

Agenda Item 3

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COUNCIL
5 MARCH 2014
(19.15 - 22.11)

PRESENT

Councillor Krystal Miller, Councillor John Sargeant,
Councillor Agatha Mary Akyigyina, Councillor Stephen Alambritis,
Councillor Mark Allison, Councillor Stan Anderson,
Councillor Laxmi Attawar, Councillor Mark Betteridge,
Councillor John Bowcott, Councillor Margaret Brierly,
Councillor Richard Chellew, Councillor David Chung,
Councillor Caroline Cooper-Marbiah, Councillor David Dean,
Councillor John Dehaney, Councillor Nick Draper,
Councillor Iain Dysart, Councillor Chris Edge,
Councillor Suzanne Evans, Councillor Karin Forbes,
Councillor Brenda Fraser, Councillor Samantha George,
Councillor Suzanne Grocott, Councillor Maurice Groves,
Councillor Jeff Hanna, Councillor Richard Hilton,
Councillor James Holmes, Councillor Janice Howard,
Councillor Mary-Jane Jeanes, Councillor Philip Jones,
Councillor Andrew Judge, Councillor Linda Kirby,
Councillor Gilli Lewis-Lavender, Councillor Logie Lohendran,
Councillor Edith Macauley, Councillor Russell Makin,
Councillor Maxi Martin, Councillor Peter McCabe,
Councillor Diane Neil Mills, Councillor Oonagh Moulton,
Councillor Ian Munn, Councillor Henry Nelless,
Councillor Dennis Pearce, Councillor Judy Saunders,
Councillor Linda Scott, Councillor Rod Scott,
Councillor David Simpson, Councillor Debbie Shears,
Councillor Peter Southgate, Councillor Geraldine Stanford,
Councillor Linda Taylor, Councillor Sam Thomas,
Councillor Ray Tindle, Councillor Gregory Udeh,
Councillor Peter Walker, Councillor Martin Whelton,
Councillor David Williams, Councillor Richard Williams,
Councillor Miles Windsor and Councillor Simon Withey

1. APOLOGIES FOR ABSENCE (Agenda Item 1)

None were made

2. DECLARATIONS OF INTEREST (Agenda Item 2)

None were made

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

RESOLVED: That the minutes of the meeting held on 5 February 2014 were agreed as a correct record.

4. BUSINESS PLAN 2014-18 (Agenda Item 4)

At the invitation of The Mayor, the Monitoring Officer addressed the Council and explained that following a recent change in legislation, which had come into force on 28 February 2014, all Budget related decisions including proposed amendments, required the recording in the minutes of the names of those who voted for or against the decision or who abstained from voting. To accommodate that, a 'Roll Call' would be used for each of the votes relating to the substantive budget motion or any amendments to it.

The Mayor invited the Director of Corporate Services to present the Business Plan 2014-18 to the Council and responded to any questions from Members on the proposals.

The Leader of the Council then addressed the Business Plan 2014-18. Councillor Stephen Alambritis moved the recommendations as detailed in the report (reproduced below) whilst making his budget speech to Council. A copy of which is appended to the minutes as Appendix A.

That the Council agrees the Business Plan 2014-18 including:-

- *the General Fund Budget;*
- *the Council Tax Strategy for 2014/15 equating to a Band D Council Tax of £1,102.25, which means that Merton qualifies for Council Tax Freeze Grant;*
- *the Medium Term Financial Strategy (MTFS) for 2014-2018;*
- *the Capital Investment Programme (as detailed in Annex 1 to the Capital Strategy);*
- *the Capital Strategy (Section 1: Part A of the Business Plan)*
- *the Treasury Management Strategy (Section 1: Part A of the Business Plan), including the detailed recommendations in that Section, incorporating the Prudential Indicators.*

as set out in the report, and agrees the formal resolutions as set out in Appendix 1 to the report.

Councillor Mark Betteridge formally seconded the recommendations.

The Mayor then invited in turn the four oppositions Group Leaders to respond to the Budget proposal and the Business Plan.

The Leader of the Conservative Group, Councillor Oonagh Moulton addressed the meeting and her speech is attached to the minutes, as Appendix B.

The Leader of UKIP and the Merton Coalition, Councillor Suzanne Evans, addressed the meeting and her speech is attached to the minutes, as Appendix C.

The Leader of the Merton Park Ward Independent Residents Group, Councillor Peter Southgate, addressed the meeting and his speech is attached to the minutes, as Appendix D.

The Leader of the Liberal Democrat Group, Councillor Iain Dysart, addressed the meeting and his speech is attached to the minutes, as Appendix E

Members of the Cabinet were then invited to address the meeting. The following took that opportunity:

- The Cabinet Member for Finance, Councillor Mark Allison
- The Cabinet Member for Education, Councillor Martin Whelton
- The Cabinet Member for Environmental Cleanliness and Parking, Councillor Judy Saunders
- The Cabinet Member for Environmental Sustainability and Regeneration, Councillor Andrew Judge

The Mayor then invited any Councillors to move proposed amendments to the Business Plan.

- Councillor Suzanne Grocott moved the Conservative Amendment, (which can be found as Agenda Item 4a to the report), which was seconded by Councillor David Williams
- Councillor Richard Hilton moved the UKIP Amendment, (which can be found as Agenda Item 4b to the report), which was seconded by Councillor Rod Scott.
- Councillor Peter Southgate moved the Merton Park Ward Independent Residents (which can be found as Agenda Item 4b to the report), which was seconded by Councillor Karin Forbes
- Councillor Iain Dysart moved four Liberal Democrats Amendments (which can be found as Agenda Item 4d, 4e, 4f and 4g respectively to the report), which was seconded by Councillor Mary-Jane Jeanes

A general debate ensued, with discussions on the various amendments and on the proposed substantive Business Plan.

