads	Raynes Park Stn Public Realm Imp	44	0	0	0	0
Highways & Footways	Street Lighting Replacement Pr	290	290	290	290	290
Highways & Footways	Accessibility Program TfL	151	0	0	0	0
Highways & Footways	Casualty Reduction & Schools	216	0	0	0	0
Highways & Footways	Traffic Schemes	150	150	150	150	150
Highways & Footways	Lamp Column Chargers	760	0	0	0	0
Highways & Footways	Surface Water Drainage	100	100	100	100	60
Highways & Footways	Repairs to Footways	966	1,300	1,300	1,300	1,300
Highways & Footways	Maintain AntiSkid and Coloured	60	60	60	60	60
Highways & Footways	Borough Roads Maintenance	1,200	2,200	2,200	2,200	1,800
Highways & Footways	Highways bridges & structures	600	626	260	260	260
Highways & Footways	Motspur Park Station Access for All	190	500	0	0	0
Highways & Footways	Haydons Road Access for All	0	100	0	0	0
Highways & Footways	ZZ3233 - High Path School Harris	14	0	0	0	0
Highways & Footways	Various Culverts Strengthening & U	300	208	0	0	0
Highways & Footways	ANPR Cameras Supporting Enforce	219	0	0	0	0
Highways & Footways	Street Lighting Wimbledon	322	0	0	0	0
Highways & Footways	Bishopsford Rd Bridge	291	0	0	0	0
Highways & Footways	Cycle Lane & Roadway Bishopsford	6	0	0	0	0
Highways & Footways	Residential Secure Cycle Storage	0	26	0	0	0
Highways & Footways	S Wimb Bus Area Wayfinding	135	0	0	0	0
Highways & Footways	Milner Rd Improvements	140	0	0	0	0
Highways & Footways	Vivacity Monitors	39	0	0	0	0
Cycle Route Improvements	Cycle Lane Works Plough Lane	204	0	0	0	0
Cycle Route Improvements	Cycle Access/Parking TfL	114	45	0	0	0
Cycle Route Improvements	Morden Park Cycle Path	160	0	0	0	0
Cycle Route Improvements	Cycle Improvements Residential Stre	360	0	0	0	0
Cycle Route Improvements	Haydons Rd Bridge cycle lane	0	135	0	0	0
Mitcham Area Regeneration	Canons Parks for People Dev (2) -H	515	0	0	0	0
Mitcham Area Regeneration	New Horion Centre	69	0	0	0	0

Detailed Capital Programme 2022-27 October 2022 Monitoring with bids continued..... Appendix 7c

Cost Centre Narrative	Project Narrative	Revised Budget 2022-23 £000s	Revised Budget 2023-24 £000s	Revised Budget 2024-25 £000s	Revised Budget 2025-26 £000s	Proposed Budget 2026-27 £000s
Mitcham Area Regeneration	Rowan Park Community Facility Ma	0	150	0	0	0
Mitcham Area Regeneration	Elmwood Centre Hub	65	0	0	0	0
Mitcham Area Regeneration	Pollards Hill Bus Shelter/Toilets Ref	50	200	0	0	0
Wimbledon Area Regeneration	Polka Green Retrofit	20	0	0	0	0
Wimbledon Area Regeneration	Haydons Road Public Realm Improv	393	0	0	0	0
Wimbledon Area Regeneration	Crowded Places/Hostile Vehicle Mit	0	180	0	0	0
Wimbledon Area Regeneration	Wimbledon Public Realm Implemen	170	475	0	0	0
Wimbledon Area Regeneration	Wimblon Hill Rd	453	0	0	0	0
Wimbledon Area Regeneration	Wimbledon Village - Heritage Led P	0	800	0	0	0
Morden Area Regeneration	Crown Creative Knowledge Exchang	150	0	0	0	0
Morden Area Regeneration	Morden Town Centre Improvements	0	200	0	0	0
Morden Area Regeneration	Morden TC Regen Match Funding	0	0	2,000	2,000	2,000
Borough Regeneration	Wandle Project (Colliers Wood Cha	69	0	0	0	0
Borough Regeneration	Lost Rivers Repairs	0	300	0	0	0
Borough Regeneration	Haydons RoadShop Front Improvem	323	0	0	0	0
Borough Regeneration	42 Graham Rd Mitcham	0	50	0	0	0
Borough Regeneration	Capital Spend on Refurbishment of	15	0	0	0	0
Borough Regeneration	Civic Pride Public Realm Improvem	0	50	1,500	1,500	0
Borough Regeneration	Shopping Parade Improvements	0	260	800	460	0
Borough Regeneration	Carbon Offset Funding	100	50	0	0	0
Property Management	Community Ctre Energy Saving Ligh	35	0	0	0	0
Morden Leisure Centre	New Running Track	0	400	1,500	850	0
Wimbledon Park	Wimbledon Pk Lake Safety	520	0	0	0	0
Wimbledon Park	Watersport Fleet	10	0	0	0	0
Wimbledon Park	New Wimbledon Park lakeview buil	0	0	0	500	2,000
Sports Facilities	Leisure Centre Plant & Machine	315	250	250	250	280
Sports Facilities	Canons New Sports Hall Equipment	0	25	200	25	0
Parks Investment	Parks Investment	271	300	300	300	300
Parks Investment	Canons Parks for People Dev (2) -H	65	0	0	0	0
Parks Investment	Sports Drainage	150	150	0	0	0
Parks Investment	Refurbishment of Mertons Multi Use	181	175	0	0	0
Parks Investment	Tennis Court Refurbishments	0	150	75	75	75
Parks Investment	Morely Park Enhancements	19	0	0	0	0
Parks Investment	Wimbledon Park	13	0	0	0	0
Parks Investment	Resurface Tennis Courts	150	0	0	0	0
Parks Investment	Figges Marsh Ward Allocation - Fig	10	0	0	0	0
Parks Investment	Graveney Ward Allocation - Edenva	10	0	0	0	0
Parks Investment	Lavender Fields Ward Alloc - Laven	10	0	0	0	0
Parks Investment	Longthornton Ward Alloc - Long Bo	10	0	0	0	0
Parks Investment	ColliersWood Rec	69	0	0	0	0
Parks Investment	Abbey Rec	48	0	0	0	0
Parks Investment	Myrna Close Public Realm	49	0	0	0	0
Parks Investment	New interactive water play feature at	43	0	183	0	0
Parks Investment	22. Bridges and Structures	0	36	80	80	80
Parks Investment	23. Existing Green Flag Improvement	0	50	150	100	0
Parks Investment	24. New Green Flag Improvement Pr	0	50	150	100	0
Parks Investment	28. Parks Security Measures & Trave	0	75	50	50	0
Parks Investment	29. Playground Priority Upgrades Pr	0	350	350	350	350
Parks Investment	30. Wandle Tree Trail Safety & Man	0	60	60	60	0
Parks Investment	Paddling Pools (borough wide) OPT	200	70	0	0	0
Parks Investment	Wandle Nature Park Flood Defence	14	0	0	0	0
Mortuary Provision	Project General	0	0	100	100	100
Total Environment & Regeneration		13,532	13,848	17,612	32,463	10,169
Total Capital		29,650	52,890	48,873	54,974	26,641

Healthier Communities and Older People Overview and Scrutiny Panel

Date: 10th January 2023

Subject:

Lead officer: Mark Creelman, Place Executive for Merton, ICB

Recommendations:

- A. The Panel is asked to note the current published performance of SWL hospitals against a prescribed set of metrics and to note the results of the SWL GP access data which was published for the first time at the end of November
-

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1. The purpose of this report and associated presentation is to provide the panel with the latest performance data for SWL acute providers across a range of measures, indicating where there are key challenges and successes in the context of winter pressures and post COVID backlogs. The report also provides the panel with the results of the recent GP access data which was published in December

2 DETAILS

2.1. Acute performance

Acute services are under significant pressure following COVID and through the winter months. The presentation sets out the most available published data.

- **Planned Care activity:** SWL continues to deliver a relatively strong performance on elective recovery, though there are substantial ongoing challenges including a growing overall waiting list which has increased by 19% over the last 12 months, slightly lower than the 20% increase at London level.
- **Long waiting patients:** 1,133 patients were waiting over 52 weeks for treatment in August, against a plan of 1,035. This is the strongest position in the capital. In the longer waiting cohorts, 41 patients were waiting over 78 weeks in mid-October.
- **Cancer:** 2-week wait performance was below the national standard of 93% (82.0% in August 2022). On the 62-day standard (85%), SWL was the highest performing sector in London, with 76.6% in August.
- **A&E 4 Hour Waits:** Within SWL Providers, 73.6% of patients were seen within 4 hours in September, compared to the London average of 72.0%. The percentage of 111 calls abandoned improved in September to 9.3%.
- **Physical care 12 Hour A&E Breaches:** 1,253 patients waited over 12 hours from decision to admit to admission in September. SWL had the third highest number of 12-hour breaches in London this month and the ninth

highest nationally. A patient safety review is being undertaken across the ICS led by chief nurses and medical directors.

- **Mental Health 12 Hour A&E Breaches:** Unvalidated figures show that in August 2022, 97 12-hour breaches were reported for Mental Health patients, mainly waiting on a bed.

2.2 GP Access data

- Data has been published for the first time across a range of access domains in primary care including appointments, face to face appointments, clinician seen and when your appointment was booked. The presentation sets out that southwest London has more appointments than in previous years. It also has more face-to-face appointments available, 68% of their total appointments, benchmarking well against other London ICBs. Merton practices fair well in comparison to others, however a small number of practices will require ongoing support

3 ALTERNATIVE OPTIONS

3.1 None

4 CONSULTATION UNDERTAKEN OR PROPOSED

4.1. N/a

5 TIMETABLE

5.1. Ongoing monitoring of performance and GP access will be monitored through the Integrated Ca

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1. Significant financial investments has been made across the health and social care system to support winter resilience, discharge activities, innovation and health inequalities through the winter of 2022/23.

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. None

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

Access to services is often more difficult for residents living in deprived areas and communities and who have protected characteristics.

9 CRIME AND DISORDER IMPLICATIONS

9.1. None

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. There is a comprehensive risk register monitored as part of the Finance and Planning Committee, a sub-committee of the ICB(Integrated Care Board)

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

11.1 See attached presentation

12 BACKGROUND PAPERS

12.1. None

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Merton Healthier Communities and Older People Overview and Scrutiny Panel



Acute Performance and GP Access Data

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Mark Creelman
Merton Place Executive ICB
January 2023



Key acute performance metrics



Key findings

- **Planned Care**

- Elective ordinary spells continues to be below plan, with Neurosurgery (St Georges), Gynaecology, Maxillofacial surgery and Ear Nose and Throat (ENT) driving the position.
- There continues to be positive movements between Elective ordinary (inpatient) to Day Case, the latter being above plan.
- Diagnostic activity (as measured by 7 key tests) in August 2022 was 4% above trajectory. However, ultrasound has the highest volume of 6+ week waiters (15% breaching 6 weeks) and Echocardiography has the 2nd highest volume with 41% breaching 6 weeks.

- **52 Week Waits**

- There were 1,133 patients waiting over 52 weeks for treatment at SWL providers against a trajectory of 1,035 for August.
- 43 patients were waiting over 78 weeks against a trajectory of 26.
- SWL have consistently had the lowest number of patients waiting over 78 weeks in London.
- No patients were waiting over 104 weeks at the end of August.

- **Cancer**

- Performance against the 2-week wait (2WW) standard (93%) was 82.0% in August 2022.
- Against the 62 Day standard of 85%, SWL was the highest performing sector in London, with an outcome of 76.6% in August.
- On the 28 Day faster diagnostic standard (FDS, 75%), SWL ICS was the second highest performing in London with a performance outcome of 72.2%. Reduced capacity due to planned annual leave and patient availability over the summer months has impacted performance.



Key findings

- **A&E 4 Hour Waits**

- A&E attendances increased by 2,167 attendances in September, in line with seasonal trends. Performance was 73.6% in month, with all sites except KHFT, achieving above 70% against the 4-hour target (above the London position of 72.1%).
- The number of abandoned 111 calls decreased during September; the abandonment rate improved significantly to 9.3%, but was still above the standard of $\leq 3\%$. There are however still some days with high abandonment rates such as Mondays. Recruitment difficulties continue, with a plan to achieve full headcount by January.

- **Physical care 12 Hour A&E Breaches**

- 1,253 patients waited over 12 hours from decision to admit to admission in September. SWL had the third highest number of 12-hour breaches in London this month and the ninth highest nationally.
- In September, there were 472 X 60 minute London Ambulance Service (LAS) handover breaches a decrease on the number in the previous two months. Regional escalation calls occur across London plus discussions via the A&E Delivery Board (AEDB).

- **Mental Health 12 Hour A&E Breaches**

- Unvalidated figures show that in August 2022, 97 x 12-hour breaches were reported for Mental Health (MH) patients, mainly waiting for a bed. Further actions will occur via the Urgent and Emergency Care (UEC) Board.



Performance Horizon Scanning



UEC and Integrated Care (UEC)

- The challenges on the UEC pathway are intense through the winter period. Additional capacity in care homes has been secured as well as capacity in virtual wards and in neuro-rehabilitation services. Maximising the impact of these initiatives whilst managing the clinical risk of patients in the community, in ambulances, in Emergency Departments and on hospital wards will remain a top priority
- In the first week of October, SWL became the first ICS in London to pilot the LAS UCR pilot car, which is intended to reduce the number of frail, older patients attending hospital emergency departments where possible. Early feedback on the pilot is positive.
- There is a well-established discharge programme in place across the SWL system. We are looking to optimise existing capacity, such as the Virtual Wards and Rapid response to reduce admission as well as accelerate discharge.

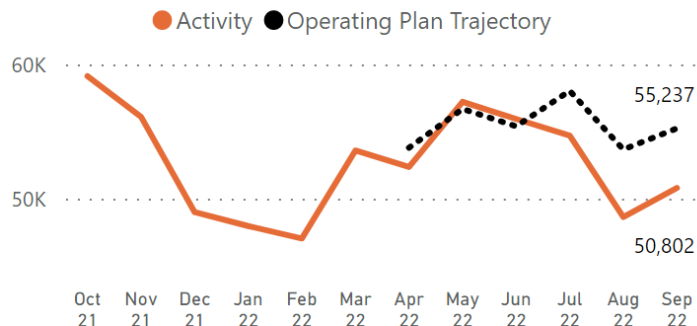
Page 87

Planned and cancer care

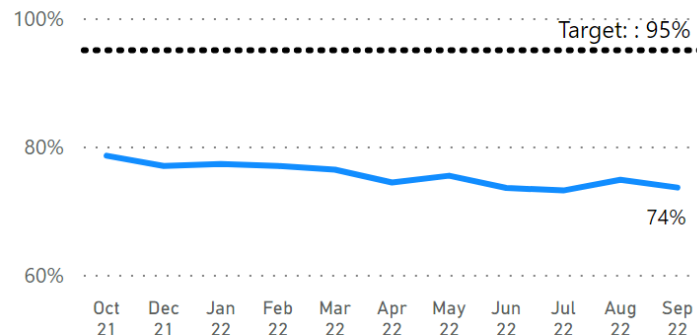
- London has the largest Patient tracking list (PTL) nationally and the fewest long waiters, with SWL ICS a positive outlier for both. SWL has seen a relatively higher PTL growth in recent months, this is driven not only by referral and activity volumes, but the composition of the referrals. GP referrals have not significantly increased, but around 1 in 4 GP referrals nationally are urgent. The impact can be seen not only on cancer performance, but on the patient profile; as 2week wait, urgent and long waiter patients take priority. The Acute Provider Collaborative (APC) is driving four recovery workstreams to align priorities across the system; waiting list data quality, outpatient transformation, productivity (including theatre utilisation and mutual aid) and the NHS Elect recovery strategy.
- 2 Week Wait breast symptomatic pathway access remains a significant challenge, with performance being 54.2% in August (131 breaches out of 286 pathways). All providers with exception of Epsom are facing challenges in 2WW pathway and 62-day GP referral pathway. SWL have developed a system-wide recovery plan and revised trajectory with specific focus on reducing 62-day backlog and aiming to get back to baseline by the end of March 2023.



