

## SECTION 2: GENERAL FUND REVENUE BUDGET AND COUNCIL TAX STRATEGY

### 1. Background to Financial Planning

- 1.1 The approach to Medium Term Financial Planning provides a great deal of flexibility in decision making and enables the impact of alternative options to be modeled. This has assisted with progress towards a balanced budget over the four year plan.
- 1.2 The MTFS has been re-priced and rolled forward a year so that each year from 2015/16 to 2018/19 starts from the approved budget 2014/15 and is built up showing the cumulative effect of variations over the period. The initial re-priced MTFS showing the budget gap as reported to Council in March 2014 was as follows:-

**Table 1: Initial Re-priced MTFS**

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
<b>Departmental Base Budget '14/15</b>	<b>144,420</b>	<b>144,420</b>	<b>144,420</b>	<b>144,420</b>
Departmental Budget Changes	26	(409)	2,479	5,795
<b>Re-Priced Departmental Budget</b>	<b>144,446</b>	<b>144,011</b>	<b>146,899</b>	<b>150,215</b>
Treasury/Capital financing	14,208	15,838	18,042	19,901
Other Corporate items	(7,187)	(7,704)	(7,506)	(7,298)
Levies	638	638	638	638
<b>Sub-total: Corporate provisions</b>	<b>7,659</b>	<b>8,772</b>	<b>11,174</b>	<b>13,241</b>
Use of Reserves	(4,064)	(1,688)	0	0
<b>BUDGET REQUIREMENT</b>	<b>148,041</b>	<b>151,095</b>	<b>158,073</b>	<b>163,456</b>
<b>TOTAL FUNDING</b>	<b>(148,041)</b>	<b>(143,744)</b>	<b>(142,827)</b>	<b>(142,611)</b>
<b>GAP (Cumulative)</b>	<b>0</b>	<b>7,351</b>	<b>15,246</b>	<b>21,439</b>

- 1.3 Since then, reports to Cabinet on 20 October 2014, 10 November 2014, 8 December 2014, and 19 January 2015 have presented updated information to Members, setting out the financial implications as assumptions have been reviewed and decisions made.
- 1.4 The decisions made in respect of each element of the MTFS impact on the overall financial position of the Authority and need to be taken into account as part of an overall package of decisions to balance the budget over 2015-19. In addition to the normal review of the base position, an appraisal of options and variables has been undertaken this year which has enabled the impact of different scenarios to be modeled.

## 1.5 Setting a Balanced Budget

1.5.1 Resource and expenditure projections have been continually updated throughout the year to inform Members and officers of the overall position for 2015-2019. A four-year forward plan is presented, but it is still a legal requirement that a balanced (i.e. fully funded) budget is achieved for 2015/16. There are a number of ways in which a balanced budget is achieved:

- Reducing expenditure/costs;
- Identifying new savings or additional income;
- Adjusting the level of Council Tax ;
- Using unallocated reserves as a temporary measure pending the implementation of the options above.

1.5.2 Budget savings and growth proposals have been formulated within the overall constraints of the resource projections. The proposals have been approved in principle by the Cabinet and then considered by Overview and Scrutiny Panels as part of the scrutiny process. Scrutiny Panels have met again during January 2015 and their feedback on the Council's spending proposals is set out in a separate report elsewhere on the agenda for this meeting.

1.5.3 The Medium Term Financial Strategy (MTFS) for the Council supports the achievement of the business plan and any financial implications arising from the agreed plan are included in financial planning for 2015/16 and beyond. The MTFS brings together all of the key elements relating to the Council's financial position which are reflected in the General Fund, and the Capital Programme.

1.5.4 The MTFS which was reported to Cabinet on 19 January 2015 showed that the budget gap was:-

**Table 2: Budget Gap Cabinet 19 January 2015**

	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Gap remaining (cumulative)	0	0	2,914	14,048

1.5.5 There have been further changes to some of the key budget variables as more information has become available and the details were reported to Cabinet on 16 February 2015.

## 1.6 Review of previous year's Savings

1.6.1 As with previous years, the business planning process is a multi-year approach and this includes a review of total expenditure and income over the period 2015-19.

- 1.6.2 Cabinet on 20 October 2014, 10 November 2014 and 8 December 2014 considered revisions to current savings proposals . The overall impact of these proposed amendments on the MTFs is as follows:-

**Table 3: Net Revisions to current savings**

<b>Net Revisions to current savings (cumulative)</b>	<b>2015/16 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>
Corporate Services	0	0	0	0
Children, Schools & Families	0	0	0	0
Environment and Regeneration	340	0	0	0
Community and Housing	0	0	0	0
<b>Net Cumulative total</b>	<b>340</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 1.6.3 The current MTFs includes the following amounts in respect of the full year effects of previous year's savings.

**Table 4: Full Year Effects of previous years savings**

<b>Full Year Effects of previous years savings</b>	<b>2015/16 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>Total £000</b>
Corporate Services	749	1,240	493	0	2,482
Children, Schools & Families	781	257	325	0	1,363
Environment and Regeneration	1,637	978	125	0	2,740
Community and Housing	1,085	2,422	484	0	3,991
<b>Total</b>	<b>4,252</b>	<b>4,897</b>	<b>1,427</b>	<b>0</b>	<b>10,576</b>
<b>Total - Cumulative</b>	<b>4,252</b>	<b>9,149</b>	<b>10,576</b>	<b>10,576</b>	

- 1.6.4 One of the key objectives is to balance the budget and there has been a major improvement in recent years in the ability to look over a long-term period and identify significant savings over more than one year.
- 1.6.5 The Business planning framework aims to enable strategic resource allocation and investment decisions to be made that allow for services to transform and change at different times in the future and which would otherwise be very difficult to plan under an annual planning framework.
- 1.7 Growth
- 1.7.1 The MTFs includes growth of £1m in 2015/16. This will be allocated to Childrens, Schools and Families department budget for 2015/16. This has been included for prudent planning purposes but greater rigour is required to demonstrate this need for future years alongside options to manage the spending pressure, which has the potential to be an option to help balance the budget.

**Table 5: Growth Contained with the Current MTFS**

<b>Growth</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>
Growth (cumulative)	1.000	1.000	1.000	1.000

**1.8. Better Care Fund (BCF) and Implementation of Care Act Funding**

1.8.1 The BCF creates a local single pooled budget to incentivise the NHS and local government to work more closely together around people, placing their well-being as the focus of health and care services. This funding is ring-fenced to Adult Social Care.

1.8.2 As reported to Cabinet on 19 January 2015, for financial year 2015-16, the total allocation for the BCF is £6.452m. Some of this money is already built into the base budget, but the remaining unallocated funding of £1.680m is additional funding for Community and Housing.

1.8.3 This funding will not be used to offset savings that are still to be delivered from 2014/15 (and for which there are action plans in place) but to meet the increased requirements of the BCF and to protect other areas of social care that would otherwise be at risk and in turn pose a greater risk to the health service.

1.8.4 The latest information on Adults' Personal Social Services specific revenue funding and capital grant allocations to local authorities for 2015/16 is summarised in Appendix 2a.

**2. Local Government Finance Settlement 2015-16**

**2.1 Local Government Finance Settlement**

2.1.1 The financial projections in the report to Cabinet on 19 January 2015 were based on the information as announced in the provisional Local Government Finance Settlement on 18 December 2014. Information in this report has been updated as more information has become available.

2.1.2 The final Settlement allocations were confirmed by the Minister for Local Government on 3 February 2015. He confirmed the proposals in the provisional 2015-16 settlement but in addition, the Government are providing a further £74 million to upper-tier authorities to recognise that such councils have asked for additional support, including to help them respond to local welfare needs and to improve social care provision. Merton's RSG allocation increased by £0.202m as a result of this change. He also confirmed that the council tax referendum principle for 2015-16 will be set at 2%.

2.1.3 Details of the Final Local Government Settlement are included in Appendix 2.

2.1.4 The Local Government Finance Settlement provides an indicative figure for the amount of business rates (NNDR) Merton could expect to have available in 2015/16. This is based on a baseline amount notified in 2013/14 when the Business Rates Retention Scheme was first introduced, uprated for inflation. However, the actual amount available to use is based on the latest NNDR information available to the Council as identified in its NNDR1 return which was completed and provided to the DCLG by the deadline of 31 January 2015. Details of the methodology and calculation are included in Appendix 3. The Business Rates implications are summarised in the following table:-

Table 6: Implications of NNDR1 2015/16 for Merton in 2015/16

	MTFS £	NNDR1 £	Difference £
NNDR 2015/16	24,798	25,845	1,047
- Top-Up 2015/16	7,841	7,841	0
	32,639	33,686	1,047
Collection Fund Surplus/(Deficit) 2014/15	(259)	(393)	(134)
	32,380	33,293	913
Section 31 Grant	1,118	1,134	16
Total	33,498	34,427	929

2.2 Details of the Council Tax Base calculation, the resource implications arising from current business rates projections and impact on the Collection Fund are included elsewhere in this report and in Appendix 3.

### 3. **Review of Corporate and Technical Provisions**

3.1 Previous reports to Cabinet have set out the details and assumptions on which the budget has been formulated. The latest information is set out in the following paragraphs.

#### 3.2 Review of Technical and Corporate Provisions

3.2.1 Technical and corporate adjustments incorporated in the MTFS have been reported to Cabinet throughout the business planning process for 2015/16.

3.2.2 The key assumptions included in the MTFS have been continually reviewed and updated as the budget process has developed. It should

be noted that any one-off adjustments will need to be addressed in future years. The latest information is set out in the following paragraphs:-

### 3.3 Inflation

3.3.1 Predicting the level of inflation over a four year period with accuracy is not easy, particularly in the current economic climate and given the size of the Council's budget can lead to large variances if the actual inflation levels vary from the assumptions.

### 3.3.2 Pay

The provision currently in the MTFS for pay inflation is:-

**Table 7: Pay inflation in the MTFS**

	2015/16	2016/17	2017/18	2018/19
Pay inflation in MTFS (%)	1%	1.5%	1.5%	1.5%
Estimate (cumulative £000)	837	2,093	3,349	4,605

As previously reported the pay award has now been agreed. It is a two-year deal up to 31 March 2016 which equates to an increase of around 2.35% on average. It will be in the form of a basic pay increase from 1 January 2015 - to last 15 months; plus lump sums for December 2014 and April 2015 but which were paid to staff in December 2014.

The estimated costs of the pay award are:-

**Table 8: Estimated Cost of Pay Award**

	2014/15	2015/16
	£000	£000
Estimated Pay Award	638	1,455

The budget for 2014/15 included 1% for a pay award as does the current MTFS for 2015/16. Although the two year pay award is higher than the 2% total provided for, it is proposed to leave the provision unchanged at this stage.

### 3.3.3 Prices

CPI annual inflation was 0.3% in January 2015, which is down from 0.5% in December 2014. Continuing falls in motor fuel prices, and reductions in food prices were the main reasons for the drop in the rate of inflation. Smaller falls in the price of clothing than a year ago partially offset the reduction. CPIH, the measure of consumer price inflation including owner occupiers' housing costs, grew by 0.4% in the year to January 2015, down from 0.6% in December 2014. Owner occupiers' housing costs increased by 0.2% between January 2015 and December 2014.

RPI annual inflation, which is the inflation indice used in the majority of our contracts, stands at 1.1% in January 2015, down from 1.6% in December 2014.

### Outlook for inflation:

On 5 February 2015, the Bank of England's Monetary Policy Committee (MPC) voted to maintain the Bank Base Rate at 0.5%. The Committee also voted to continue with its programme of asset purchases totalling £375 billion, financed by the issuance of central bank reserves. The MPC reached its decisions in the context of the monetary policy guidance announced alongside the publication of the August 2013 Inflation Report.

In the Minutes of the MPC published on 18 February 2015, it was noted that "Inflation was judged likely to remain close to zero for most of 2015, reflecting past falls in energy, food and other import prices and some continued drag from domestic slack. The near-term projection was considerably lower than it was three months ago and it was more likely than not that CPI inflation would dip briefly below zero at some point in the first half of 2015. Moreover, the MPC judged that the period of low inflation expected over 2015 posed a downside risk to inflation over the first half of the projection: the factors pulling down inflation could prove more persistent than expected or a period of low inflation could be reflected in weaker wage pressures. Further out, the profile hinged on the outlook for domestic inflationary pressures. In the central projection, the gradual pickup in productivity growth and declines in slack were associated with a rise in four-quarter wage and unit labour cost growth, to rates consistent with the MPC's 2% target. CPI inflation was therefore judged likely to return to the 2% target by the two-year point, before rising a little further. "

The quarterly inflation report for February 2015 was published on 12 February. This provided an overview of expectations relating to the inflation forecast based on latest economic data. The report indicated that "inflation is likely to fall further in the near term, and could temporarily turn negative, as falls in energy prices continue to be passed through. Inflation is likely to rebound around the turn of the year as these effects drop out of the annual rate. The fall in oil prices, together with monetary policy measures taken abroad, should support global demand. Lower energy prices will also boost UK real income growth. That, along with a lower expected path for Bank Rate than in November, should help to sustain the recent robust expansion in UK domestic demand. As slack is absorbed, inflation is projected to rise back to levels consistent with the inflation target. The Committee judges that it is currently appropriate to set policy so that it is likely that inflation will return to the 2% target within two years. Under the assumption that Bank Rate rises gradually over the forecast period, that is judged likely to be achieved. "

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 9: Forecasts for the UK Economy**

Source: HM Treasury - Forecasts for the UK Economy (February 2015)			
	Lowest %	Highest %	Average %
2014 (Quarter 4)			
CPI	0.9	1.1	0.9
RPI	2.0	2.2	2.0
LFS Unemployment Rate	5.6	6.2	5.9
2015 (Quarter 4)			
CPI	0.2	1.7	0.9
RPI	0.3	2.7	1.8
LFS Unemployment Rate	4.9	5.7	5.4
2016 (Quarter 4)			
CPI	0.7	2.7	1.8
RPI	1.7	3.5	3.0
LFS Unemployment Rate	3.8	5.9	5.1

Independent projections for the calendar years 2015 to 2019 are summarised in the following table:-

Source: HM Treasury - Forecasts for the UK Economy (February 2015)					
	2015	2016	2017	2018	2019
	%	%	%	%	%
CPI	0.5	1.7	1.9	2.0	2.0
RPI	1.2	2.6	3.2	3.2	3.0
LFS Unemployment Rate	5.5	5.3	5.1	5.0	4.8

The current assumptions regarding price inflation incorporated into the MTFS are

**Table 10: Price inflation assumptions in MTFS**

	2015/16	2016/17	2017/18	2018/19
Price inflation in MTFS (%)	1.5%	1.5%	1.5%	1.5%
Estimate (cumulative £000)	2,342	4,686	7,032	9,376

Given the downward trend for inflation and analysts recent forecasts for it to continue to fall in the coming months, it is anticipated that the current provision in the MTFS is adequate. Clearly, this will be treated as a cash limit and if 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.

### 3.3.4 Inflation > 1.5% on volatile budgets

There is also a corporate provision which is held to assist services that may experience price increases greatly in excess of the 1.5% inflation



allowance provided when setting the budget. This will only be released for specific demonstrable demand.

**Table 11: Inflation exceeding 1.5%**

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Inflation exceeding 1.5%	543	540	536	536

The cash limiting strategy is not without risks but if current levels of inflation were applied un-damped across the period then the budget gap would not change significantly by 2018/19.

### 3.3.5 Income

In a change to the methodology this year, service departments can meet their targets from a combination of savings and additional income. The targets include an element which takes into account each department's capacity to generate additional income based on a 2% increase in income on actual 2013/14 fees and charges income. The indicative income targets are:-

**Table 12: Income based on a 2% per annum increase**

Income based on 2% p.a. increase	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Income – total cumulative	732	1,464	2,196	2,928

## 3.4 Collection Fund

3.4.1 The Collection Fund is a statutory fund separate from the General Fund. It accounts for income from Council Tax and from NNDR (Business Rates).

3.4.2 The Collection Fund accounts are kept on an accrual basis and a surplus or deficit for the year in the collection fund is estimated accordingly. The audited accounts for 2013/14 include the following surplus/deficit for Council Tax and NNDR as at 31 March 2014:-

**Table 13: Collection Fund Surplus/Deficit as at 31 March 2014**

	Surplus/ (deficit) as at 31/03/14 Outturn	Surplus/ (deficit) as at 31/03/14 Outturn	Total surplus/ (deficit) as at 31/03/14
	Council Tax	NNDR	
	£000	£000	£000
Central Government	N/A	(1,051)	(1,051)
GLA	1,222	(420)	802
Merton	4,446	(631)	3,815
Total	5,668	(2,102)	3,566

- 3.4.3 A review of the Collection Fund, related bad debt provisions, write offs and anticipated collection rates in 2014/15 has been undertaken. With respect to Business Rates, the NNDR1 return has been submitted which analyses the estimated Business Rates for 2015/16, estimated deficit as at 31<sup>st</sup> March 2015 and estimated Section 31 Grant for 2015/16, and the allocations between Merton, Central Government, and the GLA
- 3.4.4 As a result of the further analysis, the estimated surplus/deficit on the Collection Fund as at 31<sup>st</sup> March 2015 is as follows:-

**Table 14: Collection Fund Surplus/Deficit as at 31 March 2015**

	Surplus/ (deficit) as at 31/03/15 Estimate	Surplus/ (deficit) as at 31/03/15 Estimate	Total surplus/ (deficit) as at 31/03/15
	Council Tax	NNDR	
	£000	£000	£000
Central Government	N/A	(655)	(655)
GLA	1,300	(262)	1,038
Merton	4,813	(393)	4,420
Total	6,113	(1,310)	4,803

A more detailed summary of the calculations relating to the Collection Fund is included in Appendix 3 together with a copy of Merton's NNDR1 form for 2015/16. To understand the surpluses and deficits more in the Collection Fund, it is intended to undertake a fundamental review of the mechanisms for monitoring Council Tax collection and how it interacts with the Collection Fund and therefore MTFS. Progress on this will be reported during 2015/16 as part of the monitoring reports to Cabinet.

### 3.5 Taxicards and Freedom Passes

- 3.5.1 These schemes are administered by London Councils on behalf of London boroughs. Initial information from London councils indicates that there is more than sufficient provision in the latest draft MTFS to fund the cost of these schemes in 2015/16. The latest available details are set out in the following table:-

**Table 15: Freedom Passes and Taxicards 2015/16**

<u>Budget 2014/15</u>	£
Freedom Passes	8,852,160
Taxicards	169,540
Total Budget 2014/15	9,021,700
Increase allowed for in MTFS in 2015/16	436,436
Total Provision 2014/15 in latest draft MTFS	9,458,136
<b><u>Latest Details from London Councils</u></b>	
Charge to Merton for Freedom Passes	(8,998,976)
Charge to Merton for Taxicards	(180,000)
<b>Latest Estimated Cost for 2015/16</b>	<b>(9,178,976)</b>
<b>Estimated Surplus Provision in MTFS</b>	<b>(279,160)</b>

### 3.6 Contingency

3.6.1 The latest MTFS includes provision of £1.5m as a contingency to meet unforeseen cost and demand pressures, particularly those arising as the economy recovers from the recession.

3.6.2 As for the current financial year, there is a need for temporary resources, potentially up to £0.460m for Children, Schools and Families to be able to respond to the Children and Families Act, extended statutory duties associated with 0-25 agenda and transition. This need will be kept under quarterly review.

### 3.7 Bad Debt Provision

3.7.1 The bad debt provision is calculated on the basis of an examination of debts within the council's financial systems to assess the probability of their collection. Due to effective and proactive debt management it is not considered that an increase in contribution will be necessary for 2015/16, even under the current economic circumstances. The level of provision will be kept under review within the MTFS.

### 3.8 Revenuisation

In recent budgets it has been recognised that some expenditure formerly included in the capital programme could no longer be justified as it did not meet the definition of expenditure for capital purposes. Nevertheless, it is important that some of this expenditure takes place and the following amounts have been included in the latest MTFS for 2015-19:-

**Table 16: Revenuisation**

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Revenuisation	2,530	2,426	2,436	2,433

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

### 3.9 Summary of Corporate and Technical Adjustments

3.9.1 The financial implications of the corporate and technical adjustments discussed in this report are summarised in Appendix 4.

## 4. **Departmental Savings Proposals 2015-19 and Service Planning**

4.1 In allocating savings targets for each Department, Cabinet has 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%), have been applied which reduces the impact on Adult Social Care, Children's Social Care and vulnerable groups. Cabinet on 20 October 2014 agreed departmental targets to be met from savings and income proposals as follows:-

**Table 17: Savings targets agreed by Cabinet**

<b>TARGETS ALLOCATED TO DEPARMENTS TO BE MET FROM SAVINGS AND INCOME</b>	<b>2015/16 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>Total £000</b>
Corporate Services	99	1,691	2,180	1,445	5,415
Children, Schools & Families	50	1,872	1,839	1,063	4,824
Environment & Regeneration	363	4,329	4,866	2,290	11,848
Community & Housing	220	2,935	4,136	2,590	9,881
Total Savings/Income Proposals	732	10,827	13,021	7,388	31,968
Cumulative	732	11,559	24,580	31,968	

4.2 Service departments reviewed their budgets and formulated proposals to address their targets. These were considered by Cabinet on 8 December 2014 and referred to Overview and Scrutiny Panels and the Commission for scrutiny in January 2015

4.3 The proposals submitted by each department are summarised in the following table and set out in detail in Appendix 9.

**Table 18: Savings Proposals to Cabinet on 8 December 2014**

<b>SAVINGS/INCOME PROPOSALS</b>	<b>2015/16 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>Total £000</b>
Corporate Services	190	1,600	1,163	165	3,118
Children, Schools & Families	0	1,934	296	0	2,230
Environment & Regeneration	363	4,196	810	(212)	5,157
Community & Housing	220	2,935	1,736	1,195	6,086
<b>Total Savings/Income Proposals</b>	<b>773</b>	<b>10,665</b>	<b>4,005</b>	<b>1,148</b>	<b>16,591</b>
<b>Cumulative</b>	<b>773</b>	<b>11,438</b>	<b>15,443</b>	<b>16,591</b>	

4.4 Summary of progress to date

4.4.1 If all of the proposals are accepted, the balance remaining to find is:-

**Table 19: (Shortfall)/surplus in savings currently identified**

<b>SAVINGS/INCOME PROPOSALS</b>	<b>2015/16 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>Total £000</b>
Corporate Services	(91)	91	1,017	1,280	2,297
Children, Schools & Families	50	(62)	1,543	1,063	2,594
Environment & Regeneration	0	133	4,056	2,502	6,691
Community & Housing	0	0	2,400	1,395	3,795
<b>Total Savings/Income Proposals</b>	<b>(41)</b>	<b>162</b>	<b>9,016</b>	<b>6,240</b>	<b>15,377</b>
<b>Cumulative</b>	<b>(41)</b>	<b>121</b>	<b>9,137</b>	<b>15,377</b>	

4.5 Where departments have not met their target or put forward options that are deemed not to be acceptable then the shortfall will be carried forward to later meetings and future years budget processes to be made good.

4.6 Feedback from the Scrutiny Process:-

4.6.1 Comments from the Overview and Scrutiny Commission on 29 January 2015 are provided in a separate report on the agenda for this meeting.

4.6.2 Cabinet are asked to review the feedback from the Scrutiny process and make recommendations as appropriate.

4.6.3 Cabinet are recommended to request officers to review the savings proposals made to date and where possible bring them forward to the earliest possible implementation date. Corporate Services have undertaken an initial review and have identified that saving CSD22, a saving of £60k in 2016/17 arising from Treasury Management/Investment income, can be brought forward to 2015/16. This is reflected in the revised MTFS presented in this report.

#### 4.7 Financial Implications of Changes arising from response to Scrutiny

4.7.1 The draft MTFS shown in Appendix 7 does not include the impact of any changes recommended by Overview and Scrutiny Commission. If Council decide to accept any or all of the recommendations the MTFS will be amended to reflect this.

#### 5. **Budgetary Control 2014/15**

5.1 The revenue budgetary control information below summarises the corporate position using the latest available information as at 31<sup>st</sup> December 2014 which shows that there is a forecast overspend for the Council of £4.6m.

5.2 The overspend of £4.598m is made up as follows :-

▪ departmental overspend	£6.253m
▪ corporate underspend	<u>(£1.655m)</u>
	£4.598m

5.3 Where appropriate these reduced projections are being incorporated into the Medium Term Financial Strategy for 2015-19.

5.4 In terms of addressing issues which have been identified as pressures that need to be addressed in 2015/16 the following adjustments have been made to the MTFS:-

- the addition of £1m in 2015/16 to address redundancy payments/pension strain
- the addition of £1.1m to departmental transport budgets to address ongoing underprovision/imbalance of budget to meet increased demand

#### 6. **Capital Financing and Treasury Management**

##### Treasury Management, Capital Financing and Investment Income:

6.1 Details are included in Section 5 of this report. Capital financing costs are derived from the draft capital programme which is discussed in Section 4 and estimated revenue funding is built into the MTFS for the level of borrowing that is expected.

6.2 Details relating to how the capital programme has changed from that approved by Council in March 2014 to the capital programme for 2015-19 are discussed in Section 4 of this report and related appendices. The capital programme has continued to be subject to major review as part of monthly monitoring and the process of developing the Business Plan for 2015-19.

- 6.3 In addition to reviewing the capital programme, focus has also been maintained on the treasury management aspects of funding the programme, to improve forecasts of available funding and to minimise as far as possible the costs of funding capital. This has included improved cash flow forecasting to enable the programme to be funded from internal resources for as long as possible to take advantage of current low levels of interest. Work is also continuing to ensure that grants and contributions are utilised effectively and this work will continue into the closing of accounts process for 2014/15 to ensure that the revenue impact of the capital programme is minimised in 2015/16 and beyond.
- 6.4 The revenue budget implications of the capital programme 2015-19 compared to those included in the MTF5 approved by Council in March 2014 are summarised in the following table:-

**Table 20: Summary of Capital Financing Costs and movement since 2014/15**

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Budgeted Capital financing costs of Programme approved by Council 5/03/2014	<b>14,208</b>	<b>15,838</b>	<b>18,042</b>	<b>19,901</b>
Change arising from recalculation of charges including financing and review and re-profiling of capital programme as set out in Section 4	(650)	(1,809)	(2,214)	(2,810)
Estimated capital financing costs of Capital Programme 2015-19	<b>13,558</b>	<b>14,029</b>	<b>15,828</b>	<b>17,091</b>

- 6.5 The analysis of the budget for capital financing costs and investment income is set out in the following table:-

**Table 21: Details of Budgets for capital financing costs**

.0	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
MRP	7,421	7,674	9,015	9,547
Interest	6,696	6,696	7,010	7,729
<b>Capital financing costs</b>	<b>14,117</b>	<b>14,370</b>	<b>16,025</b>	<b>17,276</b>
Investment Income	(559)	(341)	(197)	(185)
<b>Net</b>	<b>13,558</b>	<b>14,029</b>	<b>15,828</b>	<b>17,091</b>

- 6.6 The level of investment income is affected by movement in the Council's reserves over the MTF5 period.

## 7 GENERAL FUND BALANCES AND RESERVES

- 7.1 In determining an appropriate level of general fund balances previously, an analysis of the overall expenditure of the authority had been prepared. An updated version of this analysis has been prepared and is attached as Appendix 11. The overall level of balances is summarised below and compares with current GF balances of £18.838m as shown in the final accounts for 2013/14, but will need to be adjusted for outturn, with a projected overspend of £4.6m, leaving a balance of £14.2m.

**Table 22: Indicative range of balances**

	Min	Medium	Max
	£m	£m	£m
Level of balances	11.05	16.31	21.84

- 7.2 An alternative approach would be to look at a percentage based on the net spending of the authority. From the Audit Commission's report "Striking a Balance", most Chief Officers regarded an amount of between 3 and 5 per cent as a prudent level and the minimum the auditors would consider prudent. There are also some other areas of risk and unknowns in relation to the localisation of business rates and how this impact will flow thorough, in particular in relation to appeals. There is now an amount calculated for Merton called the safety net, below which income must fall before Merton becomes entitled to funding from central government. This approach is set out below, using an amount of 5 per cent.