Following the conclusion of the general debate on the proposed Business Plan 2014-18 and the various presented amendments, The Mayor called for the Council to vote on each of the amendments in turn via a roll-call

- **Conservative Amendment (Agenda Item 4a)** that had been moved by Councillor Suzanne Grocott and seconded by Councillor David Williams

Voting in Favour: Councillors John Bowcott, Margaret Brierly, Richard Chellew, David Dean, Chris Edge, Suzanne Evans, Samantha George, Suzanne Grocott, Maurice Groves, Richard Hilton, James Holmes, Janice Howard, Gilli Lewis-Lavender, Logie Lohendran, Diane Neil Mills, Oonagh Moulton, Henry Nelles, Linda Scott, Rod Scott, Debbie Shears, David Simpson, Linda Taylor, Ray Tindle, David Williams, Miles Windsor and Simon Withey. (26)

Voting Against: Councillors Agatha Mary Akyigyina, Stephen Alambritis, Mark Allison, Stan Anderson, Laxmi Attawar, Mark Betteridge, David Chung, Caroline Cooper-Marbiah, John Dehaney, Nick Draper, Karin Forbes, Brenda Fraser, Jeff Hanna, Philip Jones, Andrew Judge, Linda Kirby, Edith Macauley, Russell Makin, Maxi Martin, Peter McCabe, Ian Munn, Dennis Pearce, John Sargeant, Judy Saunders, Peter Southgate, Geraldine Stanford, Sam Thomas, Gregory Udeh, Peter Walker, Martin Whelton and Richard Williams. (31)

Not Voting: Councillors Iain Dysart, Mary-Jane Jeanes and Krystal Miller. (3)

The Mayor declared the amendment to be lost.

- **UKIP Amendment (Agenda Item 4b)** that had been moved by Councillor Richard Hilton and seconded by Councillor Rod Scott

Voting in Favour: Councillors Richard Chellew, Suzanne Evans, Richard Hilton, Linda Scott, and Rod Scott. (5)

Voting Against: Councillors Agatha Mary Akyigyina, Stephen Alambritis, Mark Allison, Stan Anderson, Laxmi Attawar, Mark Betteridge, David Chung, Caroline Cooper-Marbiah, John Dehaney, Nick Draper, Karin Forbes, Brenda Fraser, Jeff Hanna, Philip Jones, Andrew Judge, Linda Kirby, Edith Macauley, Russell Makin, Maxi Martin, Peter McCabe, Ian Munn, Dennis Pearce, John Sargeant, Judy Saunders, Peter Southgate, Geraldine Stanford, Sam Thomas, Gregory Udeh, Peter Walker, Martin Whelton and Richard Williams. (31)

Not Voting: Councillors John Bowcott, Margaret Brierly, David Dean, Iain Dysart, Chris Edge, Samantha George, Suzanne Grocott, Maurice Groves, James Holmes, Janice Howard, Mary-Jane Jeanes, Krystal Miller, Gilli Lewis-Lavender, Logie Lohendran, Diane Neil Mills, Oonagh Moulton, Henry Nelles, Debbie Shears, David Simpson, Linda Taylor, Ray Tindle, David Williams, Miles Windsor and Simon Withey. (24)

The Mayor declared the amendment to be lost.

- **Merton Park Ward Independent Residents (Agenda Item 4c)** that had been moved by Councillor Peter Southgate and seconded by Councillor Karin Forbes

Voting in Favour: Councillors: Agatha Mary Akyigyina, Stephen Alambritis, Mark Allison, Stan Anderson, Laxmi Attawar, Mark Betteridge, John Bowcott, Margaret Brierly, Richard Chellew, David Chung, Caroline Cooper-Marbiah, David Dean, John Dehaney, Nick Draper, Iain Dysart, Chris Edge, Suzanne Evans, Karin Forbes, Brenda Fraser, Samantha George, Suzanne Grocott, Maurice Groves, Jeff Hanna, Richard Hilton, James Holmes, Janice Howard, Mary-Jane Jeanes, Philip Jones, Andrew Judge, Linda Kirby, Gilli Lewis-Lavender, Logie Lohendran, Edith Macauley, Russell Makin, Maxi Martin, Peter McCabe, Diane Neil Mills, Oonagh Moulton, Ian Munn, Henry Nelles, Dennis Pearce, John Sargeant, Judy Saunders, David Simpson, Debbie Shears, Peter Southgate, Geraldine Stanford, Linda Taylor, Sam Thomas, Ray Tindle, Gregory Udeh, Peter Walker, Martin Whelton, David Williams, Richard Williams, Miles Windsor and Simon Withey (57)

Voting Against: Councillors Linda Scott and Rod Scott. (2)

Not Voting: Councillor Krystal Miller. (1)

The Mayor declared the amendment to be carried.

- **Liberal Democrats Amendment 1 (Agenda Item 4d)** that had been moved by Councillor Iain Dysart and seconded by Councillor Mary-Jane Jeanes

Voting in Favour: Councillors John Bowcott, Margaret Brierly, Richard Chellew, David Dean, Iain Dysart, Chris Edge, Suzanne Evans, Samantha George, Suzanne Grocott, Maurice Groves, Richard Hilton, James Holmes, Janice Howard, Mary-Jane Jeanes, Gilli Lewis-Lavender, Logie Lohendran, Diane Neil Mills, Oonagh Moulton, Henry Nelles, Linda Scott, Rod Scott, Debbie Shears, David Simpson, Linda Taylor, Ray Tindle, David Williams, Miles Windsor and Simon Withey. (28)

Voting Against: Councillors Agatha Mary Akyigyina, Stephen Alambritis, Mark Allison, Stan Anderson, Laxmi Attawar, Mark Betteridge, David Chung, Caroline Cooper-Marbiah, John Dehaney, Nick Draper, Karin Forbes, Brenda Fraser, Jeff Hanna, Philip Jones, Andrew Judge, Linda Kirby, Edith Macauley, Russell Makin, Maxi Martin, Peter McCabe, Ian Munn, Dennis Pearce, John Sargeant, Judy Saunders, Peter Southgate, Geraldine Stanford, Sam Thomas, Gregory Udeh, Peter Walker, Martin Whelton and Richard Williams. (31)

Not Voting: Councillor Krystal Miller (1)

The Mayor declared the amendment to be lost.