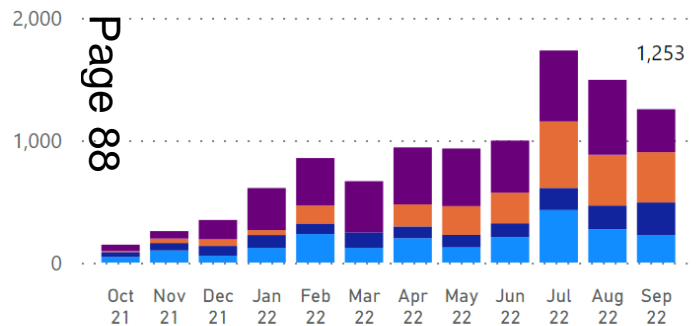
A&E Attendances (All Types)



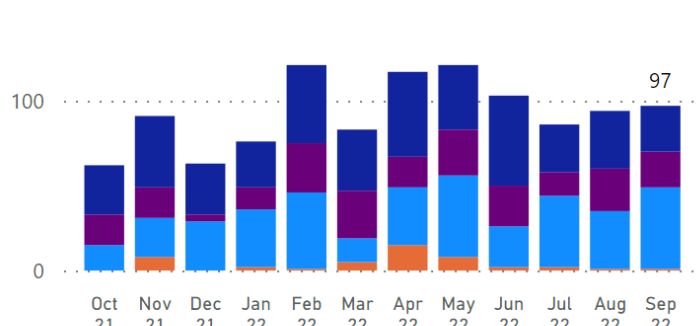
A&E (All Types) 4 Hour Standard



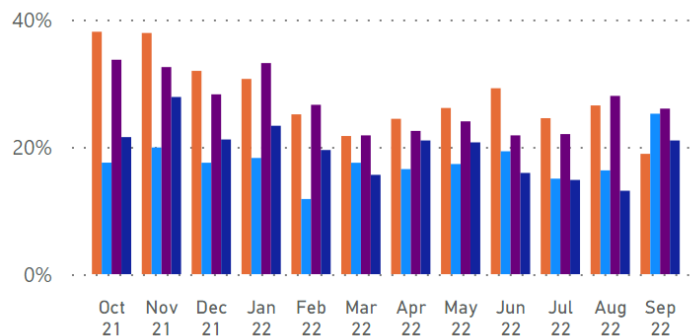
12 Hour A&E Breaches



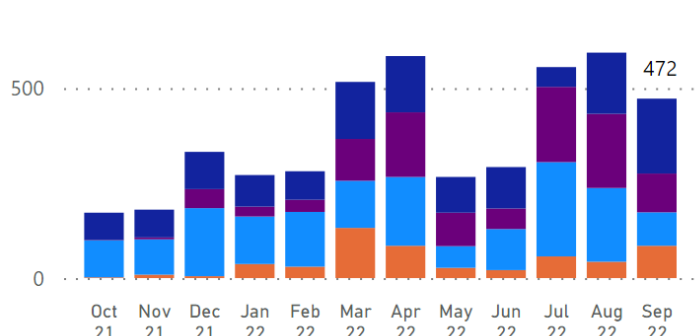
12 Hour Mental Health A&E Breaches (Unvalidated)



% Ambulance Handover within 15 minute



60 minute Ambulance Breaches



● CHS ● ESTH ● KHFT ● RMH ● SGH

Overview

In line with seasonality, attendances decreased in August, then increased in September, but still at lower than expected levels. Despite this, pressure on EDs and across the whole pathway remained severe due to high bed occupancy mostly caused by discharge delays on the non-elective pathway. Ambulance handover continues to be high on the agenda; despite modest improvements to 60 minute breaches, there are still incidents of patients waiting for extended periods. The ICS quality team have scoped a patient harm review focusing on long waits in ED and ambulances handover.

A&E Attendances and performance

There was a slight decrease in performance against the 4-hour target at 74%, in line with the increased numbers of attendances. This is a similar picture to the rest of London. However, this is higher than the national average of 71%, reflecting that pressures are not specific to SWL.

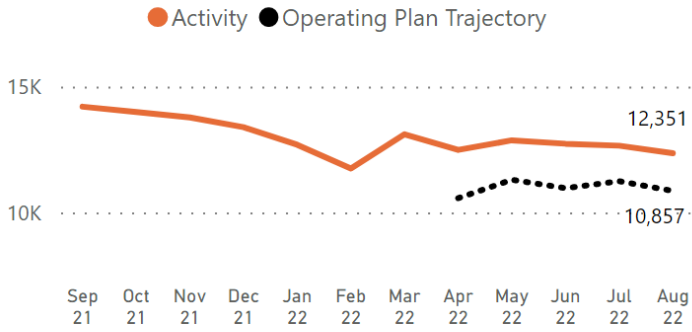
12 Hour breaches

The number of "physical" health breaches improved significantly in September from August whilst the number of Mental Health breaches remained fairly static. MH breaches are mostly due to bed delays. A new SWL MH Discharge Forum has been established to start meeting from 1 November to provide an ICS focus on reducing delays and improving flow. Existing work on the 100 day challenge has been extended to reduce delays in the acute hospitals and the SWL Discharge Group is now meeting weekly to oversee this work.

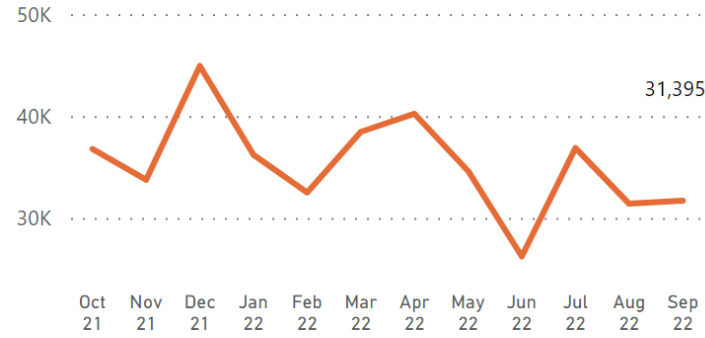
Ambulance handovers and breaches

Ambulance handover delays continue to be a priority for the whole system and there have been some improvements, particularly on the 60 minute breaches. In recent weeks the Rapid Release Protocol has been enacted in SWL freeing up ambulance crews, the impact is being reviewed.

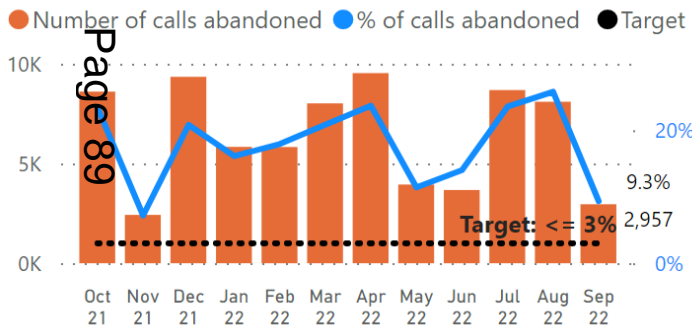
Total Non-elective Spells



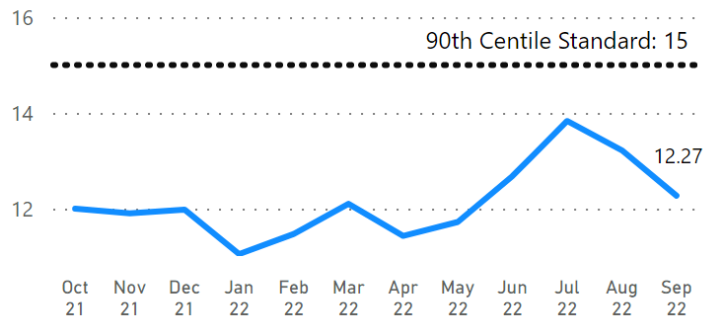
111 Call Volumes



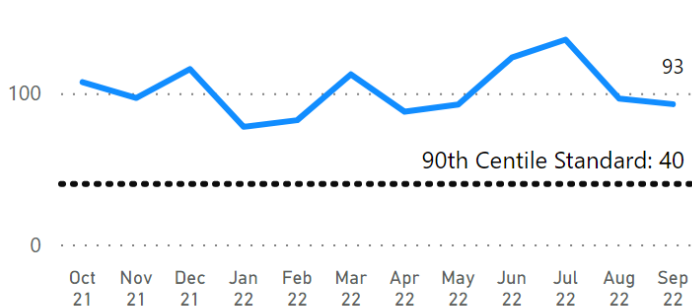
111 Calls Abandoned



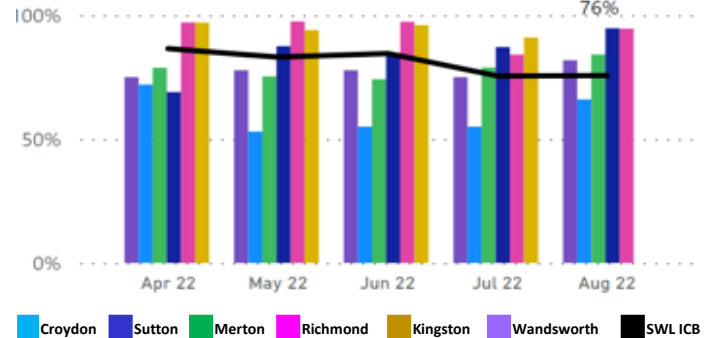
Ambulance Category 1 Emergency Response Times (minutes)



Ambulance Category 2 Emergency Response Times (minutes)



Community 2 Hour Urgent Response Performance - Provider



Non elective spells

Non-elective admissions continue to be at levels below plan, despite high bed occupancy levels and pressures across hospitals, this reflects the flow challenges being seen in SWL and the wider health and social care system.

111 calls

Call abandonment rate improved in September (9.3%, down from 24% in August). However, there are still some days with high abandonment rates, such as Mondays, which see higher call volumes. The improvement has been due to an increased Health Advisor workforce and introducing a number of Service Advisors. Recruitment has improved to a degree but overall challenges continue; the 111 provider (PPG) has a trajectory for moving to full headcount by January.

Ambulance Category 1 and 2 response times

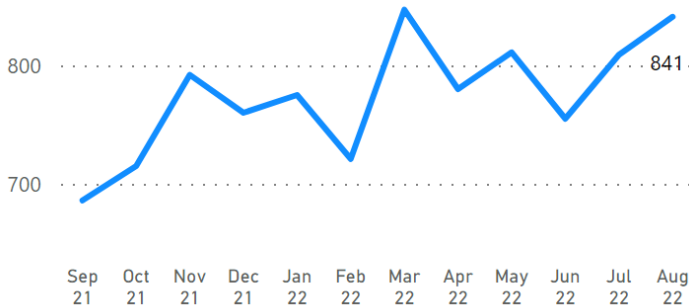
In line with the rest of London, Category 1 response times are below the standard. Although there was significant improvement through the summer, challenges remain. This poor performance is largely attributed to hospital handover where delays are impacting on the availability of ambulances and crews to respond to calls in the community.

A new Urgent Community Car (UCR) pilot has started in SWL to quickly respond to calls from frail, elderly patients and reduce conveyances/pressure on LAS crews. There are 3 cars working across the patch, each with a community clinician and a LAS paramedic. Early feedback on the pilot is positive, subject to a thorough evaluation of effectiveness.

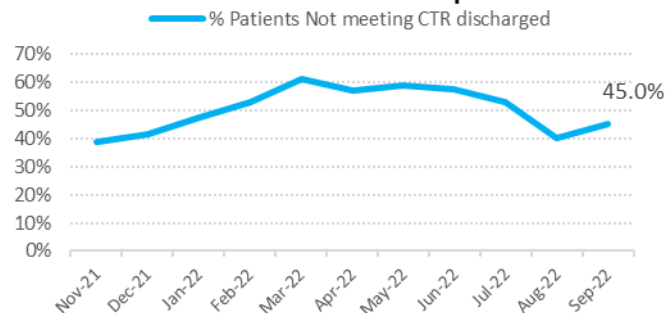
Community 2 hour response

All providers across SWL have 2-hour Urgent Community Response (UCR) services in place running 8am-8pm 7 days a week, with 2-hour UCR data being submitted onto CSDS (Community Services Data Set NHSE submission portal). Overall performance is 76% in SWL, which is ahead of the plan to achieve 70% by the end of Q3.

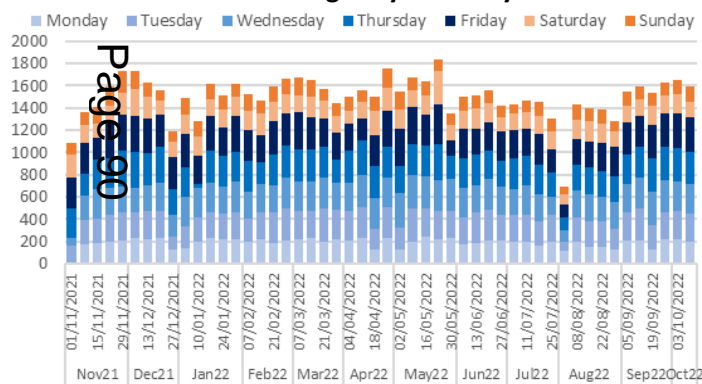
Number of Patients staying 21+ Days (Super Stranded)



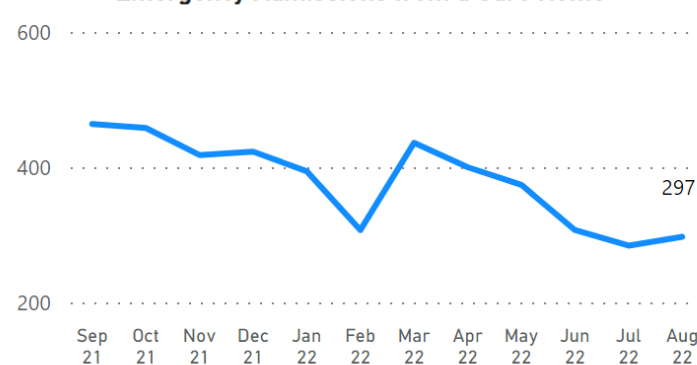
Discharges as % of patients who no longer meet the criteria to reside in hospital



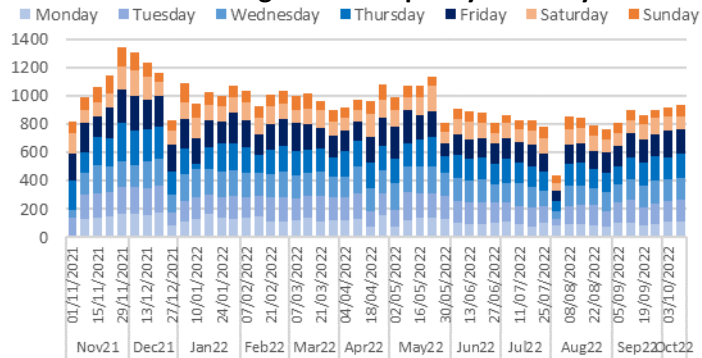
Total discharges by weekday



Emergency Admissions from a Care Home



Total discharges before 5pm by weekday



No of patients staying 21days +

Discharge performance remains challenging, particularly discharges on weekends, people occupying beds who no longer meet the criteria to reside (CTR) and the number of people discharged before 5pm.

Patients not meeting the criteria to reside (CTR)

On the 9th October, 401 SWL patients did not meet the criteria to reside of whom 271 were not discharged. To ensure the reduction of patients not meeting the CTR, additional capacity has been commissioned, comprised of 32 care home beds, 11 temporary alternative discharge destination beds (TADD) and 4 neuro rehab beds.

Pathway 3 (care and nursing homes) challenges remain the single largest reason for delays across SWL, notably for complex patients. This is a national issue. Local authorities and health colleagues are reviewing patient discharge flows to care and nursing homes, ensuring every 'home first' option has been explored. System-wide conversations have taken place with discharge leads and the Association of Directors of Adult Social Services (ADASS) to understand the scale of the challenge and agree actions.

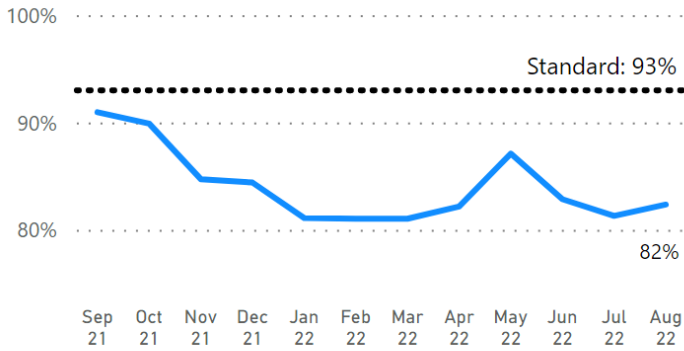
Discharges

Although total discharges have remained fairly consistent, discharges before 5pm have declined over the past 12 months, particularly on Mondays, Thursdays and weekends.

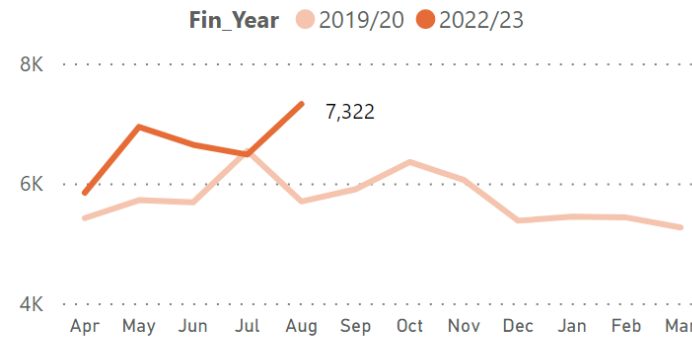
Virtual wards

Clinical pathways and standard operating procedures are almost finalised, as are arrangements for out of hours clinical cover. There is ongoing work to define how device management will take place and how social care will interface with virtual wards. The launch date of 28th November is on track. The first phase of digital integration is due to be completed on the 15th November. SWL currently has 95 beds available against a target of 228 by the end of the financial year. The data is submitted fortnightly and the data for 21/10/2022 is the most accurate as it has submissions from 4 of the 5 providers. CLCH will start submitting data in November.