**Table 23: Indicative level of balances**

	£m
Net spending	7.8
Safety Net	2.3
Appeals	5.5
Level of balances	15.6

- 7.3 The average level of General Fund balances for outer London boroughs for 2013/14 was £17.6m, with a low of £8.0m and a high of £20.0m.
- 7.4 There has been a regular quarterly update on the use of earmarked reserves for 2014/15 reported through to Cabinet as part of the financial monitoring report. An initial review of their use over the MTFs has been undertaken as is shown in Appendix 8. This shows the level of earmarked reserves falling from £35.6m to £3.3m by 31 March 2019.
- 7.5 The average level of earmarked reserves for outer London boroughs for 2013/14 was £61.6m, with a low of £23.3m and a high of £104.4m. Merton, with £35.6m (excluding schools) is ranked 15 out of 20 outer London boroughs.



8. **Revenue Support Grant and Baseline Funding (Non-Domestic Rates)**

8.1 In 2013/14 there was a fundamental change in the funding methodology for local government services. This introduced the Business Rates Retention Scheme. Estimates of business rates receivable for 2015/16 have been produced and a summary is provided in Appendix 3.

8.2 The overall changes in formula grant compared to 2014/15, the base estimate for 2015/16 and the funding announced in the Final Local Government Finance Settlement are summarised in the following table:-

**Table 24: Changes in Local Government Finance Settlement**

	2014/15 £000	Original 2015/16 £000	Final 2015/16 £000
RSG	39,738	30,223	30,425
NNDR	33,253	32,639	*33,686
NNDR - Section 31 Grant	1,118	1,118	*1,134
<b>Total</b>	<b>74,109</b>	<b>63,980</b>	<b>65,425</b>

\* Based on NNDR1

9. **Council Tax Strategy**

9.1 In the Annual Residents Survey 2014, the residents' personal concerns over the level of council tax have continued to reduce and currently stand at 21%. The Residents' Survey for 2014 took place from 15 September 2014 until 24 October 2014.

9.2 Council Tax and Council Tax Freeze Grant

9.2.1 As previously notified the Government has indicated that it will provide grant to Councils that agree to freeze their Council Tax in 2015/16. The grant will be equivalent to 1% Council Tax.

9.2.2 This funding will be built into the spending review baseline for future years. Funding for previous year's freeze grants is incorporated into the local government settlement total for future years and not paid as a specific grant anymore.

The indicative allocations for 2014/15 and 2015/16 are:

**Table 25: Council Tax Freeze Grant**

2014/15	£0.858m
2015/16	£0.861m

### 9.2.3 Capping of Council Tax increases

The Localism Act 2011 introduced a power for the Secretary of State for Communities and Local Government to issue principles that define what should be considered as excessive Council Tax, including proposed limits. The principles are subject to approval by the House of Commons.

9.2.4 From 2013 onwards, any council that wishes to raise its Council Tax above the limits that apply to them will have to hold a referendum. The result of the referendum will be binding.

9.2.5 On 5 February 2014 the Minister for Local Government introduced the report on Council Tax Referendums. Under section 52ZB of the Local Government Finance Act 1992 each billing authority and precepting authority must determine whether its relevant basic amount of council tax for a financial year is excessive. If an authority's relevant basic amount of council tax is excessive a referendum must be held in relation to that amount.

Under section 52ZC of the 1992 Act the question of whether an authority's relevant basic amount of council tax is excessive must be decided in accordance with a set of principles determined by the Secretary of State. The principles for a financial year must be set out in a report which must be laid before and approved by the House of Commons. If the report for a financial year is not approved on or before the date on which the local government finance report for the same year is approved by the House of Commons, no principles have effect for that year and accordingly no authority's relevant basic amount of council tax is capable of being excessive for that year.

For 2015-16, the relevant basic amount of council tax of an authority such as Merton which is excessive if the authority's relevant basic amount of council tax for 2015-16 is 2%, or more than 2%, greater than its relevant basic amount of council tax for 2014-15.

The final referendum principles will then be subject to the approval of the House of Commons. In addition, subject to approval by Parliament of the Local Audit and Accountability Bill, which is currently before Parliament, the principles will include levies and will therefore be based on the level of Band D Council Tax. This will mean the principle will relate to the actual increase which appears on people's bills.

### 9.2.6 Special expenses

All special items (other than parish precepts) are included in an authority's basic amount of council tax. Therefore, the average of all an authority's special items (including its special expenses) over the whole of its area is the amount that will be used to judge eligibility for the grant.

Any proposed council tax increase by, for example, Wimbledon and Putney Conservators would therefore be taken into account in assessing whether Merton is eligible for Council Tax Freeze Grant.

**10. Council Tax Base**

10.1 Cabinet on 8 December 2014 agreed the Council Tax Base calculation for 2015/16. Details of the calculation are included as Appendix 3.

10.2 For 2015/16 the Council Tax Base has been calculated as:-

**Table 26: Council Tax Base 2015/16**

<b>Council Tax Base 2015/16</b>	<b>69,638.0</b>
---------------------------------	-----------------

10.3 A separate council tax base calculation has been produced for the properties covered by the Wimbledon and Putney Common Conservators (WPCC) area. For 2015/16 the Council Tax Base for Wimbledon and Putney Commons Conservators has been calculated as:-

**Table 27: WPCC Council Tax Base 2015/16**

<b>WPCC Council Tax Base 2015/16</b>	<b>10,880.0</b>
--------------------------------------	-----------------

**11. Greater London Authority Precept and Other Levies**

11.1 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.

11.2 On 19 December 2014 the Mayor published his 2015-16 draft revenue budget and capital spending plan for consultation. This includes his draft budget proposals for the GLA (Mayor and Assembly), the Mayor's Office for Policing and Crime (MOPAC), the London Fire and Emergency Planning Authority (LFEPA), Transport for London (TfL) and the London Legacy Development Corporation (LLDC). The budget proposes a reduction in the Mayor's Band D council tax precept of £4.00 (1.3 percent) from £299.00 to £295.00 in 2015-16 for council taxpayers in the 32 London boroughs. The 2016-17 indicative budget assumes a further £19 reduction to £276.

11.3 These figures were confirmed when the 2015-16 draft consolidated budget was published on 20 January 2015 and was considered by the London Assembly on 28 January 2015.

11.4 The final draft GLA budget was published on 13 February 2015 and approved unamended by the London Assembly on 23 February 2015.

## 11.5 Other Levies

11.5.1 The Council is required by statute to pay certain levies to the organisations listed below. The levies for 2015/16 have been notified and confirmed and are set out in the following table:-

**Table 28: Other Levies**

	2014/15 £000	2015/16 £000	2015/16 Change %
London Pension Fund Authority	266	264	(0.8%)
Lee Valley Regional Park	214	209	(2.5%)
Environment Agency	157	159	1.99%

## 11.6 Wimbledon and Putney Commons Conservators (WPCC)

11.6.1 A separate precept is levied in respect of those residents of properties bordering the Wimbledon and Putney Commons. The amount is calculated on the basis of the amount levied by the Commons Conservators and the Band D Council Tax in respect of the WPCC precept in 2015/16 will be £292,945.92, a reduction of £238.31 from the 2014/15 levy of £293,184.23.

**Table 29: Wimbledon and Putney Commons Conservators Precept**

	2015/16 £000	2014/15 £000	Change %
Wimbledon & Putney Commons Conservators	293	293	0%

11.6.2 The average Band D cost to a council taxpayer in the WPCC area has reduced from £27.38 in 2014/15 to £26.93 in 2015/16.

## 12. CONCLUSIONS

12.1 It is a statutory requirement that the council sets a balanced budget in 2015/16. Also, as indicated in paragraph 9.2.2, the Government has announced that £0.861m council tax freeze grant (equivalent to 1% council tax increase) will be available if the council decides to freeze or reduce its council tax in 2015/16.

12.2 The Government measure this by requiring local authorities to complete a Council Tax Requirement Form (CTR) which has to be returned by a deadline set by the Government.

12.3 The measure used to assess whether a local authority is eligible to receive council tax freeze grant is the year on year change in the average level of council tax. The average level of council tax for Merton

includes the additional council tax payment made in respect of those properties in the Wimbledon and Putney Commons Conservators area. In 2014/15 the average council tax for Merton was £1,106.56.

- 12.4 The Medium Term Financial Strategy assumes that all of the corporate provisions, proposals for growth and proposals for savings, in 2015/16 discussed in this report are agreed and if this is the case, the following financial position is achieved:-

**Table 30: Average Band D Council Tax**

<b>Average Council Tax Calculation at Band D</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>
Budget Requirement	162.541	155.016
RSG + Business Rates	(72.991)	(64.111)
Section 31 Grant (NNDR)	(1.118)	(1.134)
New Homes Bonus	(3.199)	(2.642)
PFI Grant	(4.797)	(4.797)
Council Tax Freeze Grant	(0.858)	(0.861)
Collection Fund Surplus	(4.236)	(4.420)
Council Tax Requirement	75.342	77.051
Council Tax Base	68,087.4	69,638.0
<b>Average Council Tax</b>	<b>1,106.56</b>	<b>1,106.45</b>

- 12.5 The calculation of Band D council tax for properties outside the Wimbledon and Putney Commons Conservators area is as follows:

**Table 31: Council Tax calculation**

<b>Council Tax Calculation Band D</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>
Budget requirement	162.541	155.016
WPCC	(0.293)	(0.293)
RSG + Business Rates (inc. S.31 grant)	(74.109)	(65.245)
New Homes Bonus	(3.199)	(2.642)
PFI Grant	(4.797)	(4.797)
Council Tax Freeze Grant	(0.858)	(0.861)
Collection Fund Surplus	(4.236)	(4.420)
Balance to be met from Council Tax	75.049	76.758
Implied Council Tax (Band D)	1,102.25	1,102.25

- 12.6 The implications for the level of Council Tax on a Band D property, including the GLA precept are set out as follows:-

**Table 32: Band D Council Tax**

<b>Council Tax at Band D</b>	<b>2014/15 £</b>	<b>2015/16 £</b>	<b>% change from 2014/15</b>
Merton (exc. WPCC)	1,102.25	1,102.25	0%
GLA Precept (Provisional)	299.00	295.00	(1.3%)
<b>Implied Council Tax at Band D</b>	<b>1,401.25</b>	<b>1,397.25</b>	<b>(0.3)%</b>

12.7 A summary Statement of Council Tax requirements and balances based on the proposals set out in this report is attached as Appendix 6, and a revised MTFs summary incorporating the proposed changes set out in this report is provided at Appendix 7.

### 13. Risk Management

13.1 The management of risk is strategically driven by the Corporate Risk Management Group. This is the central hub of a number of council mechanisms for risk management including a Corporate Key Strategic Risk Register, departmental risk registers and project risk registers. The group collates on a quarterly basis the headline departmental risks and planned mitigation activity from each department, project and partnership, to be put forward for discussion at CMT. Reports on risk are made through the General Purposes to cabinet and council. Developing a corporate business plan and setting a balanced budget 2015-19 and beyond has been highlighted as a key strategic risk on the corporate risk register.

13.2 Currently £8.3 million of savings are being progressed for 2014-15, coupled with a further £27.2m of savings identified for 2015-19. Current practice is to monitor delivery of savings as part of the monthly Business Plan Monitoring, it is envisaged that given the size of the savings target over the next three years, additional mechanisms may need to be established to monitor more transformational and longer term projects.

### 14. Summary

14.1 Taking into account the changes that have taken place since the Cabinet meeting in January, before taking into account any changes that Council are minded to make following the feedback from Scrutiny, the budget gap in the MTFs has changed to the following:-

**Table 33: Cumulative MTFs Gap 2015-2019**

	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>
MTFS gap (cumulative)	0	0	0	14.367

14.2 There is still much to be done to be able to set a balanced budget over the period of the MTFS. There is also a high level of uncertainty about RSG and Business Rates funding in the future.

## 15. Future Years

15.1 As indicated in the updated MTFS there is a gap between the forecast level of resources and budget requirements for later years which will need to be addressed if balanced budgets are to be set for those years. The updated MTFS is set out in Appendix 7.

15.2 The budget process for 2016/17 will commence in the new financial year but funding will not be known until later in the year following the results of the General Election in May.

15.3 Some of the options available to the Council to eliminate the budget gaps include:-

- Savings – reduction/deletion of services
- Savings – efficiencies including procurement
- Income – increase in fees and charges/new sources of income
- Council Tax increase
- Use of balances

## 16. Positive Assurance Statement

16.1 Section 25(2) of the Local Government Act 2003 requires the Chief Financial Officer of an authority to report on:

- (a) the robustness of the estimates made for the purposes of the calculations, and
- (b) the adequacy of the proposed financial reserves.

16.2 In doing so, the Director of Corporate Services has had particular regard to the guidance offered by the Chartered Institute of Public Finance and Accountancy and the views of the Council's external auditor.

16.3 One of the Council's stated priorities is to keep council tax low. To achieve this, the Council must have regard to the major risks to its financial position and in particular:

- The current economic position
- Whether budget setting and monitoring processes are robust and effective
- Demand pressures on the budget
- Identifying and achieving cost and income improvements
- Risks to Government funding levels
- Risks to other income streams

- 16.4 Local government finance issues have been dominated in recent times by cuts in government funding and pressure to keep council tax increases down. Alongside this the longer term position is also made more uncertain by the changes in the way Government Funding is calculated and the “localisation” of Council Tax Benefit with a lower level of Government funding. Although the MTF5 shows significant progress to date towards a balanced budget over the medium term, the longer term position remains extremely challenging. Members should also note that freezing Council Tax levels produces a permanent real terms reduction in Council Tax yield.
- 16.5 With relatively low allowance for demand growth, uncertainty over Government funding, increased concerns over income funding streams, and the need to achieve challenging savings targets, the risks inherent in the revenue budget are inevitably increased. The Council has sufficient reserves to deal with such a position in the short term and will be reviewing transformation of the authority to identify further saving opportunities over the next four year budgeting period.
- 16.6 The Council’s reserves and their usage is linked to both the capital and revenue budget. A list of the current reserves held by the Council is attached at Appendix 8. Although reserves are likely to reduce overall, this is a result of their use for the purposes they were established. The overall level therefore remains adequate.
- 16.7 It should be noted that the Pension Fund Reserve is, in common with many other Pension Funds, showing a large deficit. The Council has a long term recovery plan for the fund and expects employer funding requirements to be improved by the outcome of the Governments proposed changes to public sector pension schemes. Balancing this, the expected reducing numbers contributing to the fund over time will increase pressure on employer contribution rates. Officers will be continuing discussions with the fund’s actuary and the Council’s Pension Fund Committee on how best to address this position in the longer term.
- 16.8 Chief Officers have reviewed their budgets in line with departmental finance officers and are confident that the budgets set for their services are robust and with the corporate contingency will meet the strategic objectives and performance targets set out in the Business Plan.
- 16.9 In summary, it is the view of the Chief Financial Officer (being the Director of Corporate Services) that the estimates are robust for the purposes of the required budget/council tax calculations and that the Council’s reserves are adequate.



## **17. Business Rates Retail Reliefs**

### **17.1 Merton Council Retail Property Discount 2015/16 (Appendix 12(a) refers)**

The Government announced in the Autumn Statement (3 December 2014) that it wishes local authorities to grant Business Rates (NNDR) relief of up to £1,500 to all occupied retail properties with a rateable value of £50,000 or less that are wholly or mainly being used as shops, restaurants, cafes or drinking establishments. The relief will apply for the 2015/16 financial year. This relief was previously set at up to £1,000 in 2014/15.

### **17.2 Merton Council Transitional Relief Discount 2015/16 (Appendix 12(b) refers)**

The Government also announced in the Autumn Statement 2014 that it wishes local authorities to grant Business Rates (NNDR) transitional relief discount to small and medium properties which meet the criteria specified. The relief will apply for the financial years 2015/16 and 2016/17. This discount replaces the statutory Transitional Relief Scheme which comes to an end on 31 March 2015.

**DRAFT RESOLUTIONS****Revenue Report:**

1. Members consider the views of the Overview and Scrutiny Commission summarised in Appendix 14 of the revenue report, and approve the proposed budget for 2015/16 set out in Appendix 7 of the revenue report, together with the proposed Council Tax levy in 2015/16.
2. That it be noted that at its meeting on 8 December 2014 the Council calculated its **Council Tax Base for the year as 69,638.0** 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 10,880.0** 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

	<b>£m</b>
Gross Revenue Expenditure of Service Committees	<b>539.453</b>
Corporate Provisions	<b>9.410</b>
Amounts Payable to the Levying Bodies	<b>0.926</b>
Contribution to/(from) Financial Reserves	<b>(4.991)</b>
<b>Gross Expenditure</b>	<b>544.798</b>

- 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

	<b>£m</b>
<b>Gross Income</b>	<b>467.747</b>

- 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

	<b>£m</b>
Council Tax Requirement for the Council's own purposes for 2015/16 (including special expenses re WPCC)	<b>77.051</b>

- 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

	<b>£m</b>
Revenue Support Grant	<b>30.425</b>
Baseline funding NNDR & Section 31 Grant	<b>34.820</b>
Formula Grant	<b>65.245</b>

- 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)).

	<b>£</b>
<b>Merton's General Band D Council Tax Levy (including properties within Wimbledon and Putney Commons Conservators area)</b>	<b>1,106.45</b>

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

	<b>£</b>
<b>Wimbledon and Putney Commons Conservators Special Levy</b>	<b>292,946</b>

- 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.

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

- 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.

	<b>£</b>
<b>Wimbledon and Putney Commons Conservators Band D</b>	<b>1,129.18</b>

- 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 £
	734.83	857.31	979.78	1,102.25	1,347.19	1,592.14	1,837.08	2,204.50
Parts inc. WPC	752.78	878.26	1,003.72	1,129.18	1,380.10	1,631.04	1,881.96	2,258.36

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 2015/16 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	196.67	229.44	262.22	295.00	360.56	426.11	491.67	590.00

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 £
	931.50	1,086.75	1,242.00	1,397.25	1,707.75	2,018.25	2,328.75	2,794.50
Parts inc. WPC	949.45	1,107.70	1,265.94	1,424.18	1,740.66	2,057.15	2,373.63	2,848.36

## Local Government Finance Settlement 2015-16

The provisional 2015-16 Local Government Finance Settlement was announced on 18 December 2014. The final Settlement allocations were confirmed by the Minister for Local Government on 3 February 2015. He confirmed the proposals in the provisional 2015-16 settlement but in addition, the Government are providing a further £74 million to upper-tier authorities to recognise that such councils have asked for additional support, including to help them respond to local welfare needs and to improve social care provision. Merton's RSG allocation increased by £0.202m as a result of this change.

He also confirmed that the council tax referendum principle for 2015-16 will be set at 2%.

The settlement outlines core funding allocations (Settlement Funding Assessments) for local authorities and sets out the impact on local authority "revenue spending power", as defined by Government, for 2015-16.

### Spending Power

The reduction in spending power across England (excluding the GLA) is £0.85 billion (1.7%) in 2015-16. Spending Power is defined by the government as the aggregate of: council tax; SFA; other special and specific grants; and NHS funding to support social care and benefit health. The reduction for London Boroughs is £266 million (3.2%) in 2015-16. There is an overall cap in the reduction of spending power of 6.4% in 2015-16. The Government will continue to pay the "Efficiency Support Grant" to authorities experiencing a reduction of more than 6.4%. There will be certain criteria attached to the receipt of this grant and no London boroughs are eligible.

Spending Power	2014-15 adjusted £m	2015-16 £m	Change £m	Change %
England excluding GLA	49,796	48,951	(845)	-1.7%
England	52,598	51,558	(1,040)	-2.0%
London boroughs	8,248	7,982	(266)	-3.2%
Inner London	3,581	3,410	(171)	-4.8%
Outer London	4,667	4,572	(95)	-2.0%
Merton	169	167	(2)	-1.1%

These figures include:

- The pooled NHS and local authority Better Care Fund of £3.46 billion. The Better Care Fund is a pooled budget, for which spending plans must be agreed locally through Health and Wellbeing Boards.

- Estimates of the amount of income authorities will raise through council tax. This is based on an assuming the historic growth rate in local authority tax bases continues and that there are no increases in council tax rates.
- The assumption that 100% of authorities will take up of the council tax freeze grant - in 2014-15, 59% (100% in London) of all eligible authorities took up the grant.
- This includes the full NHB allocation for London and doesn't reflect the requirement for London boroughs to pool a proportion of their 2015-16 allocation with the London Local Enterprise Partnership.

### Settlement Funding Assessment

Settlement funding assessment (SFA) comprises revenue support grant and the local share of business rates. In England, overall Settlement Funding Assessment (core funding) for England is £20.8 billion in 2015-16. This represents an overall reduction of £3.3billion (-13.6%) from 2014-15 based on the adjusted 2014-15 baseline. In London, boroughs will receive £3.76 billion in 2015-16 in core funding. For London, this is an overall reduction of £0.65billion (14.8%) from the adjusted 2014-15 level. In 2015-16, London boroughs will receive this funding through Revenue Support Grant (£1.758billion i.e. 46.7%) and locally retained business rates (£2.007billion i.e. 53.3%).

Settlement Funding Assessment	2014-15 adjusted £m	2015-16 £m	Change £m	Change %
England	24,112.195	20,832.539	(3,279.7)	-13.6%
London boroughs	4,419.156	3,764.643	(654.5)	-14.8%
Inner London	2,182.039	1,848.888	(333.2)	-15.3%
Outer London	2,237.117	1,915.755	(321.4)	-14.4%
Merton	73.055	63.064	(10.0)	-13.7%

### Business Rates Retention

- The principal scheme architecture remains broadly the same.
- There are no changes to whether an authority is a top up or tariff authority.
- Tariffs and top-ups will rise by 2% to reflect the recent policy announcement in the Autumn Statement 2014.
- The safety net threshold remains at 7.5% of an authority's baseline funding level.
- There remain no changes to individual levy rates, including the 50p cap on the levy rate.

Following proposals in the technical consultation over the summer, the settlement confirms the Government's intentions to:

- **Roll the 2014-15 council tax freeze grant into RSG**, paid only to those authorities which qualified for the Council Tax Freeze Scheme in 2014-15. This mirrors the arrangements for the 2013-14 grant;
- **Roll the 2014-15 Efficiency Support Grant into RSG** as a separate element for qualifying authorities;
- **Roll the 2014-15 Rural Services Delivery Grant into RSG** and combine it with the existing rural funding element. A further £4 million was earmarked within the Settlement for rural authorities; and
- Reduce funding to authorities which have fallen below the threshold for participation in the **Carbon Reduction Commitment Energy Efficiency Scheme**.

In addition, the settlement confirms a number of new policy announcements that affect the overall SFA distribution and amount. These include:

**Capping the small business multiplier:** The recent Autumn Statement announced that the small business rates multiplier would continue to be capped at 2% (as in 2014-15) rather than increase by September RPI (2.3%). The result of this policy is that top up, tariffs and baseline funding will increase by 1.91% with a subsequent lowering of the Settlement Funding Assessment (SFA). Again, a separate Section 31 grant will be established to ensure this does not impact on the overall level of funding for local government.

**Adjustment to funding for fire and rescue authorities:** The Government has decided to take account of the recent revaluation of the Firefighter's Pension Schemes by reducing the fire funding element within RSG by £2.1 million (reflecting an amount equal to 0.24% of pensionable pay for each fire authority).

**Reduction in New Homes Bonus holdback:** The Government proposes to hold back £950 million instead of the previously announced £1 billion to fund the New Homes Bonus grant in 2015-16. The £50 million will go into upper, lower and fire tier elements of RSG. As before, the Government will contribute £250 million to the scheme.

The business rates multiplier will increase by 1.9% as a result of the 2% cap on business rates outlined in the 2014 Autumn Statement. All tariff and top-up payments, business rates baselines and funding baselines will therefore increase by 1.9%.

The size and extent of safety net payments for 2015-16 are not yet known – these will be determined by local forecasts reported in the NNDR1 returns in January 2015. The retrospective levy payments due from tariff authorities for 2014-15 will be calculated after the current financial year using the final NNDR3 returns.

The safety net threshold will remain at 7.5% meaning authorities are guaranteed 92.5% of their baseline funding. The trigger point for a safety net payment is different for each authority as it depends on the relative size of funding and business rates baselines.

Beyond core SFA funding, the settlement also provides details for a range of other special and specific grants (within the Revenue Spending Power spread sheet). Based on the latest available information, London boroughs will receive close to £1.6 billion from a range of revenue grants in 2015-16.

<b>Main specific grants for London Local Government 2015-16</b> £m	<b>£m</b>	<b>Merton</b> <b>£m</b>
Local Council Tax Support and Housing Benefit Admin Subsidy Grant	69.4	1.07
New Homes Bonus	247.5	3.79
Better Care Fund	539.8	11.25
Public Health Grant (Ring-fenced)	577.5	9.24
Other grants	124.0	2.38
<b>Total specific grants</b>	<b>1,558.3</b>	<b>27.73</b>

### **New Homes Bonus**

The Government has also published provisional allocations for 2015-16 - year 5 of the New Homes Bonus scheme. London boroughs' share of the national total has stayed broadly the same at 21%, receiving £248 million of the £1.167 billion national total.

The Autumn Statement 2013 announced that local authorities in London would be required to pool £70 million of New Homes Bonus in 2015-16 to support of the work of London's Local Enterprise Partnership. The Government decided that this would be achieved via pooling an equal proportion of each borough's 2015-16 New Homes Bonus allocation, sufficient to total £70m. The level of contribution from each borough is yet to be confirmed.

London Councils has provided early estimates but point out that these figures should be treated with caution. London Councils will publish a fuller briefing on the NHB topslice and what this will mean for the local bids and proposals across the NHB programme at a later date.

The Government has not yet confirmed the amounts each authority will contribute to the £70m LEP topslice in 2015-16,. However ,it has outlined how it intends to calculate this, and has published provisional allocations. The table following shows London Councils' estimates of the LEP topslice for Merton.



	Provisional full NHB allocation 2015-16	Proportion of London total	Estimated Amount to London LEP	Estimated Net NHB Grant
Merton	3.684	1.5%	-1.042	2.642

### **The local welfare provision grant**

The provisional settlement confirmed that the current intention is not to maintain additional funding for local welfare assistance schemes in 2015-16. A separate element has been identified within RSG worth £129.6 million. However, this is a notional amount and is not ringfenced. Merton's share is c.£0.330m. The Government has indicated that it does not plan to monitor how this is spent.

### **Council Tax Freeze Grant (CTFG) and Referendum Threshold**

The Government has set out its council tax referendum principles for 2015-16. Once again, the threshold for local referendums will be 2%. The Government has extended its Council Tax Freeze Grant scheme for another year. In 2015-16, the Government will compensate authorities who freeze their council tax rate by the equivalent of 1% of their council tax. The value of CTFG in 2015-16 could be in the region of £249 million nationally and £32 million in London.

### **School Revenue Funding Settlement: 2015 to 2016**

The School Revenue Funding Settlement: 2015 to 2016 was published on 17th December 2014, confirming details of the Dedicated Schools Grant (DSG). The Dedicated Schools Grant (DSG) continues to be set out in three blocks, the early years block, the schools block and the high needs block. Overall, DSG is £39.6 billion with London receiving 18.4% (£7.3 billion).

The minimum funding guarantee is to be continued, meaning no school or academy will see a reduction compared with its 2014-15 budget (excluding sixth form funding) of more than 1.5% per pupil before the Pupil Premium is applied. The DfE also announced a £31.7 million grant to help local authorities in England implement the special educational needs and disabilities (SEND) reforms. London will receive 17.9% (£5.7 million) of this funding.

Merton's share of SEND Implementation Grant is c. £0.125m

### **Public Health funding for 0-5 year olds**

The Government announced a baseline agreement exercise for the transfer of commissioning of children's 0-5 public health services to local authorities on 11 December 2014. This is the final part of the transfer of public health responsibilities to local government.

The service transfers to local authorities on 1 October 2015. The 2015-16 funding allocation is, therefore, for the 6 months from 1 October 2015 to 31

March 2016. Overall, the allocation for the six months to 31 March 2016 is £425 million with London receiving £77.3 million (18.2%). A minimum floor for local authorities will be in place such that no local authority is funded to a level below an adjusted spend per head (0-5) of £160. 11 London boroughs are affected by the floor.

