

Agenda Item 3

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CABINET

10 DECEMBER 2018

(7.15 pm - 7.54 pm)

PRESENT: Councillors Stephen Alambritis (in the Chair), Mark Allison, Kelly Braund, Mike Brunt, Tobin Byers, Caroline Cooper-Marbiah, Nick Draper, Edith Macauley MBE and Martin Whelton

ALSO PRESENT: Councillor Nigel Benbow, David Chung, Daniel Holden and Peter Southgate

Ged Curran (Chief Executive), Hannah Doody (Director of Community and Housing), Caroline Holland (Director of Corporate Services), Chris Lee (Director of Environment and Regeneration), Rachael Wardell (Director, Children, Schools & Families Department), Paul Evans (Assistant Director of Corporate Governance), Roger Kershaw (Assistant Director of Resources) and Harriet Small (Communications Officer, Corporate Services)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

There were no apologies for absence.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of interest.

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

RESOLVED: That the minutes of the meeting held on 12 November 2018 are agreed as an accurate record.

The Chair advised that the order of the agenda would be altered and item 7 would be considered first. For ease of reference the items appear below as they did in the agenda.

4 REFERENCE FROM THE OVERVIEW AND SCRUTINY COMMISSION - FIRST ROUND OF BUDGET SCRUTINY (Agenda Item 4)

At the invitation of the Chair, Councillor Peter Southgate, Chair of the Overview and Scrutiny Commission, spoke on the scrutiny referral report. The Commission and Panels had all raised concerns over the impact of the proposed savings on vulnerable people. However, there had been very little to scrutinise in the first round of the budget scrutiny process, although it was understood why and the Commission and Panels acknowledged the difficulty faced by the Cabinet in identifying savings to address the budget gap. He urged Cabinet to be aware of other possible measures,

for example to consider the increase the cap on council tax cap rises from 3 to 5% before being required to by referendum, or the extension of the Adult Social Care precept.

The Leader thanked Councillor Southgate for his contributions and the work of the Commission and Panels.

The Deputy Leader and Cabinet Member for Finance echoed those thanks and highlighted the extensive work which had gone into the first round of the budget process. He acknowledged the concerns that savings from now on would have a disproportionate impact on vulnerable groups. The cuts in funding from central government had been so extreme that until now the savings found had been from other services, whilst trying to protect those from vulnerable groups. Now local authorities from up and down the country had reached a point where they were having to propose cuts to the services which benefited to vulnerable people because those were the only services left. He acknowledged that there would need to be further savings identified and a large amount of work had been carried out on finding additional savings to get closer to the target. As in previous years, the first round focused on the “in the round” position and the second round focussed on the detail.

The Deputy Leader and Cabinet Member for Finance addressed the recommendation of the Sustainable Communities Overview and Scrutiny Panel in relation to the proposed further saving from the borough’s fleet, of which the Cabinet was broadly in support. However the proposal to use the money saved to increase capital spending on trees would need further work to assess whether that would be an appropriate use of the money. It was recognised that the trees would have a benefit to the community, but there was a concern that it would generate additional ongoing maintenance costs and there may be other ways of delivering additional trees through the planning process by placing an emphasis on landscaping in new applications. He also highlighted that the Government having delayed its announcement on the finance settlement was causing major concern to local authorities and that Cabinet would look at any announcements by the Government as soon as they were made. However the Cabinet took on board the comments of Scrutiny and thanked Councillor Southgate and his scrutiny colleagues for the work which they had done.

RESOLVED

That in taking decisions relating to the Business Plan 2019-23, the comments and recommendations made by the Overview and Scrutiny Commission and the outcomes of consideration by the Overview and Scrutiny Panels be taken into account.

5 DRAFT BUSINESS PLAN 2019-23 (Agenda Item 5)

The Deputy Leader and Cabinet Member for Finance presented the report and highlighted the uncertainty which had been caused by the delayed announcement from the Government on the financial settlement, the economic uncertainty around

the Brexit negotiations and the delayed parliamentary vote, which was concerning for local businesses and local people.

In addition to substantial savings already agreed, the Council still had to identify a further £20m by 2022/23, which represented a quarter of the total council tax collected by the Council in one year. He highlighted the further £8.9m of savings identified and welcomed the input from the scrutiny process to ensure the Cabinet was proposing the right things. He acknowledged that the Council had been placed in a difficult position, however it was important to ensure a robust budget to avoid a situation similar to that of Northamptonshire County Council.

The Director of Corporate Services advised that the draft capital programme and capital strategy had been included for scrutiny to review; and requested comments on the draft service plans which would be fed into the next draft. Equalities impact assessments had been included to assist Members in their considerations and it was highlighted that not all savings proposals required an equalities assessment to be included. The draft outcome had been included at this stage and the documents would be updated as the budget process progressed. The MTFs contained the maximum assumptions around the increases in council tax and the Adult Social Care precept and these would be updated as appropriate as a result of any changes announced. It was not currently known when the Government's financial settlement would be announced, and this would potentially impact on the savings proposed.

The Leader thanked all for their contributions and stressed that the Council would do everything possible to ensure that it achieved a balanced budget and welcomed the input of the scrutiny process.

RESOLVED

1. That the draft savings/income proposals (Appendix 7 (a)) and associated draft equalities analyses (Appendix 9 (a)) put forward by officers be agreed and referred to the Overview and Scrutiny panels and Commission in January 2019 for consideration and comment.
2. That the savings and associated draft equalities analyses for the savings noted in October (Appendices 8 and 9(b)) be agreed.
3. That the latest amendments to the draft Capital Programme 2019-23 which was considered by Cabinet on 15 October 2018 and by scrutiny in November 2018 be agreed (Appendix 5).
4. That the proposed amendments to savings previously agreed (Appendix 7 (b) and (c)) be agreed.
5. That the proposed Council Tax Base for 2019/20 set out in paragraph 2.6 and Appendix 1 be agreed.
6. That the draft services plans be noted (Appendix 3).