- **Liberal Democrats Amendment 2 (Agenda Item 4e)** that had been moved by Councillor Iain Dysart and seconded by Councillor Mary-Jane Jeanes

Voting in Favour: Councillors John Bowcott, Margaret Brierly, Richard Chellew, David Dean, Iain Dysart, Chris Edge, Samantha George, Suzanne Grocott, Maurice Groves, James Holmes, Janice Howard, Mary-Jane Jeanes, Gilli Lewis-Lavender,

Logie Lohendran, Diane Neil Mills, Oonagh Moulton, Henry Nelles, Debbie Shears, David Simpson, Linda Taylor, Ray Tindle, David Williams, Miles Windsor and Simon Withey. (24)

Voting Against: Councillors Agatha Mary Akyigyina, Stephen Alambritis, Mark Allison, Stan Anderson, Laxmi Attawar, Mark Betteridge, David Chung, Caroline Cooper-Marbiah, John Dehaney, Nick Draper, Suzanne Evans, Karin Forbes, Brenda Fraser, Jeff Hanna, Richard Hilton, Philip Jones, Andrew Judge, Linda Kirby, Edith Macauley, Russell Makin, Maxi Martin, Peter McCabe, Ian Munn, Dennis Pearce, John Sargeant, Judy Saunders, Peter Southgate, Geraldine Stanford, Linda Scott, Rod Scott Sam Thomas, Gregory Udeh, Peter Walker, Martin Whelton and Richard Williams. (35)

Not Voting: Councillor Krystal Miller (1)

The Mayor declared the amendment to be lost.

- **Liberal Democrats Amendment 3 (Agenda Item 4f)** that had been moved by Councillor Iain Dysart and seconded by Councillor Mary-Jane Jeanes

Voting in Favour: Councillors Richard Chellew, Iain Dysart, Richard Hilton and Mary-Jane Jeanes (4)

Voting Against: Councillors Agatha Mary Akyigyina, Stephen Alambritis, Mark Allison, Stan Anderson, Laxmi Attawar, Mark Betteridge, David Chung, Caroline Cooper-Marbiah, John Dehaney, Nick Draper, Suzanne Evans, Karin Forbes, Brenda Fraser, Jeff Hanna, Philip Jones, Andrew Judge, Linda Kirby, Edith Macauley, Russell Makin, Maxi Martin, Peter McCabe, Ian Munn, Dennis Pearce, John Sargeant, Judy Saunders, Linda Scott, Rod Scott, Peter Southgate, Geraldine Stanford, Sam Thomas, Gregory Udeh, Peter Walker, Martin Whelton and Richard Williams. (34)

Not Voting: Councillors John Bowcott, Margaret Brierly, David Dean, Chris Edge, Samantha George, Suzanne Grocott, Maurice Groves, James Holmes, Janice Howard, Gilli Lewis-Lavender, Logie Lohendran, Krystal Miller, Diane Neil Mills, Oonagh Moulton, Henry Nelles, Debbie Shears, David Simpson, Linda Taylor, Ray Tindle, David Williams, Miles Windsor and Simon Withey. (22)

The Mayor declared the amendment to be lost.

- **Liberal Democrats Amendment 4 (Agenda Item 4g)** that had been moved by Councillor Iain Dysart and seconded by Councillor Mary-Jane Jeanes

Voting in Favour: Councillors Richard Chellew, Iain Dysart, and Mary-Jane Jeanes (3)

Voting Against: Councillors Agatha Mary Akyigyina, Stephen Alambritis, Mark Allison, Stan Anderson, Laxmi Attawar, Mark Betteridge, David Chung, Caroline Cooper-Marbiah, John Dehaney, Nick Draper, Suzanne Evans, Karin Forbes, Brenda Fraser, Jeff Hanna, Richard Hilton Philip Jones, Andrew Judge, Linda Kirby, Edith Macauley,

Russell Makin, Maxi Martin, Peter McCabe, Ian Munn, Dennis Pearce, John Sargeant, Judy Saunders, Linda Scott, Rod Scott, Peter Southgate, Geraldine Stanford, Sam Thomas, Gregory Udeh, Peter Walker, Martin Whelton and Richard Williams. (35)

Not Voting: Councillors John Bowcott, Margaret Brierly, David Dean, Chris Edge, Samantha George, Suzanne Grocott, Maurice Groves, James Holmes, Janice Howard, Gilli Lewis-Lavender, Logie Lohendran, Krystal Miller, Diane Neil Mills, Oonagh Moulton, Henry Nelles, Debbie Shears, David Simpson, Linda Taylor, Ray Tindle, David Williams, Miles Windsor and Simon Withey. (22)

The Mayor declared the amendment to be lost.

Following the end of the voting on the amendments, the Mayor invited the Leader to formal move the amended report.

Councillor Stephen Alambritis moved the substantive motion which he did and was seconded by Councillor Mark Betteridge

A roll-call was called on the substantive motion

Voting in Favour: Councillors Agatha Mary Akyigyina, Stephen Alambritis, Mark Allison, Stan Anderson, Laxmi Attawar, Mark Betteridge, David Chung, Caroline Cooper-Marbiah, John Dehaney, Nick Draper, Suzanne Evans, Karin Forbes, Brenda Fraser, Jeff Hanna, Richard Hilton, Philip Jones, Andrew Judge, Linda Kirby, Edith Macauley, Russell Makin, Maxi Martin, Peter McCabe, Ian Munn, Dennis Pearce, John Sargeant, Judy Saunders, Linda Scott, Peter Southgate, Geraldine Stanford, Sam Thomas, Gregory Udeh, Peter Walker, Martin Whelton and Richard Williams. (34)

Voting Against: None (0)