## Merton Settlement Funding Assessment

	2014-15 adjusted £m	2015-16 £m	
Upper-Tier Funding	38.82	32.38	
Lower-tier Funding	16.67	13.93	
Fire & Rescue Funding		0.00	
2011-12 Council Tax Freeze Compensation	2.05	2.04	
Early Intervention Funding	5.71	5.20	
GLA General Funding	0.00	0.00	
GLA Transport Funding	0.00	0.00	
London Bus Services Operators Grant	0.00	0.00	
Homelessness Prevention Funding	0.39	0.39	
Lead Local Flood Authority Funding	0.13	0.13	
Learning Disability and Health Reform Funding	7.06	7.03	
Rural Services Delivery Funding	0.00	0.00	
2013-14 Council Tax Freeze Compensation	0.85	0.85	
Returned Holdback	0.09		
2014-15 Council Tax Freeze Compensation	0.85	0.85	
2014-15 Efficiency Support Grant	0.00	0.00	
Carbon Reduction Credits Energy Efficiency Scheme adjustment		-0.07	
Local Welfare Provision	0.44	0.33	
Settlement Funding Assessment	73.06	63.06	
RSG	41.03	30.42	
Baseline Funding Level	32.03	32.64	
Settlement Funding Assessment	73.06	63.06	-13.7%

## 2015-16 SPENDING POWER

## Merton

Spending Power Components	2014-15	2015-16
	adjusted £m	£m
Council Tax Requirement excluding parish precepts	75.34	76.15
Settlement Funding Assessment	73.06	63.06
SFA: Adjustment to reflect Section 31 grants for business rates initiatives	0.34	0.48
minus Council Tax Support Funding to Parishes	0.00	0.00
Efficiency Support Grant		0.00
Commons Registration Authorities	0.00	0.00
Inshore Fisheries Conservation Authorities	0.00	0.00
Lead Local Flood Authorities	0.06	0.04
Community Right to Challenge	0.01	
Community Right to Bid	0.01	
Fire Revenue Grant (FireLink and New Dimension elements)	0.00	0.00
Council Tax Freeze Grant 2015-16		0.86
New Homes Bonus	3.09	3.68
New Homes Bonus: returned funding	0.11	0.11
Council Tax Support New Burdens Funding	0.11	0.04
Local Council Tax Support and Housing Benefit Admin Subsidy	1.23	1.07
Social Housing Fraud	0.00	
City of London Offset	0.00	0.00
GLA Transport Revenue Grant	0.00	0.00
Department of Health Revenue grant	0.14	0.10
Public Health Grant (Ring-fenced)	9.24	9.24
Adult Social Care New Burdens	0.86	0.86
Better Care Fund	5.30	11.25
Revenue Spending Power including Better Care Fund	168.89	166.95
Change in Revenue Spending Power 2015-16		-1.94
<b>Change in Revenue Spending Power 2015-16</b>		<b>-1.1%</b>

## **ADULTS' PERSONAL SOCIAL SERVICES: SPECIFIC REVENUE FUNDING & CAPITAL GRANT ALLOCATIONS FOR 2015/16**

### **SPECIFIC REVENUE FUNDING**

#### **Local Reform and Community Voices grant - £100,752**

In 2015/16 this grant is comprised of three funding streams:

- additional funding for Deprivation of Liberty Safeguards (DOLS) in Hospitals;
- additional local Healthwatch funding; and
- funding for the transfer of Independent Complaints Advocacy Service (ICAS) to local authorities

This grant now excludes funding for Independent Mental Health Advocacy and the disregard for Guaranteed Income Payments for Veterans. These streams are included in the Better Care Fund in 2015/16

There is sufficient funding within overall social care allocations (covering both the BCF and the unring-fenced local government finance settlement) for Independent Mental Health Advocacy services and disregards for Guaranteed Income Payments for veterans to be maintained.

#### Independent Mental Health Advocacy (IMHA)

In 2014/15 and 2013/14 the Local Reform and Community Voices grant contained a funding stream for the transfer to local authorities of responsibility for commissioning Independent Mental Health Advocacy services. In 2015/16 this funding stream will be moved into the Better Care Fund.

Local authorities continue to have a duty under the Mental Health Act 1983 (as amended by the Mental Health Act 2007 and the Health and Social Care Act 2012) to make arrangements to enable every qualifying patient who wants one to have access to an IMHA. Qualifying patients include patients detained under provisions (other than emergency provisions) of the Mental Health Act 1983, all patients on Community Treatment Orders and all patients subject to guardianship under the Mental Health Act 1983.

#### Disregard for Guaranteed income Payments for Veterans

In 2014/15 and 2013/14 the Local Reform and Community Voices grant contained a funding stream for the disregard for Guaranteed Income Payments for Veterans. In 2015/16 this funding stream will be moved into the Better Care Fund.

**CARE ACT FUNDING**

As announced in the 2015/16 illustrative local government finance settlement, local authorities will receive £285 million for new burdens arising from the Care Act in 2015/16. This funding will be paid out by the Department of Communities and Local Government.

The total allocation is £864,640:

Care Act Funding 2015/16 (distributed by DCLG)	Early assessments revenue grant 2015-16	Deferred payment agreement revenue grant 2015-16	Carers and Care Act Implementation revenue grant 2015-16
Local authority Merton	£427,983	£263,703	£172,954

**BETTER CARE FUND**Revenue funding

£135 million of revenue funding within the Better Care Fund is linked to a range of duties for local authorities in 2015/16. This should provide for duties included in the Care Act commencing in 2015/16. The funding also includes provision for Independent Mental Health Advocacy and the disregard for Guaranteed Income Payments for veterans, and money to offset financial pressures on the care and support system that may be created by changes to the pensions and benefit systems.

<b>2015/16 BCF Allocation</b>	<b>£000</b>
<b>Total 2015-16 BCF Allocation</b>	<b>12,198</b>
<b>Less</b> Merton CCG Allocation	(5,746)
<b>Sub-total ASC BCF (Including Capital allocation)</b>	<b>6,452</b>
<b>Less</b> Capital Allocation Disabled Facilities Capital grant - £528k Social Care IT grant - £416k	(944)
<b>Total ASC BCF Revenue Proposals</b>	<b>5,508</b>
<b>Less</b> Care Bill Implementation (New Burden)	<b>400</b>
<b>Less</b> Investments rolled forward from 2014-15	3,428
<b>Additional ASC Investments for 2015-16</b>	<b>1,680</b>

The BCF funding will be made available subject to standard conditions :

The Fund being used in accordance with final approved plan and through a section 75 pooled fund agreement;

The full value of the element of the Fund linked to non-elective admissions reduction target will be paid over to CCGs at the start of the financial year. CCGs may only release the full value of this funding into the pool if the admissions reduction target is met. If the target is not met, the CCG may only release into the pool a part of that funding proportionate to the partial achievement of the target. Any part of this funding that is not released into the pool due to the target not being met must be dealt with in accordance with NHS England requirements.

Social Care Capital grant (capital) - £416,000

The Department of Health will make circa £134 million available through the Social Care Capital grant in 2015/16. This funding is part of the Better Care Fund, but will be allocated directly to councils by the Department.

Relevant conditions will be attached to this grant so that they are used in pooled budgets for the purposes of the Fund.

As noted in the original BCF guidance, £50m of the total £134m capital funding has been earmarked for the capital costs (including IT) associated with transition to the capped cost system, which will be implemented in April 2016.

## THE COLLECTION FUND, COUNCIL TAX BASE AND BUSINESS RATES

### 1. Introduction

- 1.1 This appendix summarises three key areas which are fundamental to the Council's revenue resource generation. It sets out the procedures and calculations that underpin each of them.

### 2. Collection Fund

- 2.1 The Collection Fund is a statutory fund separate from the General Fund. It accounts for income from Council Tax, including those properties within the Wimbledon and Putney Commons Conservators area. The bodies on whose behalf the income has been raised are the Council and the Greater London Authority (which includes the services of the Metropolitan Police and the London Fire and Emergency Planning Authority (LFEPA)). The Council's demand on the Collection Fund is by its General Fund. The Greater London Authority's demand is expressed as a precept.
- 2.2 Under the localised arrangements for council tax support, the Collection Fund entries for council tax remain unchanged, and council tax discounts reduce the council tax base and the amount of collectable council tax income. The additional resources to cover the loss of council tax income are provided by council tax support grant which is credited to the General Fund.
- 2.3 The Collection Fund also accounts for National Non-Domestic Rates and there have been significant changes to the treatment of NNDR due to the changes to local government funding arising from business rates retention and the Local Government Finance Act 2012 (Section 3, part 2)
- 2.4 The Collection Fund will account for receipts from business ratepayers, together with payments:
- to central government in respect of the central share
  - to/from central government in respect of transitional protection payments where applicable
  - to relevant precepting authorities in respect of their share of rating income
- 2.5 While there remains a single Collection Fund, local authorities now have to be able to separate the elements relating to council tax and non-domestic rates and calculate separate surpluses and deficits on each.
- 2.6 A billing authority needs to ensure that its collection fund has sufficient resources to meet the demands on it at all times. To the extent that there is insufficient in the collection fund to meet those demands at any time, the billing authority has temporarily to "borrow" from its general fund.



- 2.7 The Collection Fund accounts are kept on an accrual basis and a surplus or deficit for the year in the collection fund is estimated accordingly.
- 2.8 The audited accounts for 2013/14 include the following surplus/deficit for Council Tax and NNDR as at 31 March 2014:-

	Surplus/ (deficit) as at 31/03/14 Outturn	Surplus/ (deficit) as at 31/03/14 Outturn	Total surplus/ (deficit) as at 31/03/14
	Council Tax	NNDR	
	£000	£000	£000
Central Government	N/A	(1,051)	(1,051)
GLA	1,222	(420)	802
Merton	4,446	(631)	3,815
Total	5,668	(2,102)	3,566

2.9 Council Tax

The estimated surplus on the Collection Fund as at 31<sup>st</sup> March 2015 due to Council Tax is £6.113m. This is to be shared £4.813m (78.7%) to Merton and £1.300m (21.3%) to the GLA.

2.10 NNDR

Since 2013/14, it is necessary to calculate the estimated surplus/deficit on the Collection Fund arising from Business Rates. This estimation is required as part of the council's NNDR1 Return which has to be submitted to the Department for Communities and Local Government (DCLG) by 31 January 2015. Part 4 of this return relates to the calculation of the estimated Collection Fund balance as at 31/3/15.

Based on the calculation in the Council's NNDR1 (Part 4) there is an estimated deficit on the Collection Fund as at 31<sup>st</sup> March 2015 due to NNDR of £1.309m. This is to be shared £0.654m (50%) to Central Government, £0.393m (30% to Merton) and £0.262m (20%) to the GLA.

**3. Council Tax Base 2015/16**

- 3.1 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).
- 3.2 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.

- 3.3 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.
- 3.4 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
- 3.5 All authorities notify the DCLG of their unadjusted Council Tax Base using a CTB Form and the deadline for return was 17 October 2014 and Merton met this deadline.
- 3.6 The CTB form for 2015/16 includes the latest details about the Council Tax Support Scheme and the technical reforms which impacted on discounts and exemptions. Last year this information was not available at the time the CTB form was submitted.
- 3.7 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.
- 3.8 Assumptions in the MTFS for calculating the 2015/16 Council Tax Base
- 3.8.1 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
- 3.8.2 The draft MTFS reported to Cabinet assumes that the Council Tax Base increases 0.5% per year and that the collection rate is 97.25% in each of the years.
- 3.9 Details of the Council's Tax Base calculation for 2015/16 were reported to Cabinet on 8 December 2014 and a Council Tax Base for Merton as a whole

and for the Wimbledon and Putney Commons Conservators area was agreed as follows:-

<b>Council Tax Base</b>	<b>2014/15</b>	<b>2015/16</b>	<b>Change</b>
			%
Whole Area	68,087.4	69,638.0	2.3%
Wimbledon & Putney Common Conservators	10,708.8	10,880.0	1.6%

### 3.10 Council Tax Yield 2015/16

3.10.1 Based on the latest information about Council Tax proposals for 2015/16 the estimated Council Tax yield for 2015/16 is:-

<b>Council Tax: Whole area</b>	<b>Tax Base</b>	<b>Band D 2015/16</b>	<b>Council Tax Yield 2015/16</b>	<b>Council Tax Yield 2014/15</b>
Merton	69,638.0	£1,102.25	£76.758m	£75.070m
WPCC	10,880.0	£26.93	£0.293m	£0.293m
GLA	69,638.0	£295.00	£20.543m	£20.358m

The amounts collected for the GLA and WPCC are paid over to each of them as precepts.

## 4. Business Rates

### 4.1 Introduction

The Local Government Finance Act 2012 entailed major changes to the funding of local government. From April 2013, the Government reformed the way in which local government is funded through the introduction of the business rates retention scheme. 2015-16 will be the third year of the rates retention scheme. From 2013/14 for London boroughs, 50% of the income is paid to central government, the Greater London Authority (GLA) receives 20%, leaving London boroughs with the remaining 30%.

4.2 The 2013-14 local government finance settlement was the first under the new arrangements. It provided each local authority with its starting position under the business rates retention scheme. This included the following calculations at local authority levels, which are fixed until the first system set that the Government intends will take place in 2020. For 2013/14, the Department for Communities and Local Government (DCLG) calculated a baseline funding level of £31.415m. From Merton's NNDR1 for 2013/14 it was estimated that the total income from business rates would be £81.575m and Merton would keep £24.472m (30%) of this. In addition, Merton receives a "top-up" payment (£7.547m in 2013/14). In providing its estimates of NNDR resources in the Local Government Settlements, the Government uprates the baseline position for inflation using the annual increase in the small business rates multiplier which is usually based on September RPI.

- 4.3 The estimates for NNDR income included in the MTFs will be based on Merton's share of the estimated NNDR income submitted on the NNDR1 form. Merton keeps 30% of any growth in the total business rates collected in the borough but if there is a decline in yield Merton will need to meet 30% of the shortfall.
- 4.4 NNDR1  
The statutory framework effectively requires a billing authority, before the beginning of a financial year, to forecast the amount of business rates that it will collect during the course of the year and, from this, to make a number of allowable deductions in order to arrive at a figure for its non-domestic rating income. It is the non-domestic rating income that is shared between the parties to the scheme. The framework also sets out how the billing authority is to treat allowable deductions – requiring that either they are paid to major precepting authorities, or transferred to the authority's General Fund.
- 4.5 The calculations that authorities make before the start of the financial year determine how much they must pay to central government and their major precepting authorities during the course of the year. Since these payments are fixed at the outset of the year, it follows that any difference between forecast amounts and final outturns will result in a surplus, or deficit on the billing authority's Collection Fund. Any such surplus or deficit is shared between government, billing authorities and their major preceptors (excluding policing bodies) in line with their share of the business rates baseline.
- 4.6 The estimate for the actual income figure (or net rate yield) for 2015/16 is based on the NNDR1 return to the DCLG. This had to be finalised by 31 January 2015, and calculates the amounts to be paid to central government, to the GLA and the amount to be retained by Merton to be used as part of the budget setting process.
- 4.7 Latest developments  
On 3 December 2014, the Chancellor announced, as part of his Autumn Statement, the extension of changes to business rates in 2014-15 into 2015./16. The cost of these measures, including the funding of some elements of discretionary relief, will be fully met by Government. Accordingly, authorities will be compensated for any loss to their "local share" of business rates. Compensation will be provided by means of Section 31 grant. In the Autumn Statement it was announced that the government will continue to cap the annual increase in business rates at 2% from April 2015 to March 2016

The September 2014 RPI figure should have resulted in a Small Business Non Domestic Rating Multiplier for 2015/16 of 0.482p in the £. However, due to the cap at 2%, this gives a figure of 0.480p in the £. The supplement to fund Small Business Rate Relief (SBRR) will however be increased from 0.011p in the £ to 0.013p in the £. This gives a full Standard Multiplier of 0.493p in the £. The multipliers are still classed as Provisional and will not be confirmed until February.

The business rate multipliers for 2015/16 are:-

- Small Business Multiplier 48.0p per £ (47.1p in 2014/15)
- Standard Multiplier 49.3p per £ (48.2p in 2014/15)

Large individual properties in London with a rateable value of more than £55,000 will also be subject to a 2p in the £ business rate supplement to help pay for Crossrail.

#### 4.8 **Estimating the net rate yield for 2015/16**

The starting point is the aggregate rateable value for Merton as at 31 December 2014. (£201.858m) This is a fixed figure based on the VO's valuations for all business properties in Merton at that date. A multiplier is then applied to this rateable value as set by central government (the rate in the pound charged for that year, which for 2015/16 will be 48.0p in the £). This gives a gross rates figure of £96.892m.

#### 4.9 Estimating the income figure is extremely difficult, as there are many factors which can significantly affect the overall figure. These include:

- Changes in rateable value from new properties entering rating or properties being taken out of rating
- Revaluations due to the backlog of appeals which, if successful, will be backdated in most cases to April 2010
- Empty and charitable reliefs
- Losses in collection

#### 4.10 Estimated Surplus or Deficit

Due to the variability of some of the factors, it is inevitable that the final figure at the end of each year will be different to the estimate. Therefore, a further calculation is required at the end of each year to estimate the surplus or deficit on the Collection Fund (as is also done for Council Tax).

#### 4.11 2015-16 is the first year for which authorities have to estimate the non-domestic rating surplus, or deficit on the Collection Fund. The Non-Domestic Rating (Rates Retention) Regulations 2013 (SI 2013/452) require billing authorities to notify the Secretary of State and their major precepting authorities of their calculation of non-domestic rating income for 2015-16 and estimate the surplus/deficit on the Collection Fund by 31 January 2015.

Regulation 13 effectively requires an estimate of the surplus/deficit that the authority believes will exist at 31 March 2015, on the basis of a statutory calculation set out in Schedule 4 to the Regulations. The estimated amount will be shared between the authority, its major preceptors and central Government and will be added (or subtracted) from each party's share of 2015-16 non-domestic rating income.

#### 4.12 A copy of Merton's NNDR1 for 2015/16 is attached.

- 4.13 The following table summarises the difference between the estimates from the NNDR1 for 2015/16 and the figures included in the MTFS at the January 2015 Cabinet:-

#### Implications of NNDR1 2015/16 for Merton in 2015/16

	MTFS £	NNDR1 £	Difference £
NNDR 2015/16	24,798	25,845	1,047
- Top-Up 2015/16	7,841	7,841	0
	32,639	33,686	1,047
Collection Fund Surplus/Deficit(-) 2014/15	(259)	(393)	(134)
	32,380	33,293	913
Section 31 Grant	1,118	1,134	16
Total	33,498	34,427	929

## NATIONAL NON-DOMESTIC RATES RETURN - NDR1

2015-16

Please e-mail to: ndr.statistics@communities.gsi.gov.uk by no later than 31 January 2015.  
In addition, a certified copy of the form should be returned by no later than 31 January 2015 to the same email address

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Select your local authority's name from this list:

Mansfield
Medway
Melton
Mendip
Merton
Mid Devon

Merton
E5044
Richard Mason
020 8545 3760
richard.mason@merton.gov.uk

Authority Name  
E-code  
Local authority contact name  
Local authority contact number  
Local authority e-mail address

Ver 1.1a

## PART 1A: NON-DOMESTIC RATING INCOME

## COLLECTIBLE RATES

£

1. Net amount receivable from rate payers after taking account of transitional adjustments, empty property rate, mandatory and discretionary reliefs and accounting adjustments

85,414,365

## TRANSITIONAL PROTECTION PAYMENTS

2. Sums due to the authority

0

3. Sums due from the authority

0

## COST OF COLLECTION (See Note A)

4. Cost of collection formula

277,151

5. Legal costs

37,904

6. Allowance for cost of collection

315,055

## SPECIAL AUTHORITY DEDUCTIONS

7. City of London Offset : Not applicable for your authority

0

## DISREGARDED AMOUNTS

8. Amounts retained in respect of Designated Areas. Not applicable for your authority

0

9. Amounts retained in respect of Renewable Energy Schemes (See Note B)

0

of which:

10. sums retained by billing authority

0

11. sums retained by major precepting authority

0

## NON-DOMESTIC RATING INCOME

12. Line 1 plus line 2, minus lines 3 and 6 - 9

85,099,310

## NATIONAL NON-DOMESTIC RATES RETURN - NDR1

2015-16

Please e-mail to: ndr.statistics@communities.gsi.gov.uk by no later than 31 January 2015.  
In addition, a certified copy of the form should be returned by no later than 31 January 2015 to the same email address

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Local Authority : Merton

Ver 1.1a

## PART 1B: PAYMENTS

This page is for information only; please do not amend any of the figures

The payments to be made, during the course of 2105-16 to:

- i) the Secretary of State in accordance with Regulation 4 of the Non-Domestic Rating (Rates Retention) Regulations 2013;
- ii) major precepting authorities in accordance with Regulations 5, 6 and 7; and to be
- iii) transferred by the billing authority from its Collection Fund to its General Fund,

are set out below

	Column 1 Central Government	Column 2 Merton	Column 3 Greater London Authority County Council	Column 4	Column 5 Total
	£	£	£	£	£
<b>Retained NDR shares</b>					
13. % of non-domestic rating income to be allocated to each authority	50%	30%	20%	0%	100%
<b>Non-Domestic Rating Income for 2015-16</b>					
14. Non-domestic rating income from rates retention scheme	42,549,655	25,529,793	17,019,862	0	85,099,310
15. (less) qualifying relief in Enterprise Zones	0	0	0	0	0
16 <b>TOTAL:</b>	42,549,655	25,529,793	17,019,862	0	85,099,310
<b>Other Income for 2015-16</b>					
17. add: cost of collection allowance		315,055			315,055
18. add: amounts retained in respect of Designated Areas		0			0
19. add: amounts retained in respect of renewable energy schemes		0	0		0
20. add: qualifying relief in Enterprise Zones		0	0	0	0
21. add: City of London Offset : Not applicable for your authority		0			0
<b>Estimated Surplus/Deficit on Collection Fund</b>					
22. Estimated Surplus/Deficit at end of 2014-15	-654,669	-392,801	-261,867	0	-1,309,337
<b>TOTAL FOR THE YEAR</b>					
23. Total amount due to authorities	41,894,986	25,452,047	16,757,995	0	84,105,028



**NATIONAL NON-DOMESTIC RATES RETURN - NDR1**  
**2015-16**

Please e-mail to: [nldr.statistics@communities.gsi.gov.uk](mailto:nldr.statistics@communities.gsi.gov.uk) by no later than 31 January 2015.  
 In addition, a certified copy of the form should be returned by no later than 31 January 2015 to the same email address

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Local Authority : Merton

Ver 1.1a

**PART 1C: SECTION 31 GRANT (See Note C)**

This page is for information only; please do not amend any of the figures

Estimated sums due from Government via Section 31 grant, to compensate authorities for the cost of changes to the business rates system announced in the 2013 & 2014 Autumn Statements

	Column 2 Merton	Column 3 Greater London Authority County Council	Column 4	Column 5 Total
	£	£	£	£
<b>2015-16 Multiplier Cap</b>				
24. Cost of 2% cap on 2015-16 small business rates multiplier	372,309	248,206	0	620,515
<b>Small Business Rate Relief</b>				
25. Cost of temporary doubling of SBRR	422,850	281,900	0	704,750
26. Cost to authorities of maintaining relief on "first" property	17,259	11,506	0	28,765
<b>"New Empty" Property Relief</b>				
27. Cost to authorities of giving relief to newly-built empty property	0	0	0	0
<b>"Long Term Empty" Property Relief</b>				
28. Relief on occupation of "long-term empty" property	1,913	1,276	0	3,189
<b>Retail Relief</b>				
29. Relief provided to retail properties	319,715	213,142	0	532,857
<b>TOTAL FOR THE YEAR</b>				
30. Total amount of Section 31 grant due to authorities	1,134,046	756,030	0	1,890,076

**Certificate of Chief Financial Officer / Section 151 Officer**

I confirm that the entries in this form are the best I can make on the information available to me and amounts are calculated in accordance with regulations made under Schedule 7B to the Local Government Act 1988. I also confirm that the authority has acted diligently in relation to the collection of non-domestic rates.

