

From Councillor Imran Uddin to the Cabinet Member for Finance

Could he update us on progress towards agreeing a balanced budget for 2017/18?

Reply

The council has a statutory duty to set a balanced budget for the following year. Proposals will be brought to Cabinet over the next few months in accordance with our Business Planning timetable, outlining measures to achieve this.

Supplementary

Can the Cabinet Member give us his reaction to the Chancellor's Autumn Statement and how this may impact on Merton.

Reply

My first impressions were nothing very much for the JAMS and nothing to help councils like ours get out of a jam. There was nothing about the £350m per week for our country's NHS services but of course the problem with Autumn Statements is that the devil is usually in the detail and the details are not usually known for some days after the Chancellor has sat down. The impact on residents that I can foresee within Merton, particularly with the most vulnerable, is that the Conservative party does not treat that as a priority, they are not interested in the JAMS and it will be tight times in Merton for most.

From Councillor Hamish Badenoch to the Cabinet Member for Finance

Can the Cabinet Member update me on the council's plans for engaging with residents and their concerns via Twitter?

Reply

Twitter is often an inadequate means for communicating with the public. Access to Twitter is not equal, and some users are particularly fixated, and this can lead to problems ranging from misinformation to personal abuse to presidents-elect abusing their powers to call for failed politicians to become ambassadors. There will be circumstances when it will be appropriate for the council, through its communications team, or even through individual councillors, to communicate on Twitter. However residents have a wide range of other channels to communicate with the council about their concerns more effectively, and we encourage them to use the most appropriate one in each case.

Supplementary

Given the Cabinet Member's persistent views on the inadequacy of Twitter as a communications tool, can he explain why the Information Governance Team is now working with the Communications and Business Improvement Team, as well as the Contact Centre to roll out responding to people by Twitter, can he confirm what the scope of that initiative is, and is perhaps possible that officers see the value of Twitter where he doesn't?

Reply

Nobody has said that Twitter should not be used at all. However, it is important to remember that Twitter is only one function of a communications system and it's very important to remember that Twitter is not accessed equally by all people within our community. It's overused by Trots and Anti-Semites and I'm delighted that they use Twitter because we can get rid of them. But it is under-used by the people who most

need our services and they're the ones we most need to listen to, and he should remember that on the day that his Government have failed the JAMS.

From Councillor Marsie Skeete to the Cabinet Member for Children's Services

Could she update us on the funding pressures she foresees in her department over the period of the MTFS?

Reply

Colleagues will be aware of the pressures on council budgets generally. In respect of children's services, I am being kept well informed of specific pressures in the department's budget both in the current year and also in the context of the MTFS. In 2016-17, these include predicted overspends on staffing; placement costs for looked after children, SEN Transport and costs associated with our response to unaccompanied asylum seeking young people.

The main pressure on staffing budgets results from the need to employ more expensive agency staff to fill key social worker vacancies. As a result of the implementation of specific recruitment and retention strategies, officers have made significant progress in employing more permanent social work staff – in the current year our agency rate for this group of staff stands at 20%, its lowest for many years. To September 2016, we had spent £178,000 less on agency social workers compared to the same period in the last financial year. However, because of the nature of the employment market for social work staff it is likely that budget pressures will continue to occur during the term of the MTFS.

As at end September 2016, LAC placement budgets are projected to overspend by £1.46 million in 2016-17. Placement costs vary significantly depending on the needs of children coming into care and the types of placements required to meet those needs. Officers in the department's Access to Resources service routinely seek best value for the council when seeking placements for children. At a strategic level we continue to recruit more affordable in house foster carers in order to minimise use of more expensive independent sector providers. The council makes use of regional and sub-regional placement 'framework' agreements and consortia arrangements designed to drive down costs. Officers are also currently engaged in developing strategies to reduce the need to use more expensive residential placements. Although I anticipate limited growth will be provided in the MTFS for placement costs, this area will continue to face budget pressures going forward.

SEN Transport costs have increased in recent years, largely because of demographic reasons. In the current year officers have undertaken specific work to reduce pressures on this budget. Through more robust implementation of eligibility criteria, encouraging the use of Personal Budgets and obtaining lower costs for taxi journeys, we are spending some £188k less on these costs than in the same period last year. Additional developments are planned for next year – including the transfer of taxi procurement to CSF department – in order to further reduce pressure on this budget.

In 2016-17, spending on UASCs is increasing. While the council receives some central government grant aid it falls short of actual spend and our work with this group has become, effectively, an underfunded 'burden'. Due to international factors, numbers of UASC are likely to continue to grow nationally and across London particularly. Merton's Director of Children's Services is playing a lead role in the London-wide response to the most recent increase in UASCs and in the lobbying of

government in respect of cost pressures arising. Officers are monitoring the implications on the council's budgets carefully and will continue to do so in the medium term.