Not Voting: Councillors John Bowcott, Margaret Brierly, Richard Chellew, David Dean, Iain Dysart, Chris Edge, Samantha George, Suzanne Grocott, Maurice Groves, James Holmes, Janice Howard, Mary-Jane Jeanes Gilli Lewis-Lavender, Logie Lohendran, Krystal Miller, Diane Neil Mills, Oonagh Moulton, Henry Nelles, , Rod Scott, Debbie Shears, David Simpson, Linda Taylor, Ray Tindle, David Williams, Miles Windsor and Simon Withey. (26)

RESOLVED:

That the Council agrees the Business Plan 2014-18, together with the agreed amendment (as detailed in the Appendix 1), are agreed including:-

- the General Fund Budget;
- the Council Tax Strategy for 2014/15 equating to a Band D Council Tax of £1,102.25, which means that Merton qualifies for Council Tax Freeze Grant;

- the Medium Term Financial Strategy (MTFS) for 2014-2018;
- the Capital Investment Programme (as detailed in Annex 1 to the Capital Strategy);
- the Capital Strategy (Section 1: Part A of the Business Plan)
- the Treasury Management Strategy (Section 1: Part A of the Business Plan), including the detailed recommendations in that Section , incorporating the Prudential *Indicators*

as set out in the report, and agrees the formal resolutions as set out in Appendix 2 to the report.

Appendix 1

'Teacher parking permits were introduced for the Autumn term 2012 at an annual cost of £188. Prior to this, teachers were issued with resident permits (£65 per annum).'

EV02 proposes an increase of £5 in the cost of Teacher permits (£188), Trade permits (£900) and Business permits (£752 or £662). **Council is asked to cancel the increase in Teacher permits and increase the cost of Trade and Business permits proportionately to compensate.**

DRAFT RESOLUTIONS

Revenue Report:

1. Members consider the views of the Overview and Scrutiny Commission set out in a separate report on the agenda (Item 5), and approve the proposed budget for 2014/15 set out in Appendix 7 of the revenue report, together with the proposed Council Tax levy in 2014/15.
2. That it be noted that at its meeting on 9 December 2013 the Council calculated its Council Tax Base for the year as 68,087.4 in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012(SI 2012: 2914).
3. That it be noted that the Council calculated the ***Wimbledon and Putney Commons Conservators (WPCC) Tax Base for the year as 10,708.8*** in accordance with regulation 6 of the Regulations, as the amounts of its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate.
4. That the Council agrees 4(a) - 4(i) below, which are calculated in accordance with Section 31A to 49B of the Localism Act 2011, amending Section 32 of the Local Government Finance Act 1992.
 - a) being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) (a) to (f) of the Act

	£m
Gross Revenue Expenditure of Service Committees	505.240
Corporate Provisions	32.941
Amounts Payable to the Levying Bodies	0.931
Contribution to Financial Reserves	0
Gross Expenditure	539.112

- b) being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) (a) to (d) of the Act

	£m
Gross Income	463.769

c) being the amount by which the aggregate at 4(a) above exceeds the aggregate at 4(b) above, calculated by the Council, in accordance with Section 31(4) of the Act, as its Council Tax Requirement for the year

	£m
Council Tax Requirement for the Council's own purposes for 2014/15 (including special expenses re WPCC)	75.343

d) being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of revenue support grant, and baseline funding (NNDR) to constitute the Council's formula grant

	£m
Revenue Support Grant	39.738
Baseline funding NNDR & Section 31 Grant	34.371
Formula Grant	74.109

e) being the amount at 4(c) above, divided by the amount for Council Tax Base at 2 above, calculated by the Council above, in accordance with Section 31B of the Act as the basic amount of its Council Tax for the year (including special items (WPCC)).

	£
Merton's General Band D Council Tax Levy (including properties within Wimbledon and Putney Commons Conservators area)	1,106.56

f) being the aggregate amount of all special items referred to in Section 34(1) of the Act

	£
Wimbledon and Putney Commons Conservators Special Levy	293,184

g) being the amount at 4(e) above, less the result given by dividing the amount at 4(f) above by the amount of the WPCC Council Tax Base at 2 above in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special items (WPCC special levy) relates.

	£
Merton's General Band D Council Tax Levy (excluding WPCC)	1,102.25

h) being the amounts given by adding to the amount at 4(g) above, the amounts of the special item or items relating to dwellings in the area of Wimbledon and Putney Commons Conservators (WPCC) mentioned above at 4(f) divided by the amount at 3 above, calculated in accordance with Section 34(1) of the Act, as the basic amounts of its Council Tax for the year for dwellings in the area of WPCC.

	£
Wimbledon and Putney Commons Conservators Band D	1,129.63

i) being the amounts given by multiplying the amounts at 4(g) and 4(h) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 30 and 36 of the Local Government Finance Act 1992, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

Part of the Councils Area	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Councils Area	734.83	857.31	979.78	1,102.25	1,347.19	1,592.14	1,837.08	2,204.50
Parts inc. WPCC	753.09	878.60	1,004.12	1,129.63	1,380.66	1,631.69	1,882.72	2,259.26

5. To note that the Greater London Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below, and that the Council agrees the Council Tax levy for 2014/15 by taking the aggregate of 4(i) above and the Greater London Authority precept.