Name of Chief Financial Officer  
 or Section 151 Officer :

*Cecilia Howans*

Signature :

*[Handwritten Signature]*

Date :

*30.1.15*

**PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1**  
**2015-16**

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1.1a

**Local Authority : Merton**

**PART 2: NET RATES PAYABLE**

You should complete column 1 only

**GROSS RATES PAYABLE**

(All data should be entered as +ve unless specified otherwise)

	Column 1 BA Area (exc. Designated areas) Complete this column £	Column 2 Designated areas Do not complete this column £	Column 3 TOTAL (All BA Area) Do not complete this column £
1. Rateable Value at <input type="text" value="31/12/2014"/>	<input type="text" value="201,858,090"/>	<input type="text" value=""/>	<input type="text" value="201,858,090"/>
2. Small business rating multiplier <input type="text" value="48.0"/> for 2015-16 (pence)			
3. Gross rates 2015-16 - (RV x multiplier)	<input type="text" value="96,891,883"/>	<input type="text" value="0"/>	
4. Estimated growth/decline in gross rates (+ = increase, - = decrease)	<input type="text" value="0"/>	<input type="text" value=""/>	
5. Forecast gross rates payable in 2015-16	<input type="text" value="96,891,883"/>	<input type="text" value="0"/>	<input type="text" value="96,891,883"/>

**TRANSITIONAL ARRANGEMENTS (See Note E) - Not applicable in 2015-16**

6. Revenue foregone because increases in rates have been deferred (Show as -ve)	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
7. Additional income received because reductions in rates have been deferred (Show as +ve)	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
8. Net cost of transitional arrangements	<input type="text" value="0"/>	<input type="text" value="0"/>	
9. Changes as a result of estimated growth / decline in cost of transitional arrangements (+ = decline, - = increase)	<input type="text" value="0"/>	<input type="text" value="0"/>	
10. Forecast net cost of transitional arrangements	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>

**TRANSITIONAL PROTECTION PAYMENTS (See Note F) - Not applicable in 2015-16**

11. Sum due to/(from) authority	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
---------------------------------	--------------------------------	--------------------------------	--------------------------------

**MANDATORY RELIEFS (See Note G) (All data should be entered as -ve unless specified otherwise)**

**Small Business Rate Relief**

12. Forecast of relief to be provided in 2015-16	<input type="text" value="-2,835,184"/>	<input type="text" value="0"/>	<input type="text" value="-2,835,184"/>
13. of which: relief on existing properties where a 2nd property is occupied	<input type="text" value="-56,704"/>	<input type="text" value="0"/>	<input type="text" value="-56,704"/>
14. Additional yield from the small business supplement (Show as +ve)	<input type="text" value="2,264,539"/>	<input type="text" value="0"/>	<input type="text" value="2,264,539"/>
15. Net cost of small business rate relief (line 12-line 14)	<input type="text" value="-570,645"/>	<input type="text" value="0"/>	<input type="text" value="-570,645"/>

**Charitable occupation**

16. Forecast of relief to be provided in 2015-16	<input type="text" value="-5,201,053"/>	<input type="text" value="0"/>	<input type="text" value="-5,201,053"/>
--	---	--------------------------------	---

**Community Amateur Sports Clubs (CASCs)**

17. Forecast of relief to be provided in 2015-16	<input type="text" value="-107,612"/>	<input type="text" value="0"/>	<input type="text" value="-107,612"/>
--	---------------------------------------	--------------------------------	---------------------------------------

**Rural rate relief**

18. Forecast of relief to be provided in 2015-16	<input type="text" value=""/>	<input type="text" value="0"/>	<input type="text" value="0"/>
--	-------------------------------	--------------------------------	--------------------------------

**PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1  
2015-16**

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1.1a

**Local Authority : Merton**

**PART 2: NET RATES PAYABLE**

You should complete column 1 only

	Column 1 BA Area (exc. Designated areas)	Column 2 Designated areas	Column 3 TOTAL (All BA Area)
19. Forecast of mandatory reliefs to be provided in 2015-16 (Sum of lines 15 to 18)	-5,879,310	0	
20. Changes as a result of estimated growth/decline in mandatory relief (+ = decline, - = increase)	-309,754	0	
<b>21. Total forecast mandatory reliefs to be provided in 2015-16</b>	<b>-6,189,064</b>	<b>0</b>	<b>-6,189,064</b>
<b>UNOCCUPIED PROPERTY (See Note H) (All data should be entered as -ve unless specified otherwise)</b>			
<b>Partially occupied hereditaments</b>			
22. Forecast of 'relief' to be provided in 2015-16	-4,920	0	-4,920
<b>Empty premises</b>			
23. Forecast of 'relief' to be provided in 2015-16	-1,208,493	0	-1,208,493
24. Forecast of unoccupied property 'relief' to be provided in 2015-16 (Line 22 + line 23)	-1,213,413	0	
25. Changes as a result of estimated growth/decline in unoccupied property 'relief' (+ = decline, - = increase)	-295,061	0	
<b>26. Total forecast unoccupied property 'relief' to be provided in 2015-16</b>	<b>-1,508,474</b>	<b>0</b>	<b>-1,508,474</b>
<b>DISCRETIONARY RELIEFS (See Note J) (All data should be entered as -ve unless specified otherwise)</b>			
<b>Charitable occupation</b>			
27. Forecast of relief to be provided in 2015-16	-406,052	0	-406,052
<b>Non-profit making bodies</b>			
28. Forecast of relief to be provided in 2015-16	-154,447	0	-154,447
<b>Community Amateur Sports Clubs (CASCs)</b>			
29. Forecast of relief to be provided in 2015-16	-192	0	-192
<b>Rural shops etc</b>			
30. Forecast of relief to be provided in 2015-16	0	0	0
<b>Small rural businesses</b>			
31. Forecast of relief to be provided in 2015-16	0	0	0
<b>Other ratepayers</b>			
32. Forecast of relief to be provided in 2015-16	-200,000	0	-200,000
	<i>of which:</i>	<i>of which:</i>	
33. Relief given to Case A hereditaments		0	
34. Relief given to Case B hereditaments	0		

**PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1**  
**2015-16**

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1.1a

**Local Authority : Merton**

**PART 2: NET RATES PAYABLE**

You should complete column 1 only

Column 1  
BA Area (exc.  
Designated areas)

Column 2  
Designated  
areas

Column 3  
TOTAL  
(All BA Area)

35. Forecast of discretionary relief to be provided in 2015-16 (Sum of lines 27 to 32)

-760,691

0

36. Changes as a result of estimated growth/decline in discretionary relief (+ = decline, - = increase)

-38,034

0

37. Total forecast discretionary relief to be provided in 2015-16

-798,725

0

-798,725

**DISCRETIONARY RELIEFS FUNDED THROUGH SECTION 31 GRANT**  
(See Note K) (All data should be entered as -ve unless specified otherwise)

"New Empty" properties

38. Forecast of relief to be provided in 2015-16

0

0

0

"Long term empty" properties

39. Forecast of relief to be provided in 2015-16

-6,286

0

-6,286

Retail relief

40. Forecast of relief to be provided in 2015-16

-1,050,395

0

-1,050,395

41. Forecast of discretionary reliefs funded through S31 grant to be provided in 2015-16 (Sum of lines 38 to 40)

-1,056,681

0

42. Changes as a result of estimated growth/decline in Section 31 discretionary relief (+ = decline, - = increase)

-5,216

0

43. Total forecast of discretionary reliefs funded through S31 grant to be provided in 2015-16

-1,061,897

0

-1,061,897

**NET RATES PAYABLE**

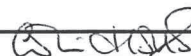
44. Forecast of net rates payable by rate payers after taking account of transitional adjustments, unoccupied property relief, mandatory and discretionary reliefs

£  
87,333,723

£  
0

£  
87,333,723

Checked by Chief Financial / Section 151 Officer :



**PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1  
2015-16**

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1.1a

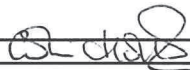
**Local Authority : Merton**

**PART 3: COLLECTABLE RATES AND DISREGARDED AMOUNTS**

You should complete column 1 only

	Column 1 BA Area (exc. Designated areas) Complete this column £	Designated areas		Column 4 TOTAL (All BA Area) Do not complete this column £
		Column 2 Do not complete this column £	Column 3 Do not complete this column £	
<b>NET RATES PAYABLE</b>				
1. Sum payable by rate payers after taking account of transitional adjustments, empty property rate, mandatory and discretionary reliefs	87,333,723	0	0	87,333,723
<b>(LESS) LOSSES</b>				
2. Estimated bad debts in respect of 2015-16 rates payable	-1,250,000	0	0	-1,250,000
3. Estimated repayments in respect of 2015-16 rates payable	-669,358	0	0	-669,358
<b>COLLECTABLE RATES</b>				
4. Net Rates payable less losses	85,414,365	0	0	85,414,365
<b>DISREGARDED AMOUNTS</b>				
5. Renewable Energy	0	0	0	0
6. Transitional Protection Payment		0	0	
7. Baseline		0	0	
<b>DISREGARDED AMOUNTS</b>				<b>Total Designated Areas</b>
8. Total Disregarded Amounts		0	0	0

Checked by Chief Financial / Section 151 Officer :



**PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1**  
**2015-16**

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1.1a

**Local Authority : Merton**

**PART 4: ESTIMATED COLLECTION FUND BALANCE**

**OPENING BALANCE**

1. Opening Balance (From Collection Fund Statement)

£

£

-2,101,817

**CREDITS**

2. Total amount credited, or to be credited, to the Collection Fund in 2014-15

85,396,766

3. Transitional protection payments received, or to be received in 2014-15

198,099

4. Transfers/payments to the Collection Fund for end-year reconciliations

0

5. Transfers/payments into the Collection Fund in 2014-15 in respect of a previous year's deficit

1,239,801

**6. Total Credits**

86,834,666

**CHARGES**

7. Total amount charged, or to be charged, to the Collection fund in 2014-15

-1,475,366

8. Transitional protection payments made, or to be made, in 2014-15

-24,101

9. Payments made, or to be made, to the Secretary of State in respect of the central share in 2014-15

-42,130,884

10. Payments made, or to be made to, major precepting authorities in respect of business rates income in 2014-15

-16,852,354

11. Transfers made, or to be made, to the billing authority's General Fund in respect of business rates income in 2014-15

-25,278,530

12. Transfers made, or to be made, to the billing authority's General Fund; and payments made, or to be made, to a precepting authority in respect of disregarded amounts in 2014-15

-280,951

13. Transfers/payments from the Collection Fund for end-year reconciliations

0

14. Transfers/payments made from the Collection Fund in 2014-15 in respect of a previous year's surplus

0

**15. Total Charges**

-86,042,186

**16. Adjustment for 5-Year Spread - not applicable for your authority**

0

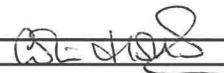
**ESTIMATED SURPLUS/(DEFICIT) ON COLLECTION FUND IN RESPECT OF FINANCIAL YEAR 2014-15**

17. Opening balance plus total credits, less total charges

£

-1,309,337

Checked by Chief Financial / Section 151 Officer :



<b>OTHER CORPORATE ITEMS Council 4 March 2015</b>				
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Deficiency/Redundancy	(463)	(463)	(463)	(463)
Autoenrollment	300	300	300	300
Corporate expenditure (utilities inflation)	100	300	300	300
Grants	61	204	206	209
Take Chas Dividend	(174)	(1,152)	(1,152)	(1,152)
Bad Debt provision	500	500	500	500
Contingency	1,500	1,500	1,500	1,500
Additional Revenuisation	201	134	134	134
WPCC Levy	293	293	293	293
Depreciation/Impairment	(16,505)	(16,505)	(16,505)	(16,505)
Transport	1,100	1,100	1,100	1,100
Redundancy/Pension Strain	1,000			
Rounding				
P3/P4	400	400	400	400
Provision for Excess Inflation > 1.5%	543	540	536	536
<b>Other Corporate items</b>	<b>(11,144)</b>	<b>(12,849)</b>	<b>(12,851)</b>	<b>(12,848)</b>

<b>TRANSITION IN MTFs FROM COUNCIL 2014 TO COUNCIL MARCH 2015</b>				
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Council 5 March 2014</b>	<b>0</b>	<b>7,350</b>	<b>15,246</b>	<b>21,440</b>
Inflation - Pay	30	75	120	165
Inflation - Prices	92	184	276	368
Provision for Excess Inflation > 1.5%	(200)	(200)	(200)	(200)
C&H: Taxicard & Concessionary Fares	(279)	(279)	(279)	(279)
Capital financing costs	(90)	(1,749)	(2,154)	(2,750)
Change in NNDR	56	56	56	56
Collection Fund - t/f of BRates surplus(-)/deficit	393	0	0	0
Collection Fund - t/f of Ctax surplus(-)/deficit	(4,813)	0	0	0
Council Tax Freeze Grant 2015/16	7	0	0	0
Council Tax income	(1,334)	(1,340)	(1,347)	(1,354)
Education Services Grant	22	22	22	22
Income	669	1,339	2,008	2,676
Insurance Premiums	200	200	200	200
Net Change in Use of Reserves	4,865	2,326	(6,732)	(479)
New Homes Bonus	(155)	(904)	(615)	(293)
NNDR	(775)	(416)	(424)	(433)
NNDR Section 31 grant	(16)	0	0	0
Replacement Savings	340	0	0	0
RSG	(283)	3,674	8,170	10,720
NEW SAVINGS 2015/16:	(773)	(11,438)	(15,443)	(16,591)
Redundancy/Pension Strain	1,000	0	0	0
Transport	1,100	1,100	1,100	1,100
Other	(55)	0	0	0
Rounding	(1)		(4)	(1)
<b>Council 4 March 2015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,367</b>



## STATEMENT OF COUNCIL TAX REQUIREMENTS AND BALANCES

	ORIGINAL BUDGET 2010/11	ORIGINAL BUDGET 2011/12	ORIGINAL BUDGET 2012/13	ORIGINAL BUDGET 2013/14	ORIGINAL BUDGET 2014/15	ORIGINAL BUDGET 2015/16	2010/11 Band D Council Tax Equivalent	2011/12 Band D Council Tax Equivalent	2012/13 Band D Council Tax Equivalent	2013/14 Band D Council Tax Equivalent	2014/15 Band D Council Tax Equivalent	2015/16 Band D Council Tax
	£m	£m	£m	£m	£m	£m	£	£	£	£	£	£
<u>Merton</u>												
Net Cost of General Fund Services	148.599	148.193	145.820	153.491	151.258	149.282	2,001.34	1,989.55	1,949.04	2,291.55	2,221.53	2,143.69
Contingency	2.900	1.820	2.000	1.500	1.500	1.500	39.06	24.43	26.73	22.39	22.03	21.54
	151.499	150.013	147.820	154.991	152.758	150.782	2,040.39	2,013.98	1,975.77	2,313.95	2,243.56	2,165.23
<u>Levies</u>												
Lee Valley	0.227	0.220	0.215	0.220	0.214	0.209	3.06	2.95	2.87	3.28	3.14	3.00
London Pensions Fund	0.283	0.254	0.253	0.268	0.266	0.264	3.81	3.41	3.38	4.00	3.91	3.79
Environment Agency	0.148	0.146	0.146	0.157	0.157	0.159	1.99	1.96	1.95	2.34	2.31	2.28
Total Levies	0.658	0.620	0.614	0.645	0.637	0.632	8.86	8.32	8.21	9.63	9.36	9.08
<b>TOTAL BUDGET (before balances, etc adjustment)</b>	<b>152.157</b>	<b>150.633</b>	<b>148.434</b>	<b>155.636</b>	<b>153.395</b>	<b>151.414</b>	<b>2,049.25</b>	<b>2,022.31</b>	<b>1,983.98</b>	<b>2,323.58</b>	<b>2,252.91</b>	<b>2,174.30</b>
<u>Provisions, Contributions and Balances</u>												
Appropriations to/from Reserves	0.000	0.000	0.000	0.000	0.000	(4.991)	0.00	0.00	0.00	0.00	0.00	-71.67
<b>TOTAL BUDGET REQUIREMENT</b>	<b>152.157</b>	<b>150.633</b>	<b>148.434</b>	<b>155.636</b>	<b>153.395</b>	<b>146.423</b>	<b>2,049.25</b>	<b>2,022.31</b>	<b>1,983.98</b>	<b>2,323.58</b>	<b>2,252.91</b>	<b>2,102.63</b>
<u>Less: Central Government Support</u>												
Government (Formula) Grant:												
Revenue Support Grant	(8.588)	(15.730)	(1.180)	0.000	0.000	0.000	-115.66	-211.17	-15.77	0.00	0.00	0.00
National Non-Domestic Rates	(59.145)	(50.888)	(60.841)	0.000	0.000	0.000	-796.56	-683.19	-813.21	0.00	0.00	0.00
RSG + Baseline funding (NNDR) including Section 31 grant	0.000	0.000	0.000	(79.241)	(74.109)	(65.245)	0.00	0.00	0.00	-1,183.03	-1,088.44	-936.92
Total Revenue Support Grant + Baseline NNDR Funding:	(67.733)	(66.617)	(62.021)	(79.241)	(74.109)	(65.245)	-912.23	-894.36	-828.98	-1,183.03	-1,088.44	-936.92
Contribution to/(from) Collection Fund	(2.519)	(1.859)	(3.891)	(2.545)	(4.236)	(4.420)	-33.93	-24.96	-52.01	-38.00	-62.21	-63.47
<b>Council Tax Requirement</b>												
Merton - General	81.905	82.157	82.522	73.850	75.049	76.758	1,103.10	1,102.99	1,102.99	1,102.55	1,102.25	1,102.25
<b>Merton - COUNCIL TAX FUNDING REQUIREMENT</b>	<b>81.905</b>	<b>82.157</b>	<b>82.522</b>	<b>73.850</b>	<b>75.049</b>	<b>76.758</b>	<b>1,103.10</b>	<b>1,102.99</b>	<b>1,102.99</b>	<b>1,102.55</b>	<b>1,102.25</b>	<b>1,102.25</b>
<u>Greater London Authority Precept</u>												
Metropolitan Police Authority	16.657	16.979	17.467	14.753	14.903	14.939	224.34	227.95	233.46	220.25	218.88	214.52
Other Non-Police Services	6.347	6.098	5.481	5.543	5.367	5.391	85.48	81.87	73.26	82.75	80.12	80.48
<b>Greater London Authority Precept</b>	<b>23.004</b>	<b>23.077</b>	<b>22.948</b>	<b>20.295</b>	<b>20.270</b>	<b>20.329</b>	<b>309.82</b>	<b>309.82</b>	<b>306.72</b>	<b>303.00</b>	<b>299.00</b>	<b>295.00</b>
<b>TOTAL COUNCIL TAX REQUIREMENT</b>	<b>104.909</b>	<b>105.234</b>	<b>105.469</b>	<b>94.145</b>	<b>95.319</b>	<b>97.087</b>	<b>1,412.92</b>	<b>1,412.81</b>	<b>1,409.71</b>	<b>1,405.55</b>	<b>1,401.25</b>	<b>1,397.25</b>

## DRAFT MTFS 2015-19: RE-PRICED AND ROLLED FORWARD

	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000
<b>Departmental Base Budget 2014/15</b>	<b>144,420</b>	<b>144,420</b>	<b>144,420</b>	<b>144,420</b>
Inflation (Pay, Prices)	3,179	6,778	10,380	13,979
Autoenrolment/Nat. ins changes	0	1,000	2,000	2,000
FYE – Previous Years Savings	(4,252)	(9,149)	(10,576)	(10,576)
Replacement Savings	340	0	0	0
Income – Additional Fees/Charges	0	0	0	0
Growth	1,000	1,000	1,000	1,000
Revenuisation	(137)	(239)	(239)	(239)
Taxi card/Concessionary Fares	158	608	1,058	1,508
Education Services Grant	676	676	676	676
NHS t/f of Social Care Funding	(100)	(100)	(100)	(100)
Change in depreciation/Impairment (Contra Other Corporate items)	1,278	1,278	1,278	1,278
Other (inc. reduced service grants)	610	986	1,056	1,129
<b>Re-Priced Departmental Budget</b>	<b>147,172</b>	<b>147,258</b>	<b>150,953</b>	<b>155,075</b>
Treasury/Capital financing	14,118	14,089	15,888	17,151
Pensions	4,205	4,395	4,592	4,799
Other Corporate items	(11,144)	(12,849)	(12,851)	(12,848)
Levies	632	632	632	632
<b>Sub-total: Corporate provisions</b>	<b>7,811</b>	<b>6,267</b>	<b>8,261</b>	<b>9,734</b>
<b>BUDGET REQUIREMENT</b>	<b>154,983</b>	<b>153,525</b>	<b>159,214</b>	<b>164,810</b>
<b>Funded by:</b>				
Revenue Support Grant	(30,425)	(23,161)	(16,691)	(12,256)
Business Rates (inc. Section 31 grant)	(34,820)	(34,432)	(35,121)	(35,823)
C. Tax Freeze Grant 2015/16	(861)	0	0	0
PFI Grant	(4,797)	(4,797)	(4,797)	(4,797)
New Homes Bonus	(2,642)	(2,904)	(2,615)	(2,294)
Council Tax inc. WPCC	(77,051)	(77,435)	(77,821)	(78,208)
Collection Fund – (Surplus)/Deficit	(4,420)	0	0	0
<b>TOTAL FUNDING</b>	<b>(155,016)</b>	<b>(142,730)</b>	<b>(137,044)</b>	<b>(133,378)</b>
<b>GAP excluding Use of Reserves (Cumulative)</b>	<b>(33)</b>	<b>10,795</b>	<b>22,170</b>	<b>31,432</b>
- Savings/Income Proposals 2015/16	(773)	(11,438)	(15,443)	(16,591)
<b>Sub-total</b>	<b>(806)</b>	<b>(643)</b>	<b>6,727</b>	<b>14,841</b>
- Use of Reserves	806	643	(6,727)	(474)
<b>GAP including Use of Reserves (Cumulative)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,367</b>

## APPENDIX 8

### Reserves

Forecast Movement in Reserves 2014/15	Actual Bal at 31/3/14	Net Movt. in year	Bal. at 31/3/15	Net Movt. in year	Bal. at 31/3/16	Net Movt. in year	Bal. at 31/3/17	Net Movt. in year	Bal. at 31/3/18	Net Movt. in year	Bal. at 31/3/19
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Fund Reserve	18,837	-4,598	14,239	0	14,239	0	14,239	0	14,239	0	14,239
Earmarked Reserves	35,574	-9,849	25,724	-10,295	15,429	-2,830	12,599	-8,146	4,453	-1,141	3,312
Grants & Contributions	5,398	-2,260	3,138	-2,274	864	-19	845	-19	826	-19	807
<b>Total Available Gen. Fund Rev. Reser</b>	<b>59,809</b>	<b>-16,707</b>	<b>43,102</b>	<b>-12,569</b>	<b>30,533</b>	<b>-2,849</b>	<b>27,684</b>	<b>-8,165</b>	<b>19,519</b>	<b>-1,160</b>	<b>18,359</b>
<b>Fixed to Contracts</b>	<b>1,954</b>	<b>0</b>	<b>1,954</b>	<b>0</b>	<b>1,954</b>	<b>0</b>	<b>1,954</b>	<b>0</b>	<b>1,954</b>	<b>0</b>	<b>1,954</b>
<b>Total General Fund revenue reserves</b>	<b>61,763</b>	<b>-16,707</b>	<b>45,056</b>	<b>-12,569</b>	<b>32,487</b>	<b>-2,849</b>	<b>29,638</b>	<b>-8,165</b>	<b>21,473</b>	<b>-1,160</b>	<b>20,313</b>
<b>Schools Balances &amp; Reserves</b>	<b>19,058</b>	<b>189</b>	<b>19,247</b>	<b>-302</b>	<b>18,945</b>	<b>-258</b>	<b>18,687</b>	<b>-38</b>	<b>18,649</b>	<b>-211</b>	<b>18,438</b>
<b>Capital Reserves</b>											
Capital Grants	7,710	1,772	9,482	-7,674	1,808	0	1,808	0	1,808	0	1,808
Capital Contributions	466	0	466	0	466	0	466	0	466	0	466
Capital Receipts	26,057	2,044	28,101	1,246	29,347	-1,655	27,692	-1,639	26,053	-1,203	24,850
<b>Total</b>	<b>34,233</b>	<b>3,816</b>	<b>38,049</b>	<b>-6,428</b>	<b>31,621</b>	<b>-1,655</b>	<b>29,966</b>	<b>-1,639</b>	<b>28,327</b>	<b>-1,203</b>	<b>27,124</b>
Revenue Reserves	80,821	-16,518	64,303	-12,871	51,431	-3,107	48,324	-8,203	40,121	-1,371	38,750
Capital Reserves	34,233	3,816	38,049	-6,428	31,621	-1,655	29,966	-1,639	28,327	-1,203	27,124
<b>Overall Useable Reserves</b>	<b>115,054</b>	<b>-12,702</b>	<b>102,352</b>	<b>-19,299</b>	<b>83,052</b>	<b>-4,762</b>	<b>78,290</b>	<b>-9,842</b>	<b>68,448</b>	<b>-2,574</b>	<b>65,874</b>

## APPENDIX 8

Analysis	Actual Bal at 31/3/14 £'000	Net Movt. in year £'000	Bal. at 31/3/15 £'000	Net Movt. in year £'000	Bal. at 31/3/16 £'000	Net Movt. in year £'000	Bal. at 31/3/17 £'000	Net Movt. in year £'000	Bal. at 31/3/18 £'000	Net Movt. in year £'000	Bal. at 31/3/19 £'000
<b>Earmarked Reserves</b>											
Outstanding Council Programme Board	11,105	-2,756	8,349	-3,892	4,456	-2,580	1,876	-673	1,203	-667	536
For use in future years for budget	8,252	-2,500	5,752	806	6,558	643	7,201	-6,727	474	-474	0
Revenue Reserves for Capital / Revn.	5,360	-1,674	3,686	-3,686	0	0	0	0	0	0	0
Energy renewable reserve	1,441	-300	1,141	-1,141	0	0	0	0	0	0	0
Repairs & Renewal Fund	1,424	0	1,424	-500	924	-500	424	-424	0	0	0
Transforming families reserve	784	-373	411	-411	0	0	0	0	0	0	0
Pension Fund additional contribution	1,078	-1,078	0	0	0	0	0	0	0	0	0
Local Land Charges Reserve	1,260	97	1,357	0	1,357	0	1,357	0	1,357	0	1,357
Apprenticeships	949	-471	478	-260	218	-218	0	0	0	0	0
Community Care Reserve	1,733	-247	1,486	-250	1,236	0	1,236	0	1,236	0	1,236
Performance Reward Grant	265	-265	0	0	0	0	0	0	0	0	0
Local Welfare Support Reserve	315	280	595	-200	395	-200	195	-195	0	0	0
Economic Development Strategy	1,322	-536	786	-786	0	0	0	0	0	0	0
Wimbledon Tennis Courts Renewal	52	25	77	25	102	25	127	-127	0	0	0
MertonActionSingleHomelessness	50	-50	0	0	0	0	0	0	0	0	0
Other	183	0	183	0	183	0	183	0	183	0	183
<b>Earmarked Reserves</b>	<b>35,574</b>	<b>-9,849</b>	<b>25,724</b>	<b>-10,295</b>	<b>15,429</b>	<b>-2,830</b>	<b>12,599</b>	<b>-8,146</b>	<b>4,453</b>	<b>-1,141</b>	<b>3,312</b>
Adult Social care contributions	670	-375	295	-295	0	0	0	0	0	0	0
Culture and Environment contributions	1,204	-367	837	-671	166	0	166	0	166	0	166
Culture and Environment grant	747	-136	611	-19	592	-19	573	-19	554	-19	535
Childrens & Education grant	708	-304	405	-405	0	0	0	0	0	0	0
Adult Social care grants	0	0	0	0	0	0	0	0	0	0	0
Housing Planning Development grant	299	-164	135	-135	0	0	0	0	0	0	0
Housing GF grants	106	0	106	0	106	0	106	0	106	0	106
Public Health	1,664	-915	749	-749	0	0	0	0	0	0	0
<b>Grants &amp; Contributions</b>	<b>5,398</b>	<b>-2,260</b>	<b>3,138</b>	<b>-2,274</b>	<b>864</b>	<b>-19</b>	<b>845</b>	<b>-19</b>	<b>826</b>	<b>-19</b>	<b>807</b>
<b>Total</b>	<b>40,972</b>	<b>-12,109</b>	<b>28,863</b>	<b>-12,569</b>	<b>16,293</b>	<b>0</b>	<b>16,293</b>	<b>0</b>	<b>16,293</b>	<b>0</b>	<b>16,293</b>
Insurance Reserve	1,954	0	1,954	0	1,954	0	1,954	0	1,954	0	1,954
<b>Fixed to Contracts</b>	<b>1,954</b>	<b>0</b>	<b>1,954</b>	<b>0</b>	<b>1,954</b>	<b>0</b>	<b>1,954</b>	<b>0</b>	<b>1,954</b>	<b>0</b>	<b>1,954</b>
DSG Reserve	2,728	10	2,738	-500	2,238	-500	1,738	0	1,738	0	1,738
Schools Reserve	168	-116	52	-52	0	0	0	0	0	0	0
Schools PFI Fund	4,071	295	4,366	250	4,616	242	4,858	-38	4,820	-211	4,609
Add Schools own reserves	12,090	0	12,090	0	12,090	0	12,090	0	12,090	0	12,090
<b>Schools Reserves</b>	<b>19,058</b>	<b>189</b>	<b>19,247</b>	<b>-302</b>	<b>18,945</b>	<b>-258</b>	<b>18,687</b>	<b>-38</b>	<b>18,649</b>	<b>-211</b>	<b>18,438</b>

**SAVINGS ANALYSIS**  
**All Savings - All Departments**

	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>£'000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Corporate Services	190	1,600	1,163	165
Children, Schools and Families	0	1,934	296	0
Community and Housing	220	2,935	1,736	1,195
Environment and Regeneration	363	4,196	810	(212)
<b>Savings Presented to Cabinet 8 December 2014</b>	<b>773</b>	<b>10,665</b>	<b>4,005</b>	<b>1,148</b>
<b>2015-19: Cumulative Savings</b>	<b>773</b>	<b>11,438</b>	<b>15,443</b>	<b>16,591</b>

## Total Savings

		2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	£000
<b>SI1</b>	Income: increase in current level of charges	34	1,110	315	16
<b>SI2</b>	Income: increase arising from expansion of existing service/new service	511	2,435	-1,396	-415
<b>SS1</b>	Staffing: reduction in costs due to efficiency	34	1,076	200	49
<b>SS2</b>	Staffing: reduction in costs due to deletion/reduction in service	10	1,896	1,664	870
<b>SNS1</b>	Non - Staffing: reduction in costs due to efficiency	181	457	367	81
<b>SNS2</b>	Non - Staffing: reduction in costs due to deletion/reduction in service	3	2,452	840	4
<b>SP1</b>	Procurement / Third Party arrangements - efficiency	0	346	1,859	100
<b>SP2</b>		0	440	156	425
<b>SG1</b>	Grants: Existing service funded by new grant	0	400	0	0
<b>SG2</b>	Grants: Improved Efficiency of existing service currently funded by unringfenced grant	0	0	0	0
<b>SPROP</b>	Reduction in Property related costs	0	53	0	18
		<b>773</b>	<b>10,665</b>	<b>4,005</b>	<b>1,148</b>

## Total Savings by Type

		2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	£000
<b>SI1</b>	Income: increase in current level of charges	34	1,110	315	16
<b>SI2</b>	Income: increase arising from expansion of existing service/new service	511	2,435	-1,396	-415
<b>SS1</b>	Staffing: reduction in costs due to efficiency	34	1,076	200	49
<b>SS2</b>	Staffing: reduction in costs due to deletion/reduction in service	10	1,896	1,664	870
<b>SNS1</b>	Non - Staffing: reduction in costs due to efficiency	181	457	367	81
<b>SNS2</b>	Non - Staffing: reduction in costs due to deletion/reduction in service	3	2,452	840	4
<b>SP1</b>	Procurement / Third Party arrangements - efficiency	0	346	1,859	100
<b>SP2</b>	Procurement / Third Party arrangements - deletion/reduction in service	0	440	156	425
<b>SG1</b>	Grants: Existing service funded by new grant	0	400	0	0
<b>SG2</b>	Grants: Improved Efficiency of existing service currently funded by unringfenced grant	0	0	0	0
<b>SPROP</b>	Reduction in Property related costs	0	53	0	18
	<b>TOTAL</b>	<b>773</b>	<b>10,665</b>	<b>4,005</b>	<b>1,148</b>