Supplementary

Can she clarify the difference between the money we spend on looking after unaccompanied children, child asylum seekers and the funding we receive from Central Government for this. How are we managing to cover any shortfall?

Reply

We do quite rightly provide this support. I have already highlighted the Council receives some grant aid for unaccompanied asylum seekers up to the age of 18 but no grant funding to meet the costs associated with working with young people over that age. In 2016/17 our expenditure is expected to exceed income grants by £568K. This adds to the pressure of our department's overall revenue budget and I'm working hard with officers to ensure we manage that through management action, but the reality is this is the right spend, it's a spend we're not getting support from Government for.

From Councillor David Williams to the Cabinet Member for Finance

With reference to the Financial Monitoring Report for September 2016 - showing a projected year end overspend by service departments of £9.979million - and the recommendation of the Overview and Scrutiny Commission to Cabinet regarding the draft Business Plan 2017-21 (in respect of meeting the Council's statutory duties in relation to adult social care), what assurance can he give the Council that the latest projected Medium Term Financial Strategy (MTFS) can be balanced in the next three years without an increase in Council Tax in 2017/18 or 2018/19?

Reply

Members will need to consider all options in relation to the statutory requirements for adults and indeed children's social care to balance the budget. We will need to consider the impact of the Autumn Statement today on our MTFS and await details of other information in order to be able to update it sufficiently. No options can be ruled in or ruled out until proposals are presented to cabinet for Council later in the year in accordance with the Business Planning timetable. It is quite clear that the government wants our Just About Managing residents to pay for its failure to tackle the social care challenge by introducing a so-called "levy" and by allowing its NHS to threaten to withdraw funding to councils that don't increase council tax. In contrast, residents can be assured we will be on their side and will be demanding our share of the £350m a week promised by members of the government for our health services, which was strangely absent from the Autumn Statement earlier today.

Supplementary

Not for the first time, does Councillor Allison refer to the impact of Brexit, which our parties were divided over, and as a strong Remainer, I have to say to him, I wish that the Remain vote in Labour held wards in Merton was as strong as it was in wards in Wimbledon, including Hillside. However, he hasn't mentioned in his reply the Council's consultation on council tax, probably because he and the Mitcham and Morden Labour Party attempted to undermine it, with their own bogus questionnaire

which also had a reply paid service licence. Who does he think paid for that business reply service licence?

Reply

Before I answer, it's really not my place on this night to go straight into the politics without expressing some tribute to Councillor Williams on his longevity in his position. I've been here for less than half the time he has, and hats off, because it's not the easiest or most fun job, and he's done a great job. One of the things I have always admired about him is that he's enjoyed the politics of the situation, so when we talk about consultation I think it is important for members on that side to remember that when the public was consulted about, say, what should happen to the deficit in 2010, they voted for a party that was going to eradicate the deficit by 2015. How do they feel about that consultation? And how do they feel about the consultation in June when, and I agree with him, I wish that 70% of the country voted for Remain, when people were promised on the side of a bus, £350m per week extra for their health service, how do you think those people feel about the way they were consulted by his Ministers, in his Government, when today they have ignored them. You should remember those issues when talking about consultation.

From Councillor Russell Makin to the Cabinet Member for Finance

Could he update us on our approach to sharing our services with other boroughs to save money in a time of government cuts?

Reply

Merton has been at the forefront of sharing services. In particular we have shared legal services, regulatory services, debt recovery services, internal audit, pensions administration. We are currently close to finalising the award of 2 tenders as part of a shared arrangement with three other neighbouring boroughs for our refuse collection, street cleansing and parks maintenance.

Supplementary

Could the Cabinet Member update us further on how the shared legal service has saved money for council tax payers.

Reply

We have been able to save a significant amount because of the shared services. No matter how much people in this chamber have been involved in deciding those sorts of things, it is down to staff and managers and I pay tribute to them because savings, big or small through efficiencies like these make life a lot easier for all the other services we have to manage through these difficult times.

From Councillor Najeeb Latif to the Cabinet Member for Regeneration, Environment and Housing

Can the Cabinet Member tell me:

- a) When the council will commence its consultation on how the Neighbourhood Proportion of the CIL contributions should be spent?
- b) What criteria it will use to determine where and how this money is spent?