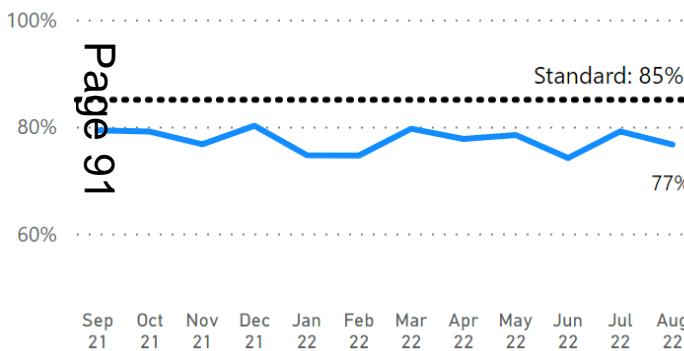
2 Week Waits: Performance against Standard



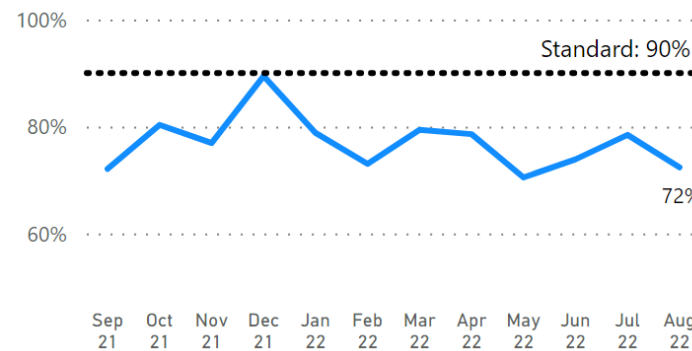
2 Week Waits: Activity



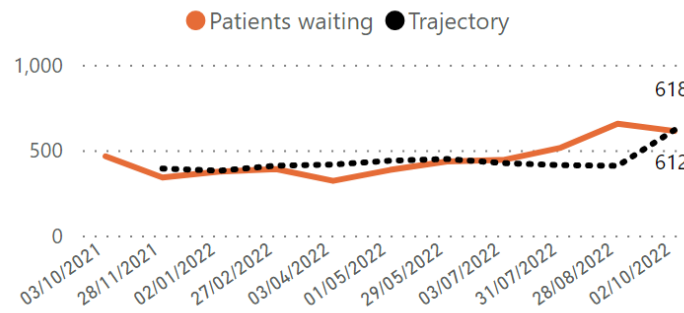
62 Day GP Referrals: Performance against Standard



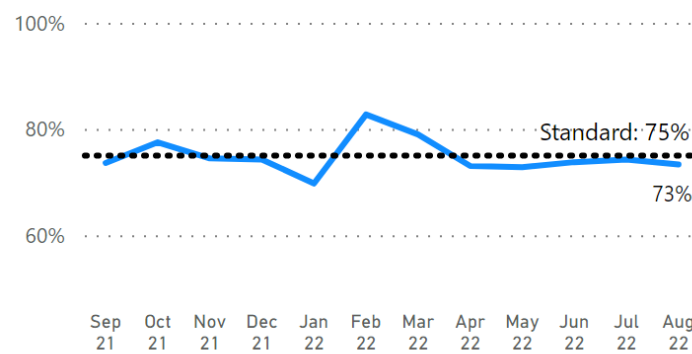
62 Day Screening: Performance against Standard



Total patients waiting over 62 days to begin cancer treatment



Faster Diagnosis Standard: Performance against Standard



2 week waits

2WW performance outcome was 82% in August 2022 and remains challenged due to a 23% referral increase (the highest in London) compared to BAU (August 2021). Providers reported a reduction in capacity due to the summer period and increases in patient choice delays. Epsom & St Helier Hospital (ESTH) was the only Trust within SWL to report a compliant position of 96.6%, whereas CHS reported 2WW performance in August at 70.0%, with challenges in Skin & Lower GI. Royal Marsden Hospital (RMH) reported 2WW performance at 81.2% and the Trust continue to see month on month improvement within the Breast pathway.

62-day GP referrals

SWL Providers were the highest performing in London, with a performance outcome of 76.6% in August 2022. However, this was below the Constitutional Standard of 85%.

62-day screening

Cancer Screening Services have largely recovered. However, there remains ongoing work in breast and cervical screening to support recovery and uptake. SWLBSS continues to focus on recovery, which is currently projected for Q3. SWL ICS will be working collaboratively with Royal Marsden Partners (RMP) and the London Regional Screening Team to support SWL Provider Colposcopy backlog reduction and service sustainability.

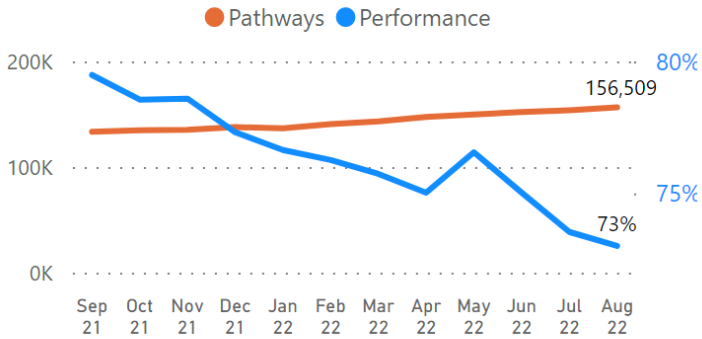
Total patients waiting over 62 days for treatment

The number of patients waiting over 62 days at the end of September 2022 (week ending 25/09/22) was 612, against the newly revised trajectory of 618, this has been mainly driven by non-compliance at CHS and RMH in September. A recovery plan to support 62-day backlog reduction, with new governance to support oversight, is in place. RMP will continue to support providers to deliver the key actions and mitigations to meet the revised trajectory.

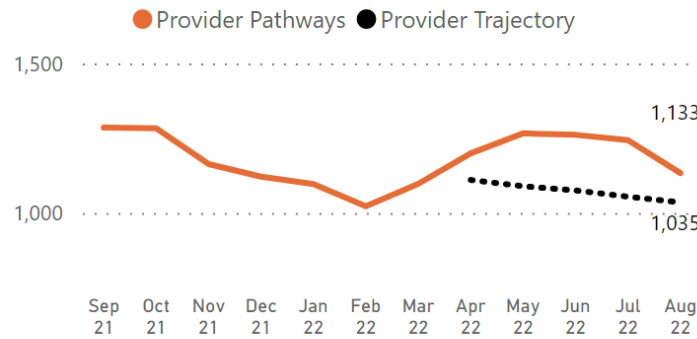
Faster diagnosis standard

SWL ICS was the second highest performing in London, although non-compliant, with a performance outcome of 72.2% against the Faster Diagnosis Standard (FDS). All Trusts with the exception of CHS (51.1%) and St Georges Hospital (69.1%) reported a compliant FDS position above the 75% threshold.

Incomplete RTT Pathways (ICS)



Incomplete RTT Pathways >=52 Weeks



Incomplete RTT Pathways

At SWL ICB level there were 156,509 patients on the incomplete pathway at the end of August across all providers. 73% of patients were waiting under 18 weeks. The number of patients waiting in SWL has increased by 19% over the past 12 months, slightly lower than the London average of 20%.

Patients waiting over 52 weeks for treatment

There were 1,133 patients waiting over 52 weeks for treatment at SWL providers against a trajectory of 1,035 for August. The most challenges specialties are Cardiology, ENT, General Surgery, Neurosurgery and Plastic Surgery. The weekly Elective Recovery Group oversees improvement actions across a number of workstreams supporting the reduction of long waiters, such as Mutual Aid, PTL assurance and aligning access policies.

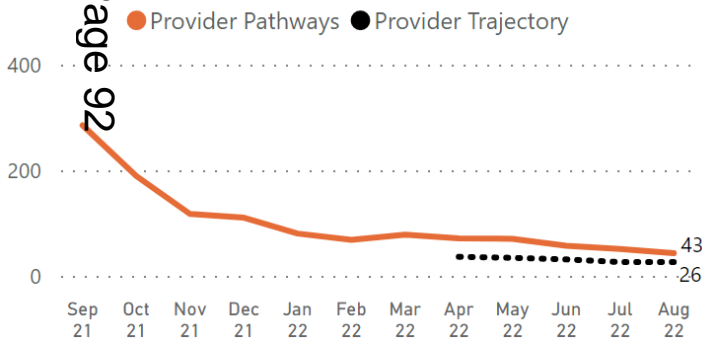
Patients waiting over 78 weeks and 104 weeks for treatment

At SWL providers, 43 patients were waiting over 78 weeks against a trajectory of 26. The majority of long waiters are at SGH. SWL have consistently had the lowest number of patients waiting over 78 weeks in London. The target of no patients waiting over 104 weeks for treatment was met in August.

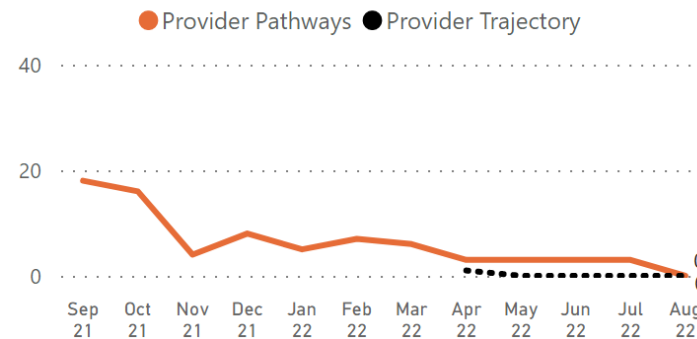
Elective day cases spells - activity has slightly increased in August and is above plan for Day Cases.

Elective ordinary spells continues to be below plan, with Neurosurgery (SGH), Gynae, MaxFacs, and ENT driving the position. Croydon is the most challenged in Gynae and ENT (both at 56%) of the SWL providers. Croydon has highlighted staffing issues. SWL is above plan in Urology (115%) across all providers. The elective recovery programme continues to work on opportunities around Mutual Aid, productivity (i.e. theatre utilisation), referral management service and a single ICS PTL for ENT.

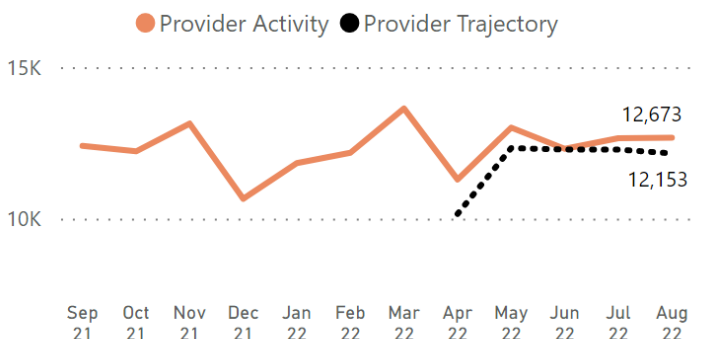
Incomplete RTT Pathways >=78 Weeks



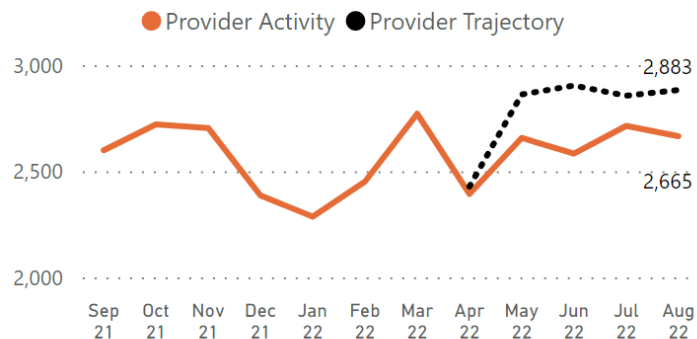
Incomplete RTT Pathways >=104 Weeks



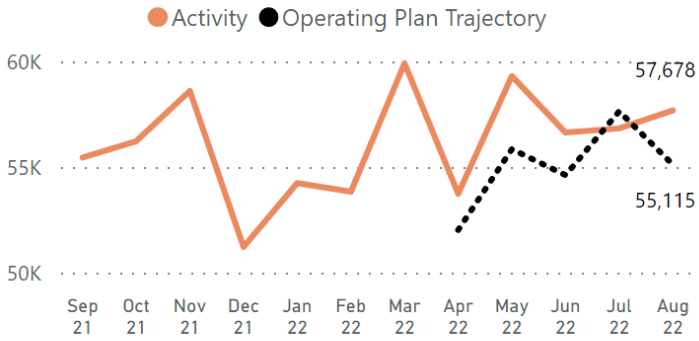
Elective day case spells



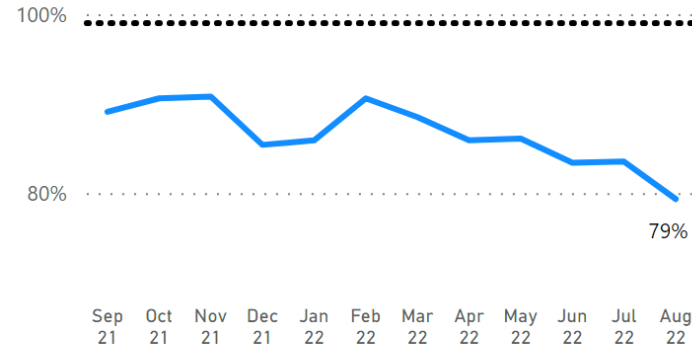
Elective ordinary spells



Diagnostic Tests (Activity)



Diagnostics: % waiting less than 6 Weeks



Diagnostic Activity (7 Tests)

Overall SWL is now performing at 4.5% above plan. CHS reported less activity in August, whilst still meeting plan. KHFT activity increased, but continues to fall short of their planned target. All providers are exceeding activity levels when compared to the same period last year. Most significant improvement is for CT at CHS and RMH.

Diagnostic performance (All tests)

Numbers waiting increased by 1% in August, with a rise in the number of 6 week breaches. Ultrasound have the highest volume of 6+ week waiters (15% breaching 6 weeks). Echocardiography has the 2nd highest volume with 41% breaching 6 weeks, most significantly at CHS and KHFT; the position is also deteriorating at other providers. ISP, mutual aid and referral management options continue to be explored.

Consultant led first outpatient attendances (Specific Acute)

There was a slight increase on the previous month, with some positive movement in the cancer pathway specialties, where recovery initiatives are beginning to impact. Actual monthly performance remains below planned trajectory, driven by workforce challenges over the summer.

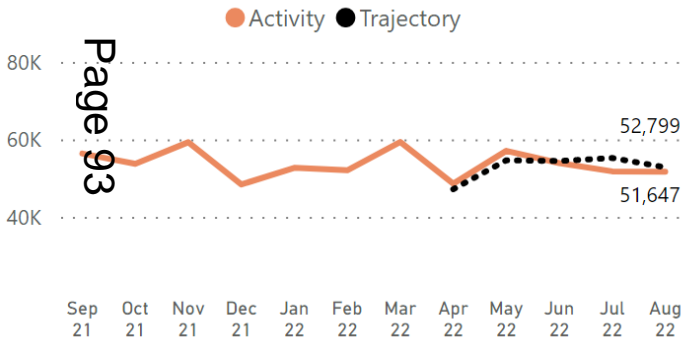
Consultant led follow-up outpatient attendances (Specific Acute)

There was an increase of 3% in month, maintaining an above planned trajectory at SWL. All Providers with the exception of SGH are meeting their individual plans. Urology and Cardiology have seen the largest system variances.

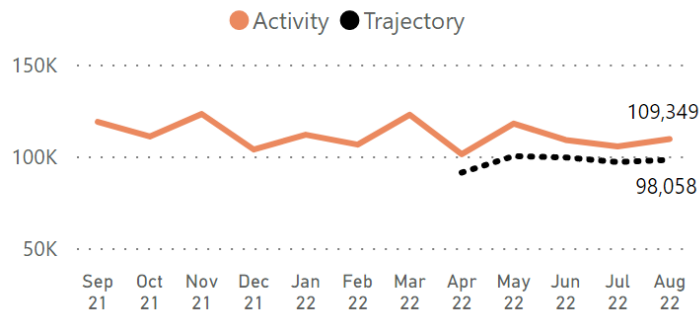
GP Specific Acute referrals for a first consultant led outpatient appointment

There was an increase of 4% in August driven predominantly by 2 week wait referrals in Gynae and Dermatology. CHS saw the largest number of referrals (5%), with General surgery also a significant driver.