## SAVINGS ANALYSIS - OVERVIEW AND SCRUTINY COMMISSION

		2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	£000
<b>SI1</b>	Income: increase in current level of charges	34	191	274	16
<b>SI2</b>	Income: increase arising from expansion of existing service/new service	91	40	0	0
<b>SS1</b>	Staffing: reduction in costs due to efficiency	34	315	200	49
<b>SS2</b>	Staffing: reduction in costs due to deletion/reduction in service	10	239	248	100
<b>SNS1</b>	Non - Staffing: reduction in costs due to efficiency	18	197	231	0
<b>SNS2</b>	Non - Staffing: reduction in costs due to deletion/reduction in service	3	327	76	0
<b>SP1</b>	Procurement / Third Party arrangements - efficiency	0	291	134	0
<b>SP2</b>	Procurement / Third Party arrangements - deletions/reductions in service	0	0	0	0
<b>SG1</b>	Grants: Existing service funded by new grant	0	0	0	0
<b>SG2</b>	Grants: Improved Efficiency of existing service currently funded by unringfenced grant	0	0	0	0
<b>SPROP</b>	Reduction in Property related costs	0	0	0	0
		<b>190</b>	<b>1,600</b>	<b>1,163</b>	<b>165</b>



## SAVINGS ANALYSIS - CHILDREN &amp; YOUNGER PEOPLE PANEL

		2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	£000
SI1	Income: increase in current level of charges	0	200	0	0
SI2	Income: increase arising from expansion of existing service/new service	0	0	0	0
SS1	Staffing: reduction in costs due to efficiency	0	0	0	0
SS2	Staffing: reduction in costs due to deletion/reduction in service	0	694	296	0
SNS1	Non - Staffing: reduction in costs due to efficiency	0	0	0	0
SNS2	Non - Staffing: reduction in costs due to deletion/reduction in service	0	200	0	0
SP1	Procurement / Third Party arrangements - efficiency	0	0	0	0
SP2	Procurement / Third Party arrangements - deletions/reductions in service	0	440	0	0
SG1	Grants: Existing service funded by new grant	0	400	0	0
SG2	Grants: Improved Efficiency of existing service currently funded by unringfenced grant	0	0	0	0
SPROP	Reduction in Property related costs	0	0	0	0
		<b>0</b>	<b>1,934</b>	<b>296</b>	<b>0</b>

## SAVINGS ANALYSIS SUSTAINABLE COMMUNITIES PANEL

		2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	£000
SI1	Income: increase in current level of charges	0	719	41	0
SI2	Income: increase arising from expansion of existing service/new service	200	2,395	-1,396	-415
SS1	Staffing: reduction in costs due to efficiency	0	250	0	0
SS2	Staffing: reduction in costs due to deletion/reduction in service	0	367	260	0
SNS1	Non - Staffing: reduction in costs due to efficiency	163	180	136	81
SNS2	Non - Staffing: reduction in costs due to deletion/reduction in service	0	177	44	4
SP1	Procurement / Third Party arrangements - efficiency	0	55	1,725	100
SP2	Procurement / Third Party arrangements - deletions/reductions in service	0	0	0	0
SG1	Grants: Existing service funded by new grant	0	0	0	0
SG2	Grants: Improved Efficiency of existing service currently funded by unringfenced grant	0	0	0	0
SPROP	Reduction in Property related costs	0	53	0	18
		<b>363</b>	<b>4,196</b>	<b>810</b>	<b>-212</b>

## SAVINGS ANALYSIS - HEALTHIER COMMUNITIES &amp; OLDER PEOPLE PANEL

		2015/16	2016/17	2017/18	2018/19
		£000	£000	£000	£000
<b>SI1</b>	Income: increase in current level of charges	0	0	0	0
<b>SI2</b>	Income: increase arising from expansion of existing service/new service	220	0	0	0
<b>SS1</b>	Staffing: reduction in costs due to efficiency	0	511	0	0
<b>SS2</b>	Staffing: reduction in costs due to deletion/reduction in service	0	596	860	770
<b>SNS1</b>	Non - Staffing: reduction in costs due to efficiency	0	80	0	0
<b>SNS2</b>	Non - Staffing: reduction in costs due to deletion/reduction in service	0	1,748	720	0
<b>SP1</b>	Procurement / Third Party arrangements - efficiency	0	0	0	0
<b>SP2</b>	Procurement / Third Party arrangements - deletions/reductions in service	0	0	156	425
<b>SG1</b>	Grants: Existing service funded by new grant	0	0	0	0
<b>SG2</b>	Grants: Improved Efficiency of existing service currently funded by unringfenced grant	0	0	0	0
<b>SPROP</b>	Reduction in Property related costs	0	0	0	0
		<b>220</b>	<b>2,935</b>	<b>1,736</b>	<b>1,195</b>

**SUMMARY OF TOTAL RISKS**

**2015/16 RISKS**

<b>DELIVERABILITY RISK</b>	High	0.00%	2.59%	0.00%
	Medium	0.00%	7.76%	0.00%
	Low	59.90%	29.75%	0.00%
		Low	Medium	High
<b>REPUTATIONAL RISK</b>				

**2016 /17 RISKS**

<b>DELIVERABILITY RISK</b>	High	2.72%	0.94%	16.95%
	Medium	5.85%	9.35%	29.13%
	Low	10.87%	9.25%	14.95%
		Low	Medium	High
<b>REPUTATIONAL RISK</b>				

**2017 /18 RISKS**

<b>DELIVERABILITY RISK</b>	High	0.25%	0.00%	29.91%
	Medium	10.24%	56.10%	-22.15%
	Low	9.31%	2.02%	14.31%
		Low	Medium	High
<b>REPUTATIONAL RISK</b>				

**2018 /19 RISKS**

<b>DELIVERABILITY RISK</b>	High	0.00%	0.00%	70.73%
	Medium	14.63%	0.00%	-39.29%
	Low	11.85%	0.00%	42.07%
		Low	Medium	High
<b>REPUTATIONAL RISK</b>				

## DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD1	<u>Division</u> Description	<b>Infrastructure &amp; Transactions</b> Increase FM's external fee income target associated with schools service level agreements and associated project works	0	31				L	L	SI2
		Service Implication	None								
		Staffing Implications	None as additional work will be absorbed by existing resources within the FM team								
		Business Plan implications	None								
		Impact on other departments	None								
		Equalities Implications	None								
	CSD2	<u>Division</u> Description	<b>Infrastructure &amp; Transactions</b> Energy Savings (Subject to agreed investment of £1.5M)	TBC		150	150		M	L	SNS1
		Service Implication	None								
		Staffing Implications	None								
		Business Plan implications	Will contribute towards improving performance in respect to business plan targets for the reduction of CO2 emissions from the Councils buildings.								
		Impact on other departments	None								
		Equalities Implications	None								
O&S	CSD3	<u>Division</u> Description	<b>Infrastructure &amp; Transactions</b> Rationalise IT Service Delivery support & maintenance contracts.	Various - see cell note		86			L	L	SNS2
		Service Implication	Implementing saving should have minimal impact on service delivery as a detailed analysis and risk assessment will be completed prior to termination of any support and maintenance contract.								
		Staffing Implications	None								
		Business Plan implications	None								
		Impact on other departments	None								
		Equalities Implications	None								

## DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
O&S	CSD4	<u>Division</u> Description	<b>Infrastructure &amp; Transactions</b> Rationalise Facilities Management Building Repairs & Maintenance budgets.	617		15			L	L	SNS2
		Service Implication	Requests for building repairs and maintenance works will be assessed and where possible grouped together with planned maintenance activities to reduce cost.								
		Staffing Implications	None								
		Business Plan implications	None								
		Impact on other departments	Some delays may be experienced in respect to the time taken to complete non urgent repair and maintenance works.								
		Equalities Implications	None								
O&S	CSD5	<u>Division</u> Description	<b>Infrastructure &amp; Transactions</b> Increase income generation from external bookings at Chaucer centre.	-12		40			M	L	SI2
		Service Implication	None								
		Staffing Implications	None								
		Business Plan implications	None								
		Impact on other departments	None								
		Equalities Implications	None								
O&S	CSD6	<u>Division</u> Description	<b>Infrastructure &amp; Transactions</b> Reduction in the number of vehicles operated by Infrastructure & Transactions division from three to two.	10		5			L	L	SNS1
		Service Implication	None								
		Staffing Implications	None								
		Business Plan implications	None								
		Impact on other departments	None								
		Equalities Implications	None								

## DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
O&S	CSD7	<u>Division</u> Description	<u>Infrastructure &amp; Transactions</u> Restructure Post & Print section and delete 2 FTE posts.	382		47			L	L	SS2
		Service Implication	The reduction in resources will increase the time taken to process both incoming and outgoing items of post, which may become critical during peak periods such as Council Tax billing.								
		Staffing Implications	Delete 2 FTE posts which will result in two staff redundancies.								
		Business Plan implications	None								
		Impact on other departments	Reduction in current level of service may impact some time critical processes.								
		Equalities Implications	None								
O&S	CSD8	<u>Division</u> Description	<u>Infrastructure &amp; Transactions</u> Restructure IT Service Delivery section and delete 1 FTE post.	489		40			L	L	SS2
		Service Implication	The reduction in resources will have a direct impact on the sections ability to support and maintain the Councils IT infrastructure and equipment								
		Staffing Implications	None								
		Business Plan implications	None								
		Impact on other departments	Requests for IT works and services will be assessed and prioritised for completion on the basis of business need.								
		Equalities Implications	None								
<b>Total Infrastructure &amp; Transactions Services Savings</b>						<b>31</b>	<b>383</b>	<b>150</b>	<b>0</b>		

## DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD9	<u>Division</u>	<u>Customer Services</u>								
		<b>Description</b>	Ending of e-Capture Service	53		9			L	L	SNS2
		<b>Service Implication</b>	This service currently converts DWP benefit claims into on-line claims for the HB system. With Universal Credit commencing rollout from Feb 15 we will receive fewer of these types of claims. Sampling of the existing claims indicates that from February next year as little as 20% of cases will still be received and these can be input manually								
		<b>Staffing Implications</b>	None								
		<b>Business Plan implications</b>	None								
		<b>Impact on other departments</b>	None								
		<b>Equalities Implications</b>	None								



## DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving	Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
Page 277	CSD10	<p><u>Division</u> <b>Customer Services</b></p> <p><b>Description</b> Ending of Risk Based Verification</p> <p><b>Service Implication</b> The service currently assesses new HB claims with a low, medium or high rating for error. With Universal Credit being rolled out from February 15 the Council will receive fewer new claims and over the period of the roll out will reduce down to a low amount. We will revert back to manual verification of all evidence for the reduced number of new claims</p> <p><b>Staffing Implications</b> None</p> <p><b>Business Plan implications</b> None</p> <p><b>Impact on other departments</b> None</p> <p><b>Equalities Implications</b> None</p>	53		22			L	L	SNS2
	CSD11	<p><u>Division</u> <b>Customer Services</b></p> <p><b>Description</b> Terminate the Experian trace and search system contract</p> <p><b>Service Implication</b> None</p> <p><b>Staffing Implications</b> None</p> <p><b>Business Plan implications</b> None</p> <p><b>Impact on other departments</b> None</p> <p><b>Equalities Implications</b> None</p> <p>Will have to procure there own service</p>	12		10			L	L	SNS2
	CSD12	<p><u>Division</u> <b>Customer Services</b></p> <p><b>Description</b> Rationalisation of Divisional Budgets (E02180 DJ04 £6k, DE03 £5k, AB02 £4k)</p> <p><b>Service Implication</b> None</p> <p><b>Staffing Implications</b> None</p> <p><b>Business Plan implications</b> None</p> <p><b>Impact on other departments</b> None</p> <p><b>Equalities Implications</b> None</p>	24	15				L	L	SNS1

## DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving	Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD13	<p><u>Division</u> <b>Description</b></p> <p><u>Customer Services</u> Reduce Customer Access Point Assistant by 0.6FTE</p> <p><b>Service Implication</b> None due to improved channel migration</p> <p><b>Staffing Implications</b> 0.6 redundancy</p> <p><b>Business Plan implications</b> None</p> <p><b>Impact on other departments</b> None</p> <p><b>Equalities Implications</b></p>	566	15				L	L	SS1
	CSD14	<p><u>Division</u> <b>Description</b></p> <p><u>Customer Services</u> Reduction of 1 FTE Revenues Officer</p> <p><b>Service Implication</b> Automated processes will be implemented in 15/16 which will reduce manual intervention on some changes</p> <p><b>Staffing Implications</b> 1 FTE Redundancy unless there is a vacant post within the next 10 months</p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	1240		30			L	L	SS1
	CSD15	<p><u>Division</u> <b>Description</b></p> <p><u>Customer Services</u> Increase in Court Costs (council tax) - Increase from £110.00 to £115.00</p> <p><b>Service Implication</b></p> <p><b>Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	-930		40			L	M	SI1

## DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD16	<u>Division</u> Description	<u>Customer Services</u> Reduction in discretionary relief	316		231			L	L	SP1
		Service Implication	None								
		Staffing Implications	None								
		Business Plan implications	None								
		Impact on other departments	None								
		Equalities Implications	None								
Total Customer Services Savings						30	342	0	0		
	CSD17	<u>Division</u> Description	<u>Communications</u> Reduce Marketing budget - Increase self service by using Panacea - marketing solution software in order to reduce designer costs for smaller marketing jobs.	180	3		73		L	L	SNS2
		Service Implication									
		Staffing Implications									
		Business Plan implications									
		Impact on other departments									
		Equalities Implications									
	CSD18	<u>Division</u> Description	<u>Communications</u> My Merton and staff reductions - Renegotiate supplier costs for My Merton	99		32			L	L	SNS1
		Service Implication									
		Staffing Implications									
		Business Plan implications									
		Impact on other departments									
		Equalities Implications									

DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD19	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Communications</u> My Merton and staff reductions - Delete 1 FTE - Communication Asisstant	256		25		49	M	M	SS1
Total Communication Services Savings						3	57	73	49		
Page 280	CSD20	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Resources</u> Increased income None Directly None Consistent with Business Plan None None		14	16	16	16	L	L	SI1
	CSD21	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Resources</u> Rephase existing Savings None Directly None Consistent with Business Plan None None			42			L	L	sp1

DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD22	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Resources</u> Treasury Management/Interest income None Directly None Consistent with Business Plan None None		60				M	M	SI2
Page 281	CSD23	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Resources</u> Cut Running costs budgets Some reduction in level of departmental support None Not significant Some reduction in level of departmental support None	102		30	3		L	M	SNS2
	CSD24	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Resources</u> Consultancy Budget The ability to engage specialist external skills will be reduced Ability to use interim staff will be reduced Deliverables will need to be revised to accommodate this There will be a substantial reduction in the ability to advise on more complex projects None	206		100			L	M	SNS2

## DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD25	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Resources</u> Increased Charge to Pension Fund None Directly None Consistent with Business Plan None None			20			L	L	SNS2
Page 282	CSD26	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Resources</u> Delete 1 Business Partner Reduction in level of departmental support Reduction of 1 post Deliverables will need to be revised to accommodate this Reduction in the level of support The reduction will be carried out in a manner that is consistent with the council's equalities policies.	233			78		L	M	SS2
	CSD27	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Resources</u> Further Restructuring Reduction in level of departmental support TBD but in the order of 2 to 4 posts Deliverables will need to be revised to accommodate this Reduction in the level of support as core central legal responsibilities will have to form an increasing proportion of the work carried out. The reduction will be carried out in a manner that is consistent with the council's equalities policies.	2,391				100	H	H	SS2
<b>Total: Resources Savings</b>						74	208	97	116		

## DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD28	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Human Resources</u> COT review Reduced business support Reduced staffing levels Less transactional support Less transactional support Proposals affect a female workforce	425		38			M	M	SS2
	CSD29	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Human Resources</u> Recruitment and DBS review Reduction in HR managerial support Reduction in staffing Reduction in transactional support Reduction in transactional support Impacts on a largely female workforce	425		50			M	M	SS1
	CSD30	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Human Resources</u> Schools COT support (delivery of schools buy-back service) Removal of dedicated COT support for schools Post reductions No dedicated COT service No dedicated COT service Impacts on female workforce	425			152		H	H	SS2

## DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD31	<u>Division</u>	<u>Human Resources</u>								
		<b>Description</b>	Review of HR business support	90	19				L	L	SS1
		<b>Service Implication</b>	Less business support for HR								
		<b>Staffing Implications</b>	Reduction in posts								
		<b>Business Plan implications</b>	Less business support for HR								
		<b>Impact on other departments</b>	Possibly less efficiency of response								
		<b>Equalities Implications</b>	Impacts upon a largely female workforce								
	CSD32	<u>Division</u>	<u>Human Resources</u>								
		<b>Description</b>	Review of HR business support (printing and stationery)	20		5			L	L	SNS1
		<b>Service Implication</b>	Less business support for HR								
		<b>Staffing Implications</b>	Reduction in posts								
		<b>Business Plan implications</b>	Less business support for HR								
		<b>Impact on other departments</b>	Possibly less efficiency of response								
		<b>Equalities Implications</b>	Impacts upon a largely female workforce								



## DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD33	<u>Division</u>	<u>Human Resources</u>		20				H	M	SI1
		Description	HR transactional service income generation								
		Service Implication	None								
		Staffing Implications	None								
		Business Plan implications	None								
		Impact on other departments	None								
		Equalities Implications	None								
	CSD34	<u>Division</u>	<u>Human Resources</u>						M	M	SS2
		Description	Learning & Development admin support	169			18				
		Service Implication	Reduction in transactional support shared with LBS								
		Staffing Implications	Reduction in posts								
		Business Plan implications	Reduction in transactional support								
		Impact on other departments	Possible reduction in responsiveness								
		Equalities Implications	Impacts on a female workforce								

## DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD35	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Human Resources</u> Learning and Development budget Targeted L&D offer None Need to ensure underpins TOM's/business plan Need to ensure targeted L&D activity Ensure equal access to L&D	630		18	134		M	M	SP1
Total HR Savings						39	111	304	0		
Page 286	CSD36	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Business Improvement</u> Business Systems Team Restructure Phase 1 Reduction in availability for any support work other than non-essential fix-on-fail and potential decrease in Reduction: 1FTE 15/16; 2 FTE 17/8 Incorporated within business plan - assumes reduction in number/customisation of IT Systems through IT Reduction in capacity for adhoc improvement and requires less customised automation in line of business None	1,125	10				L	M	SS2
	CSD37	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Business Improvement</u> PO Restructure Reduction in level of coordination, assurance and support for corporate transformation/change. Loss of 1.5 FTE; Regrading of 1.5 FTE OCPB reserves secured for short term transformation needs. Reduced support available for change/transformation coordination beyond 16/7 Reduced coordination of change projects - interdependencies, benefits, critical paths and delivery assurance support not available. None	209		64			L	M	SS2

DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD38	<u>Division</u>	<u>Business Improvement</u>								
		<b>Description</b>	Reduction in support budget								
		<b>Service Implication</b>	Reduced resource for hardware/software costs			5			L	L	SNS1
		<b>Staffing Implications</b>	None								
		<b>Business Plan implications</b>	None								
		<b>Impact on other departments</b>	None								
		<b>Equalities Implications</b>	None								
	CSD39	<u>Division</u>	<u>Business Improvement</u>								
		<b>Description</b>	Business Systems Team Restructure Phase 2	1,125		50			H	M	SS2
		<b>Service Implication</b>	Reduction in availability/increase in response times for 'fix-on-fail' support								
		<b>Staffing Implications</b>	Reduction by 1 FTE								
		<b>Business Plan implications</b>	Availability for support calls will be reduced and response times affected. Increase in single points of failure for system support likely.								
		<b>Impact on other departments</b>	Availability for support calls will be reduced and response times affected. Increase in single points of failure for system support likely.								
		<b>Equalities Implications</b>	None								





DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD44	<u>Division</u>	<u>Corporate Governance</u>								
		<b>Description</b>	Stop web casting meetings, Remove scrutiny support fund and reduce other supplies and services	68	0	35	0	0	L	M	SNS2
		<b>Service Implication</b>	Reduce support to members								
		<b>Staffing Implications</b>									
		<b>Business Plan implications</b>	none								
		<b>Impact on other departments</b>	reduction in capacity								
		<b>Equalities Implications</b>	none								

DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
Page 291	CSD45	<u>Division</u>	<u>Corporate Governance</u>								
		<b>Description</b>	share audit and investigation service	465	0	60	20	0	M	M	SS1
		<b>Service Implication</b>	reduction in management capacity for the authority. Reduction in audit and investigation capacity								
		<b>Staffing Implications</b>	reduction in 0.5 FTE manager and 1fte auditor								
		<b>Business Plan implications</b>	impact on audit assurance capacity								
		<b>Impact on other departments</b>	reduced audit resource								
		<b>Equalities Implications</b>	none								
<b>Total Corporate Governance Savings</b>					0	135	30	0			

DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
Page 292	CSD46	<u>Division</u>	<u>Policy Unit</u>	1,090	3		81		L	L	SNS1
		Description	Reduce budget for LCGS to match actual contribution								
		Service Implication	None								
		Staffing Implications	None								
		Business Plan implications	None								
		Impact on other departments	None								
Equalities Implications											



DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
	CSD47	<u>Division</u> Description Service Implication Staffing Implications Business Plan implications Impact on other departments Equalities Implications	<u>Policy Unit</u> Delete 1 post Small reduction in capacity Delete 1 post None None None	275		50			L	L	SS1
Total	Policy Unit Savings				3	50	81	0			

## DEPARTMENT: CORPORATE SERVICES SAVINGS - BUDGET PROCESS 2015/16

P a n e l	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability (L/M/H)	Risk Analysis Reputational Impact (L/M/H)	Type of Saving (see key)
Page 294	CSD48	Division	Other								
		Description	CHAS Dividend	0	145	258			L	L	SI
		Service Implication	None								
		Staffing Implications	None								
		Business Plan implications	None								
		Impact on other departments	None								
		Equalities Implications	None								
Total Other Savings/Income					0	145	258	0			
Total - Corporate Services					190	1,600	1,163	165			
Total - Corporate Services (cumulative)					190	1,790	2,953	3,118			

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
C&YP	CSF2014-05	<b>Service Description</b>	<b>Commissioning, Strategy and Performance</b> Reduction in commissioning of early intervention and prevention services.	700		400			Medium	High	SS2 & SP2
		<b>Service Implication</b>	The council would not re-commission a number of early help services historically provided by local VCS providers. Residual early help commissioning would be restricted to evidence based models unlikely to be provided by local providers due to the nature of the work. Reduced investment in early help services could result in increased pressure on children's social care services.								
		<b>Staffing Implications</b>	Reductions in staffing, both in-house and voluntary organisations. Potential risk to sustainability of some local VCS organisations. Potential for increased workloads in children's social care services.								
		<b>Business Plan implications</b>	Reduced service offer for children and families in Merton.								
		<b>Impact on other departments</b>	None.								
		<b>Equalities Implications</b>	Likely to have a disproportionate impact on disadvantaged groups within the community.								
C&YP	CSF2014-06	<b>Service Description</b>	<b>Youth Service</b> Young people will be signposted to VCS youth provision.	480		480			Medium	High	SS2 & SP2
		<b>Service Implication</b>	The Council's minimal youth offer will be targeted to young people at highest risk. Cease commissioned local youth VCS and continue small highly targeted provision to young people at risk.								
		<b>Staffing Implications</b>	Redundancy of both in house and commissioned services staff, circa 12 FTEs.								
		<b>Business Plan implications</b>	Reduced service offering. Potential impact on youth justice and crime.								
		<b>Impact on other departments</b>	Possible property implications.								
		<b>Equalities Implications</b>	Likely to have a disproportionate impact on young people from disadvantaged groups within the community.								

Panel	Ref	Description of Saving	Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)	
C&YP	CSF2014-07	<p><b>Service Description</b></p> <p><b>Service Implication</b></p> <p><b>Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	<p><b>Public Health</b></p> <p>Children's centres deliver the widest outcomes for under fives and getting a good start in life is key to narrowing inequalities in health outcomes.</p> <p>The use of Public Health funding to deliver health outcomes for under fives will enable our children centres to maintain a wider offer than childcare, delivering health outcomes to children and families.</p> <p>None.</p> <p>Continued offer to improve health outcomes for children, young people and families.</p> <p>Realignment of Public Health spend but still focussed on health outcomes in line with health and wellbeing strategy priority 1.</p> <p>None.</p>			400			Low	Medium	SG1
C&YP	CSF2014-08	<p><b>Service Description</b></p> <p><b>Service Implication</b></p> <p><b>Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	<p><b>Schools</b></p> <p>Increased income from schools and/or reduced LA service offer to schools</p> <p>The LA provides some statutory services for schools and 'trades' via SLAs for additional services. This proposal would be achieved through greater income generation from schools and/or reduction of some services to statutory minima thus reducing staffing required.</p> <p>Potential redundancy of staff providing LA support services to schools. If the entire saving was made from staffing, it would equate to an estimated 10 FTEs.</p> <p>Changes in the LA's relationship with schools</p> <p>None.</p> <p>Potential for lesser LA support to schools could impact negatively on equalities and disadvantaged groups</p>	688 917		400			Medium	Medium	SI1/SNS2

Panel	Ref	Description of Saving	Baseline Budget 14/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
C&YP	CSF2014-09	<p><b>Service Description</b></p> <p><b>Service Implication Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments Equalities Implications</b></p>	3,640		254	296		Medium	High	SS2
<b>Total Children, Schools and Families Savings</b>				<b>0</b>	<b>1,934</b>	<b>296</b>	<b>0</b>			

Savings Type

- SS1** Staffing: reduction in costs due to efficiency
- SS2** Staffing: reduction in costs due to deletion/reduction in service
- SN1** Non - Staffing: reduction in costs due to efficiency
- SN2** Non - Staffing: reduction in costs due to deletion/reduction in service
- SP1** Procurement / Third Party arrangements - efficiency
- SP2** Procurement / Third Party arrangements - deletion/reduction in service
- SG1** Grants: Existing service funded by new grant
- SG2** Grants: Improved Efficiency of existing service currently funded by unringfenced grant
- SPROP** Reduction in Property related costs
- SI1** Income - increase in current level of charges
- SI2** Income - increase arising from expansion of existing service/new service

Panel

- C&YP**
- O&S**
- HC&OP**
- SC**

Page 297

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R1	<b>Service/Section Description</b> <b>Service Implication</b>  <b>Staffing Implications</b> <b>Business Plan implications</b> <b>Impact on other departments</b> <b>Equalities Implications</b>	<b>Leisure &amp; Culture Development Team</b> Arts Development - further reduce Polka Theatre core grant This continues the year-on-year reductions that we have been requiring Polka Theatre to take and would require this to continue in a planned way for a further 3yrs requiring them to generate this shortfall through alternative funding sources and income generation. This core grant ensures that Polka are able to lever in a significant Arts Council Grant as a Regionally Funded Body of £570k per annum for 2015-18 None  This is in line with the Leisure & Culture Development Team's TOM.  None  None	74	5	5	4	Low	Low	SNS2
SC	E&R2	<b>Service/Section Description</b> <b>Service Implication</b>  <b>Staffing Implications</b> <b>Business Plan implications</b> <b>Impact on other departments</b> <b>Equalities Implications</b>	<b>Leisure &amp; Culture Development Team</b> Water sports Centre - Additional income from new business - Marine College & educational activities. This is a new business development as part of the teams transformation work. There will be less capacity in the team and within the facilities available for community type activities, rather more emphasis will be towards commercial products.  Increased staff will be required should the business fully develop, but these costs would be covered within the business plan, still returning the surpluses included in this savings plan.  This is in line with the Leisure & Culture Development Team's TOM.  None  None	(367)	10	10	5	Medium	Low	SI2