Precepting Authority	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
G L A	199.33	232.56	265.78	299.00	365.44	431.89	498.33	598.00

For information purposes this would result in the following Council Tax Levy for Merton residents:-

Part of the Council's Area	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
	934.16	1,089.87	1,245.56	1,401.25	1,712.63	2,024.03	2,335.41	2,802.50
Parts inc. WPC	952.42	1,111.16	1,269.90	1,428.63	1,746.10	2,063.58	2,381.05	2,857.26

Appendix A

Speech by Councillor Stephen Alambritis, the Leader of Merton Council, to the Budget/Council Tax Full Council Meeting on Wednesday 05 March 2014 at 7:15pm and in the Council Chamber at the London Borough of Merton, Civic Centre, London Road, Morden, Surrey, SM4 5DX

Madam Mayor

Last year's budget was about taking strong steps towards affordability

Tonight's budget is about embedding affordability

I therefore move the business plan and the budget proposals as set out in recommendation 1 with particular reference to the formal resolutions as set out in Appendix 1 on page 346 of the supplementary agenda

In doing so I want to thank

Cllr Mark Allison, Deputy Leader and the Cabinet Member for Finance

Cllr Peter Southgate, Chair of Scrutiny

And Caroline Holland the Director of Corporate Services

Thanks also to Cllr Oonagh Moulton who as at today, is still the current leader of the Conservative group

And to all her councillors for their involvement in scrutiny

Although I have noticed that the Tory proposals presented to us tonight were never raised during that thorough scrutiny process

And belong, I am afraid to say, in fantasy land

I also wish to thank two former Conservative group leaders for their contribution

That is of course, Cllr Debbie Shears

And Cllr Richard Hilton who was their leader just short of 2 months and now in probably the Right place for him along with Cllr Suzanne Evans

I would also like to thank Cllrs Iain Dysart and Mary-Jane Jeanes who have also

contributed to an exacting scrutiny process

My former Deputy Leader, Cllr Mark Betteridge, my other Cabinet members and all Labour Councillors also deserve my thanks

Madam Mayor

It is always wise to look back but not in anger

To look back at all the good things that have taken place in the borough

In the borough that we all love

Since 2010

We have frozen the council tax for three years in a row

And, tonight

We are recommending another freeze

We will therefore have frozen the council tax for 4 years on the run

The first time this has ever happened in Merton

Over 80,000 Merton households will pay no more in council tax this year

Than they did 4 years ago

Madam Mayor

For 14,000 Merton residents on low income and receiving council tax benefit,

We will again not be passing on the cruel coalition cut to this benefit

This move has been welcomed by an important charity that supports low-income families and people living on benefits

This is what their Chief Executive has written in a letter addressed to me:

“I am writing to place on record our appreciation of your decision to retain 100 per cent Council Tax support for Merton’s poorest residents”

The patrons of the charity include:

The Archbishop of Canterbury

The Chief Rabbi

Sandi Toksvig

And Jeremy Paxman

Praise from people we all know

And respect

And listen to and watch

Madam Mayor

To recap

We have frozen council tax for 4 years

But our good financial management means we have also been able to protect the services that matter most to our residents

We have kept all our libraries open while offering the lowest cost per visit in London

And increasing opening hours

We have also protected and kept open all our day centres and our children's centres

Madam Mayor

We have created over 2,000 extra primary school places since 2010

And achieved the highest improvement rates in GCSE results

Including in Maths and English

The number of our young people in education and training has been steadily increasing since 2010

We are now above the national and London average on this score with 93% of the borough's 16 and 17 year olds in education and training

Madam Mayor

Residents care most about what is immediately outside their front door

To this end we have kept our streets

Clean

Green

And safe

We have protected the weekly street sweep and the weekly refuse collection

We have a zero tolerance anti-litter campaign

We have a smartphone app for residents to report:

Littering, fly-tipping and environmental crimes

Merton is also getting plaudits for its recycling facilities

Our free bulky waste service is ever more popular

Madam Mayor

There has been no increase in the cost of resident parking permits since 2010

We have re-introduced the half day visitor parking permit and frozen this for 4 years

And as a boost to the high street we introduced free parking during weekends in

December

By working with Merton Chamber of Commerce we have regenerated Wimbledon

and Raynes Park town centres

We are delivering on our Rediscover Mitcham plans and are working with TfL to enhance Morden

In addition we are also delivering on our vision for Colliers Wood and South

Wimbledon

Madam Mayor

While we receive the lowest funding for our housing needs team

We still maintain low numbers in temporary accommodation

We continue to provide badly needed housing for local people

Madam Mayor

We continue to support the voluntary sector

Adding help where it is needed for those vulnerable among us

And for the elderly and young alike

Indeed one coalition Minister cited Merton as one of the best examples of a local authority working hand-in-hand with the voluntary sector

Our partnership approach has also earned us this quote

From another coalition Minister who said:

“We need more Mertons”

And who can forget the leading Disabled person’s charity Scope, ranking Merton Council

As the best in London for protecting front line services in the face of a shrinking budget

Madam Mayor

It is Daniel Defoe who coined the phrase “share and share alike” in Robinson Crusoe
Merton has taken that phrase to it’s heart

Our HR service was one of the first shared services in local government

We have created the country’s first ever 4 borough legal service

Madam Mayor

I am hugely proud of all our staff here in Merton

Only last week I was with Mr Lewis Block from our highways department

Lewis has been in continuous employment with us for 49 years!

As a result of his and all the staff’s loyalty and hard work

The people they serve - our residents - report higher satisfaction levels than ever before

More residents this year say that we are doing a good job

That we are efficient

And that we are well run

Madam Mayor

Our budgets since 2010 have worked their magic

We have used our budgets to redesign our operating model to be business-like and

strong on partnerships

This strategy along with our July principles has seen us go on to win the best achieving council accolade

This is what the judges said at the Municipal Journal Achievement Awards:

“Merton’s journey to excellence made it a worthy winner amongst a very high calibre field for the Best Achieving Council Award

It’s high levels of resident satisfaction, staff commitment and joined up political and managerial leadership were all strong contributors”

Madam Mayor

This much sought after and prized award from the Municipal Journal has come on top of winning over 40 other industry awards since 2010

None of these awards would have been possible without our superb staff

And again I pay a tribute to them

Madam Mayor

Budgets are about making things happen for the people we serve

Through our careful financial management we have started the process of bringing a new leisure centre to Morden

The money is there and now we want to hear from residents about what type of pool, gym and sports hall they would like

Madam Mayor

And in conclusion

In 2011- at this time - in this chamber - on this occasion I said:

There are difficult decisions ahead but we will take them in a way that is fair, open and transparent involving the communities we serve in a business-like manner

That we did

In 2012 - at this time - in this chamber - on this occasion I said:

We will always be business-like and make decisions engaging everyone in a major marriage of minds

That we did

In 2013 at this time - in this chamber - on this occasion I said:

We will be setting a caring, sharing, listening budget that will be a record breaking budget to be proud of

That we did

Tonight

Madam Mayor

We are setting a pragmatic, a co-operative an enterprising and a business-like budget that our residents can afford

This we will do

I commend this budget to the chamber

END

Appendix B
BUDGET SPEECH BY
COUNCILLOR OONAGH MOULTON
LEADER OF THE CONSERVATIVE GROUP
WEDNESDAY 5 MARCH 2014

Madam Mayor,

Introduction

I'll admit it's never dull listening to Cllr Alambritis speak. We can all think of our own favourite gimmick from previous years, whether it's the football referee's red card or his famous knife-slashed shirt.