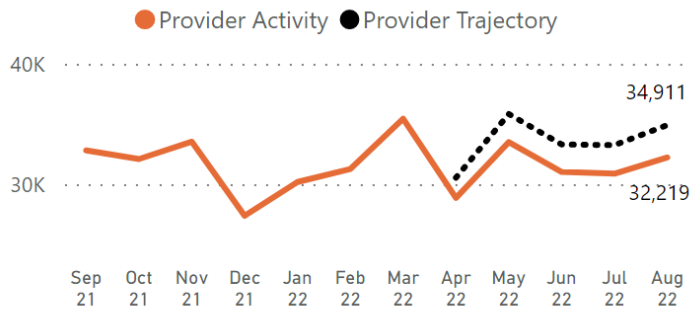
Consultant-led first outpatient attendances (Specific acute)



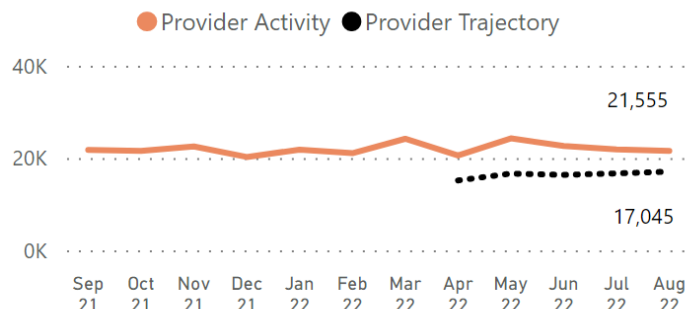
Consultant-led follow-up outpatient attendances (Specific acute)



GP Specific Acute Referrals made for a First Consultant-Led Outpatient Appointment (Provider)



Other Specific Acute Referrals made for a First Consultant-Led Outpatient Appointment (Provider)



GP Appointment Data (GPAD)



GP Access data background



- In November 2022, NHS Digital published practice level data
 - This data includes total appointments, appointment delivery mode, who patients were seen by and the time between the appointment booking and appointment date.
 - This is the first time ICBs have had access to practice-level appointment data.
 - It is important to note that the publication is classed as **experimental statistics** due to variations in the quality of data. Experimental statistics are a series of statistics that are in the testing phase and not yet fully developed for several reasons such as:
 - poor coverage
 - poor data quality
 - data undergoing evaluation
 - Practices are now able to review their data at any time via the practice level dashboard.
 - Over 70% of practices in SWL have reviewed their data to date and all practices are being encouraged to regularly review their data.
4. The following slide is based on the latest month of data; October 2022. The slides provide details of the SWL practices which fall in the bottom 10% of London for the expected areas of focus but have been anonymised.
- No. of appointments per 1000 patients
 - % Face-to-Face appointments
 - % GP appointments



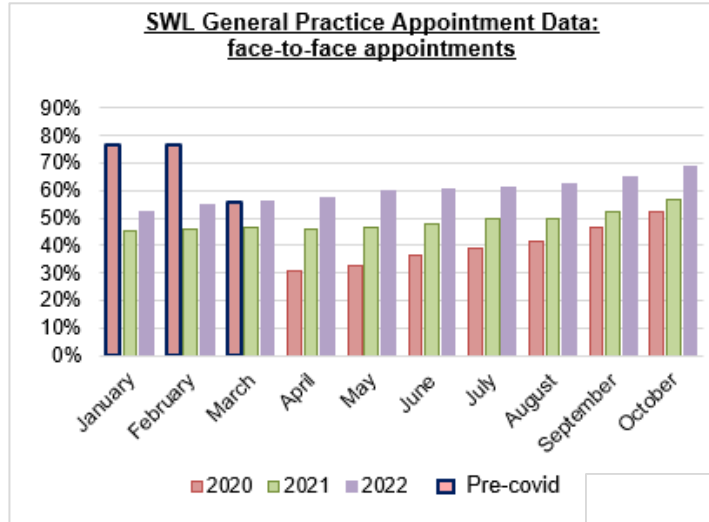
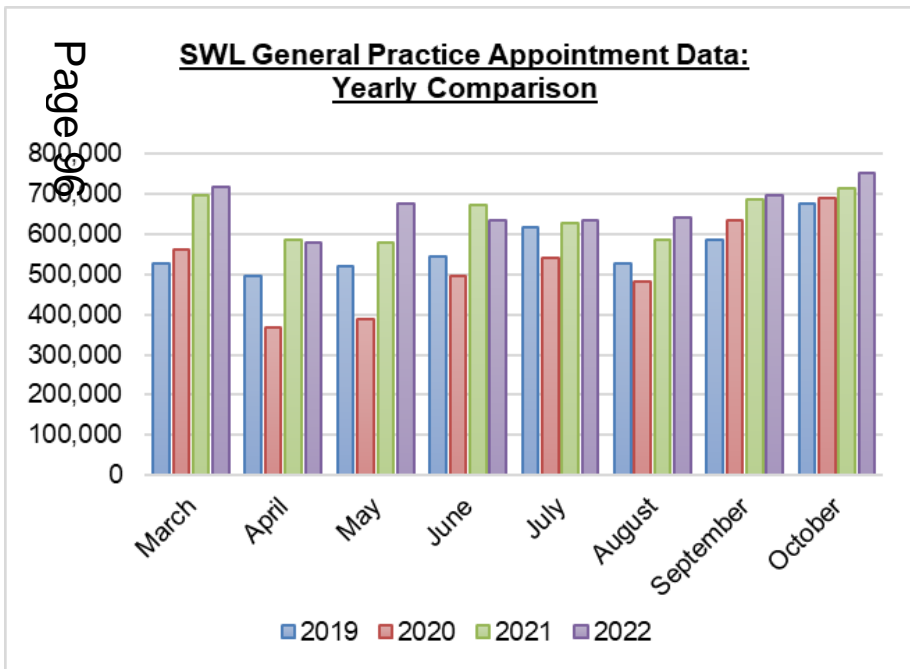
SWL Current Position



Total number of appointments:

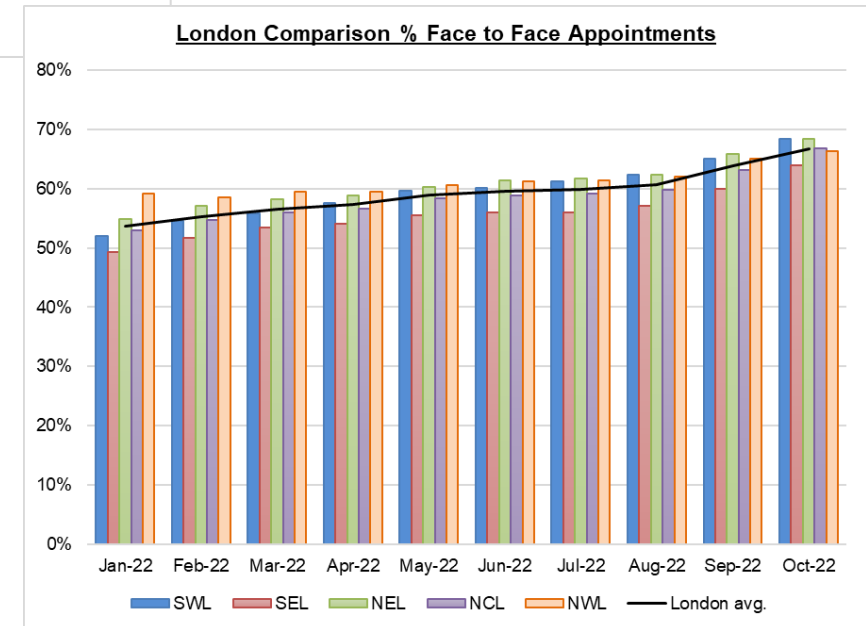
General practice appointments have increased compared to the same month in previous years, including covid.

Over 750,000 appointments were delivered in October 2022.



Face-to-face appointments:

- Face-to-face consultations in general practice are increasing.
- Face-to-face appointments have increased from 52% to 68% during 2022.
- SWL have been above the London average since April 2022.



Total Appointments per 1000 patients

- There are 12 SWL practices which fall in the bottom 10% of London for total appointments per 1000 patients. None of these are in Merton
- No Merton practices fall within the bottom 10% in SWL, with 1 practice in the top 10%

% Face-to-Face Appointments

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There are 9 SWL practices which fall in the bottom 10% of London, 2 of these are in Merton. Both are not on the data platform to return accurate data
3 practices fall within the bottom 10% in SWL, with 4 in the top 10%

% GP Appointments (vs. Other Practice Staff)

- There are 10 SWL practices which fall in the bottom 10% of London. 2 of these are in Merton, with 1 now on the accelerated programme and the other being encouraged to be part of the January cohort
- 2 practices fall within the bottom 10% in SWL, with 2 practices in the top 10%

Steps taken to improve access



Coding and Mapping (CAM) Project

CAM facilitators are currently working with each practice to analyse, diagnose and facilitate how appointments should be mapped and coded to ensure accurate reporting in-line with National Slot Categorisation. There is a time lag of approx. six weeks from when the work has been completed to when the data should reflect through GP Access Data.

The outlier practices from the ICB and Merton GP Access Data Dashboard (September 2022) have been reviewed with the CAM Facilitators to gain further insight into work completed to date with each practice.

75% of Merton practices have completed the project with 25% in progress

NHSE Accelerated Access Improvement Programme (AIP)

The NHSE Accelerated AIP is a 20-week programme providing hands on support for practices identified as having access challenges. The programme is aimed at those practices who need, want and have capacity for hands on support.

To date, 47 practices have signed up to the programme, 5 in Merton

Cohort	Completed	In progress Status
SWL	16	31
Merton	2	3



Next steps



1. For the majority of the practices highlighted by the data, the CAM Facilitators will re-review this with the practice to ensure both the coding and mapping and slot allocation remains correct. All practices are being asked to engage in the CAM data project
2. The data for the Vision practices is not being reflected in the GPAD dashboard and this will be highlighted to NHS Digital. Two of these practices are in Merton and will be transferring to EMIS.
3. An additional January 2023 cohort of the Accelerate Access Improvement Programme will be provided by NHSE. All practices who have not yet signed-up to this programme have been invited to take part. The programme forms part of a NHSE support package for practices, following the publication of the data. Details of further support offers will be circulated as soon as they become available.
4. A SWL report has been created to enable the ICB to monitor trends and follow up any data queries with practices.
5. All practice are being encouraged to review their data regularly
6. All practices who are identified will be targeted with the appropriate support from the ICB and Merton Health support teams.



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Committee: Healthier Communities and Older People Overview and Scrutiny Panel

Date: 10th January 2023

Wards: All

Subject: Merton Safeguarding Annual Report

Lead officer: Graham Terry, Interim Assistant Director Adult Social Care.

Lead member: Councillor Peter McCabe, Cabinet Member for Adult for Health and Social Care.

Contact officer: Janet Miller- Merton Safeguarding Board Business Manager, Adult Social Care, Community & Housing

Recommendations:

This report provides Scrutiny Committee Members with an overview of the Merton Safeguarding Adults Board (MSAB) Annual Report for 2021/22. The report summarises safeguarding activity undertaken in that period by the Council and its key partners and the performance data figures to date.

1. EXECUTIVE SUMMARY

The Safeguarding Adults Board Annual Report is published retrospectively and reflects the work undertaken for a previous period. This is due to the process in which the Department of Health and Social Care collate the national annual data returns. The data is collated and retrospectively published as a national document. As such, the data for the period 2021/21 has not yet been published and cannot be reported. We are only now publishing the data for 2020/21.

2. STATUTORY FRAMEWORK

2.1 The Care Act 2014 sets out a clear legal framework for how local authorities and partners should work to support and protect adults at risk of abuse or neglect.

Safeguarding Adults at risk is a key corporate priority and is integral to all the relevant key plans for adult social care.

The Local Authorities statutory responsibilities amongst other duties include:

- Make enquiries, or request others to make them, when concerns have been raised or they think an adult with care and support needs may be at risk of abuse or neglect in order to find out what action may be needed

- Lead a multi-agency local adult safeguarding system that seeks to prevent abuse and neglect and stop it quickly when it happens
- Establish a Safeguarding Adults Board, including the local authority, NHS and police, which will develop, share and implement a joint safeguarding strategy

3 MERTON SAFEGUARDING ADULTS BOARD (MSAB)

- 3.1 The Merton Safeguarding Adults Board (MSAB) is a statutory function, under Section 43 of the Care Act 2014. The Board is responsible for writing and publishing the Annual Safeguarding Report.
- 3.2 The MSAB operates at a strategic level, supporting and protecting adults in Merton from abuse and neglect, through co-ordinating and reviewing the multi-agency approach to safeguarding, across all member organisations. The approach that the MSAB takes directly influences how frontline safeguarding operations are carried out in each member organisation.
- 3.3 The Local Authority and the Board has oversight on all adult safeguarding across the local area. Collaboration and co-operation are fundamental to gathering safeguarding intelligence across the whole borough and is key to the effectiveness of the MSAB. As such, the Board is made up of various local organisation's both statutory members (Local Authority, Clinical Commissioning Group (now ICB) and Police) and non-statutory members (provider health services, fire, probation, Healthwatch and the voluntary sector and other provider services).

4. MERTON ADULTS' SAFEGUARDING BOARD ANNUAL REPORT 2020/2021

- 4.1 The MSAB Annual Report (attached Appendix 1) contains a forward by the Board's interim Chair, John Morgan –Interim Director of Community & Housing.
- 4.2 The Annual Report is an important function of the MSAB and provides an update on the multi-agency work undertaken to raise awareness in order to safeguard adults in Merton.
- 4.3 The annual report demonstrates that engagement with residents, the council and other agencies is continually improving and through the systems in place, have provided feedback on the effectiveness of the Merton arrangements for safeguarding adults.

5. A PERSONALISED APPROACH TO SAFEGUARDING

Completed Enquiries Outcomes 2021/22 %

Fully Achieved **68%**

Partially Achieved **29%**

Not Achieved **3%**

97% of people's outcomes being fully or partially met.

71% of people expressed a desired outcome compared to **66%** last year

- 5.1 An important success measure of 'Making Safeguarding Personal' is the extent to which the person's desired outcomes are met. Locally, Making Safeguarding Personal is well embedded in practice, with 97% of people's outcomes being fully or partially met. Where outcomes were not met, this is usually due to the person not engaging with the process or being unable to articulate if they consider that their outcomes were met. There was a slight increase in the number of people who expressed a desired outcome compared to last year.

5.2 Impact on Risk Adult

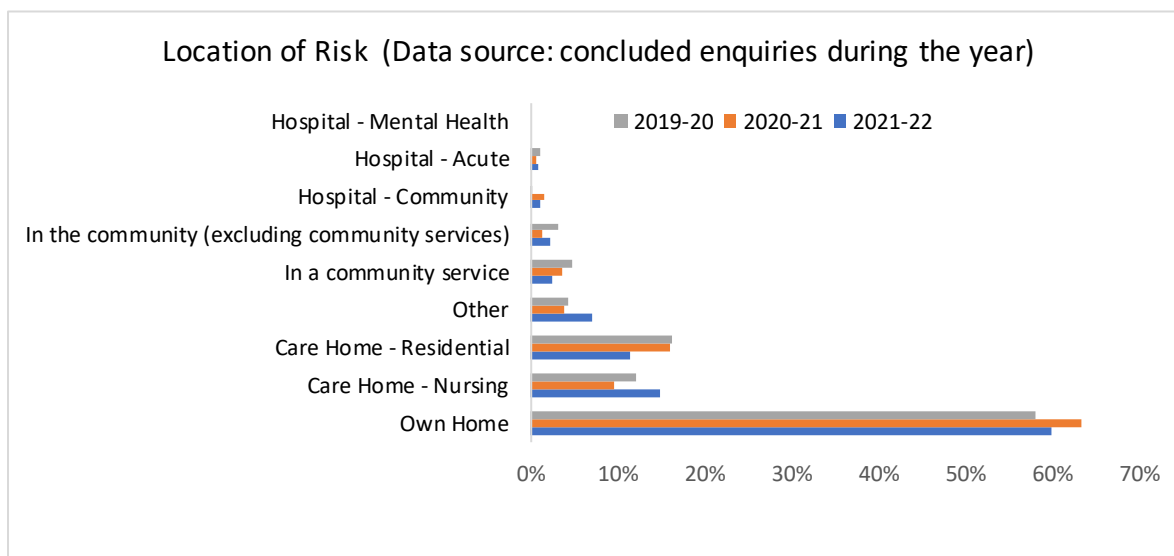
Safeguarding aims to remove or reduce the risk to the adult. It is not always possible to completely remove risk and the risk will remain in cases where adults with capacity make a decision to continue living with an elevated level of risk. The impact of Safeguarding on risk is good with the risk removed or reduced in over 93% of cases. Where the risk remains, this is usually the result of people choosing to live with risk and understanding the implications of it. Completed Enquiries where risks were identified No, by percentage:

Risk removed or reduced **324, 93%**

Risk remains **23, 7%**

5.3 LOCATION OF RISK

Location of Risk (Data source: concluded enquiries during 202/21)



During 2021-22, Merton Local Authority received 810 concerns in total. This is a decrease of 20 (2.5%) on the number of concerns raised in 2020-21.

In terms of location of risk, 60% were reported to be in people’s own homes. Last year it was slightly higher at 63%; however it is broadly in line with the national picture.

6. HIGHLIGHTS FROM THE ANNUAL REPORT: SAFEGUARDING DATA, BENCHMARKING AND UPDATES FROM 2021/22

Year	2021-22	2020-21	2019-20	2018-19
Total number of Adult Safeguarding Concerns raised during the year	810	830	732	483
Total number of Adult Safeguarding Enquiries commenced during the year	447	379	366	98
Conversion Rate (Number of Section 42 Enquiries + Number of Other Enquiries)/Number of Concerns	55%	46%	50%	20%
Conversion Rate (England)	34%	34%	37%	39%
Conversion Rate (London)	33%	33%	41%	43%

6.1 Section 42 enquiries were commenced in 347 cases and Other enquiries commenced in 100 cases, giving 447 enquiries commenced in total. This is an

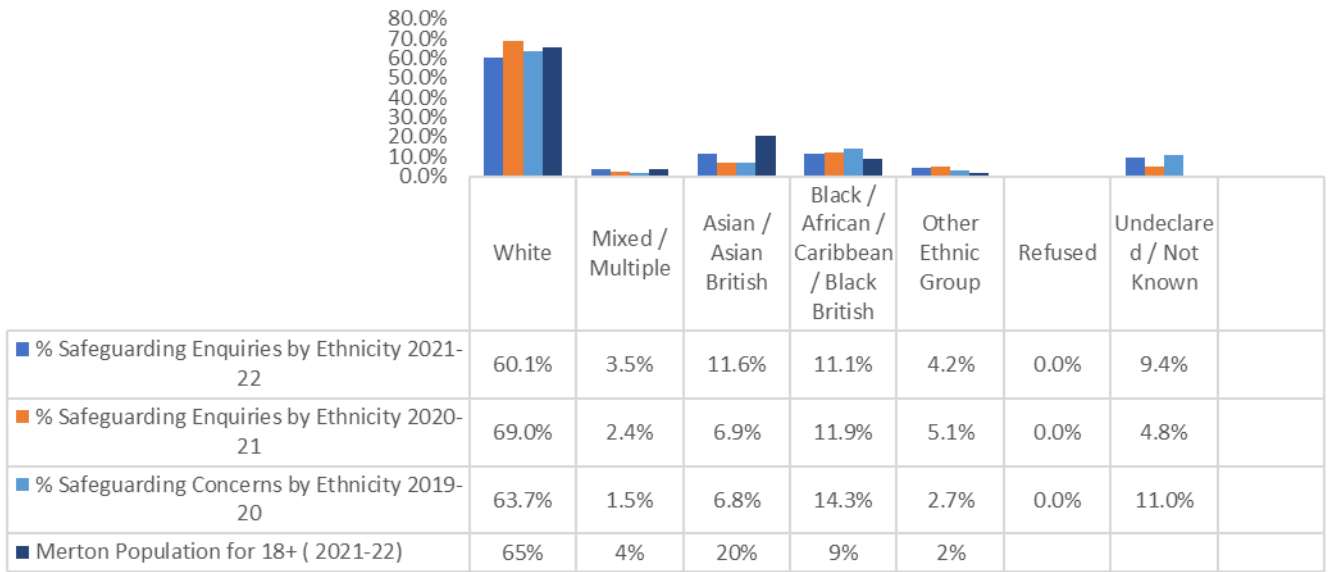
increase of 68 (18%) on 2020-21 and represents a conversion rate (concerns raised to enquiries started) of 55%.