6 FINANCIAL REPORT 2018/19 – OCTOBER 2018 (Agenda Item 6)

The Deputy Leader and Cabinet Member for Finance presented the financial monitoring report, which was predicting an approximate overspend of £1m by the end of the year which was partly due to the Government not having factored in the impact

of the cost of children's services on the budget. He thanked all those involved in the budget monitoring and keeping within 0.2% of the overall budget.

The Director of Corporate Services added that a prior year adjustment had helped bring the overspend down, and officers were working with departments on some potential slippage into the next financial year. She also drew Cabinet's attention to the Capital adjustments and virements for approval.

RESOLVED

1. That the financial reporting data relating to revenue budgetary control, showing a forecast net overspend at year end of £1.042 million, 0.19% of gross budget be noted.
2. That the adjustments to the Capital Programme contained in Appendix 5b be approved.

That Cabinet note the adjustments to the Capital Programme contained in Appendix 5b and approve the items in the Table below:

Scheme		2018/19 Budget	2019/20 Budget	Narrative
Corporate Service				
Customer Contact – Echo Integration	(1)	100,300	0	Funded by a Revenue Contribution from reserves to Capital
Regulatory Services Project	(1)	96,250	0	Funded by £8,333 Revenue Contributions from reserves and £87,917 contribution from Other LAs
Parking System	(1)	126,000	0	Funded by a Revenue Contribution from reserves to Capital
Civic Centre – Boilers	(1)	(200,000)	200,000	Re-profiled to reflect expected spending patterns
Civic Centre Imp & Adpts to Cttee Rms	(1)	88,000	0	Essential improvements and adaptations to committee rooms
Implementation of 5.5	(1)	79,800	0	£17,200 funded from virement from Invoice Scanning
Westminster Coroners Court	(1)	(460,000)	460,000	Merton's share of these costs expected in 2019-20
Total		(169,650)	660,000	

3. That the Environment and Regeneration alternative savings detailed within Appendix 8 be approved.
 4. That the Community and Housing alternative savings detailed within Appendix 9 be approved.
 5. That the Community and Housing transport virement in Appendix 10 be approved.
- 7 VEHICLE EMISSIONS, PUBLIC HEALTH AND AIR QUALITY - A
STRATEGIC APPROACH TO PARKING CHARGES 2 (Agenda Item 7)

Councillor Tobin Byers, the Cabinet Member for Adult Social Care and Health presented the report, thanking officers from across the Council who had been involved in writing both this and the previous Cabinet report which had provided the background and context to the proposed review of parking charges.

Councillor Byers outlined the purpose of the report which built on the previous report by setting out a number of recommendations including moving to consultation and outlined the public health rationale for the proposed review, specifically to contribute to the objectives set out in the Health and Wellbeing Strategy and Air Quality Action Plan by improving air quality. He highlighted the benefits to public health that parking policy can contribute to, and that the review of parking policy was one of the tools at the Council's disposal in improving the health of its residents by shifting behaviour to less polluting vehicles and more sustainable modes of transport.

Councillor Martin Whelton, Cabinet Member for Regeneration, Housing and Transport presented the proposed parking charges element of the report. It had been a number of years since parking charges had been reviewed and charges had been frozen for a significant amount of time. He detailed the proposed consultation and the initial referral to scrutiny, as it was felt to be essential for scrutiny to look into the policies before Cabinet made a decision, as Cabinet valued the work that scrutiny carry out. The consultation would take place over the next four months before coming back to Cabinet, which would allow both the public and business to comment on the proposals which were essential in developing a strong policy framework to both improve air quality and reduce car usage in the borough.

The Director of Environment and Regeneration advised that reviewing parking policy was the only tool at the Council's disposal in improving air quality as it had no control over traffic passing through the Borough. Therefore it has to focus on addressing on and off street parking; and a number of other local authorities were considering similar reviews of parking policy. The report emphasised that the diesel levy would not be reviewed until the Council had collected enough data to assess it properly, and therefore this review had been deferred until 2019. There was a balance to be achieved between tackling air quality and supporting local businesses and recognising that residents have varying access to public transport.

At the invitation of the Chair, Eve Cohen addressed the Cabinet on the report in her capacity as a resident of the Borough. She addressed the proposal for free Christmas parking which she felt contradicted the aim to reduce the impact of emissions on air quality and favoured shoppers who were car owners rather than

those shoppers who used other sustainable modes of transport and did not improve footfall in the town centres.

The Leader thanked everyone for their contributions to the discussion and emphasised that this was the start of a major consultation process with the public, local businesses and the cross-party scrutiny process.

RESOLVED

1. That officers be authorised to proceed to consultation on the recommended approach to and proposed charges for on and off-street parking and permits including visitor permit sales.
2. That the formal consultation process set out in appendix 7 be agreed and that Cabinet will have due regard to any comments raised as part of the formal consultation process in taking a final decision on whether to proceed with the implementation of any changes.
3. That authority be delegated to the Director of Environment and Regeneration, in consultation with the Cabinet Member for Regeneration, Housing and Transport, to finalise the necessary consultation documentation as required.
4. That the report be referred to the Sustainable Communities Overview and Scrutiny Panel for their consideration and views before Cabinet makes a final decision and before consultation as referred to in Recommendation 1 and 2.