However, scratch below the surface of all that self-congratulation and the weakness soon begins to show. The weakness of an administration which has lost control of the council's financial management. And of a budget that relies on millions of pounds of Council Tax Freeze Grant from the government to ensure residents' bills don't rise whilst plugging the gaps with reserves.

This is a budget by an administration which has taken its eye off the ball.

Financial management

We all saw the shambles that this administration has become in the way it dealt with the whistleblowing allegations at the last Full Council.

This Cabinet is more interested in damage limitation and window dressing than acting as responsible guardians of local residents' money.

Over the last 4 years, Labour have failed to get a grip on the financial management of this council or to take transparency seriously. Is it any wonder they find themselves in this current mess?

Cllr Alambritis and Cllr Allison claim to run the 'Best Achieving Council' yet they don't even know how many people are employed in the organisation. I have to wonder how you knew how many lanyards and mugs you needed to order as a thank you to the staff!

Meanwhile numerous questions from the last Full Council meeting remain unanswered by Labour Cabinet Members. And so it goes on. Scratch beneath the surface and this is an administration built on sand.

National Context

How Labour must thank their lucky stars that the Coalition Government has stepped in to help hard pressed residents with its Council Tax Freeze Grant.

We have heard a lot from Cllr Alambritis about a 4 year council tax freeze in Merton. Yet what he conveniently fails to mention is that it is the Conservative-led Government which is funding this freeze to the tune of over £10million. However many times they say it, they can't alter the hard facts: freezing council tax has nothing to do with this administration at all.

Of course Conservative councillors welcome the fact that council tax bills have not risen in Merton. We know all too well that, left to their own devices, Labour's natural inclination is to hike up taxes. When last in office in Merton, Labour increased council tax by 55.7% - more than two and a half times the rate of inflation - between 1998 and 2006.

However, it is only that whopping big incentive from the Government which has protected residents from the usual incompetence of Merton Labour.

Overcharging

We have seen this incompetence throughout the last 4 years as Labour have continually cut services, not costs.

They have made cuts to front line services right across the board, from closing the Weir Road recycling centre to scrapping street sweeping after the rubbish collections. From scrapping youth services to cutting library opening hours. From reducing voluntary sector funding to withdrawing Freedom Passes for some of the most vulnerable people in our community.

The one area where there certainly haven't been cuts is parking. Whilst the administration has been shown incapable of keeping the streets clean, it has been altogether more adept at fleecing the motorist, putting more traffic wardens on the streets and expanding its fleet of mobile enforcement vehicles. As a result, revenue from parking fines has rocketed by millions of pounds.

And we see the same pattern in this year's budget with further cuts proposed to the planning enforcement team whilst Labour hike up the cost of parking permits.

Yet, despite claiming that austerity is forcing the council to make these cuts, the gross expenditure in the budget set by the council has increased year on year, rising from £502 million in 2010-11 to £524 million in 2013-14.

So what's going on here? In short, the Labour council has shown that it is unable to budget. It has overcharged residents for services by an average of £12.5 million every year. In just 3 years, Merton's council taxpayers have been overcharged by a massive £37.5million. That's £37.5million of our residents' money sitting in a Council bank account during tough financial times.

Labour have tried to hide this through slipping money into reserves mid-year, but the truth is that they have charged residents for services which the council had withdrawn. There has been no reason to do this, other than to play politics.

And have they given any of this money back to residents? No, of course not. Instead of overcharging residents, Council Tax bills could have been cut by 10% and it would still have provided over £4million to protect the local services which Labour have cut. That would have meant over £110 a year back in the pockets of Merton's hard working families.

Merton's Council tax may currently be frozen but sadly it is frozen at a level that is more than double our neighbours in Conservative-run Wandsworth. Why should Merton residents living on one side of a street have to pay more than twice what their neighbours pay just across the road?

The answer is they shouldn't. And they needn't.

Vision

Madam Mayor,

Conservative councillors have a clear vision for Merton which is realistic and which we can deliver. One of lower council tax and high quality services that are sustainable at a price residents can afford.

We appreciate that this is a tough public spending round and every penny counts for Merton's hardworking residents. Therefore one of the first acts of a new Conservative administration will be to take control of the council's budget and end Labour's overcharge. By only charging residents for services they actually receive, Conservatives will be able to reduce council tax by 10% over the course of our 4 year term.

We recognise that people desperately want to see a cut to council tax but not at the expense of their services. They value their parks and want to see clean and safe streets. But at the same time they see that just next door Wandsworth is delivering good services yet also low council tax. And they see that Tory-run Hammersmith and Fulham have not only achieved cuts to council tax year on year since 2010 but satisfaction rates with services have actually gone up!

So it can be done and Conservatives know how to achieve it, as Boris Johnson has shown at City Hall.

Residents are also sick of broken promises. Labour have spent a lot of time sitting on large amounts of capital that we had earmarked for the new school that could have

been built by now and for the new pool in Morden that they themselves promised to build 4 years ago!

By contrast, Conservatives will invest the remainder of Labour's overcharge in actually improving services, such as our 5 point parking pledge and a programme to make our streets clean.

And instead of hoarding cash in the bank, we will use the council's substantial reserves to invest in efficiency projects which drive down the running costs of the authority in the long term. We will invest in greater use of technology and online services. And we will drive down costs through improved procurement and by ensuring better contract management.