6.2 The percentage of the conversion rate continues to improve and is attributed to an improvement in the recording of safeguarding adult activity on the database and more importantly, a greater understanding amongst practitioners regarding what constitutes a Safeguarding Adults Enquiry

6.3 The charts below demonstrate individuals involved in Safeguarding Concerns and Enquiries by Ethnicity compared to the Merton 18+ population



Individuals involved in Safeguarding Enquiries by ethnicity compared to Merton 18+ population



6.4 In 2021/22 9.7% of people from Asian/Asian British were involved in safeguarding concerns and 11.6% were involved in safeguarding enquiries. There is an increase in the proportion involved in safeguarding enquiries, moving closer to being comparable to the Merton 18+ population. Our voluntary sector partners and lead representative from Merton Connected have attributed to this increase by the awareness raising around safeguarding adults.

During 2021/22, 12.3% of people involved in safeguarding concerns and 11.1% of people involved in safeguarding enquiries were Black/ African/Caribbean/Black British. This compares to 9% of the Merton 18+ population who are Black/African/Caribbean/Black British.

7. ACTION TAKEN TO IMPROVE AND SUSTAIN PRACTICE AND OUTCOMES

7.1 As part of the quality assurance process, the Safeguarding Adults Tool now Includes a section on feedback from people about the safeguarding process. The initial Discovery Interview pilot involved a social work student contacting a sample of people for feedback. Plans are now in place for the Safeguarding Managers (SAM’s) to complete these as part of the safeguarding adult’s process. Feedback will then be used to inform and improve the journey for those involved in safeguarding adult Enquiries.

7.2 It has recently been agreed to review the data being collected from MSAB partners. A Task and Finish Group is being set up to identify how Improvements can be made to the current data set. They will use the

recently developed National Data Framework Tool as a guide.

The group will also consider how data can be used effectively for the prevention and detection of adult safeguarding concerns, as well as improving interventions and outcomes for adults at risk.

- 7.3 Work continues in the MSAB subgroups and with partners to raise awareness of safeguarding adult reporting processes and work on initiatives to improve our responses to adults at risk in the community. We have four subgroups and each subgroup has a work plan that aligns to the MSAB Priorities. Each subgroup is co-chaired and attended by MSAB.

The four Sub-Groups of the MSAB are:

- **Safeguarding Adult Review (SAR) Subgroup;** Overseas the safeguarding adult review process once they meet the criteria. Ensures learning from reviews are identified and shared effectively.
- **Learning and Development Subgroup;** Oversees the learning and development strategy, including training across the partnership. Works alongside the SAR Subgroup to ensure learning from SAR's are included in training plans as required.
- **Performance & Quality Subgroup;** Has oversight of performance and quality of safeguarding activity, through developing robust mechanisms across the partnership, which assures good practice to safeguard adults at risk.
- **Communication and Engagement Subgroup;** Overseas communication and engagement to improve engagement with a wider range of stockholders, including service users and carers, on behalf of the Board.

8. SAFEGUARDING ADULT REVIEWS (SAR)

- 8.1 A Safeguarding Adults Review is a legal duty under the Care Act 2014. The purpose of a SAR is to learn from cases, on a multi- agency level, to prevent similar incidents occurring. The aim is not to apportion blame on an organisation or individuals for any failings that may be discovered.

8.2 SAR Notifications in Merton

The Board received and considered three new SAR Notifications during 2021-2022, which resulted in two new SAR commencing. Included in the two was one referral that had been reconsidered and recommissioned, and another where the decision to carry out a SAR had been reviewed and did not meet the Criteria. However, it was agreed, by the SAR Subgroup, that a Practitioners Event would

take place. The event was facilitated by Professor Mike Ward from Alcohol Change UK.

In total four cases were considered and or monitored by the Sub-Group throughout the reporting period.

8.3 Learning from SAR's

- The MSAB commissioned training for practitioners, from Alcohol Change UK, on the 'Blue Light Project' principles as well as the guidance they produced for 'Safeguarding Vulnerable Dependent Drinkers'. The training aimed to improve and innovate practice in working with people experiencing difficulty with alcohol use. The Board will evaluate the impact of this training going forward.
- We continue to develop tangible plans for improving our 'Think Family' approach. This is a priority for the Board, has been woven through our Business Plan for 2021-2024, and was one of the key themes of our Joint Safeguarding Conference in March 2022. Stronger strategic and working relationships have since been forged with the Children's Safeguarding Partnership to support this work.
- Board partners have agreed to establish a Multi -Agency Risk Assessment Framework. This guidance will be developed in partnership with members of the Merton Safeguarding Adult Board and sit alongside the London Multi-agency Safeguarding Adults Policy and procedures. It will provide guidance on managing cases relating to adults where there is a high level of risk. The circumstances may sit outside the statutory adult safeguarding framework however, a multi-agency approach would be beneficial. This currently in draft form and is being piloted until sign off at the MSAB in March 23.

9. MSAB Priorities for 2022/23

- Develop a programme of work to engage people with lived experience and to include their voices in the work of the Board as well as the Safeguarding Adult Review (SAR) action planning process.
- Work will continue around learning from SAR's. There will also be a focus on what SAR's are telling us in terms of themes which might be reoccurring and how, as a partnership, we can improve our practice for those at risk. Public Health partners have agreed to work with the MSAB on an approach, which will then inform the service model and specification for commissioning substance misuse services.

- After consultation and discussions at the Board on how best to go forward with gathering meaningful data to support their work, partners have agreed to develop a comprehensive data set for the Board. This data set is based on the National Data Framework Toolkit, recently produced by the National Safeguarding Adults Board Managers Network.
- The MSAB will be kept updated and prepare for the implementation of the Care Quality Commission's framework on Oversight for Local Authorities and Integrated Care Systems, due to be introduced in April 2023.

10. Appendices

The Merton Safeguarding Adults Board (MSAB) Annual Report 2021/2022

11. BACKGROUND PAPERS

NONE

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Merton
Safeguarding
Adults Board

Annual Report 2021/22



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Work continues with raising awareness of safeguarding adults in the community and working with our partners.
The MSAB are in the process of developing an initiative to recruit and work with ‘Community Safeguarding Adults Champions’ in the coming year.

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Message from Interim Chair

This report covers the work of the Merton Safeguarding Adults Board (MSAB) during the period April 21 to the end of March 22 and reflects on the work of the board as we recover from the Pandemic and look forward to brighter days. Our role has been to continue to ensure the systems, policies and procedures in Merton continue to be effective in keeping adults at risk safe.

The MSAB continues to focus its work on our Strategic Priorities 2021-2024 as well as the statutory duties that include, publication of an annual report; focused work based on a strategic plan; and the commissioning and completion of Safeguarding Adults reviews (SARs).

With our priorities in mind, partners have continued to build strong partnerships and develop new and innovative ways of connecting with people using services, residents of Merton and each other. They are committed to hearing the voices of people with lived experience as well as learning from feedback to improve on practice going forward.

This annual report includes details of SARs that have been completed during 2021-2022 and has demonstrated via the case study, how we are following through on learning from previously completed SARs.

One area of learning has been around how we better support people experiencing difficulties with alcohol and substance misuse. As well as working closely with Public Health colleagues and partners, workshops have been facilitated by Mike Ward from Alcohol Change UK to ensure the Blue Light Approach is embedded in the way

we support people with these difficulties. The Blue Light approach means that, while we may not always be able to make someone change completely, we can help reduce harm and manage the risk they pose to themselves and others.

Work continues with raising awareness of safeguarding adults in the community and working with our partners. The MSAB are in the process of developing an initiative to recruit and work with ‘Community Safeguarding Adults Champions’ in the coming year. As well as awareness raising, this will provide links to our residents, the voluntary sector and faith communities around the safeguarding adults agenda.

I once again thank all our partners as well as those who manage and support the work of the MSAB for their contributions and commitment to keeping people safe in Merton.



John Morgan
Interim Director of Community and Housing
(Interim MSAB Chair)



Safeguarding Adults in Merton

The Merton Safeguarding Adults Board (MSAB) work together as a partnership to prevent abuse and neglect.

When someone has experienced abuse or neglect, we are committed to responding in a way that supports their choices and promotes their well-being. This is known as Making Safeguarding Personal.

What we do and how we do it

The role of the MSAB is to assure itself that local safeguarding arrangements are in place to help and protect adults in Merton.

Our main objective is to assure itself that local safeguarding arrangements and partner organisations act to help and protect people aged 18 and over in the area who:

- have needs for care and support are experiencing, or at risk of, abuse or neglect (as a result of their care and support needs) are unable to protect themselves from either the risk of, or experience of, abuse or neglect regardless if the local authority are funding care or not

Core Duties

We develop a strategic plan and publish an annual report of the work of the board. We also commission Safeguarding Adults Reviews (SAR) for any cases that meet the SAR criteria. Further on in the report there is an update on the position in terms of SAR's.

Our Strategic Priorities 2021-2024

Priority 1: Prevention and Early Detection

Our aim: Adults from all communities will feel supported to keep safe. Partners, service users and residents will recognise risk and be confident in their response.

Priority 2: Building and strengthening connections

Our aim: Partners, service users and residents from all communities are engaged and working together to ensure an inclusive safeguarding framework.

Priority 3: Making Safeguarding Personal

Our aim: People will feel listened to and have real choice and control in shaping their safeguarding journey.

Priority 4: Quality Assurance & Embedding Learning

Our aims: To establish a Quality Assurance & Performance Framework to provide assurance that the Board and its partner agencies have effective systems, structures, processes and practice in place.

To learn from reviews, for example SAR's, Domestic Homicide Reviews (DHR's) and Learning Disability Mortality Reviews (LeDeR) and ensure mechanisms are in place to measure effectiveness.

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We Said, We Would

- MSAB partners would complete the annual Safeguarding Adults Partnership Audit and attend a Challenge Event to measure the effectiveness of safeguarding activity and establish what's working well and where improvements are needed.
- Review the Safeguarding Adults Review (SAR) Protocol and or processes around SAR's to ensure the recommendations from the National SAR Analysis Review April 17-March 2019 are embedded.
- Oversee the implementation of the Liberty Protection Safeguards, now due to be implemented in April 2023. The Liberty Protection Safeguards were introduced in the Mental Capacity (Amendment) Act 2019 and will replace the Deprivation of Liberty Safeguards (DoLS) system.
- Continue to work with partners to develop a comprehensive MSAB data set using the National Data Framework Tool. This will assist with assessing the impact of our work as well as identifying the need for improvements. We want to know that what we do is making a difference.
- Agree and sign off the Learning & Development Strategy and Training Competency Framework and continue to look at ways of providing level 1 Safeguarding Adult's Training to our voluntary sector, service users and residents.
- Develop a programme of work to engage people with lived experience and to include their voices in the work of the Board as well as Safeguarding Adult Review Action Planning.

The Liberty Protection Safeguards will deliver improved outcomes for people who are or who need to be deprived of their liberty. They have been designed to put the rights and wishes of those people at the centre of all decision-making on deprivation of liberty.

What We've Done So Far

- In May 2021 we held our annual Challenge Event'. We were able to agree a very ambitious Strategic Plan for 2021-2024 and the MSAB annual priorities for 2021-2022. There was recognition of the continued work undertaken in keeping people safe during the pandemic as well the recovery plan required going forward. Also highlighted was the need to harness and embrace some of our new ways of working brought about by the pandemic as well as reverting back to the responses that worked well before the outbreak.
- In 2020/2021 the MSAB commissioned a Task and Finish Group to oversee the implementation of the Liberty Protection Safeguards (LPS) that will replace the Deprivation of Liberty Safeguards (DoLS). This is being led by the London Borough of Merton and the Clinical Commissioning Group (CCG). The group have met regularly and completed a scoping exercise to determine resources and to ensure systems are in place for a smooth transition.
- A Learning & Development Strategy and Training Competency Framework has now been signed off by the Board. We are also pleased to confirm that a safeguarding adult's E-learning package has been agreed and in 2022/23 will be added to the MSAB Website. It will provide Level 1 Safeguarding Adult's training for our voluntary sector partners, volunteers, and the wider partnership.
- The Communication Strategy for the Board has been developed. The focus has been on the COVID 19 recovery as well as strengthening links with service users, carers and the local community. We have begun developing mechanisms to enable this to happen. Links with Black, Asian and Minority Ethnic people as well as the seldom heard have begun. Our Voluntary Sector lead and Board partners are providing a bridge to those communities. Work is progressing well.



Our Priorities – Feedback from Partners

Safer Merton is a key member of Merton Safeguarding Adults Board. They ensure a coordinated partnership approach in response to Violence Against Women and Girls (VAWG). In 2021/2022, they have developed a DASH (Domestic Abuse, Stalking and Harassment and Honour Based Violence) training focused on early risk identification, intervention and prevention delivered to Housing officers.

This year they have facilitated Bite Size training including, Domestic Abuse Awareness: Supporting those at risk of Domestic Abuse, which focused on the use of the DASH risk assessment referral form and was delivered by the Safer Merton Domestic Abuse & VAWG Lead. They also promoted the SafeLives Dash risk checklist for the identification of high-risk cases of domestic abuse, stalking and 'honour'-based violence.

A Multi -Agency Risk Assessment Conference (MARAC) Learning Day was facilitated, to bring together a wide range of MARAC partner agencies to build and strengthen the connections across the partnership. It allowed partners to reflect on practice, including prevention and early detection, seeking to continuously improve how the partnership recognise and respond to risk of domestic abuse.

South West London and St Georges MH Trust provides representation at the MSAB and continues to support the work of the Board and its subgroups.

Mental Health Teams review Merlin's received at their Multi-Disciplinary Team (MDT) meeting for multidisciplinary consideration of the issue and action as appropriate –this is ongoing. Going forward, further action in this area will be evidence of consistent contribution to the decision making. (Merlin is the police database that generates 'Adult Come to Notice' information).

Safeguarding incidents are reported within the Trust assurance process including at Executive level and local regular Safeguarding Meetings ensure staff remain focused on Safeguarding considerations. Staff are also encouraged to attend Safeguarding Adult Managers (SAM) and Enquiry Officer meetings with Adult Social Care colleagues.

The Trust has established and has embedded robust interventions around Domestic Abuse, which necessitates partnership working and actions to support families and adults at risk.

Below is an example of advice given by the Trust, Domestic Abuse Lead, regarding a case brought to her attention. It evidences there is routine consideration of partnership working and using national and local frameworks which support the reduction of domestic abuse.

"On reading the below detail can I clarify if this family are known to children's services and how old the children are now? (They may be adults).

Really glad to see her being referred to IDVA services and they will complete a DASH risk assessment – do you know if they have made contact yet? If there is a delay it would be best practice for you to complete the DASH as this lady may need a MARAC referral – could you explore any threats to kill made towards her or any harm to pets or use of weapons."

In response to learning from Safeguarding Adults Reviews (SAR's) the Trust is establishing robust responses to the complexities of Substance Alcohol misuse in the context of serious mental illness. This is evidenced in staff meeting notes and information disseminated across the Trust.

There is local embedding and Trust wide Learning from SARs, Domestic Homicide Reviews (DHR) and Learning Disability Mortality Reviews (LeDeR). Learning is evaluated and assured via auditing and quality assurance systems and fed back at the Learning and Development Subgroup.

The Metropolitan Police Borough Command Unit (Met's BCU) in the Southwest continue working on processes to improve adult safeguarding work. This includes an appointment of a dedicated Detective Inspector to lead on adult safeguarding. This has strengthened the Met's responses and engagement with partner agencies. It is beginning to raise the adult safeguarding agenda within policing locally,

developing improved awareness around adult abuse safeguarding and embedding learning from Safeguarding Adults Reviews (SAR's).

In the previous year the police have been developing a cuckooing protocol with partners, which includes clear referral pathways for police and other professionals. The protocol is now being used and embedded to identify perpetrators and to support victims of cuckooing.

In 2021-2022 the police have made improvements to frontline Multi Agency Safeguarding Hub (MASH) referrals to allow for a smoother escalation process ensuring strategy discussions can be effectively run.

The SW BCU continues to be fully engaged with the work of the MSAB and subgroups as well as other multi-agency panels including Multi Agency Risk Assessment Conference (MARAC) and Community Multi Agency Risk Assessment Conferences (CMARAC). They also play a key role in embedding learning from SARs, as well as sharing 7-Minute learning briefings widely across the SW teams.

In 2021-2022 the **Clinical Commissioning Group's (CCG)** Designated Adults Safeguarding Professional for Merton, has contributed directly to the MSAB and its priorities by co-chairing the Communications and Engagement Subgroup and the Liberty Protection Safeguards Task and Finish Group, as well as being an active member and working closely with the MSAB through attending all other sub-groups

They also worked closely with the Violence Against Women and Girls (VAWG) for Merton as a member of the board as well as Counter-Terrorism, Channel Panel to provide expert advice and support to these groups.

Examples of feedback towards the MSAB Priorities include contributions towards the development of a Communications and Engagement strategy (including action plan) to support partners, service users, carers and residents to understand the work of the board and how to stay safe.

The Safeguarding Adults Leads Forum for Southwest London continued to meet six weekly with representation from safeguarding leads from all the major health provider services across SW London, the local authority leads and with private and voluntary sector representatives. During the pandemic these meetings provided assurance to the safeguarding adult designates that providers and partner organisations continued to work collaboratively to support adults at risk across South- West London. The aims of this group are to work jointly across SWL to provide support, advice, and guidance and to share information related to adult safeguarding between partners on the local and national safeguarding agenda. This group values a spirit and culture of partnership and collaboration with professional safeguarding leads across SWL.