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R3	<b>Service/Section Description</b>	<b>Leisure &amp; Culture Development Team</b> Various Budgets - Reduction in supplies & services &/or increased income over expenditure	175		16		Low	Low	SNS1
		<b>Service Implication</b>	Savings from implementation of the team's TOM making continuous improvement via such activities as movement to online bookings & payments, use of social media, changing the channels by which we deliver services thus seeing reductions in letters, postage, printing, etc.							
		<b>Staffing Implications</b>	Staff will be retrained and deployed to deliver services in the changed way throughout the implementation of the TOM							
		<b>Business Plan implications</b>	This is in line with the Leisure & Culture Development Team's TOM							
		<b>Impact on other departments</b>	Efficiencies made in this team will assist in some savings in the corporate centre e.g. income collection, cheque handling, invoicing,etc. Also as the team changes the way it works there will be less capacity to support other team's projects unless it is also part of our business plans.							
		<b>Equalities Implications</b>	The team recognise that not all our customers will be able to change at the same rate and therefore we will need to put in place arrangements to assist some customers through a transition period							
SC	E&R4	<b>Service/Section Description</b>	<b>Leisure &amp; Culture</b> Morden Leisure Centre	233			100	Low	Low	SP1
		<b>Service Implication</b>	The new Morden Leisure Centre (MLC) is due to be completed in the Spring of 2018 and this will result in a Deed of Variation with the contractors Greenwich Leisure Limited (GLL) to discontinue operation of the existing Morden Park Pools (MPP) and move to operate the new MLC. In doing this we expect to be making savings on the contract sum							
		<b>Staffing Implications</b>	None							
		<b>Business Plan implications</b>	This is in line with the Council's Strategic Plans and is included within the team' s Service and Transformation Plans							
		<b>Impact on other departments</b>	None							
		<b>Equalities Implications</b>	None							

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R5	<b>Service/Section Description</b> <b>Service Implication</b> <b>Staffing Implications</b> <b>Business Plan implications</b> <b>Impact on other departments</b> <b>Equalities Implications</b>	<b>Property Management</b> Team transformation and asset review Leaner team structure potential reduction of at least one post [ estates surveyor ]but compensated by graduates Some Increased income from non operational portfolio. Reduced service as resource directed to increased income None	270		82		Medium	Low	SS2 &SI1
SC	E&R6	<b>Service/Section Description</b> <b>Service Implication</b> <b>Staffing Implications</b> <b>Business Plan implications</b> <b>Impact on other departments</b> <b>Equalities Implications</b>	<b>Property Management</b> Reduced costs incurred as a result of sub-leasing Stouthall until 2024. In summary the Council is saving £38k p.a. for three years, and thereafter £57k p.a. as the rent repayment begins. None None None None None	139	39		18	Low	Low	SPROP



DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R7	<b>Service/Section Description</b>	<b>Parking Services</b> Due to additional requests from residents, the budget will be adjusted to reflect the demand for and ongoing expansion of Controlled Parking Zone coverage in the borough. CPZs are only implemented where a majority of residents ask for them and there will be a corresponding increase in PCN fines and permits. There is greater certainty in earlier years where we know of CPZs that are being requested and consulted upon.	(7,176)	260	163	163	Medium	Low	SI2/SNS1
		<b>Service Implication</b>	None							
		<b>Staffing Implications</b>	None							
		<b>Business Plan implications</b>	None							
		<b>Impact on other departments</b>	None							
		<b>Equalities Implications</b>	None							
SC	E&R8	<b>Service/Section Description</b>	<b>Parking Services</b> In response to residents concerns about traffic congestion, enforcement of moving traffic contraventions, following the implementation of ANPR.	(5,446)	1,700	-1,540	-500	Medium	High	SI2
		<b>Service Implication</b>	Improvement of traffic enforcement efficiency and compliance by motorists							
		<b>Staffing Implications</b>	Expansion of FTEs in PCN processing and Debt Registration teams by up to 100%							
		<b>Business Plan implications</b>	Increase in fines from PCNs and expenditure and a need for more accommodation							
		<b>Impact on other departments</b>	Corporate Services: increasing accommodation will require Facilities input along with support from Business Improvement and IT infrastructure							
		<b>Equalities Implications</b>	None							

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R9	<b>Service/Section Description</b>	<b>Parking Services</b> Change in on-street bay suspension pricing structure. £42 per week change to £25 per day with one off admin fee of £25. This is consistent with the approach of other boroughs.	(215)	500			Low	High	SI1
		<b>Service Implication</b>	Implement a daily charge for suspensions rather than a weekly one to benefit residents by ensuring suspensions are not in place for longer than necessary							
		<b>Staffing Implications</b>	none							
		<b>Business Plan implications</b>	none							
		<b>Impact on other departments</b>	change to charges for skip approval applications will impact on Traffic & Highways administration							
		<b>Equalities Implications</b>	none							
SC	E&R10	<b>Service/Section Description</b>	<b>Parking Services</b> Back office reorganisation	1,177	80			Low	Low	SS1
		<b>Service Implication</b>	Review the current back office structure							
		<b>Staffing Implications</b>	Reduction in staff							
		<b>Business Plan implications</b>	Improve efficiencies by reducing revenue expenditure							
		<b>Impact on other departments</b>	None							
		<b>Equalities Implications</b>	None							
SC	E&R11	<b>Service/Section Description</b>	<b>Parking Services</b> Enforcement of pavement parking	(5,446)	60			Medium	High	SI2
		<b>Service Implication</b>	This saving is as a result of regular complaints from the public. We are currently assessing all roads where this problem exists and adjusting our enforcement policy so that we enforce in roads where vehicles could safely park on the highway but instead choose to park on the pavement.							
		<b>Staffing Implications</b>	None							
		<b>Business Plan implications</b>	There will be an increase in PCN fines for contraventions but that will change as compliance by the motorist improves							
		<b>Impact on other departments</b>	None							
		<b>Equalities Implications</b>	This will improve as it is often the public with disabilities and children in buggies that are adversely affected by pavement parking							

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving	Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)	
SC	E&R12	<p><b>Service/Section Description</b>  <b>Service Implication</b></p> <p><b>Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	<p><b>Parking Services</b>            End lease of Wycliffe Road            This location was an additional a base for the Civil Enforcement Officers a decision was made to make a saving by ending the lease with the officers using their main base at Civic Centre</p> <p>None</p> <p>reduction in expenditure</p> <p>Reduction in the corporate maintenance and IT needs</p> <p>None</p>	14	14			Low	Low	SPROP
SC	E&R13	<p><b>Service/Section Description</b>  <b>Service Implication</b></p> <p><b>Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	<p><b>Regulatory Services</b>            Increase income from discretionary fees &amp; charges; Charge for business advice including pre-application planning advice;            Slight increase in time taken for provision of officer advice.</p> <p>None</p> <p>In line with Reg.Services TOM</p> <p>None</p> <p>None</p>	(344)	50			Medium	Medium	SI1
SC	E&R14	<p><b>Service/Section Description</b>  <b>Service Implication</b></p> <p><b>Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	<p><b>Regulatory Services</b>            Further expansion of the shared service.            This is new business development associated with potential new partners joining the existing shared regulatory services partnership. The estimate is based on two new boroughs joining the partnership.</p> <p>None</p> <p>In line with Reg.Services TOM</p> <p>None</p> <p>None</p>	1,278	100			Medium	Low	SS1/ SNS1

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R15	<b>Service/Section Description</b>	<b>Regulatory Services</b> Alter funding of post dedicated to investigating potential recovery of funds under the POCA, to be funded from costs recovered.	50	50			High	Medium	SS1
		<b>Service Implication</b>	None							
		<b>Staffing Implications</b>	None							
		<b>Business Plan implications</b>	None							
		<b>Impact on other departments</b>	None							
		<b>Equalities Implications</b>	None							
SC	E&R16	<b>Service/Section Description</b>	<b>Waste Services - Joint procurement</b> joint procurement of waste, street cleansing, winter maintenance and fleet maintenance services (Phase C)	8,037		1,500		Medium	Medium	SP1
		<b>Service Implication</b>	Potential harmonising of services across the Partnership							
		<b>Staffing Implications</b>	TUPE arrangement to be in place to transfer staff to new contractor.							
		<b>Business Plan implications</b>	To be confirmed							
		<b>Impact on other departments</b>	Impact on Parks and Waste services.							
		<b>Equalities Implications</b>	to be confirmed prior to award of contract							
SC	E&R17	<b>Service/Section Description</b>	<b>Street Cleansing</b> To reduce the costs of the service and maintain current standards of cleaning within Merton it is proposed to alter how we deploy our resources by reducing residential solo sweepers and alter the use of mechanical sweepers by investing in electric sweepers (Gluttons). Still concentrating on the issues that are important to residents such as Litter and Fly tipping. Detritus will continue to be managed in a programmed way.	2,764	157			Low	Medium	SS2
		<b>Service Implication</b>	proposal alters how we deploy our resources allowing the mobile teams to be reactive , moving away from a routine schedule							
		<b>Staffing Implications</b>	7 staff reduction							
		<b>Business Plan implications</b>	This is consistent with the Transformation plan options							
		<b>Impact on other departments</b>	Possible impact on enforcement							
		<b>Equalities Implications</b>	None identified							

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R18	<b>Service/Section Description</b>	<b>Waste Services - Caddy Liners</b> Cease the distribution of food caddy liners Caddy liners will be procured by the service and available for collection by the residents	137	70			Low	Medium	SNS2
		<b>Service Implication</b>								
		<b>Staffing Implications</b>	Staff will be retrained and deployed to deliver services in the changed way throughout the implementation of the TOM							
		<b>Business Plan implications</b>	Impact on recycling target							
		<b>Impact on other departments</b>	Libraries may be able to provide a central collection point for liners. This may be a internal recharge. Residual waste may increase resulting in higher landfill cost.							
		<b>Equalities Implications</b>	Impacts on the 52% of residents that partake in the service							
SC	E&R19	<b>Service/Section Description</b>	<b>Waste Services</b> Align income budget to levels of income being generated from the sale of Textiles.	N/A	50			Low	Low	SI2
		<b>Service Implication</b>	None as collected by contractor DM Recycling							
		<b>Staffing Implications</b>	None							
		<b>Business Plan implications</b>	None							
		<b>Impact on other departments</b>	None							
		<b>Equalities Implications</b>	None							
SC	E&R20	<b>Service/Section Description</b>	<b>Waste Services</b> To contribute to a cleaner borough, enforcement of litter dropping under EPA/ ASB legislation with FPN fines for contraventions. This follows on from the Pilot private enforcement and in advance of any decisions on future procurement. Litter dropping by residents remains a significant issue and a big factor in the level of cleanliness on our streets .	(242)	20	-3	-2	Low	Low	SI2
		<b>Service Implication</b>	Fluctuating resource availability for education and encouragement activities							
		<b>Staffing Implications</b>	Training and support to existing internal staff							
		<b>Business Plan implications</b>	Cleaner borough							
		<b>Impact on other departments</b>	Legal services - cost of prosecution for non payment							
		<b>Equalities Implications</b>	Full Qualities Impact assessment needs to be undertaken and approved							

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R21	<b>Service/Section Description</b>	<b>Waste Services</b> HRRC Site operations procured to external provider. Contractual savings .	629	30			Low	Low	SP1
		<b>Service Implication</b>	None - Continuation of externalised service - current procurement in progress							
		<b>Staffing Implications</b>	TUPE and impact on transfer station.							
		<b>Business Plan implications</b>	None							
		<b>Impact on other departments</b>	None							
		<b>Equalities Implications</b>	None							
SC	E&R22	<b>Service/Section Description</b>	<b>Waste Services - Dog Waste Option 1</b> Removal of borough wide dog bins including Parks	42	42			Low	Medium	SNS2
		<b>Service Implication</b>	High - dog fouling is identified as one of the main concerns for residents. This waste would be disposed of in general litter bins currently provided.							
		<b>Staffing Implications</b>	Reduction of 1 driver							
		<b>Business Plan implications</b>	Impact on Cleaner borough							
		<b>Impact on other departments</b>	Parks							
		<b>Equalities Implications</b>	None							
SC	E&R23	<b>Service/Section Description</b>	<b>Waste Services - Dog Waste Option 2</b> Removal of dog bins from the highway whilst retaining within parks	42	12			Low	Medium	SNS2
		<b>Service Implication</b>	High - dog fouling is identified as one of the main concerns for residents. This waste would be disposed of in general litter bins currently provided.							
		<b>Staffing Implications</b>	None							
		<b>Business Plan implications</b>	Impact on Cleaner borough							
		<b>Impact on other departments</b>	Parks - How would this waste be collected							
		<b>Equalities Implications</b>	None							

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R24	<b>Service/Section Description</b>	<b>Greenspaces</b> Reduction in current levels of staffing in the Greenspaces grounds maintenance and horticulture and sports teams.	1,723	130			Medium	High	SS2
		<b>Service Implication</b>	Reduction in maintenance standards in some parks							
		<b>Staffing Implications</b>	Reduction in staff by 4 FTEs							
		<b>Business Plan implications</b>	Staff establishment is projected to decline over the period of the plan							
		<b>Impact on other departments</b>	None directly							
		<b>Equalities Implications</b>	All sections of the community affected							
SC	E&R25	<b>Service/Section Description</b>	<b>Greenspaces</b> Joint procurement of greenspace services as part 2 of the Phase C SLWP procurement contract with LB Sutton	3,689		160		Medium	Medium	SP1
		<b>Service Implication</b>	Potential harmonising of services.							
		<b>Staffing Implications</b>	TUPE arrangement to be in place to transfer to new contractor.							
		<b>Business Plan implications</b>	To be confirmed							
		<b>Impact on other departments</b>	Impact on Parks and allied services							
		<b>Equalities Implications</b>	To be confirmed prior to award of contract							

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R26	<b>Service/Section Description</b>	<b>Greenspaces</b> Introduction of P&D within certain parks responding to demand for the management of parking and controlling excess demand for spaces/ commuter parking . This will require reprofiling of capital investment of £60k.	N/A	60			Medium	Medium	SI2
		<b>Service Implication</b>	Visitors will be required to pay to park in parks' car parks for some periods							
		<b>Staffing Implications</b>	None							
		<b>Business Plan implications</b>	consistent with Transformation plan / commercial approach							
		<b>Impact on other departments</b>	Impacts for Parking Services who will manage the controls/FPNs							
		<b>Equalities Implications</b>	Yes - possible adverse implications for park users on low incomes							
SC	E&R27	<b>Service/Section Description</b>	<b>Greenspaces</b> Additional property rental income	(341)	44			Medium	Low	SI1
		<b>Service Implication</b>	Re-letting of vacant parks properties within commercial property market. Rent review and increase for existing service tenancy properties.							
		<b>Staffing Implications</b>	No direct impact upon staff establishment							
		<b>Business Plan implications</b>	Integral to commercialisation agenda							
		<b>Impact on other departments</b>	Possible impact upon Housing: local rehousing need for some existing tenants							
		<b>Equalities Implications</b>	Not in respect of front-lines services. Tenants affected are predominantly current or former LBM staff who have retired or are near retirement							



## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R28	<b>Service/Section Description</b>	<b>Building and Development Control</b> Proposed shared services with Wandsworth incorporating: 1) Shared enforcement and admin teams and investigation of other shared service options 2) Increased income generation from planning performance agreements and revised pre application charging 3) Joint re-procurement of M3 Northgate systems 4) Improved efficiency and resilience with larger teams. 5) Eliminate postal consultations 6) Efficiencies delivered through Mobile and flexible working arrangement rollout and other TOM improvements 7) Potential outsourcing of admin scanning functions At this stage it would be premature to predict exactly how the savings will be delivered. However, a consultant has been appointed and is starting the assessment.	1575  (884)		157		Medium	High	SS2, SNS1, SNS2, SP1
		<b>Service Implication</b>	Still to be determined as the scope of the review is still to be finalised. Shared services joint review commissioned with Wandsworth and due to be finalised early 2015. Saving spread over 2 years in same way as Shared regulatory service to allow for management restructure followed by frontline and process savings .							
		<b>Staffing Implications</b>	Still to be determined through the shared services report. Likely impact on management levels, enforcement and admin functions and working arrangements.							
		<b>Business Plan implications</b>	consistent with Transformation Plan							
		<b>Impact on other departments</b>	unknown at present							
		<b>Equalities Implications</b>	unknown at present							
SC	E&R29	<b>Service/Section Description</b>	<b>Building &amp; Development Control</b> Enhanced pre-application process. This is in addition to previous savings proposals. Generating more additional income from Planning Performance Agreements as opposed to the normal pre-application process	(56)	40			Low	High	SI2
		<b>Service Implication</b>	The additional work pressure may impact on performance and delivery of regeneration projects as the PPA income is meant to be reinvested in the service to deliver such projects and this will not be the case.							
		<b>Staffing Implications</b>	No changes although there will be additional pressure on existing staff to deliver.							
		<b>Business Plan implications</b>	Potential impact on performance figures especially in relation to major schemes. Reduced ability to deliver regeneration projects in the borough.							
		<b>Impact on other departments</b>	none							
		<b>Equalities Implications</b>	none							

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R30	<b>Service/Section Description</b> <b>Service Implication</b>  <b>Staffing Implications</b>  <b>Business Plan implications</b>  <b>Impact on other departments</b> <b>Equalities Implications</b>	<b>Building &amp; Development Control - Planning Enforcement</b> Reduce staffing levels within the enforcement team by 2 FTE's There are currently 4 FTE's dealing with enforcement so the team will be halved resulting in insufficient resources available to undertake the current work load. A significant backlog will quickly develop. Reduce the staff dealing with enforcement investigations in the team by 1 team leader and 1 officer.  It will not be possible to investigate the current level of enforcement cases and a backlog will quickly develop resulting in more complaints and possible ombudsman awards against the Council  Joint enforcement investigations will be severely hindered.  none	190	80			Low	High	SS2
SC	E&R31	<b>Service/Section Description</b>  <b>Service Implication</b>  <b>Staffing Implications</b> <b>Business Plan implications</b> <b>Impact on other departments</b> <b>Equalities Implications</b>	<b>Senior Management &amp; Support</b> Deletion of the 2 management support posts and absorption into existing resources.  Less resource available to support service managers.  Both posts are recently vacant and are delivering in year savings. Some of the budget will be used to deliver transformation projects in 15/16 None  None  None	755	70			Low	Low	SS1

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving	Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)	
SC	E&R32	<p><b>Service/Section Description</b>  <b>Service Implication</b></p> <p><b>Staffing Implications</b>  <b>Business Plan implications</b>  <b>Impact on other departments</b>  <b>Equalities Implications</b></p>	<p><b>Wifi Concessionary Contract</b>  Income from wifi concessionary contract to be let from 2015/16  Pan London contract into which Merton have joined will deliver income from public wifi service operated by private contractor utilising LBM street assets [principally lamp columns in town centres]. Some guaranteed and some non-guaranteed income.  None  Consistent with transformation Plan  Traffic and highways will be required to asses structural integrity and this is factored in. The non-guaranteed income element would sit with Corporate Services (Communications).</p>	N/A	20	5		Medium	Low	SI2
SC	E&R33	<p><b>Service/Section Description</b></p> <p><b>Service Implication</b>  <b>Staffing Implications</b>  <b>Business Plan implications</b>  <b>Impact on other departments</b>  <b>Equalities Implications</b></p>	<p><b>Various Budgets - Increase in income from commercialisation of services</b>  Increase in commercial income across a range of budgets following recruitment of commercial sales manager from 15/16. This includes events in parks / commercial waste / leisure/ building control and other income streams to be developed  Will work closely with Business managers in EandR and across Council  2 year Fixed term contract due to commence early 2015 funded from Transformation budgets alongside Marketing Manager.  Consistent with transformation Plan  Will work with other income generating staff across the council  None anticipated</p>	N/A	250			High	Low	S11/S12
SC	E&R34	<p><b>Service/Section Description</b>  <b>Service Implication</b></p> <p><b>Staffing Implications</b>  <b>Business Plan implications</b>  <b>Impact on other departments</b>  <b>Equalities Implications</b></p>	<p><b>Traffic &amp; Highways</b>  Alternative delivery model of highway safety inspection service  Further review of Highway Safety Inspection Service  Review of JDs, working practices and working hours. Increased level of complaints and work load and may result in an increase in Insurance claims. Potential reduction of 1fte.  Reduction in Service Delivery with a focus on maintaining Statutory Duties.  Increase in Third Party insurance claims  May have an impact on vulnerable road users such as the elderly and the disabled.</p>	99		30		Medium	Medium	SS2

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving	Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)	
SC	E&R35	<p><b>Service/Section Description</b>  <b>Service Implication</b></p> <p><b>Staffing Implications</b>  <b>Business Plan implications</b>  <b>Impact on other departments</b>  <b>Equalities Implications</b></p>	<p><b>Traffic &amp; Highways</b>  Reduce street lighting contract costs  Development of Specification and preparation of Tender and Contract Documents.  Reduced specification  No in-house resource to develop specifications and tender documents.</p> <p>The new Contract will need to include all Council owned lighting (lighting in car parks, parks etc.) to stimulate a better response from the market.</p> <p>We will require input from Procurement Team</p> <p>None</p>	335	25	25		Medium	Medium	SP1
SC	E&R36	<p><b>Service/Section Description</b>  <b>Service Implication</b></p> <p><b>Staffing Implications</b>  <b>Business Plan implications</b>  <b>Impact on other departments</b>  <b>Equalities Implications</b></p>	<p><b>Traffic &amp; Highways</b>  Reduction in reactive work budget  Some non urgent repairs such as replacement of damaged posts and bollards will no longer take place and other repairs will take longer.  Increase in complaints against the Council</p> <p>Increase in whole Life costing of Highway asset. Increase with dis-satisfaction with the Council</p> <p>Increase in Third Party insurance claims</p> <p>None</p>	650	60			High	High	SNS2
SC	E&R37	<p><b>Service/Section Description</b>  <b>Service Implication</b></p> <p><b>Staffing Implications</b>  <b>Business Plan implications</b>  <b>Impact on other departments</b>  <b>Equalities Implications</b></p>	<p><b>Traffic &amp; Highways</b>  Introduction of Lane rental approach to Highways works to assist in reducing congestion.</p> <p>Development of Lane Rental Scheme in Merton to manage street work activities and reduce impact of street work on congestion and traffic flows through Merton .</p> <p>Will require external support and advice to develop and implement the scheme</p> <p>Lane Rental would involve charging those working in the street for the time they occupy the Highway. Lane Rental has only operated as Pilot Scheme in London at present (except on TfL Road Network)</p> <p>Legal Services</p> <p>None</p>	N/A		50		Medium	Medium	SI2

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R38	<b>Service/Section Description</b>	<b>Traffic &amp; Highways</b> Income from Section 278/Developers agreements where traffic works are required as part of development . Charging for work currently not charged for	N/A	50			Medium	Medium	SI2
		<b>Service Implication</b>	transition from Highway permitting to minimise duration and volume of highway openings.							
		<b>Staffing Implications</b>	None - delivered within existing resources							
		<b>Business Plan implications</b>	Increased income							
		<b>Impact on other departments</b>	Will require close liaison with DC/BC team							
		<b>Equalities Implications</b>	None							
SC	E&R39	<b>Service/Section Description</b>	<b>Traffic &amp; Highways</b> Pre-application income. This is in addition to any previous pre-app savings proposal.	N/A	50			Medium	Medium	SI2
		<b>Service Implication</b>	Charging for pre-application services inputted from the T&H service as part of the pre application service.							
		<b>Staffing Implications</b>	Delivered within existing resources							
		<b>Business Plan implications</b>	Increased income							
		<b>Impact on other departments</b>	Will require close liaison with DC/BC team							
		<b>Equalities Implications</b>	None							
SC	E&R40	<b>Service/Section Description</b>	<b>Future Merton</b> Consultancy income. This is in addition to any previous savings proposal.	N/A	60			Medium	Medium	SI2
		<b>Service Implication</b>	Limited capacity for staff to attract work to the team and b. to complete new work against pressures of an existing challenging work programme							
		<b>Staffing Implications</b>	Capacity implications on other priorities							
		<b>Business Plan implications</b>	Impact on ability to deliver regeneration programme							
		<b>Impact on other departments</b>	Housing supply and Planning support impacts							
		<b>Equalities Implications</b>								

## DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
SC	E&R41	<b>Service/Section Description</b> <b>Service Implication</b>  <b>Staffing Implications</b> <b>Business Plan implications</b> <b>Impact on other departments</b> <b>Equalities Implications</b>	<b>Future Merton</b> Staff restructure Restructure with T&H already underway - only deliverable with a cut in the work programme 2 FTEs  Reduced capacity to deliver regeneration and growth  Planning, Facilities, Highways, Building Control and Partnership groups	1,023		80		Medium	Medium	SS2
SC	E&R42	<b>Service/Section Description</b> <b>Service Implication</b>  <b>Staffing Implications</b> <b>Business Plan implications</b> <b>Impact on other departments</b> <b>Equalities Implications</b>	<b>Future Merton</b> Align Vestry Hall income budget with current levels of income being achieved.  None None None None	(211)	20			Low	Low	SI2

DEPARTMENT: ENVIRONMENT AND REGENERATION SAVINGS - BUDGET PROCESS 2015/18

Panel	Ref	Description of Saving		Baseline Budget 14/15 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
O&S	E&R43	<b>Service/Section Description</b>	<b>Safer Merton</b> Reductions in staffing across Safer Merton	840		70		High	High	SS2
		<b>Service Implication</b>	Reduction of our Community Safety offer to a statutory minimum which would be ASB , Annual Strategic Assessment, some Domestic Violence work, and limited strategic / partnership activity.							
		<b>Staffing Implications</b>	2-3 FTEs to be deleted							
		<b>Business Plan implications</b>	This is in line with the team's TOM. Significant reductions in work on offenders and victims, neighbourhood watch and crime analysis.Partnership work would reduce including joint operations , LMAPs work , Neighbourhood Watch coordination.							
		<b>Impact on other departments</b>	Council wide							
		<b>Equalities Implications</b>	Crime affects all members of the Community . Higher levels of crime are reported in more deprived parts of the borough and any reduction in capacity would potentially affect these areas more .							
<b>Total Environment and Regeneration Savings</b>					<b>4,196</b>	<b>810</b>	<b>-212</b>			

<b>Total Environment and Regeneration Savings Target</b>	<b>4,333</b>	<b>4,876</b>	<b>2,302</b>
<b>(SURPLUS)/ SHORTFALL</b>	<b>137</b>	<b>4,066</b>	<b>2,514</b>

Savings Type

- SI1 Income - increase in current level of charges
- SI2 Income - increase arising from expansion of existing service/new service
- SS1 Staffing: reduction in costs due to efficiency
- SS2 Staffing: reduction in costs due to deletion/reduction in service
- SNS1 Non - Staffing: reduction in costs due to efficiency
- SNS2 Non - Staffing: reduction in costs due to deletion/reduction in service
- SP1 Procurement / Third Party arrangements - efficiency
- SP2 Procurement / Third Party arrangements - deletion/reduction in service
- SG1 Grants: Existing service funded by new grant
- SG2 Grants: Improved Efficiency of existing service currently funded by unringfenced grant
- SPROP Reduction in Property related costs

Panel

- O&S Overview & Scrutiny
- C&YP Children & Young People
- HC&OP Healthier Communities & Older People
- SC Sustainable Communities

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
HC&OP	CH19	<p><b>Adult Social Care Placements Income</b></p> <p><b>Service Description</b> Realignment of Placements Income Budgets . Client and CCG contribution income budgets are currently under-stated and will be adjusted to meet this income savings target.</p> <p><b>Service Implication</b> None</p> <p><b>Staffing Implications</b> None</p> <p><b>Business Plan implications</b> None</p> <p><b>Impact on other departments</b> None</p> <p><b>Equalities Implications</b> None</p>	(11,666)	220	0	0	0	L	M	SI2
HC&OP	CH20	<p><b>Access and Assessment Employees</b></p> <p><b>Service Description</b> Staff Savings - 12 FTE to be deleted in 2016/17, 12 FTE in 17/18, 12 FTE in 18/19 - These savings will come from across Access and Assessment, covering all service areas.</p> <p><b>Service Implication</b> Reduction in the ability to carry out assessments and reviews, social work support, safeguarding activities, DOLs responsibilities and financial assessments.</p> <p><b>Staffing Implications</b> Redundancies - Some staff would be subject to redundancy</p> <p><b>Business Plan implications</b> This will have an impact on the department's ability to meet it's statutory duties. Conceivable implications include longer waiting lists, delays in assessments and other support and a potential reduction in reviews which may in turn impact our finances. Work will be done to mitigate this impact.</p> <p><b>Impact on other departments</b> The primary impact is on service users and partners, such as the NHS.</p> <p><b>Equalities Implications</b> These changes impact on staff. A detailed EA would be undertaken at the time of any restructure. There is also an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	6,200	0	511	500	483	L	H	SS2



## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
HC&OP	CH21	<p><b>Service</b></p> <p><b>Description</b> Direct Provision Employees Staff Savings - 11 FTE to be deleted</p> <p><b>Service Implication</b> Less activities available both at day centres and in the community. Clients would spend more time in larger congregated settings with less choice of activities. These savings would be made across the three LD and PD day centres.</p> <p><b>Staffing Implications</b> Redundancies - Some staff would be subject to redundancy</p> <p><b>Business Plan implications</b> Our business plan talks about working with people to promote independence. This model would reduce the ability to deliver that enhanced service. We will try to mitigate this by working closely with the voluntary sector and with volunteers.</p> <p><b>Impact on other departments</b> The primary impact is on service users.</p> <p><b>Equalities Implications</b> These changes impact on staff. A detailed EA would be undertaken at the time of any restructure. There is also an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	1,706	0	274	0	0	L	H	SS2
HC&OP	CH22	<p><b>Service</b></p> <p><b>Description</b> Commissioning Employees Staff Savings - 4 FTE to be deleted</p> <p><b>Service Implication</b> Reduced capacity to monitor quality within provider services, reduced capacity to monitor performance within services and a reduced capacity to proactively work to sustain and develop a local provider market.</p> <p><b>Staffing Implications</b> Redundancies - Some staff would be subject to redundancy</p> <p><b>Business Plan implications</b> Would impact on our statutory duties under the Care Act - we would attempt to mitigate this by investigating alternative models of quality and performance monitoring.</p> <p><b>Impact on other departments</b> None - main impact is on service users, carers and providers</p> <p><b>Equalities Implications</b> As staff would be at risk there is an equalities implication. A detailed EA would be undertaken at the time of any restructure. In addition, part of the monitoring role relates to monitoring the ability of provider services to meet the needs of the diverse population and thus meeting our equalities duty. This may be impacted.</p>	996	0	156	0	0	L	H	SS2

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
HC&OP	CH23	<p><b>Service Directorate</b></p> <p><b>Description</b> Staff Savings - 0.46 FTE to be deleted</p> <p><b>Service Implication</b> None, post now funded by Public Health</p> <p><b>Staffing Implications</b> None</p> <p><b>Business Plan implications</b> None</p> <p><b>Impact on other departments</b> None</p> <p><b>Equalities Implications</b> None</p>	657	0	21	0	0	L	L	SS2 / SNS1
HC&OP	CH24	<p><b>Service Learning Disabilities - High Cost Packages</b></p> <p><b>Description</b> Review of High Cost Packages using the progression model This would be a holistic review of 17 identified high cost placements (those receiving packages of care of over £1,500 per week and not health funded). We will use the progression model as the basis of these reviews. We are designing these figures based on a 6% reduction in support for the identified client group.</p> <p><b>Service Implication</b></p> <p><b>Staffing Implications</b> Staff would need to conduct these reviews; which are likely to be more intensive than the standard review. Staff will also need additional training, to ensure these reviews are done in a new way.</p> <p><b>Business Plan implications</b> All reviews will be based around promoting independence using the progression model which is in line with the business plan.</p> <p><b>Impact on other departments</b> None</p> <p><b>Equalities Implications</b> There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	1,618	0	100	0	0	H	H	SNS2

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
HC&OP	CH25	<p><b>Service Description</b></p> <p><b>Learning Disabilities - Medium Cost Packages</b> Review of Medium Cost Support Packages (£400 - £1,500 per week) using the progression model</p> <p><b>Service Implication</b> This would be a holistic review of identified medium cost placements (those receiving packages of care of between £400 - £1,500 per week and not health funded). We will use the progression model as the basis of these reviews. We are designing these figures based on a 10% reduction in support for the relevant clients within the identified client group.</p> <p><b>Staffing Implications</b> Staff would need to conduct these reviews; which are likely to be more intensive than the standard review. Staff will also need additional training, to ensure these reviews are done in a new way.</p> <p><b>Business Plan implications</b> All reviews will be based around promoting independence using the progression model which is in line with the business plan.</p> <p><b>Impact on other departments</b> None</p> <p><b>Equalities Implications</b> There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	7,019	0	400	0	0	H	H	SNS2
		<p><b>Service Description</b></p> <p><b>Learning Disabilities - Direct Payments</b> Review of all Direct Payments in Learning Disabilities using the progression model.</p> <p><b>Service Implication</b> We will review the Direct payments received by clients to assess whether it is still set at the appropriate level for their needs and whether the full payment is being utilised. We will use the progression model as the basis of these reviews. We anticipate this being a reduction of 7% for individual support packages within this client group. There are currently 98 packages in this group.</p> <p><b>Staffing Implications</b> Staff would need to conduct these reviews; which are likely to be more intensive than the standard review. Staff will also need additional training, to ensure these reviews are done in a new way.</p> <p><b>Business Plan implications</b> All reviews will be based around promoting independence using the progression model which is in line with the business plan.</p> <p><b>Impact on other departments</b> None</p> <p><b>Equalities Implications</b> There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	704	0	£50	£0	£0	H	H	SNS2

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
HC&OP	CH27	<p><b>Service Description</b>  <b>Mental Health - Care Packages</b>  Review of support packages within all areas of Mental Health services.</p> <p><b>Service Implication</b>  We anticipate this being a reduction of 5% across all support packages and will include a review of Direct Payments within this area. Options include less use of residential placements and quicker reviews as part of a recovery model.</p> <p><b>Staffing Implications</b>  Staff would need to conduct these reviews; which are likely to be more intensive than the standard review. Staff will also need additional training, to ensure these reviews are done in a new way.</p> <p><b>Business Plan implications</b>  All reviews will be based around promoting independence using the recovery model which is in line with the business plan.</p> <p><b>Impact on other departments</b>  None; the impact will primarily be on service users.</p> <p><b>Equalities Implications</b>  There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	1,554	0	76	0	0	H	H	SNS2
HC&OP	CH28	<p><b>Service Description</b>  <b>Older People - Home Care</b>  Review of Home Care within support packages</p> <p><b>Service Implication</b>  There are currently 596 Older People within Merton receiving home care within their support packages. This represents an average reduction of 9% in home care support packages.</p> <p><b>Staffing Implications</b>  Staff would need to conduct these reviews; which are likely to be more intensive than the standard review. Staff will also need additional training, to ensure these reviews are done in a new way.</p> <p><b>Business Plan implications</b>  All reviews will be based around promoting independence using the enablement model which is in line with the business plan.</p> <p><b>Impact on other departments</b>  None</p> <p><b>Equalities Implications</b>  There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	4,455	0	387	0	0	H	H	SNS2

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
HC&OP	CH29	<p><b>Service Description</b>  <b>Older People - Managing Crisis</b>  Managing crisis (including hospital discharge) admissions to residential care.</p> <p><b>Service Implication</b>  This would include a number of activities designed to reduce admissions to residential care placements. We would be looking to families to continue to support people at home for longer. This would fit in with our overall approach to enable independence.</p> <p><b>Staffing Implications</b>  This would require more intensive work from staff.</p> <p><b>Business Plan implications</b>  Any new processes would be based around promoting independence using the enablement model which is in line with the business plan.</p> <p><b>Impact on other departments</b>  None; the impact will primarily be on service users</p> <p><b>Equalities Implications</b>  There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	5,267	0	125	0	0	H	H	SNS2
HC&OP	CH30	<p><b>Service Description</b>  <b>Older People - Direct Payments</b>  Review of Direct Payments support packages</p> <p><b>Service Implication</b>  Review of all Direct Payments in Older People using the enablement model. We will review the Direct Payments received by clients to assess whether it is still set at the appropriate level for their needs and whether the full payment is being utilised. We will use the enablement model as the basis of these reviews. We anticipate this being an average reduction of 15% for individual support packages within this client group. There are currently 225 packages</p> <p><b>Staffing Implications</b>  Staff would need to conduct these reviews; which are likely to be more intensive than the standard review. Staff will also need additional training, to ensure these reviews are done in a new way.</p> <p><b>Business Plan implications</b>  All reviews will be based around promoting independence using the enablement model which is in line with the business plan.</p> <p><b>Impact on other departments</b>  None</p> <p><b>Equalities Implications</b>  There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	2,338	0	345	0	0	H	H	SNS2

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
HC&OP	CH31	<p><b>Service Description</b>  <b>Physical Disabilities - Direct Payments</b>  Review of all Direct Payments for clients with physical disabilities using the progression model.</p> <p><b>Service Implication</b>  We will review the Direct Payments received by clients to assess whether it is still set at the appropriate level for their needs and whether the full payment is being utilised. We will use the progression model as the basis of these reviews. We anticipate this being a reduction of 10% for individual support packages within this client group. There are currently 150 packages of this type.</p> <p><b>Staffing Implications</b>  Staff would need to conduct these reviews; which are likely to be more intensive than the standard review. Staff will also need additional training, to ensure these reviews are done in a new way.</p> <p><b>Business Plan implications</b>  All reviews will be based around promoting independence using the enablement model which is in line with the business plan.</p> <p><b>Impact on other departments</b>  None</p> <p><b>Equalities Implications</b>  There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	1,414	0	134	0	0	H	H	SNS2
HC&OP	CH32	<p><b>Service Description</b>  <b>Physical Disabilities - Home Care</b>  Review of Home Care within support packages</p> <p><b>Service Implication</b>  The saving would be delivered through a review of home care provision within support packages. There are currently 89 Physical Disabilities clients within Merton receiving home care within their support packages. The proposed savings represents an average reduction of 8% in home care for this group.</p> <p><b>Staffing Implications</b>  Staff would need to conduct these reviews; which are likely to be more intensive than the standard review. Staff will also need additional training, to ensure these reviews are done in a new way.</p> <p><b>Business Plan implications</b>  All reviews will be based around promoting independence using the enablement model which is in line with the business plan.</p> <p><b>Impact on other departments</b>  None</p> <p><b>Equalities Implications</b>  There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	595	0	48	0	0	H	H	SNS2

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
HC&OP	CH33	<p><b>Service Description</b>  <b>Physical Disabilities - High Cost Packages</b>  Review of PD Residential and 1-1 packages</p> <p><b>Service Implication</b>  This saving would be delivered through a targeted review of a small number of PD customers in residential care. These reviews would look at renegotiating unit costs, transferring users to other types of accommodation in the community and reducing or removing 1-1 costs</p> <p><b>Staffing Implications</b>  Staff would need to conduct these reviews; which are likely to be more intensive than the standard review. Staff will also need additional training, to ensure these reviews are done in a new way.</p> <p><b>Business Plan implications</b>  All reviews will be based around promoting independence using the enablement model which is in line with the business plan.</p> <p><b>Impact on other departments</b>  None</p> <p><b>Equalities Implications</b>  There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	856	0	£60	0	0	H	H	SNS2
HC&OP	CH34	<p><b>Service Description</b>  <b>Substance Misuse Placements</b>  Actively manage throughput in residential rehab placements</p> <p><b>Service Implication</b>  A reduction in the placements available for Substance misuse clients</p> <p><b>Staffing Implications</b>  This would require more intensive work from staff.</p> <p><b>Business Plan implications</b>  This would have an impact on the services provided for this client group</p> <p><b>Impact on other departments</b>  None</p> <p><b>Equalities Implications</b>  There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	128	0	6	0	0	H	H	SNS2

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
HC&OP	CH35	<p><b>Service Description</b> <b>CSF Supporting People contracts</b> We would reduce funding for contracts within the Supporting People area which support vulnerable young people</p> <p><b>Service Implication</b> There would be reduced support available for young people - both in terms of the numbers we could support and the range of support we would be able to offer to those we could accommodate.</p> <p><b>Staffing Implications</b> None</p> <p><b>Business Plan implications</b> Less resources to be called off by those services which support vulnerable young people.</p> <p><b>Impact on other departments</b> There is a potential impact on the CSF department.</p> <p><b>Equalities Implications</b> There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	162	0	0	100	0	H	H	SP2
HC&OP	CH36	<p><b>Service Description</b> <b>Single homeless contracts (YMCA, Spear, Grenfell)</b> Reduce funding for contracts within the Supporting People area which support single homeless people</p> <p><b>Service Implication</b> Reduced support available for single homeless people - both in terms of the numbers we could support and the range of support we could provide. In turn this would reduce their housing options</p> <p><b>Staffing Implications</b> None</p> <p><b>Business Plan implications</b> The risk is that this could increase pressure on the Housing Needs budget.</p> <p><b>Impact on other departments</b> There is a potential internal pressure within the department on the HNES</p> <p><b>Equalities Implications</b> There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	734	0	£0	£56	£200	H	H	SP2



## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
HC&OP	CH37	<p><b>Service Description</b> <b>Direct Provision</b> Residential and supported living management - staff reductions</p> <p><b>Service Implication</b> We would expect to keep front line support staff but reduce management. This would mean less resource to provide outreach and the emphasis would be primarily on providing core services.</p> <p><b>Staffing Implications</b> Redundancies - Some staff would be subject to redundancy. Fewer posts and potentially more responsibility for remaining staff.</p> <p><b>Business Plan implications</b> Emphasis is on providing core services as outlined in the business plan</p> <p><b>Impact on other departments</b> None</p> <p><b>Equalities Implications</b> There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	1,266	0	0	£200		M	H	SS2
HC&OP	CH38	<p><b>Service Description</b> <b>Assessment and Commissioning</b> Placements budget reductions - An overall reduction in the placements budget of about 2% (NB: other savings from specific elements of the placements budget are listed above)</p> <p><b>Service Implication</b> We anticipate this being a further reduction of 2% across all support packages although this will be targeted. The exact areas of reduction would be based on the previous work looking at specific areas to be delivered in advance of 2016/17.</p> <p><b>Staffing Implications</b> Staff would need to conduct these reviews; which are likely to be more intensive than the standard review. Staff will also need additional training, to ensure these reviews are done in a new way.</p> <p><b>Business Plan implications</b> We would continue to follow the appropriate model of promoting independence for the client group.</p> <p><b>Impact on other departments</b> None</p> <p><b>Equalities Implications</b> There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	34,392	0	£17	£720	£0	H	H	SNS2

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
HC&OP	CH39	<p><b>Service</b></p> <p><b>Description</b> <b>Extra Care Sheltered Housing</b></p> <p>A review of, and reduction in, the extra care sheltered housing provision.</p> <p><b>Service Implication</b> This would lead to a reduction in the extra support provided through the extra care sheltered housing block contracts and in house service.</p> <p><b>Staffing Implications</b> There would be potential redundancies within the in-house provision</p> <p><b>Business Plan implications</b> This provision is currently an alternative to residential care. After reviewing the contract the support we would continue to offer would be focused on those who meet our eligibility criteria.</p> <p><b>Impact on other departments</b> None</p> <p><b>Equalities Implications</b> There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	753	0	£0	£0	£450	H	H	SP2 / SS2
<b>Total Adult Social Care Savings</b>				220	2,710	1,576	1,133			
HC&OP	CH40	<p><b>Service</b></p> <p><b>Description</b> <b>Housing Strategy</b></p> <p>Housing Strategy officer - deletion of 1 FTE</p> <p><b>Service Implication</b> Delays in completing key research that provide essential</p> <p><b>Staffing Implications</b> Housing strategy Team will be reduced to one officer. Current post holder will be leaving by end of November 2014</p> <p><b>Business Plan implications</b> Delayed production of statutory strategies</p> <p><b>Impact on other departments</b> Reduced joint working on future cross departmental strategies and policies, i.e. Gypsy and Travellers, Older persons, rough sleepers, single homeless and young people.</p> <p><b>Equalities Implications</b> Reduced monitoring of Equalities data in relation to the housing needs service and strategy service</p>	94	0	43	0	0	L	M	SS2

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)	
		<u>Service</u>									
		<b>Environmental Health Housing</b>									
HC&OP	CH41	<p><b>Description</b>  <b>Service Implication</b>  <b>Staffing Implications</b>  <b>Business Plan implications</b>  <b>Impact on other departments</b>  <b>Equalities Implications</b></p>	<p>Environmental health Technical officer deletion of 1 FTE  Reduction in response times to service requests from private sector tenants. Less field work carried out and reduced detection and reduction of category one health and safety hazards. Reduction in response times to Disabled Facilities Grant applications.  Increase in case loads for EHH officers and redundancy costs.  Reduction in response times. DFG applications at risk. Number of statutory notices served at risk.  Poorer standards in private sector housing may have health and social care implications, as well as increased risk of episodes of homelessness due to more health and safety hazards making properties unreasonable to occupy. Other E&amp;R departments may also notice an impact.  The service users approaching the Council for assistance with disrepair issues and Disabled Facility Grant requests are more likely to be from vulnerable backgrounds i.e. older people, disabled people. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	218	0	33	0	0	L	H	SS2

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)	
HC&OP	CH42	<p><b>Service</b></p> <p><b>Description</b></p> <p><b>Service Implication</b></p> <p><b>Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	<p><b>Housing Options</b></p> <p>Housing options adviser deletion of 1.5 FTE</p> <p>The loss of front line operational staff may affect the Council's ability to respond to housing need particularly in its ability to respond in a timely manner to prevent homelessness. The likely outcome will be a reduction in homelessness preventions and an increased use of temporary accommodation with a corresponding increase in non-controllable general fund expenditure.</p> <p>This will lead to redundancy costs for the Council and possible increases in caseloads for remaining staff.</p> <p>Homelessness Preventions: Currently 550 households prevented from becoming homelessness each year, the reduction of 1.5 officers would see a decrease in the number of homeless preventions being achieved.</p> <p>Increased homelessness has impacts in both CSF and adult social care. Increased rough sleeping will impact on crime and disorder.</p> <p>BME communities are over represented nationally in homeless statistics and this may lead to a further increase in episodes of homelessness for these groups. An EA would be undertaken and where appropriate work will be done to mitigate the impact.</p>	543	0	53	0	0	M	H	SS2

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)	
HC&OP	CH43	<p><b>Service</b></p> <p><b>Description</b></p> <p><b>Service Implication</b></p> <p><b>Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	<p><b>Housing Needs and Enablement Service and Environmental Health Housing</b></p> <p>Further Staff reductions. This will represent a reduction in staff from any areas of the HNES &amp; EHH.</p> <p>The loss of front line operational staff will affect the Council's ability to respond to housing need, particularly in its ability to respond in a timely manner to prevent homelessness and sustain tenancies in the private rented sector.</p> <p>Redundancies - Some staff would be subject to redundancy. This would also lead to an increased workload for the remaining staff.</p> <p>This would impact services across the division - impacting our ability to prevent homelessness, maintain standards in private sector accommodation and maintain our statutory housing strategies.</p> <p>Increased homelessness has impacts in both children and adult social care. Increased rough sleeping will impact on crime and disorder.</p> <p>There is an equalities implication in terms of service users. An EA would be undertaken and where appropriate work will be done to mitigate the impact. There would also be an equalities implication in terms of the staff who would be impacted by any redundancies.</p>	1,102	0	0	100	62	H	H	SS2
<b>Top Housing General Fund Savings</b>					129	100	62				
HC&OP	CH44	<p><b>Service</b></p> <p><b>Description</b></p> <p><b>Service Implication</b></p> <p><b>Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	<p><b>Library &amp; Heritage Service</b></p> <p>Deletion of all administrative support</p> <p>All admin functions will be undertaken by managers and staff. General library enquiries will be funnelled through to libraries instead of being managed centrally. All hall bookings will be managed through a new online booking system. Bookstart and other functions will be facilitated by a library.</p> <p>Deletion of 1xFTE</p> <p>None identified provided that new online hall booking system is installed correctly and does not impact on current income levels.</p> <p>Single point of contact for Bookstart enquiries will be dispersed to a library team with a lead contact.</p> <p>Support will be provided in libraries and by telephone for customers who cannot make online bookings.</p>	59	0	26	0	0	M	M	SS2

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)	
HC&OP	CH45	<p><b>Service Description</b></p> <p><b>Service Implication</b></p> <p><b>Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	<p><b>Library &amp; Heritage Service</b></p> <p>Reduction in activities programme</p> <p>Reduced budget available for activities means that they will need to be delivered more efficiently. More cost effective solutions will be pursued for certain schemes.</p> <p>None identified.</p> <p>None identified. All schemes will continue but delivered in more cost effective ways.</p> <p>None identified.</p> <p>None identified.</p>	2	0	2	0	0	L	M	SNS1
HC&OP	CH46	<p><b>Service Description</b></p> <p><b>Service Implication</b></p> <p><b>Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	<p><b>Library &amp; Heritage Service</b></p> <p>Withdrawal from annual CIPFA public library user survey (PLUS)</p> <p>The PLUS survey used to provide informed benchmarking information. However, only a third of London boroughs now participate in the annual survey and benchmarking information can better be obtained through the Annual Residents Survey. The service will continue to undertake user surveys but in a more cost efficient manner.</p> <p>None identified.</p> <p>Some impact on benchmarking and ability to measure customer satisfaction but nothing specific.</p> <p>None identified.</p> <p>Reduced information on customer satisfaction although some information can be retrieved through other sources.</p>	3	0	3	0	0	L	M	SNS1

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)	
HC&OP	CH47	<p><b>Service</b> <b>Description</b> <b>Service Implication</b></p> <p><b>Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	<p><b>Library &amp; Heritage Service</b></p> <p>Reduction in volunteering contract</p> <p>A reduction in the contract to the voluntary sector to provide this service. The proposal will have no effect on the Home Visits Library Service but will mean that the recruitment of volunteers will be fully managed by the library service. The proposal should streamline the volunteer recruitment process but will increase capacity constraints.</p> <p>Some impact on staff meaning that they will have to undertake more administrative processes in the volunteer recruitment process.</p> <p>Volunteering recruitment and retention are key service priorities. It is felt that the changes being proposed would lead to improved recruitment time for volunteers but will increase capacity challenges.</p> <p>None identified.</p> <p>None identified.</p>	38	0	20	0	0	M	M	SNS1
HC&OP	CH48	<p><b>Service</b> <b>Description</b> <b>Service Implication</b></p> <p><b>Staffing Implications</b></p> <p><b>Business Plan implications</b></p> <p><b>Impact on other departments</b></p> <p><b>Equalities Implications</b></p>	<p><b>Library &amp; Heritage Service</b></p> <p>Reduction in media fund</p> <p>The reduction will lead to less stock being procured. Some of this will be managed through improved procurement systems, availability of stock through the wider London network of libraries and the likely transfer of more customers to using e-book services.</p> <p>None identified.</p> <p>Stock borrowing and active usage are key service objectives. These reductions will likely lead to less choice and could lead to a reduction in usage and customer satisfaction.</p> <p>None identified.</p> <p>Reduced customer choice will be mitigated somewhat by improving procurement methods.</p>	239	0	45	0	0	M	M	SNS1

## DEPARTMENT: COMMUNITY AND HOUSING SAVINGS - BUDGET PROCESS 2015/16

Panel	Ref	Description of Saving	Baseline Budget 2015/16 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Risk Analysis Deliverability	Risk Analysis Reputational Impact	Type of Saving (see key)
HC&OP	CH49	<p><b>Service</b> <b>Library &amp; Heritage Service</b></p> <p><b>Description</b> Additional staff savings</p> <p><b>Service Implication</b> Savings to be delivered through process re-engineering and redistributing responsibilities across service structure.</p> <p><b>Staffing Implications</b> Deletion of 1.5xFTE</p> <p><b>Business Plan implications</b> No specific implications but could have an effect on usage, customer satisfaction and income.</p> <p><b>Impact on other departments</b> None identified.</p> <p><b>Equalities Implications</b> More customer support will be provided online and via self-service. Recruitment of additional volunteers will attempt to mitigate any service reductions.</p>	1,070	0	0	38	0	M	M	SS2
HC&OP	CH50	<p><b>Service</b> <b>Library &amp; Heritage Service</b></p> <p><b>Description</b> Deletion of Projects &amp; Procurement Manager post</p> <p><b>Service Implication</b> The Projects &amp; Procurement Manager post is a fixed term post in place to ensure the smooth rollout of new self-service technology and to progress library redevelopments along with managing efficiency savings already agreed. The contract ends in March 2017 and the post has been put forward for savings upon its expiry.</p> <p><b>Staffing Implications</b> Deletion of 0.6xFTE</p> <p><b>Business Plan implications</b> The post is crucial to ensuring that efficiency savings are delivered but is proposed to be deleted upon completion of these works.</p> <p><b>Impact on other departments</b> None identified.</p> <p><b>Equalities Implications</b> None identified.</p>	184	0	0	22	0	M	M	SS2
<b>Total Libraries Savings</b>					96	60	-			
<b>Total Community &amp; Housing Savings</b>				220	2,935	1,736	1,195			

Page 332

**Savings Type**

<b>SS2</b>	Staffing: reduction in costs due to deletion/reduction in service
<b>SNS1</b>	Non - Staffing: reduction in costs due to efficiency
<b>SNS2</b>	Non - Staffing: reduction in costs due to deletion/reduction in service
<b>SP1</b>	Procurement / Third Party arrangements - efficiency
<b>SP2</b>	Procurement / Third Party arrangements - deletion/reduction in service
<b>SG1</b>	Grants: Existing service funded by new grant
<b>SG2</b>	Grants: Improved Efficiency of existing service currently funded by unringfenced grant
<b>SPROP</b>	Reduction in Property related costs
<b>SI1</b>	Income - increase in current level of charges
<b>SI2</b>	Income - increase arising from expansion of existing service/new service

**Panel**

<b>C&amp;YP</b>	<b>Children &amp; Young People</b>
<b>O&amp;S</b>	<b>Overview and Scrutiny</b>
<b>HC&amp;OP</b>	<b>Healthier Communities &amp; Older People</b>
<b>SC</b>	<b>Sustainable Communities</b>



# **Draft Departmental Budget Summaries 2015-16**

## SUMMARY - SUBJECTIVE ANALYSIS

## FULL TIME EQUIVALENTS

Total FTE Staff

2014/15	2015/16
2,228.7	2,246.1

## SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000
<b>Expenditure</b>				
Employees	90,273	998	3,868	95,139
Premises	8,804	87	(696)	8,194
Transport	12,824	106	668	13,598
Supplies and Services	159,261	1,175	26,490	186,925
Third Party Payments	79,750	1,005	4,273	85,029
Transfer Payments	108,354	0	(4,419)	103,934
Support Services	30,251	0	(124)	30,127
Depreciation and Impairment Losses	15,226	0	1,280	16,506
<b>GROSS EXPENDITURE</b>	<b>504,743</b>	<b>3,371</b>	<b>31,339</b>	<b>539,453</b>
<b>Income</b>				
Government Grants	(250,308)	0	(24,724)	(275,032)
Other Reimbursements and Contributions	(22,368)	0	(2,826)	(25,194)
Customer and Client Receipts	(55,874)	0	(1,984)	(57,858)
Interest	(44)	0	0	(44)
Recharges	(30,802)	0	(142)	(30,944)
Reserves	(929)	0	953	24
<b>GROSS INCOME</b>	<b>(360,324)</b>	<b>0</b>	<b>(28,725)</b>	<b>(389,049)</b>
<b>NET EXPENDITURE</b>	<b>144,417</b>	<b>3,371</b>	<b>2,615</b>	<b>150,404</b>
Corporate Provisions	18,125	(0)	(13,511)	4,613
<b>NET EXPENDITURE</b>	<b>162,542</b>	<b>3,371</b>	<b>(10,896)</b>	<b>155,016</b>
<b>Funded by:</b>				
Revenue Support Grant	(39,738)	0	9,313	(30,425)
Business Rates	(34,371)	0	(449)	(34,820)
New Homes Bonus	(3,199)	0	557	(2,642)
Council Tax	(75,049)	0	(1,709)	(76,758)
Council Tax Freeze Grant 2015/16	0	0	(861)	(861)
Council Tax Freeze Grant 2014/15	(858)	0	858	0
WPCC Levy	(293)	0	0	(293)
Collection Fund	(4,236)	0	(184)	(4,420)
PFI Grant	(4,797)	0	0	(4,797)
	<b>(162,542)</b>	<b>0</b>	<b>7,525</b>	<b>(155,016)</b>
<b>NET</b>	<b>0</b>	<b>3,371</b>	<b>(3,371)</b>	<b>0</b>