Reply

- a) we are due to commence the Neighbourhood CIL Fund consultation on or around the 28th of November this year. We plan for it to run until the 19th of January next year.
- b) The government has rules setting out how the neighbourhood CIL must be applied locally. The Council will confirm assessment criteria for the allocation of the money in accordance with the government's rules following the conclusion of the consultation which will be published. Please refer to www.merton.gov.uk/cil for consultation and details.

Supplementary

Does the Cabinet Member agree that, given this neighbourhood funding is designed to ensure that residents benefit from developments in their own area, that it's crucial that residents have a say on how it's spent on improving local infrastructure. Could he therefore give assurances that local residents will be given the opportunity to be involved in the funding allocation process through the community forums and their local councillors, rather than allowing unelected officers to determine where their funds are going to be spent.

Reply

I think it's quite clear that there should be engagement in terms of how those resources are distributed throughout the borough. We have set out here how we intend to go forward and I look forward to having that dialogue.

From Councillor Mary Curtin to the Cabinet Member for Finance

Could he comment on the pressures on this year's budget and the financial challenge we make in relation to overspending services?

Reply

The problems mainly arise from Adult Services from increases complexity of care and increase in provider prices. This is common across many authorities with this responsibility. An action plan is in place working on mitigation measures and alternative options for dealing with the issues.

Supplementary

Could the Cabinet Member comment on the level of spending in adult social care and how this compares to other boroughs in London. Does he think this is symptomatic of a national crisis in social care?

Reply

We have had an opportunity over the last few months to look back over our spending figures over the previous years and compare them with spending in the other outer London boroughs. What we can tell in 2009/10, we spent roughly 15% less on adult social care than the average outer London borough. By 2014/15, we were spending slightly more than the average outer London boroughs. I don't pretend for a moment that there haven't been difficult choices to make here but that rather indicates that the choices have been even harder in other boroughs similar to us. I do think that it shows a need for the Government to grasp the issue of the crisis in adult social care that's taking place, and to take it seriously, not just to say it's somebody else's

problem. It's a national problem, it needs to be solved nationally and the Government needs to take responsibility for their work.

From Councillor Hamish Badenoch to the Cabinet Member for Street Cleanliness and Parking

Can the Cabinet Member please update the Council on details of progress made as part of the Phase C 'fine tuning' process for the waste services contract?

Reply

We are making good progress and ensuring the contract documents are clear and understood by all and that assumptions made as part of the final tender process are being firmed up.

We are still on target to conclude within agreed timescale leading to contract award in Mid December.

Supplementary

Given that Lot2 savings in the MTFs have reduced by 40% since the business case was approved by Cabinet, for Lot1, can he please confirm what the percentage movement has been in capital costs since it was presented to Cabinet, and can he explain why that is the case. Can he also explain any percentage movements in savings as presented to Cabinet.

Reply

As the councillor will be aware, in terms of fine tuning there is a lot of commercial sensitivity surrounding that area. What I will say is that I share his desire for openness and transparency which is why these plans have gone through Scrutiny and have been through a call-in process, and I have been happy to give evidence there as well as meeting individual residents, going to coffee mornings and meeting with Opposition councillors to discuss this proposal. Perhaps he could, in the interests of openness and transparency, speak to the Prime Minister in terms of what her plan is for Brexit because quite honestly, nobody else is aware of what her plan is. This authority has a direction. We know where we are going.

From Councillor Agatha Akyigyina to the Cabinet Member for Finance

Can he update us on our collection rates in relation to Business Rates?

Reply

As at the end of October we have collected 65.49% of the business rates charged for 2016/17. The total net debt collectable for the year is £89.2 million and so far we have collected £58.4 million. In addition we have collected £1.9 million of outstanding debt relating to previous years business rates.

Supplementary

Can the Cabinet Member tell us if the new approach to business rates will improve the Council's financial position.

Reply

I think there's a lot more questions than there are answers at the moment. Her question is a very good one. The move of business rates to local councils is a very big challenge. In theory it's not a bad idea, it gives us a stake in ensuring that we

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have thriving business communities. It's not necessarily the best way for areas where business is not the priority and where residential communities might be better.

As far as we're concerned, on the one hand, being a London borough, we potentially get a lot of business rates. But on the other, we know full well we won't be able to keep all of that, at least with no strings attached. What we need to do is find out what the strings will be. For instance, something as important to the public as Crossrail2, if Crossrail2 goes ahead there will be a very big impact on our businesses, and we'll do our best to protect them as much as possible, but whilst the work on Crossrail is going on, would it be fair for our business community to move out temporarily and for us to lose the funding that comes from business rates, which may mean we cannot provide services for our local people. That would be wrong and that needs to be sorted out and the Government needs to get its act together, stop thinking about Brexit. We would like some answers on Crossrail.

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