In 2021/22 SWL CCG have been preparing to transition smoothly to become an Integrated Care Board (ICB) to establish an Integrated Care System (ICS) across South West London to empower better joined up health and care as set out in the Health and Care Bill 2021.

The four aims of an ICS are:

- improve outcomes in population health and healthcare
- tackle inequalities in outcomes, experience, and access
- enhance productivity and value for money
- help the NHS support broader social and economic development.

Integrated Care Boards (ICBs) will replace Clinical Commissioning Groups in the NHS in England from 1st July 2022.

The team also hosted an on-line Adults and Children Safeguarding Conference. The Safeguarding Designates recognised that safeguarding issues had increased during lockdown with the local tier restrictions and that it was increasingly important to understand the issues adults and children were facing and to support the most vulnerable. This conference was aimed at and attended by over one hundred front line health staff and safeguarding practitioners and was an accredited level 3 safeguarding event. The event was opened by the Director of Nursing for NHS England/ Improvement and Regional Safeguarding Lead for London and facilitated by a national Safeguarding Consultant.

Daily learning events were also arranged during the National Safeguarding Week in November 2021, the theme was based on “creating safer cultures”. Also in March 2022, SWL CCG hosted a webinar conference on the Liberty Protection Safeguards and Mental Capacity Act Amendment Bill (2019) which are currently under consultation with the Government.

Our **Central London Community Health (CLCH) NHS Trust** has continued to contribute to the MSAB and its subgroups: Contributions include

- L&D subgroup: The group has been co-chaired by Haidar Ramadan-Head of Adult Safeguarding to ensure Merton SAB has a clear learning and development strategy in place
- CLCH represented at all Merton SAB subgroups
- Merton Safeguarding Adults Partnership Audit Tool- submitted and engagement with the SAPAT challenge event to inform the MSAB objectives, priorities, and 3 Year Business Plan in 2022/23.
- Facilitated joint workshops and learning events with Richmond and Wandsworth SAB, part of the adult safeguarding week 2021

Examples that led to improvements in practice included the CLCH safeguarding business continuity plan in place to ensure increased reach and influence with frontline staff and managers during COVID and virtual training, safeguarding supervision and drop-in sessions in place. A well-established ‘duty’ system to support staff accessing timely advice and support.

They contributed to several panels including CMARAC, MARAC and MSAB sub-group as well as being fully engaged with safeguarding adult activity and safeguarding reviews.

Trust wide audits on quality of safeguarding referrals to social services continued and CLCH SAFER guidance was developed and promoted to assist when making a referral to local authority.

Two cohorts of safeguarding and MCA champions graduated, and network days for update and supervision with all champions were organised. Bespoke training was also developed for staff and partners re: MCA, DOLs and Making Safeguarding Personal (MSP).

There were revised safeguarding training packages virtual with interactive software linked to L2 booklet and a safeguarding training passport. Compliance for Level 3 adult safeguarding and MCA training compliance was 95% in Merton and Wandsworth

The annual CLCH safeguarding conference: What really matters in safeguarding? was attended by 520 delegates and received very positive feedback. CLCH also attended and contributed to the MSAB and CSP ‘Think Family’ Conference in March 2022 which had some focus on a SAR that had been undertaken. In Safeguarding Adults Week CLCH utilised their networks and reach to promote and share the weeks programme and ADASS conference. They also developed and cascaded a significant number of 7-minute briefings in response to internal investigations, S42 and learning from local and national inquiries or reviews. (Focus on Self-neglect, No Access, DHR).

As well as supporting the formulation of actions for implementation of the MSAB Communication Strategy, they used intelligence from already established local forums to share and understand current issues and learn from lived experiences of people in the wider community in relation to adult safeguarding. This is an area that will be progressed in the coming months to ensure the voices of people are heard and included in the safeguarding adults work of the board.

The London Fire Brigade (Merton) continues to support the partnership. They have introduced a new electronic and interactive Safeguarding Adults Referral form for all staff that has been very well received. The new referral system has provided another opportunity to highlight the importance of safeguarding to staff and has also encouraged staff to make referrals through the ease of using the new form. The Safeguarding Adults and Deprivation of Liberty Safeguards (DoLS) Team Manager has also begun to deliver a bespoke Level One Safeguarding Adults Training session to Fire Service staff with a view of evaluating the impact on referrals in the coming months.

Merton Connected – Continue to cascade the message that **#safeguarding is everybody's business**.

Enhancing the knowledge and confidence amongst staff and volunteers across the local voluntary, community and faith sector, has been a key focus of our work with the Board this year. In pursuance of this they have co-hosted three Introduction to Safeguarding for Adults training workshops with Merton Local Authority. The workshops were well attended, with 54 individuals, representing 31 organisations in attendance.

Further work has been undertaken with regards to an ongoing training offer for the voluntary sector and next year we are hoping to launch an accredited level 1 and 2 E-learning module that voluntary sector staff and volunteers will be able to access and undertake via the MSAB website.

In addition, they are working on an initiative to develop a cohort of volunteer Community Safeguarding Adult Champions, who will be a valuable resource to help raise awareness and increase knowledge and confidence amongst local voluntary, community, and faith sector organisations, with regards to their role in safeguarding the adults who used or benefit from their services and activities. It will also provide a valuable link to the MSAB and support them to understand the issues and priorities with regards to the safeguarding adults in the community.

In June 2021 the National Probation Service and Community Rehabilitation Companies (CRC) unified to become one organisation.

The Probation Service has experienced severe staffing challenges since this time, alongside managing the ongoing changes required to embed new processes and policies and ensuring appropriate training is undertaken by staff to deliver effective offender management services. Delivery of services are therefore modified in line with available resources in different boroughs, with Merton delivering under 'Amber'. Adult safeguarding processes remain unchanged as part of this model and remain a priority. In relation to safeguarding, they continue to implement mandatory training and encourage staff to access all available safeguarding training opportunities from local authorities and other bodies. They also ensure adult safeguarding activity is addressed at all points of delivery, including Courts, custody and supervision in the community. Concerns about safeguarding are escalated for management through MAPPA where necessary.

Healthwatch Merton continues to support the work of the MSAB and the Communication & Engagement subgroup. Their Chief Executive has contributed to the formulation of actions for the Communication Strategy. They have used intelligence from already established local forums to share and understand current issues and learn from the lived experiences of people in the wider community in relation to safeguarding adults.

Next steps include seeking to develop something more robust and formalised to feed in local intelligence regarding safeguarding adults' activity on a more regular basis. They have begun supporting work on developing a way to test access by public and organisations in raising safeguarding issues. In March 2022 they attended the MSCP/MSAB Joint Conference - Integrated Safeguarding: Working Together to Safeguard Adults and Children as well as attending events in National Safeguarding Week, including the ADASS conference.

The Work of the Subgroups of the Board

The Safeguarding Adults Review (SAR) Subgroup

The SAR Sub-Group manages and oversees the Safeguarding Adults Review (SAR) process in Merton and meet six weekly with representation including the London Borough Merton, the Metropolitan Police, South West London Clinical Commissioning Group (CCG), St George's University Hospitals NHS Foundation Trust, Epsom & St Helier's University Hospital, London Fire Brigade and Central London Community Healthcare NHS Trust.

The group has been co-chaired by Trish Stewart, Associate Director for Adult Safeguarding and Phil Howell, Assistant Director Community & Housing in Merton. With clear leadership from the chairs and commitment to making a difference, the subgroup is focused on learning from SAR's as well as embedding learning from local and national reviews across all agencies in Merton.

During 2021-22 as part of the learning from SAR's and hearing the voices of people with lived experience, they met with family members and set up meetings to discuss how their experiences can be shared. This led to an arrangement for them to speak at the Epsom and St Heliers University Hospital Safeguarding Conference. As part of the groups work going forward, this will be an approach taken to ensure voices are included as part of the SARs process. SAR themes were also included in the Joint conference with the Merton Children Safeguarding Partnership, which focused on Think Family.

Performance and Quality Subgroup

This group aims to oversee the collective performance of partner agencies in Merton in relation to protecting adults at risk of abuse and neglect. The group meets quarterly and has been co-chaired by Beau Fadahunsi, Head of Development and Volunteering at Merton Connected and Claire Migale, Head of Social Care Operations in Merton.

Its focus this year has been on the continuing development of the MSAB dashboard that includes data from agencies across the partnership.

The National Safeguarding Adults Board Managers Network have been working on the development of a National Data Toolkit Framework to support and inform the work of the Board and the Performance and Quality Sub-Group. The aim is to succeed in using data to improve services and prevent neglect and abuse in their area effectively and consistently. The MSAB has agreed to look at this and will shortly be launching a Task and Finish group to follow through on the work.

Learning and Development Subgroup

This group meets quarterly and has been co-chaired by Haidar Ramadan (HR), Head of Adult Safeguarding, Merton & Wandsworth CLCH and Lisa Hewitt- Principal Social Worker at Merton.

The aim of this subgroup is to develop robust mechanisms to assure the Board of good practice regarding safeguarding adults in workforce development, quality of training and monitoring training standards across agencies.

A key focus continues to be the learning and findings from Safeguarding Adults Reviews (SAR's) and sharing key learning. Partners have shared Seven Minute Learning Briefings around themes from SAR's with their staff groups and they have also been added to the MSAB website to ensure a wide reach.

The subgroup members have also been involved in the planning and facilitating of the Joint Conference and promoted the 'Think Family' approach in its Learning and Development Strategy and wider work. They have continued their pursuit of a Safeguarding Adults Level One E- Learning programme for the voluntary sector and volunteers and are pleased to announce a package will be available in 2022-2023. This will be available to access via the MSAB website.

Communication and Engagement Subgroup

The Communication and Engagement Subgroup meets quarterly and has been co-chaired by Lorraine Henry, DoLs and Safeguarding Team Manager and Edwina Curtis, Designated Adult Safeguarding Professional (Merton). The aim of the group is to continue to raise the profile of the work of the board and promote awareness of safeguarding adults. This is done via partner engagement with people that use their services as well as through the MSAB website.

Some of initiatives are almost ready to get off the ground and some introduced. The implementation of Discovery Interviews for people who have gone through the safeguarding adults process and linked to Making Safeguarding Personal have begun. In the local authority they have been carried out by practitioners who haven't been involved in the case and information is then used to improve the process. A review is currently underway to ensure the approach is effective going forward.

As well as listening to the voices of people with lived experience, an initiative is underway to recruit Community Safeguarding Adults Champions, who will be a link between the Board, the voluntary sector and the residents of Merton



Merton Safeguarding Children Partnership (MSCP) and the Merton Safeguarding Adults Board (MSAB) Joint Conference – 21st March 2021

The joint conference was opened with addresses from Cllr Stringer, Joint Deputy Leader and Cabinet Member for Children and Education, and Cllr Lanning, Cabinet Member for Adult Social Care and Public Health, who expressed their pleasure to see colleagues from across partner agencies coming together to share in the event.

The first half of our joint conference focussed on family safeguarding and the **importance of adopting a 'Think Family' approach to safeguarding**. To open our conference we heard from Sue Williams, who developed the Family Safeguarding model as part of her work as Hertfordshire County Council's Director for Social Work.

Continuing the theme of holistic provision to families, we next heard from speakers Dr Benedicta Ogeah (Co-Chair of the MSCP Domestic Abuse & Think Family sub-group), Dheeraj Chibber, (Chair of the MSCP Quality Assurance sub-group) and Trish Stewart (Chair of the MSAB Safeguarding Adults Review (SAR) Subgroup), who spoke about the 'Think Family' model and approach in Merton.

In the afternoon there was a focus on the transition of young people moving into adulthood. It got underway with our second keynote speaker, Sarah Ashworth, Schools and Families Programme Director at The Charlie Waller Trust. In her presentation, she explored the difficulties, complex needs and pressures young people face in transition to adulthood, as well as some of the physical and psychological challenges faced through growing up. The statistics and figures for self-harm and mental health problems were deeply concerning, and particularly resonated with attendees.

Also highlighted was thinking on how to support resilience in transition and the importance for individuals to have: a 'secure base' of support from their family and wider community networks; an interesting and engaging education; quality, positive friendships; encouragement to pursue talents and interests, and support for developing positive social values and competencies.

The conference provided plenty of key learning points, with lots to talk about and learn in breakout group discussions. It was wonderful to see colleagues from across the children's and adult's partnerships sharing experiences and working together to improve our collective understanding and practice. We will be looking at what multi-agency practitioners shared and considering next steps on both these important topics for the MSCP and MSAB, also planning a Joint Conference for 2022-2023.

Pandemic Recovery

COVID-19 assurance, recovery, and learning continue to be a key priority for the MSAB. There has been a focus on continuing to ensure adults at risk are supported in ways that are flexible and meet individual's needs. Partners report that some of the ways of working during the pandemic that have worked well continue to be used, as well as returning to more traditional ways of working with people. Prevention and risk management continue to be key components in service delivery and Making Safeguarding Personal remains a priority.

Care Homes

“Over the past 12 months the Council, primarily through our Public Health and Contract Management teams have continued to provide significant support to all 38 care homes in the borough, particularly as we have moved into ‘living with Covid’. Additional Infection Prevention and Control (IPC) capacity was maintained and continued to provide both on-site and remote advice, training and support to care home managers and staff.

In addition to this enhanced IPC support, very regular contact was maintained with all care home managers and proactive support provided in response to Covid outbreaks and other out of the ordinary events. There has been close and effective partnership working with the developing Care Home Support Team commissioned by the CCG; with specialist Community Pharmacists and with a range of other health colleagues to respond to safeguarding concerns as and when required. The Merton Joint Intelligence Group (MJIG) has continued to provide an effective means of identifying issues early and ensuring that the required support and, where necessary, challenge is provided to care homes.

As we continue the return to pre-pandemic ways of working routine on-site quality visits are restarting and these will add to our oversight of the care home market across the borough and further enhance our ability to provide support.”





Learning from Lives and Deaths

(Previously known as, The Learning Disability Mortality Review (LeDeR))

The National programme aimed at making improvements to the lives of people with learning disabilities is known as “Learning from Lives and Deaths” People with a learning disability and autistic people, previously know as The Learning Disability Mortality Review (LeDeR). It requires that reviews are carried out following the death of anyone with a learning disability and those people who have a diagnosis of autism. The purpose of the review is to identify whether there are any concerns or areas of learning to improve the health and quality of care for people with learning disabilities.

These reviews are conducted by South West London Clinical Commissioning Group (CCG) and the findings are reported to NHS England. The LeDeR process and the way reviews are undertaken is currently being reviewed to ensure it is in line with the recommendations from the NHSE LeDeR Policy (2021).

Integrated Care Boards (ICBs) will replace Clinical Commissioning Groups in the NHS in England from 1st July 2022.

Learning from Lives and Deaths in Merton

In 2021/22 Merton CCG has received a total of 4 death notifications for the learning from death reviews (LeDeR) which are discussed at the Merton, Sutton, Wandsworth LeDeR steering group, which is held quarterly.

- 2 people died from pneumonia
- 1 person died from aspiration pneumonia
- 1 person died from sepsis of unknown aetiology

Across South West London, respiratory disease was the most common cause of death, in particular aspiration pneumonia which continues to be an urgent focus of attention in South West London, which is consistent with previous years.