The previous Conservative administration started the job with Merton's transformation programme. However, after 4 years of Labour inaction, many of the recommendations from the Deloitte report are still to be implemented.

Amendment

We are determined to demonstrate that the Labour spin is wrong and there really is another way.

Clearly our Alternative Budget proposals cannot address all of the problems this council faces, and Labour's approach to the budget would certainly not have been how we would have gone about balancing the books. However, our proposals show a clear statement of intent for the 1st year of a Conservative administration.

Our intent to make the streets of Merton safer by introducing a town centre police unit.

Our intent to build up the council's enforcement team after Labour's politically motivated cuts.

And our intent to drive down the cost of the council for residents by reducing council tax by 2.5% this year, with further cuts in future years.

Importantly our Alternative Budget also shows we can actually deliver what we are saying. It sets out clearly how we would make the budget balance through a mixture of efficiency savings, value added services and technical adjustments.

This is not about easy headlines. We've done the hard work and this Alternative Budget shows we are the only party that can and will deliver achievable and sustainable value for money for all our residents.

Madam Mayor,

Hard working residents in Merton want to see a hard working council. They are tired of seeing more self-congratulation, razzmatazz and lanyards than delivery.

It's time to Blow the Whistle on Labour in Merton!

**BUDGET SPEECH BY COUNCILLOR SUZANNE EVANS
LEADER OF UKIP & THE MERTON COALITION
WEDNESDAY 5 MARCH 2014**

So Cllr Alambritis thinks Merton is the 'best achieving' council in the country and that we need more Mertons? Goodness, whatever must Wandsworth think!

I'm going to tell you a tale of two boroughs tonight because, while Labour would have us believe this is the best of times for Merton, you only have to look to Wandsworth next door to see it's actually not far off the worst of times.

Merton might be twinned with Wandsworth as two halves of the same GLA constituency, but that's really all they have in common.

While Wandsworth has pioneered new initiatives and invested in top-quality services and for 20 years setting the lowest Council Tax in the country, Merton has plodded along with a series of unimaginative Labour and Conservative Councillors who've found having a genuinely high-achieving Council next door all too embarrassing.

Labour can't bear the fact Margaret Thatcher's flagship Council has done better than they ever could. The Conservatives have a secret inferiority complex about their more successful colleagues over the boundary. And I have it on good authority that Wandsworth Conservatives are pretty embarrassed by their party colleagues here in Merton too.

It's not hard to see why.

Merton Conservatives have complained about Merton's high level of reserves. They clearly haven't checked what reserves Wandsworth has!

While Merton had total reserves of £158m at the end of the last financial year, Wandsworth, after years of superior asset management, had seven times as much: over £1.1 billion. When Merton Tories criticise our reserves, they indirectly criticise Wandsworth's good housekeeping too. It's a bit of an own goal!

Delve into the accounts of both boroughs and it's not difficult to see how financially inept Merton is compared to Wandsworth.

For instance, both boroughs own just over £50m worth of investment property.^x Merton actually has the edge over Wandsworth here, by some £4m. Yet who makes the most income? Wandsworth. While Merton generated a net £1.8m in income from

its property portfolio, Wandsworth generated over twice as much, pulling in £3,750,000.

Both boroughs have accumulated deficits on their pension schemes. Merton owes almost £1,500 for every voter in the borough – a per capita deficit almost 50% worse than Wandsworth's⁺.

While Wandsworth saved, Merton spent. The accounts give clues as to where the money went: Merton holds nearly £2m worth of 'intangible assets', software and licences the council's bought. Despite being a larger council providing superior services, Wandsworth spends less than one tenth of that amount.

I could go on: while Wandsworth has put taxpayers' money to best use, keeps on top of investments, ensures procurement processes are robust and efficient and, I'm sure, sets challenging targets for its Chief Executive, Merton just can't be bothered. It's so much easier to stuff the taxpayer and plug a budget deficit by cutting staff, closing down services and hiking Council Tax and parking charges isn't it? And that, as far as I can tell, is pretty much all Labour and Tory Councillors in Merton have been any good at.

Being ambitious for the tax-payer clearly doesn't come naturally to either party. Labour are content with a Council Tax freeze - and one handed to them on a plate from central government at that – the huge tax hikes they've forced us to pay in the past proves they'd never have dreamt of doing it on their own.

And is a 2.5% Council Tax cut really the best Merton Tories can come up with, despite having 22 Councillors at their disposal to scrutinise the accounts, two full-time office staff to support them, and a Leader who brags on Twitter that she has the odd 'fireside chat' with the Secretary of State for Local Government himself? Yes, some Conservatives can cut Council Tax Cllr Moulton, I'm afraid those in this borough have not proved themselves capable of doing so.

If a private company or PLC treated its customers like Merton Council treats residents, it would be bust in minutes. Both Labour and Conservative Councillors have shown at best incompetence, and at worst a shocking disregard for the people who call this borough home.

The old party leaders in Merton can't even face up to their neighbouring borough; no wonder they're trying to bamboozle voters with spin about best achievement awards. But sooner or later those voters are going to wake up and demand their Councillors face the music, and I for one can't wait.

Notes:

(X) Investment property: Wandsworth £3,750,000 net income from £50,383,000 of property, Merton £1,805,000 of income from £54,144,000 of property. All figures relate to the year ending 31 March 2013.

(+) Pension deficits: Wandsworth 211,506 voters in 2010, pension deficit £219,264,000 as of March 2013, deficit per voter £1,037. Merton 131,662 voters in 2010, pension deficit £194,875,000 as of March 2013, deficit per voter £1,480

(*) Intangible assets at March 2013: Wandsworth £128,000, Merton £1,800,000

MPWIR Budget Speech By Councillor Southgate

In four years we've come a long way with the budget setting process here in Merton. I well remember a fairly fraught budget meeting in March 2010, the first under the current administration, in which we wrestled with whether to leave our parks unlocked at night, whether to close West Barnes and Donald Hope Libraries one day a week, whether to cease the free garden waste collection service and so on. These were savings we had to make for the year immediately ahead; the sense of urgency may have generated drama in the council chamber, but it did not necessarily make for well thought out policies.