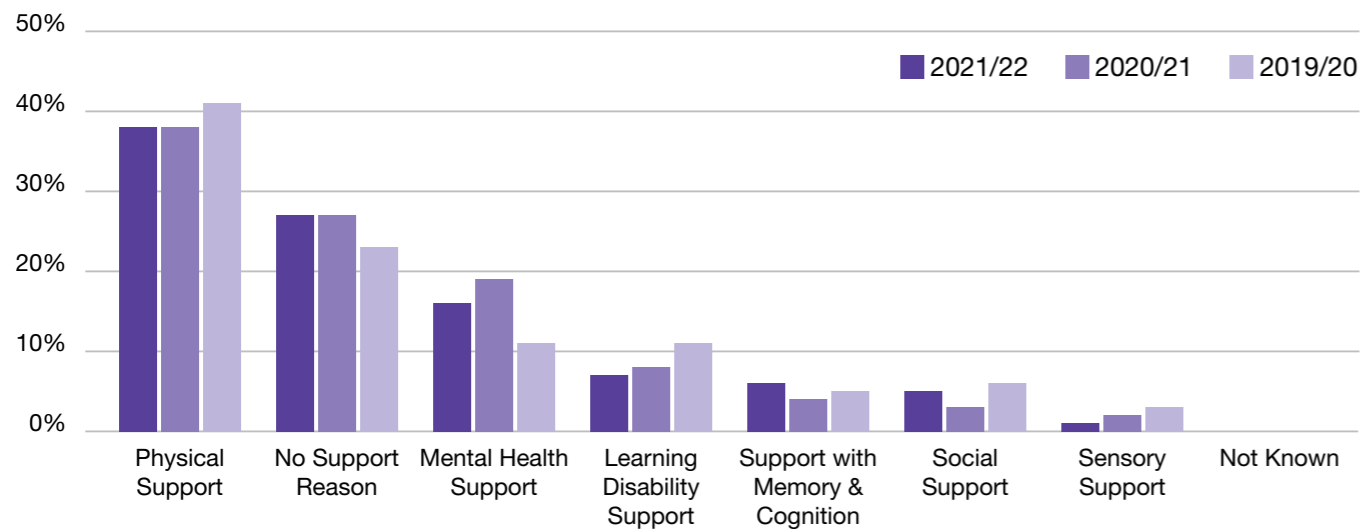
Whilst good practice is also identified and shared within the LeDeR steering group, key learning has also been identified across SWL which included;

- Annual health checks as a key means to improve and maintain health of people with learning disabilities
- DNACPR notice (Do Not Attempt Cardio-Pulmonary Resuscitation) as a feature of advance care planning, which attracted some notoriety during Covid-19 where there was widespread concern that orders were being issued to groups of people rather than for individuals based on their circumstances
- Application of the Mental Capacity Act and robust recording following assessment

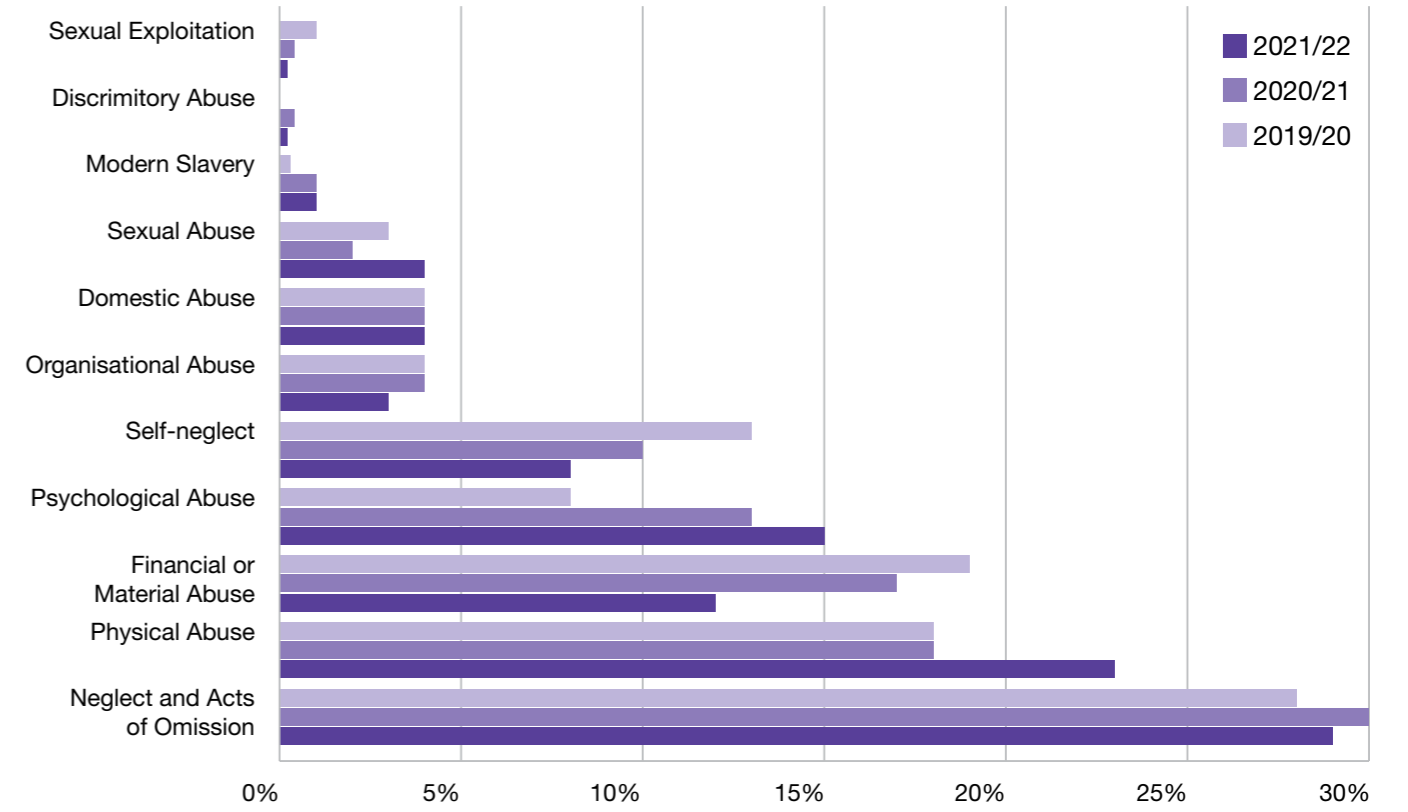
Safeguarding Adults Data

Year	2021/22	2020/21	2019/20	2018/19
Total number of Adult Safeguarding Concerns raised during the year	810	830	732	483
Total number of Adult Safeguarding Enquiries commenced during the year	447	379	366	98
Conversion Rate (Number of Section 42 Enquiries + Number of Other Enquiries / Number of Concerns)	55%	46%	50%	20%
Conversion Rate (England)	34%	34%	37%	39%
Conversion Rate (London)	33%	33%	41%	43%

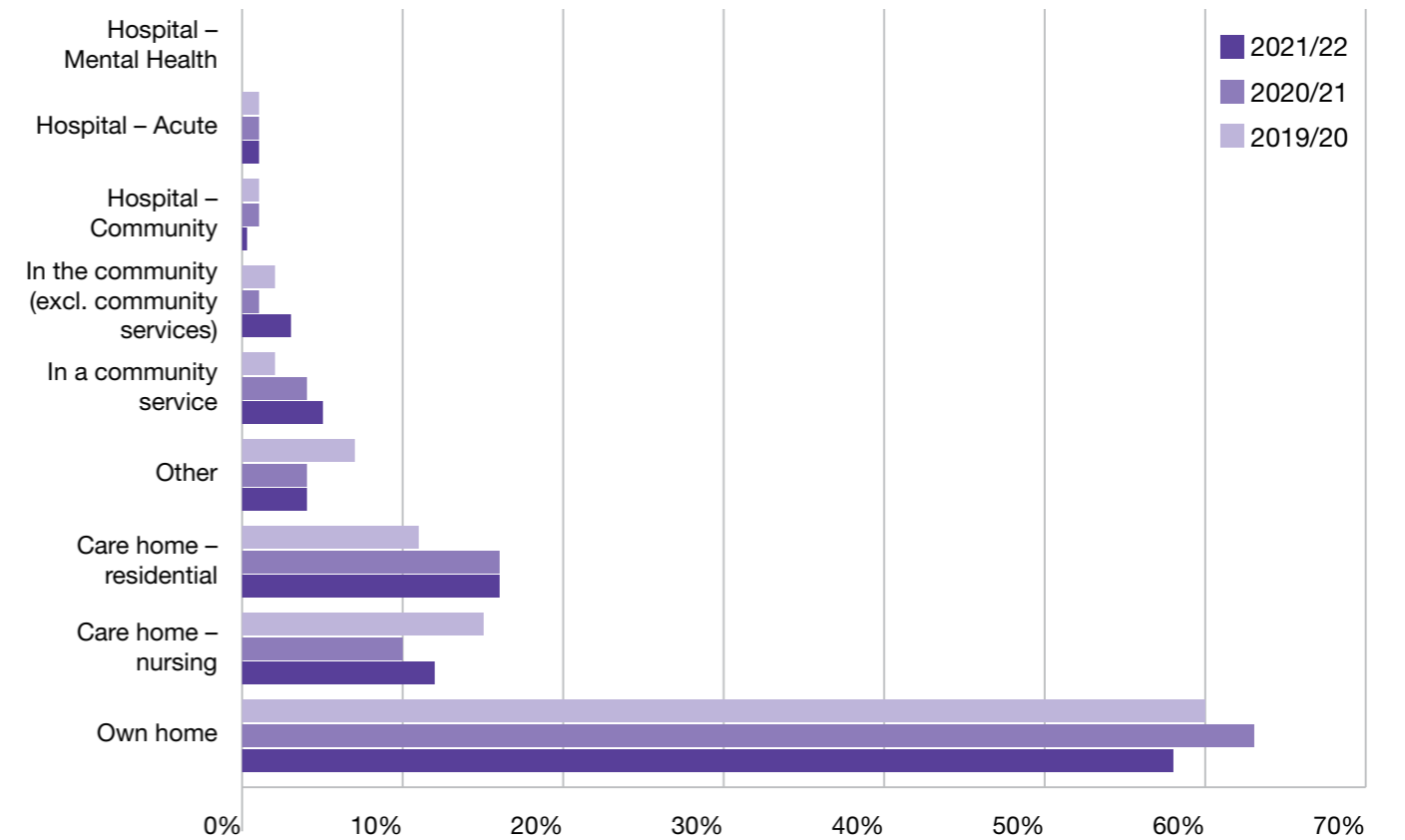
Individuals involved in Safeguarding Concerns during 2020/21 by Primary Support Reasons



Type of Risk (Data source: concluded enquiries during the year)



Location of Risk (Data source: concluded enquiries during the year)



During 2021-22 810 concerns were received by Merton Local Authority in total. This is a decrease of 20 (2.5%) on the number of concerns raised in 2020-21.

In terms of location of risk 60% were reported to be in people's own homes. Last year it was slightly higher at 63%, however it is broadly in line with the national picture.

Section 42 enquiries were commenced in 347 cases and Other enquiries commenced in 100 cases, giving a total of 447 enquiries commenced. This is an increase of 68 (18%) on 2020-21 and represents a conversion rate (concerns raised to enquiries started) of 55%.

The percentage of the conversion rate is higher this year and is attributed to an improvement in the recording of safeguarding adult activity on the database and more importantly a greater understanding amongst practitioners regarding what constitutes a Safeguarding Adults Enquiry.

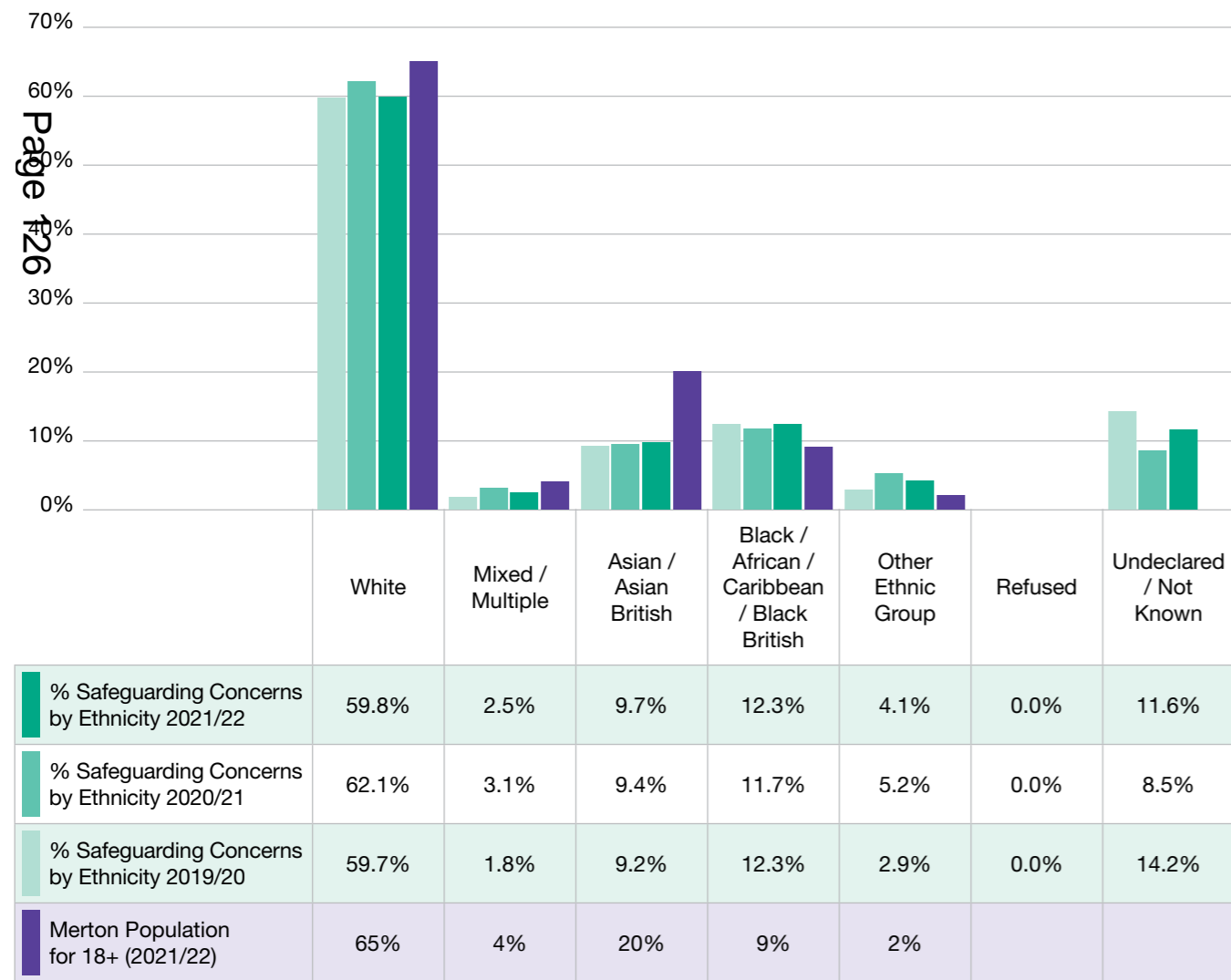
Last year we began to analyse our data in relation to Ethnicity. Our aim was to paint a picture across the protected characteristics so that it can be used in the context of inequalities and diversity. This couples with the intention to get much broader data from our partners. The work on reviewing the current MSAB data set to include partner information, is one of our priorities and a Task and Finish Group is about to be set up.

As a result of what the data is telling us, we have begun focusing on raising awareness of safeguarding adults in the local community, voluntary sector, and faith groups. Our Safeguarding Adults Champions initiative came as result of this work and plans are in place to launch in 2022-2023.

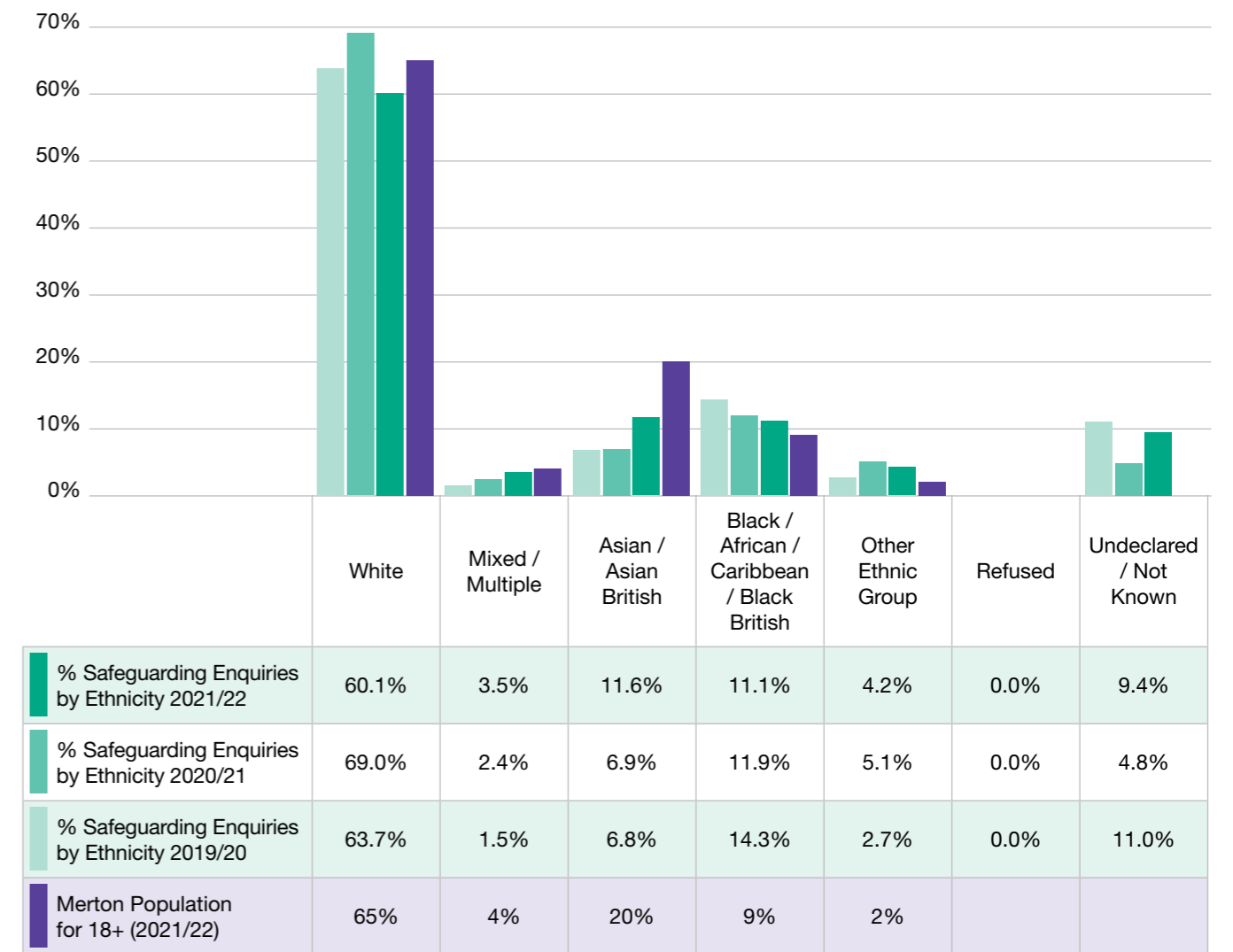


The charts below demonstrate individuals involved in Safeguarding Concerns and Enquiries by Ethnicity compared to the Merton 18+ population

Individuals involved in Safeguarding Concerns by ethnicity compared to Merton 18+ population



Individuals involved in Safeguarding Enquiries by ethnicity compared to Merton 18+ population



In 2021/22 9.7% of people from Asian/Asian British were involved in safeguarding concerns and 11.6% were involved in safeguarding enquiries. There is an increase in the proportion involved in safeguarding enquiries, moving closer to being comparable to the Merton 18+ population.' This has been attributed to the awareness raising around safeguarding adults, by our voluntary sector partners and lead representative from Merton Connected.

During 2021/22 12.3% of people involved in safeguarding concerns and 11.1% of people involved in safeguarding enquiries were Black/African/Caribbean/Black British. This compares to 9% of the Merton 18+ population who are Black/African/Caribbean/Black British.

In 2021/22 the Communication and Engagement Subgroup, as well as the Learning and Development subgroup, developed programmes to raise awareness of safeguarding adults. Merton Connected have been working with groups to ensure appropriate safeguarding adults' policies are in place and generally raising awareness of how to report and record safeguarding concerns.

The Local Authority Safeguarding Adults and Deprivation of Liberty (DoLS) Team manager has also facilitated Safeguarding Adults Level 1 Training as well as bespoke workshops for the Voluntary Sector and volunteers.

We are still working in partnership and gathering information to see if the difference in concerns compared with the % of the population is due to a difference in the level of safeguarding issues present in these communities or due to over or under reporting of safeguarding concerns.



Making Safeguarding Personal

Completed Enquiries Outcomes 2021/22 %

68%

Fully Achieved

29%

Partially Achieved

3%

Not Achieved

97%

of people's outcomes being fully or partially met.

71%

of people expressed a desired outcome compared to

66%

last year

An important success measure of 'Making Safeguarding Personal' is the extent to which the person's desired outcomes are met. Locally, Making Safeguarding Personal is well embedded in practice, with 97% of people's outcomes being fully or partially met. Where outcomes were not met, this is usually due to the person not engaging with the process or being unable to articulate if they consider that their outcomes were met. There was a slight increase in the number of people who expressed a desired outcome compared to last year.

Impact on Risk Adult

Safeguarding aims to remove or reduce the risk to the adult. It is not always possible to completely remove risk and the risk will remain in cases where adults with capacity make a decision to continue living with an elevated level of risk. The impact of safeguarding on risk is good with the risk removed or reduced in over 93% of cases. Where the risk remains, this is usually the result of people choosing to live with risk and understanding the implications of it.

Completed Enquiries where risks were identified No, %

324, 93%

Risk removed or reduced

23, 7%

Risk remains

Safeguarding Adult Reviews

A Safeguarding Adults Review (SAR) is a legal duty under the Care Act 2014. The purpose of a SAR is to learn from cases, on a multiagency level, to prevent similar incidents occurring. The aim is not to apportion blame on an organisation or individuals for any failings that may be discovered.

The criteria for a SAR states that we should consider a SAR if:

An adult in its area dies as a result of abuse or neglect, whether known or suspected, *and* there is concern that partner agencies could have worked more effectively to protect the adult.

SAR Notifications in Merton

The Board received and considered three new SAR Notifications during 2021-2022, which resulted in two new SAR's commencing. Included in the two was one referral that had been reconsidered and recommissioned, and another where the decision to carry out a SAR had been reviewed and did not meet the Criteria. However, it was agreed at the SAR Subgroup that a Practitioners Event would be arranged to consider learning. The Practitioner Event was facilitated by Mike Ward from Alcohol Change UK.

In total four cases were considered and or monitored by the Sub-Group throughout the reporting period.

Published SAR'S

RD Colin-SAR

Colin was found deceased at his home address by police after neighbours had raised concerns with police that they had not seen him for at least six weeks. It is believed that Colin had been dead some two weeks prior to being found by police.

Colin had been known to mental health services since at least 2006 and had a diagnosis of Paranoid Schizophrenia.

Actions for improvements

Mental Capacity Act training and the reviewing of guidance on triggers for cases where repeated unwise decisions have been made. This review has also recommended further changes in some of these areas, including, a review of:

- How Adult Social Care and Mental Health Services assess risks with regards self-neglect and non-engagement
- The Board's self-neglect policy will incorporate the learning from this review, including,
 - what constitutes self-neglect
 - risk assessment and risk panel and thresholds
 - case coordination
 - importance of relationship building
 - legal guidance and measures to protect others - advocacy

SK SAR

The MSAB received a referral for SK from Merton Centre for Independent Living (MCIL). The concerns raised by MCIL at this time centred around the long delays in getting support in place for SK, and the concerns raised regarding the discharge from hospital shortly before her death.

The SAR explored whether the views of SK reflected her complex situation and if her care may have been delayed due to a failure to recognise her needs and to work effectively with health and other agencies.

As a result of this specific review, the lessons learnt have led to improvements in how we work together to support people who are alcohol dependant and their families, namely:

Learning from SAR's

- The MSAB commissioned training for practitioners, from Alcohol Change UK, on the 'Blue Light Project' principles as well as the guidance they produced for 'Safeguarding Vulnerable Dependent Drinkers'. The training aimed to improve and innovate practice in working with people experiencing difficulty with alcohol use. The Board will evaluate the impact of this training going forward.
- We continue to develop tangible plans for improving our 'Think Family' approach. This is a priority for the Board and has been woven through our Business Plan for 2021-2024 and was one of the key themes of our Joint Safeguarding Conference in March 2022. Stronger strategic and working relationships have been forged with the Children's Safeguarding Partnership to support this work.
- Board partners have agreed to establish a Multi -Agency Risk Assessment Framework. This guidance will be developed in partnership with members of the Merton Safeguarding Adult Board and sit alongside the London Multi-agency Safeguarding Adults Policy and procedures. It will provide guidance on managing cases relating to adults where there is a high level of risk. The circumstances may sit outside the statutory adult safeguarding framework however a multi-agency approach would be beneficial.

The MSAB continues their learning around Mental Capacity, and this learning has been at the forefront of the plans to introduce the Liberty Protection Safeguards (LPS).



Key messages and guidance coming from the MSAB LPA Task and finish Group include.

- LPS (formerly DoLS) is rooted firmly within the Mental Capacity Act 2005 (MCA) and all the key principles of the MCA fully apply.
- LPS will be about safeguarding the rights of people who are under high levels of care and supervision but lack the mental capacity to consent to those arrangements for their care.
- LPS will apply to people in care homes, hospitals, supported accommodation, Shared Lives accommodation and their own homes.
- LPS will apply to everyone from the age of 16 years.
- LPS will need to be authorised in advance where possible by what will be termed 'the Responsible Body' which now includes health authorities.

Alcohol Change UK Workshop and Practitioners Root Cause Analysis Event

In November 2021 MSAB commissioned a workshop for Board members and practitioners to assist with their work with dependant drinkers. The focus was on the guidance, safeguarding dependant drinkers and how to use legal powers. The guidance was produced by Alcohol Change and written by Professor Michael Preston-Shoot and Mike Ward.

The guidance aimed to help practitioners to improve the wellbeing and safety of adults who are highly vulnerable, chronic, dependent drinkers.

The Practitioners Event in February 2022 was arranged to review a specific alcohol death so that we could learn about what happened and think about what could have been done differently using the Blue Light Root Cause Analysis Approach.

The Blue Light approach involves bringing key agencies such as police, housing, mental health, hospital and others together with specialist alcohol services and challenges the belief that only drinkers who show clear motivation to change can be helped.

Working in Partnership and Making Safeguarding Personal Case Studies

Making Safeguarding Personal in its simplest form means putting the person at the centre of everything we do during the safeguarding process, from the very beginning to the very end.

The Making Safeguarding Personal (MSP) programme has been running since 2010. The Care Act 2014 guidance required adult safeguarding practice to be person led and outcome focused, aiming towards resolution or recovery. This embodies the MSP approach.

As an outcome of a Safeguarding Adult Review (SAR) the Merton Safeguarding Adults Board commissioned training for practitioners, from Alcohol Change UK, on the 'Blue Light Project' approach. The training and Practitioners Event aimed to improve and innovate practice in working with people experiencing difficulty with alcohol use.

This case study demonstrates how practitioners have put learning into practice, using the Blue Light Project principles as well as Making Safeguarding Personal to support an adult at risk.

Case example

Situation:

This case example refers to an older person who was alcohol dependent and had been self-neglecting for many years. There had also been reports of drug misuse. Several safeguarding referrals, relating to self-neglect as well as possible sexual abuse, exploitation (Cuckooing) and financial abuse had been received by the Adult Social Care Team (ASC). Their general health was poor, and weight was reported to be around six stone. They lived alone and had a close family network who were generally supportive, however the children had experienced trauma growing up because of difficulties their parent faced, which made relationships tenuous at times.

The Blue Light Approach

Practitioners who had undertaken the 'Blue Light Project' training, worked closely with the person to develop a support plan with the aim of reducing the risk of self-neglect, and minimise the risk of harm and exploitation. The Blue Light initiative offers an innovative approach to supporting and motivating high impact dependent drinkers.

There were times when the person was sober and had mental capacity when the plan worked well, however as soon as they were intoxicated any interventions broke down quickly and the same behavior was perpetuated. Detoxification was tried but unfortunately could not be sustained for any length of time. A placement

was also tried which broke down after about six weeks due to their continued dependency on alcohol.

An important breakthrough came after practitioners trailed through previous files and worked closely with other agencies, including the Westminster Drug Project (WDP) to discover the person had a diagnosis of Alcohol Related Brain Injury. After consultation with the person, their family and other agencies involved it was agreed that a specialist placement would be sought to allow for expertise in supporting the person.

Making Safeguarding Personal:

By speaking with the person and their family, their wishes and feelings were established as well as what outcomes they wanted to achieve.

What practitioners involved in the case noted was that if they hadn't properly understood the nature of a problem the individual was facing, they would risk proposing the wrong solutions. In this case, they sought to fully understand the issues including the diagnosis. They also worked closely with the family who remained very supportive of the person.

Joint working was also established with the Westminster Drug Project (WDP), police, and the Hospital Safeguarding Team, for a suitable specialist placement to be found that fully met the person's needs.

What was put in place to support the person?

- A specialist residential placement was commissioned to meet the person's individual needs in relation to their brain injury and substance misuse, including appropriate therapy.
- Regular accompanied and more recently unaccompanied community visits supported by the home to promote independence.
- Regular communication with family via telephone and plans for home visits.
- Regular telephone and face to face reviews by practitioners.

Outcomes achieved

The person settled well at the placement that provided personalised support as well as therapy to support recovery. It was also important to minimise further risk of harm from alcohol misuse to enable them to have a better quality of life.

Feedback regarding person putting on weight, spending time looking after their personal appearance and being involved in activities demonstrated that their, health, wellbeing and quality of life had considerably improved.

Practitioners have undertaken regular telephone and face to face reviews and heard from the person about how happy and fulfilled they were and the improvements in their life they were now living, thanks to the intervention.

Annual Priorities 2022/23

- Develop a programme of work to engage people with lived experience and to include their voices in the work of the Board as well as the Safeguarding Adult Review (SAR) action planning process. Public Health partners have agreed to work with the MSAB on an approach, which will then inform the service model and specification for commissioning substance misuse services. A bid for funding has been submitted.
- Work will continue around learning from SAR's. There will also be a focus on what SAR's are telling us in terms of themes we might be seeing and how as a partnership we can improve our practice for those at risk.
- The MASB strategic priority around Prevention and Early detection focuses on enabling people to recognise risk, includes developing links with residents and the local community, particularly those who are seldom heard. The Communication and Engagement Subgroup of the Board are working with Merton Connected on developing a model of Community Safeguarding Adults Champions. They will be the vehicle for raising awareness of safeguarding adults in the community and amongst its residents, as well as informing the board of what's needed to support the community and to identify any emerging issues.
- After consultation and discussions at the Board on how best to go forward with gathering meaningful data to support their work, partners have agreed to develop a comprehensive data set for the Board. This will be linked to the National Data Framework Tool, recently produced by the National Safeguarding Adults Board Managers Network.
- Social Care departments will be inspected by the Care Quality Commission from as a result of the Health and Care Act 2022 coming into force, which will include a focus on adult safeguarding. The same legislation will see Clinical Commissioning Groups replaced by Integrated Care Boards. Safeguarding will continue to feature prominently in these new arrangements across South West London.
The MSAB will be kept updated and prepare for the implementation of the Care Quality Commission's framework on Oversight for Local Authorities and Integrated Care Systems, due to be introduced in April 2023.

Summary

This report seeks to provide assurances to our stakeholders, including the residents of Merton, that the Merton Safeguarding Adults Board (MSAB) are fulfilling their statutory responsibilities in terms of safeguarding adults at risk.

It demonstrates a strong commitment to working in partnership to keep people safe throughout the report.

There has been a huge amount of work and development to improve practice, build on existing systems and processes, as well as work with the local community, to achieve further improvement and embed good practice.

A robust evolving work plan has been created for the safeguarding Strategic Priorities 2021/2024, to translate the plan into tangible actions.

Reporting a Safeguarding Concern

Phone:

020 8545 4388
9:00am-1:30pm excluding
Bank Holidays

Crisis Line:

After 1.30pm, 07903 235 382 which
is available from 1.30pm to 5.00pm
Monday to Friday

Out of Hours and Bank Holidays:

020 8770 5000

Email:

safeguarding.adults@merton.gov.uk

Emergency:

Call the Police or emergency services -
999



Merton
Safeguarding
Adults Board

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Healthier Communities and Older People Work Programme 2022/23



This table sets out the draft Healthier Communities and Older People Panel Work Programme for 2022/23. This Work Programme will be considered at every meeting of the Panel to enable it to respond to issues of concern and incorporate reviews or to comment upon 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. The last page provides information on items on the Council's Forward Plan that relate to the portfolio of the Healthier Communities and Older People Panel so that these can be added to the work programme should the Panel wish to.

Chair: Councillor Agatha Akyigyina
Vice-chair: Councillor Jenifer Gould

Scrutiny Support

For further information on the work programme of the Healthier Communities and Older People please contact: -
Stella Akintan (Scrutiny Officer)
Tel: 020 8545 3390; Email: stella.akintan@merton.gov.uk

For more information about overview and scrutiny at LB Merton, please visit www.merton.gov.uk/scrutiny

Meeting date 6th September 2022 – deadline for reports – 19th August

Item/Issue	How	Lead Member/ Lead Officer	Intended Outcomes
Building Your Future Hospitals Programme.	Report to the Panel	Jacqueline Totterdell, Chief Executive Officer	To get a progress update and consider budget and timetabling issues.
Integrated Care System Governance - Update	Report to the Panel	Mark Creelman Executive Locality Director. South West London CCG Gemma Dawson,	Review the role and impact of the Integrated Care Systems on services provided in Merton
Home Care re-commissioning	Report to the Panel	Keith Burns	To ensure Merton residents receive value for money for re-commissioned services.
Rowan's Surgery	Report to the Panel	Mark Creelman Executive Locality Director, Merton and Wandsworth. South West London CCG	Review proposals for the future of the Surgery. Head of Commissioning and Marketing Development
Work Programme 2022-2023	Report to the Panel	Cllr Agatha Akyigyina, Healthier Communities and Older People Panel Chair	To review the topics this Panel will consider in 2022-23

Meeting Date 1 November 2022 -

Item/Issue	How	Lead Member/Lead Officer	Intended Outcomes
Winter / surge planning	Report to the Panel	Mark Creelman, Anne Brierley	To ensure sufficient services are in place to respond during this busy period.
Hospital Discharge arrangements/ process	Report to the Panel	Assistant Director Strategy and Improvement.	To review service provision and ensure continual learning and improvement is taking place.
Adult Social Care Reform Integration White paper Care Act part 2 Care Quality Commission Assurance	Report to the Panel	Keith Burns, Head of Commissioning and Market Development	An update on forthcoming legislation and its impact on policy direction
Learning Disabilities/ Day opportunities	Report to the Panel	Gillian Moore	Comment on the outcomes from the review of day services
Work Programme 2022-2023	Report to the Panel	Cllr Agatha Akyigyina, Healthier Communities and Older People Panel Chair	To review the topics this Panel will consider in 2022-23

Meeting date – 10 January 2023 - BUDGET

Item/Issue	How	Lead Member/ Lead Officer	Intended Outcomes
Budget and Business Plan 2022-2025	Report to the Panel	Councillor Billy Christie, Cabinet Member for Finance and Corporate Services	Scrutinise the budget and any send comments to the Overview and Scrutiny Commission
Access to Health Care	Report to the Panel	Mark Creelman	Review on how residents access different healthcare services
Adult Safeguarding Update Adult Safeguarding Annual Report Safeguarding Adult Reviews Liberty Protection Safeguards		Aileen Buckton, Independent Chair of the Safeguarding Panel	To review work undertaken over the last 12 months.
Work Programme 2022- 2023	Report to the Panel	Cllr Agatha Akyigyina, Healthier Communities and Older People Panel Chair	To review the topics this Panel will consider in 2022-23

Meeting Date – 07 February 2023

Item/Issue	How	Lead Member/Lead Officer	Intended Outcomes
Suicide prevention	Report to the Panel	Public Health Team	Looking at services and support available across all age groups, including children given that this was an area where not as much work has been done.
Long Covid	Report to Panel	Barry Causer, Dagmar Zeuner, Director of Public Health	Review support for those living with Long-Covid
Work Programme 2022-2023	Report to the Panel	Cllr Agatha Akyigyina, Healthier Communities and Older People Panel Chair	To review the topics this Panel will consider in 2022-23
Responding to the Impact on Mental Health following Covid 19 Mental health reforms	Report to the Panel	Vanessa Ford, CEX South West London and St George's mental health trust. Richard Ellis,	Review mental health provision following the pandemic

Meeting date – 14 March 2023

Item/Issue	How	Lead Member/Lead Officer	Intended Outcomes
Immunisations and screening Schedule	Report	NHS England	Review the take up of local immunisation and screening in Merton.
Report of the Health and Wellbeing Board	Report to the Panel	Dagmar Zeuner, Director of Public Health Peter McCabe, Cabinet Member for Health and Social Care	Review of the work undertaken by the Board over the previous year.
Work Programme 2022-2023	Report to the Panel	Cllr Agatha Akyigyina, Healthier Communities and Older People Panel Chair	To review the topics this Panel will consider in 2022-23
Annual Public Health Report 2022	Report to the Panel	Dagmar Zeuner, Director of Public Health	Members informed of key issues arising from 2022 Annual Public Health Report