To contrast that with where we are today, turn to page 342 of the agenda. You will see that, thanks to the advent of the four year MTFS in 2011, not only do we have a balanced budget for 2014/15, but for the following year 2015/16 as well. Given that 2015/16 is regarded by the LGA as the crunch year in the austerity cycle, involving a 13% real terms cut in government grant, this is a considerable achievement. Other councillors I have spoken to recently at the LGA and At London Councils are still setting their budgets on an annual basis, so expect the problems to emerge big time next year and be grateful Merton is ahead of the curve. For this we have our Director of Resources and Assistant Director of Finance to thank for introducing (or should I say imposing?) a more far sighted approach to budget setting.

By its nature the Scrutiny process can seem to challenge this orderly approach to budget setting, but I make no apology for that. We were concerned about the lack of detail on proposal EY10 for achieving savings totalling £230,000 in the Greenspaces budget in 2015/16 and 16/17 and CSF 03 for savings of £239,000 from staffing reductions in 2017/18. In effect we were being asked to take it on trust that officers would sort out the detail of how the savings might be achieved nearer the time. Well, I'm sorry, but the constitutional role of scrutiny is not to accept what the executive puts forward on trust, but to demand rigorous evidence. So these savings will have to come back when that condition can be met.

The one group of savings that did cause concern across the spectrum were proposed staff cuts in planning and enforcement (EV03-07 on page 497). These do not make sense; the number of planning applications received each year is up from 3000 to 4100 currently, so how are we going to cope with a reduced headcount? The answer is, we are not going to cope. Look on page 188 for how the nightmare scenario unfolds. The number of major applications processed on time dropped from 60% to 30%, for minor applications it drops from 65% to 35%. Meanwhile the number of planning appeals lost (think of the reputational impact) rises from 33% to 55% and the number of enforcement cases closed year halves from 600 to 300.

So we are glad that Cabinet accepted the case for not proceeding with these savings of £270,000 for 2015/16.

In closing I would like to mention the impact of removing the discount from council tax on empty properties undergoing renovation. This was set out in a report brought to the FMTG. It may be the symptom of a booming property market here in Merton but the amount raised is more than enough to offset the cost of maintaining our council tax benefit scheme after a 10% reduction in central government funding of £1.4m.

It will take time to organise but I would like us to consider going further and moving to a 150% rate of council tax on properties that have been left empty for two years or more to send a strong signal to the owners of such properties that we want to see them brought back into use. Consider that the maximum we can raise from a Band H property is £2800, no matter that its market value may be £5 or £10 million or more. This punitive rate on properties empty for 2 years or more has already been adopted by other London boroughs such as Camden and I hope we can develop it in the course of next year.

**BUDGET SPEECH BY
COUNCILLOR IAIN DYSART
LEADER OF THE LIBERAL DEMOCRATS
WEDNESDAY 5 MARCH 2014**

“Thank you Madam Mayor. Merton’s minority Labour administration approaches this May’s elections with a Budget which they claim protects residents and services, without asking residents to pay any more. True, the Coalition Government has again provided the funding to enable a council tax freeze, though Labour would never acknowledge that! However, true to form, there is no direction, vision or strategy, except, of course, seeking majority control on May 22nd, in pursuance of which virtually all savings proposed to take effect from the new financial year have been agreed in previous years. So, if for nothing else, I salute them for political expediency.

Whilst Labour’s pre-programmed, no, I’ll just say robotic, reaction is always to blame the Coalition Government, since that’s easier than taking responsibility, they have built up consistent underspends due to inadequate budget management, such as in Adult Social Care, in addition to the General Fund and other reserves they hold. This is why, therefore, such proposed cuts as reduction to homelessness grants, and early years funding, are unnecessary, not to mention powder-kegs for potential future problems. Its why we could also, for example, afford cleaner streets. The political will is all it takes.

Of course, Merton has other reserves too. In fact, the Statement of Account 2012/3 refers to “£106m of usable reserves. But of course we can’t assume that all of that’s available on tap like a pint of beer. Some of that money’s allocated. Some involves choices and opportunity costs. We don’t want to consume it frivolously, or as quickly as our pint of beer. Lib Dems won’t go down the Conservative path of pretending we can cut council taxes and simultaneously go on extravagant spending sprees. Labour tried the spending sprees in Government and we know how that ended. And the Council tax? Well, I know how old I’m getting, but even I remember that when the Tories were in power, they increased it for their first three years. And then, hey presto! In their March 2010 Budget, they cut it. You’d think there was an election coming....But to accept their back of the envelope calculation now would mean fewer local services, and they know, I hope, that other Groups can’t go along with that. And, lets not forget, this is a party which last May imploded spectacularly before our eyes in this very chamber. Not a happy ship, then! Is this a party which can provide a credible alternative to the current mediocre offering? With such disunity in your own ranks, how can you rally and unite residents to your cause, or should that be causes?

Madam Mayor, Lib Dems in the Coalition Government have initiated and championed policies which are benefiting our borough; the pupil premium for schools, apprenticeships, no-one having to pay income tax on their first £10k of income, and

we're pushing for more, the triple lock guarantee; and that's just a snapshot! Tonight, our proposals form part of a budget for health and wellbeing. Protecting future generations, uniting communities, avoiding false economies; all resonate with this theme. Our current challenges need long-term solutions, not sticking plaster substitutes. Banquets, not fishbones. This is how we do our best to enable everyone to maximise their potential and get on in life.

Madam Mayor, tonight's Budget again lacks the creativity and imagination Merton needs. Perhaps its modelled on Ed Miliband's brigade. I bet Cllr Alambritis remains convinced that he was right to support David. But the result is that Merton's residents, once again, are being sold short. And in that regret, we should all unite"

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