Other Variations: Contingency/Other

Major Items: Corporate Provisions	£000	fte
Corporate borrowing and Investment	(23)	0.0
Further provision for revaluisation/RCCO	52	0.0
Pension Fund and Auto-enrolment	(9,392)	0.0
Contingency and centrally held provisions	(104)	0.0
Change in Grants	117	0.0
Appropriation to/from Reserves	(4,991)	0.0
Depreciation and impairment	(1,279)	0.0
CHAS - dividend	(174)	0.0
Redundancy/Pension Strain	1,000	0.0
Pay provision not yet allocated	189	0.0
Transport - Additional provision	1,100	0.0
Levies	(5)	0.0
<b>TOTAL</b>	<b>(13,510)</b>	<b>0</b>

<b>SUMMARY</b>				
<b>FULL TIME EQUIVALENTS</b>		<b>2014/15</b>	<b>2015/16</b>	
Total FTE Staff		2,228.7	2,246.1	
<b>SERVICE AREA ANALYSIS</b>				
	<b>2014/15</b>		<b>Other</b>	<b>2015/16</b>
	<b>Estimate</b>	<b>Inflation</b>	<b>Variations</b>	<b>Estimate</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Corporate Services	11,285	251	2,489	14,024
Education Services				
Children's Services	48,040	1,175	1,679	50,894
Environment and Regeneration	22,853	752	380	23,985
Adult Social Care				
Cultural Services	61,333	1,193	(1,126)	61,400
Housing General Fund				
Single Status	100	0	0	100
Pay Award	807	0	(807)	0
<b>TOTAL NET SERVICE EXPENDITURE</b>	<b>144,417</b>	<b>3,371</b>	<b>2,615</b>	<b>150,403</b>
<i>Corporate Provisions/Appropriations</i>	18,125	0	(13,511)	4,613
<b>NET EXPENDITURE</b>	<b>162,542</b>	<b>3,371</b>	<b>(10,896)</b>	<b>155,016</b>
<b>Funded by:</b>				
Revenue Support Grant	(39,738)	0	9,313	(30,425)
Business Rates	(34,371)	0	(449)	(34,820)
New Homes Bonus	(3,199)	0	557	(2,642)
Council Tax	(75,049)	0	(1,709)	(76,758)
Council Tax Freeze Grant 2015/16	0	0	(861)	(861)
Council Tax Freeze Grant 2014/15	(858)	0	858	0
WPCC Levy	(293)	0	0	(293)
Collection Fund	(4,236)	0	(184)	(4,420)
PFI Grant	(4,797)	0	0	(4,797)
	<b>(162,542)</b>	<b>0</b>	<b>7,525</b>	<b>(155,016)</b>
<b>NET</b>	<b>0</b>	<b>3,371</b>	<b>(3,371)</b>	<b>0</b>
NB				
<b>Public Health</b>	<b>0</b>	<b>0</b>	<b>320</b>	<b>320</b>
Appropriations to/from reserves	0		(320)	(320)
<b>Net Public Health</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Variations: Contingency/Other				
<b>Major Items: Corporate Provisions</b>		<b>£000</b>	<b>fte</b>	
Corporate borrowing and Investment		(23)	0.0	
Further provision for revaluation/RCCO		52	0.0	
Pension Fund and Auto-enrolment		(9,392)	0.0	
Contingency and centrally held provisions		(104)	0.0	
Change in Grants		117	0.0	
Appropriation to/from Reserves		(4,991)	0.0	
Depreciation and impairment		(1,279)	0.0	
CHAS - dividend		(174)	0.0	
Redundancy/Pension Strain		1,000	0.0	
Pay provision not yet allocated		189	0.0	
Transport - Additional provision		1,100	0.0	
Levies		(5)	0.0	
<b>TOTAL</b>		<b>(13,510)</b>	<b>0</b>	

<b>CORPORATE ITEMS ANALYSIS</b>				
	<b>2014/15 Estimate £000</b>	<b>Inflation £000</b>	<b>Other Variations £000</b>	<b>2015/16 Estimate £000</b>
<b>Expenditure</b>				
Cost of Borrowing including Minimum Revenue Provision	14,103	0	14	14,117
Further provision for revaluation/RCCO	2,303	0	52	2,355
Pension Fund	13,134	0	(9,392)	3,742
Pensions: Auto-enrolment	300	0	0	300
Centrally held provision for Utilities inflation	300	0	(200)	100
Adjustment re Income re P3/P4	400	0	0	400
Pay provision not yet allocated	0	0	189	189
Provision for excess inflation	448	0	96	543
Bad Debt Provision	500	0	0	500
Redundancy/Pension Strain	0	0	1,000	1,000
Transport - Additional provision	0	0	1,100	1,100
Contingency	1,500	0	0	1,500
Change in Corporate Specific and Special Grants	(47)	0	117	70
<b>Levies:-</b>				
Lee Valley	214		(5)	209
London Pensions Fund	266		(2)	264
Environment Agency	157		2	159
WPCC	293		(0)	293
<b>GROSS EXPENDITURE</b>	<b>33,871</b>	<b>0</b>	<b>(7,029)</b>	<b>26,842</b>
<b>Income</b>				
Investment Income	(522)		(37)	(559)
Depreciation & Impairment	(15,227)		(1,279)	(16,505)
Appropriations to/from reserves (excluding Public Health)	0		(4,991)	(4,991)
CHAS Dividend	0		(174)	(174)
<b>GROSS INCOME</b>	<b>(15,749)</b>	<b>0</b>	<b>(6,481)</b>	<b>(22,230)</b>
<b>NET EXPENDITURE</b>	<b>18,123</b>	<b>0</b>	<b>(13,510)</b>	<b>4,612</b>



**2015/2016 ESTIMATES**

**CORPORATE SERVICES  
DEPARTMENT**

## SUMMARY: CORPORATE SERVICES DEPARTMENT

### FULL TIME EQUIVALENTS (FTE)

Number of Permanent Staff

Number of Fixed term contracts

Number of FTE Sutton TUPE staff

Total FTE

2014/15	2015/16
457.5	454.6
18.0	71.0
40.6	39.0
<b>516.1</b>	<b>564.6</b>

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000
<b>Expenditure</b>				
Employees	23,220	22	2,930	26,172
Premises	2,882	35	(130)	2,787
Transport	143	2	(5)	139
Supplies and Services	11,078	172	412	11,661
Third Party Payments	1,333	20	(10)	1,343
Transfer Payments	98,188	0	(4,478)	93,710
Support Services	9,259	0	(827)	8,432
Depreciation and Impairment Losses	1,919	0	125	2,045
<b>GROSS EXPENDITURE</b>	<b>148,022</b>	<b>251</b>	<b>(1,983)</b>	<b>146,290</b>
<b>Income</b>				
Government Grants	(99,909)	0	4,743	(95,165)
Other Reimbursements and Contributions	(5,393)	0	(138)	(5,531)
Customer and Client Receipts	(6,183)	0	(343)	(6,526)
Interest	0	0	0	0
Recharges	(25,253)	0	210	(25,043)
Reserves	0	0	0	0
<b>GROSS INCOME</b>	<b>(136,738)</b>	<b>0</b>	<b>4,472</b>	<b>(132,265)</b>
<b>NET EXPENDITURE</b>	<b>11,285</b>	<b>251</b>	<b>2,489</b>	<b>14,024</b>

## SUMMARY: CORPORATE SERVICES DEPARTMENT

**FULL TIME EQUIVALENTS (FTE)**  
**Number of Permanent Staff**  
**Number of Fixed term contracts**  
**Number of FTE Sutton TUPE staff**  
**Total FTE**

2014/15	2015/16
457.5	454.6
18.0	71.0
40.6	39.0
<b>516.1</b>	<b>564.6</b>

### SERVICE AREA ANALYSIS

	CHANGE BETWEEN YEARS			2015/16 Estimate £000
	2014/15 Original Estimate £000	Inflation £000	Other Variations £000	
Customer Services	2,465	30	(100)	2,394
Infrastructure & Transactions	(0)	77	(1)	77
Business Improvement	69	14	2,189	2,272
Corporate Governance	1,610	18	164	1,793
Resources	1,942	73	210	2,225
HR	4	13	273	291
Corporate Items	5,195	24	(246)	4,973
<b>TOTAL EXPENDITURE</b>	<b>11,285</b>	<b>251</b>	<b>2,489</b>	<b>14,024</b>
Contingency / Other	0	0	0	0
Capital Financing Adjustment	0	0	0	0
Levies	0	0	0	0
<b>NET EXPENDITURE</b>	<b>11,285</b>	<b>251</b>	<b>2,489</b>	<b>14,024</b>

## INFRASTRUCTURE & TRANSACTIONS

The Infrastructure & Transactions Division consists of Facilities Management, IT Service Delivery, Post & Print Room and Transactional services. Safety services was transferred to Infrastructure and Transactions in December 2014.

**FULL TIME EQUIVALENTS (FTE)**  
**Number of Permanent Staff**  
**Number of Fixed term contracts**  
**Total FTE**

2014/15	2015/16
82.7	90.7
0.0	0.0
82.7	90.7

**SUBJECTIVE ANALYSIS OF ESTIMATES**

	2014/15 Original Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000
<b>Expenditure</b>				
Employees	3,365	0	290	3,655
Premises	2,733	33	(121)	2,645
Transport	33	1	3	36
Supplies and Services	2,688	41	84	2,812
Third Party Payments	207	3	0	210
Transfer Payments	0	0	0	0
Support Services	875	0	(38)	837
Depreciation and Impairment Losses	1,916	0	128	2,045
<b>GROSS EXPENDITURE</b>	<b>11,815</b>	<b>77</b>	<b>345</b>	<b>12,238</b>
<b>Income</b>				
Government Grants	0	0	0	0
Other Reimbursements and Contributions	0	0	0	0
Customer and Client Receipts	(2,063)	0	(343)	(2,406)
Interest	0	0	0	0
Recharges	(9,752)	0	(3)	(9,755)
Reserves	0	0	0	0
<b>GROSS INCOME</b>	<b>(11,815)</b>	<b>0</b>	<b>(346)</b>	<b>(12,161)</b>
<b>NET EXPENDITURE</b>	<b>(0)</b>	<b>77</b>	<b>(1)</b>	<b>77</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Previous years savings	(462)	(2.2)
New savings	(31)	
Transfer between departments	169	9.3
Technical adjustments	235	0.9
Depreciation adjustments	128	
Overheads adjustments	(41)	
Use of reserves		
<b>TOTAL</b>	<b>(1)</b>	<b>8.0</b>



## CUSTOMER SERVICES

The Customer Services Division consists of: Merton Link (including the Cash Office, Translation Services and Contact Centre), Support Team, Local Taxation (including Business Rates, Baliff Team and Recovery Team), Benefits Administration, Registrars, Debt Recovery, Corporate Communications, Web Team and Consultation & Community Engagement

### FULL TIME EQUIVALENTS (FTE)

**Number of Permanent Staff**

**Number of Fixed term contracts**

**Total FTE**

2014/15	2015/16
137.4	137.3
6.0	11.0
143.4	148.3

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Original Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000
<b>Expenditure</b>				
Employees	5,038	0	75	5,113
Premises	20	0	0	20
Transport	63	1	0	64
Supplies and Services	1,447	22	(44)	1,425
Third Party Payments	461	7	(10)	458
Transfer Payments	367	0	(367)	0
Support Services	2,465	0	(555)	1,910
Depreciation and Impairment Losses	3	0	(3)	0
<b>GROSS EXPENDITURE</b>	<b>9,865</b>	<b>30</b>	<b>(903)</b>	<b>8,992</b>
<b>Income</b>				
Government Grants	(1,981)	0	462	(1,519)
Other Reimbursements and Contributions	(930)	0	0	(930)
Customer and Client Receipts	(2,184)	0	0	(2,184)
Interest	0	0	0	0
Recharges	(2,305)	0	341	(1,964)
Reserves	0	0	0	0
<b>GROSS INCOME</b>	<b>(7,400)</b>	<b>0</b>	<b>803</b>	<b>(6,597)</b>
<b>NET EXPENDITURE</b>	<b>2,465</b>	<b>30</b>	<b>(100)</b>	<b>2,394</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Previous years savings	(40)	(0.4)
New savings	(33)	(1.0)
Transfer between departments		
Technical adjustments	120	6.3
Depreciation adjustments	(3)	
Overhead adjustments	(214)	
Use of Reserves	70	
<b>TOTAL</b>	<b>(100)</b>	<b>4.9</b>

## CORPORATE GOVERNANCE

The Corporate Governance Division consists of the South London Legal Partnership, Internal Audit, Investigations, Democracy Services, Electoral Services and Information Governance. Safety Services was transferred to Infrastructure and Transactions in December 2014.

### FULL TIME EQUIVALENTS (FTE)

**Number of Permanent Staff**

**Number of Fixed term contracts**

**Total FTE**

2014/15	2015/16
134.5	123.3
0.0	4.0
134.5	127.3

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 2014/15 £000	Inflation £000	Other Variations £000	2015/16 Estimate £000
<b>Expenditure</b>				
Employees	6,599	0	7	6,606
Premises	10	0	(3)	7
Transport	35	0	(3)	32
Supplies and Services	1,654	18	(122)	1,549
Third Party Payments	0	0	0	0
Transfer Payments	0	0	0	0
Support Services	509	0	31	540
Depreciation and Impairment Losses	0	0	0	0
<b>GROSS EXPENDITURE</b>	<b>8,807</b>	<b>18</b>	<b>(90)</b>	<b>8,735</b>
<b>Income</b>				
Government Grants	(170)	0	170	0
Other Reimbursements and Contributions	(4,412)	0	(114)	(4,527)
Customer and Client Receipts	(530)	0	0	(530)
Interest	0	0	0	0
Recharges	(2,085)	0	199	(1,886)
Reserves	0	0		0
<b>GROSS INCOME</b>	<b>(7,197)</b>	<b>0</b>	<b>254</b>	<b>(6,942)</b>
<b>NET EXPENDITURE</b>	<b>1,610</b>	<b>18</b>	<b>164</b>	<b>1,793</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Previous years savings	(156)	(5.7)
New savings		
Transfer between departments	(181)	(5.5)
Technical adjustments	37	4.0
Depreciation adjustments		
Overhead adjustments	230	
Use of Reserves	234	
<b>TOTAL</b>	<b>164</b>	<b>-7.2</b>

## BUSINESS IMPROVEMENT

The Business Improvement Division consists of IT Business Systems, IT Business Process Re-engineering, Business Improvement and Programme Office.

### FULL TIME EQUIVALENTS

**Number of Permanent Staff**  
**Number of Fixed term contracts**  
**Total FTE**

2014/15	2015/16
30.9	31.5
11.0	13.0
41.9	44.5

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Original Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000
<b>Expenditure</b>				
Employees	1,541	0	2,036	3,576
Premises	0	0	0	0
Transport	3	0	0	3
Supplies and Services	928	14	288	1,230
Third Party Payments	0	0	0	0
Transfer Payments	0	0	0	0
Support Services	318	0	68	386
Depreciation and Impairment Losses	0	0	0	0
<b>GROSS EXPENDITURE</b>	<b>2,791</b>	<b>14</b>	<b>2,391</b>	<b>5,196</b>
<b>Income</b>				
Government Grants	0	0	0	0
Other Reimbursements and Contributions	0	0	0	0
Customer and Client Receipts	(84)	0	0	(84)
Interest	0	0	0	0
Recharges	(2,638)	0	(202)	(2,840)
Reserves	0	0	0	0
<b>GROSS INCOME</b>	<b>(2,722)</b>	<b>0</b>	<b>(202)</b>	<b>(2,924)</b>
<b>NET EXPENDITURE</b>	<b>69</b>	<b>14</b>	<b>2,189</b>	<b>2,272</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Previous years savings	(81.0)	(1.0)
New savings	(10.0)	
Transfer between departments		
Technical adjustments	173.0	
Depreciation adjustments		
Overheads adjustments	(134.0)	
Use of reserves	2,241.0	3.5
<b>TOTAL</b>	<b>2,189.0</b>	<b>2.5</b>

## RESOURCES

The Resources Division consists of Policy & Strategy, Commercial Services, Business Planning, Accountancy and Business Partners . The Pensions service is now managed by LB Wandsworth.

### FULL TIME EQUIVALENTS

**Number of Permanent Staff**  
**Number of Fixed term contracts**  
**Total FTE**

2014/15	2015/16
67.2	67.3
1.0	3.0
68.2	70.3

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Original Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000
<b>Expenditure</b>				
Employees	3,821	0	250	4,071
Premises	105	2	(6)	100
Transport	4	0		4
Supplies and Services	3,834	69	207	4,110
Third Party Payments	169	3	0	171
Transfer Payments	9	0	0	9
Support Services	718	0	(116)	602
Depreciation and Impairment Losses	0	0	0	0
<b>GROSS EXPENDITURE</b>	<b>8,660</b>	<b>73</b>	<b>335</b>	<b>9,068</b>
<b>Income</b>				
Government Grants	0	0	0	0
Other Reimbursements and Contributions	(50)	0	(4)	(54)
Customer and Client Receipts	(753)	0	0	(753)
Interest	0	0	0	0
Recharges	(5,914)	0	(122)	(6,036)
Reserves	0	0	0	0
<b>GROSS INCOME</b>	<b>(6,718)</b>	<b>0</b>	<b>(126)</b>	<b>(6,843)</b>
<b>NET EXPENDITURE</b>	<b>1,942</b>	<b>73</b>	<b>210</b>	<b>2,225</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Previous years savings	(5)	
New savings	(17)	
Transfer between departments		
Technical adjustments	272	2.1
Depreciation adjustments	0	
Overhead adjustments	(238)	
Use of Reserves	198	
<b>TOTAL</b>	<b>210</b>	<b>2.1</b>

## HR

The HR division consists of: Strategic HR, Business Partnerships, Corporate Learning & Development, Diversity, iTrent Client team, Recruitment & Resourcing, Central Operations Team. The function also interfaces with Staff Side. The HR service is shared with the LB of Sutton. The payroll service is shared with LB of Sutton and LB of Kingston and Richmond.

**FULL TIME EQUIVALENTS (FTE)**  
**Number of Permanent Staff**  
**Number of Fixed term contracts**  
**Number of FTE Sutton TUPE staff**  
**Total FTE**

2014/15	2015/16
4.8	4.5
0.0	40.0
40.6	39.0
<b>45.4</b>	<b>83.5</b>

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2013/14 Original Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000
<b>Expenditure</b>				
Employees	2,185	6	272	2,463
Premises	15	0		15
Transport	5	0	(5)	(0)
Supplies and Services	218	3	0	221
Third Party Payments	259	4	0	263
Transfer Payments	0	0	0	0
Support Services	451	0	29	480
Depreciation and Impairment Losses	0	0	0	0
<b>GROSS EXPENDITURE</b>	<b>3,132</b>	<b>13</b>	<b>296</b>	<b>3,442</b>
<b>Income</b>				
Government Grants	0	0	0	0
Other Reimbursements and Contributions	0	0	(20)	(20)
Customer and Client Receipts	(569)	0	0	(569)
Interest	0	0	0	0
Recharges	(2,559)	0	(3)	(2,562)
Reserves	0	0	0	0
<b>GROSS INCOME</b>	<b>(3,128)</b>	<b>0</b>	<b>(23)</b>	<b>(3,151)</b>
<b>NET EXPENDITURE</b>	<b>4</b>	<b>13</b>	<b>273</b>	<b>291</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Previous years savings	(5)	
New savings	(39)	-1.9
Transfer between departments		
Technical adjustments	31	
Depreciation adjustments		
Overheads adjustments	26	
Use of reserves - for Apprentices	260	40.0
<b>TOTAL</b>	<b>273</b>	<b>38</b>

## CORPORATE ITEMS

Corporate Management is composed of Housing Benefit subsidy payments and entitlements, Agency contract, Coroners Court and Severance payments.

### FULL TIME EQUIVALENTS(FTE) Number of Permanent Staff

2014/15	2015/16
0	0

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Original Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000
<b>Expenditure</b>				
Employees*	672	16	0	688
Premises	0	0	0	0
Transport	0	0	0	0
Supplies and Services	308	5	0	313
Third Party Payments	238	4	0	242
Transfer Payments	97,812	0	(4,112)	93,700
Support Services	3,923	0	(246)	3,677
Depreciation and Impairment Losses	0	0	0	0
<b>GROSS EXPENDITURE</b>	<b>102,953</b>	<b>24</b>	<b>(4,358)</b>	<b>98,620</b>
<b>Income</b>				
Government Grants	(97,758)		4,112	(93,647)
Other Reimbursements and Contributions	0		0	0
Customer and Client Receipts	0		0	0
Interest	0		0	0
Recharges	(0)		0	(0)
Reserves	0		0	0
<b>GROSS INCOME</b>	<b>(97,758)</b>	<b>0</b>	<b>4,112</b>	<b>(93,647)</b>
<b>NET EXPENDITURE</b>	<b>5,195</b>	<b>24</b>	<b>(246)</b>	<b>4,973</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Technical adjustments	0	
Overheads adjustments	(246)	
<b>TOTAL</b>	<b>(246)</b>	<b>0.0</b>

\* The employee budgets shown here relate to employee redundancy payments. There are no FTE's in Corporate Items



## **2015/2016 ESTIMATES**

# **CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT**

## CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

This Page contains the Budget for the whole Children, Schools and Families Department including funding provided directly to Merton's Schools

### FULL TIME EQUIVALENTS

Number of Permanent Staff  
 Number of DSG Staff  
 Number of Fixed term contracts  
 Total FTE

	2014/15	2015/16
Number of Permanent Staff	425.5	439.2
Number of DSG Staff	75.4	73.7
Number of Fixed term contracts	20.0	23.0
Total FTE	520.9	536.0

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000	2015/16 DSG Estimate £000	2015/16 LA Estimate £000
<b>Expenditure</b>						
Employees	25,140	22	1,258	26,420	4,180	22,240
Premises	1,426	6	31	1,463	209	1,254
Transport	3,340	47	(12)	3,375	60	3,315
Supplies and Services	138,679	892	24,479	164,050	155,704	8,346
Third Party Payments	27,129	208	3,236	30,573	12,404	18,169
Transfer Payments	417	0	(57)	360	0	360
Support Services	4,570	0	44	4,614	224	4,390
Depreciation and Impairment Losses	5,235	0	2	5,237	0	5,237
<b>GROSS EXPENDITURE</b>	<b>205,936</b>	<b>1,175</b>	<b>28,981</b>	<b>236,092</b>	<b>172,781</b>	<b>63,311</b>
<b>Income</b>						
Government Grants	(147,012)	0	(28,314)	(175,326)	(171,274)	(4,052)
Other Reimbursements and Contributions	(6,507)	0	(824)	(7,331)	(1,136)	(6,195)
Customer and Client Receipts	(4,421)	0	1,900	(2,521)	(371)	(2,150)
Interest	(44)	0	0	(44)	0	(44)
Recharges	0	0	0	0	0	0
Reserves	88	0	(64)	24	0	24
<b>GROSS INCOME</b>	<b>(157,896)</b>	<b>0</b>	<b>(27,302)</b>	<b>(185,198)</b>	<b>(172,781)</b>	<b>(12,417)</b>
<b>NET EXPENDITURE</b>	<b>48,040</b>	<b>1,175</b>	<b>1,679</b>	<b>50,894</b>	<b>0</b>	<b>50,894</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(771)	-6.5
Overhead adjustments	43	
Depreciation adjustments	39	
Technical adjustments	750	
Growth	1,000	
Use of Reserves adjustment	618	
<b>TOTAL</b>	<b>1,679</b>	<b>(6.5)</b>



**SUMMARY: CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT**

SERVICE AREA ANALYSIS	2014/15		Other	2015/16	2015/16	2015/16
	Estimate £000	Inflation £000	Variations £000	Estimate £000	DSG Estimate £000	LA Estimate £000
Senior Management	1,296	12	198	1,506	0	1,506
Childrens Social Care	13,128	34	(25)	13,137	97	13,040
Commissioning, Strategy and Performance	13,131	93	903	14,127	4,035	10,092
Education	34,857	123	376	35,356	21,794	13,562
Schools	(21,200)	0	328	(20,872)	(25,926)	5,054
Other Childrens, Schools and Families	6,828	913	(101)	7,640	0	7,640
<b>TOTAL NET EXPENDITURE</b>	<b>48,040</b>	<b>1,175</b>	<b>1,679</b>	<b>50,894</b>	<b>0</b>	<b>50,894</b>

## CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

### Senior Management

This budget contains provision for the Senior Management of Children, Schools and Families Department.

#### FULL TIME EQUIVALENTS

Number of Permanent Staff  
Number of DSG Staff  
Number of Fixed term contracts  
Total FTE

2014/15	2015/16
4.0	4.0
0.0	0.0
0.0	0.0
4.0	4.0

#### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000	2015/16 DSG Estimate £000	2015/16 LA Estimate £000
<b>Expenditure</b>						
Employees	494	0	115	609	0	609
Premises	0	0	0	0	0	0
Transport	1	0	0	1	0	1
Supplies and Services	743	12	110	865	0	865
Third Party Payments	0	0	7	7	0	7
Transfer Payments	0	0	0	0	0	0
Support Services	58	0	(34)	24	0	24
Depreciation and Impairment Losses	0	0	0	0	0	0
<b>GROSS EXPENDITURE</b>	<b>1,296</b>	<b>12</b>	<b>198</b>	<b>1,506</b>	<b>0</b>	<b>1,506</b>
<b>Income</b>						
Government Grants	0	0	0	0	0	0
Other Reimbursements and Contributions	0	0	0	0	0	0
Customer and Client Receipts	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Recharges	0	0	0	0	0	0
Reserves	0	0	0	0	0	0
<b>GROSS INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET EXPENDITURE</b>	<b>1,296</b>	<b>12</b>	<b>198</b>	<b>1,506</b>	<b>0</b>	<b>1,506</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Overhead adjustments	(34)	
Transfer between departments	0	
Shared legal services devolved budgets	0	
Technical adjustments	232	
<b>TOTAL</b>	<b>198</b>	<b>0.0</b>

## CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

### Children's Social Care

This budget contains the funding for central social work; family and adolescent service; Mash and child protection; permanency, placements and looked after children; as well as safeguarding, standards and training.

#### FULL TIME EQUIVALENTS

Number of Permanent Staff  
Number of DSG Staff  
Number of Fixed term contracts  
Total FTE

2014/15	2015/16
186.2	186.1
2.0	2.0
19.0	22.0
207.2	210.1

#### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000	2015/16 DSG Estimate £000	2015/16 LA Estimate £000
<b>Expenditure</b>						
Employees	9,503	3	335	9,841	91	9,750
Premises	125	2	(34)	93	0	93
Transport	187	3	(2)	188	2	186
Supplies and Services	1,160	12	(88)	1,084	4	1,080
Third Party Payments	1,781	14	(553)	1,242	0	1,242
Transfer Payments	398	0	(57)	341	0	341
Support Services	1,745	0	(1)	1,744	0	1,744
Depreciation and Impairment Losses	11	0	0	11	0	11
<b>GROSS EXPENDITURE</b>	<b>14,910</b>	<b>34</b>	<b>(400)</b>	<b>14,544</b>	<b>97</b>	<b>14,447</b>
<b>Income</b>						
Government Grants	(982)	0	101	(881)	0	(881)
Other Reimbursements and Contributions	(609)	0	83	(526)	0	(526)
Customer and Client Receipts	(5)	0	5	0	0	0
Interest	0	0	0	0	0	0
Recharges	0	0	0	0	0	0
Reserves	(186)	0	186	0	0	0
<b>GROSS INCOME</b>	<b>(1,782)</b>	<b>0</b>	<b>375</b>	<b>(1,407)</b>	<b>0</b>	<b>(1,407)</b>
<b>NET EXPENDITURE</b>	<b>13,128</b>	<b>34</b>	<b>(25)</b>	<b>13,137</b>	<b>97</b>	<b>13,040</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(220)	(4.5)
Overhead adjustments	(1)	
Depreciation adjustments	0	
Transfer between departments	716	
Technical adjustments	(520)	
<b>TOTAL</b>	<b>(25)</b>	<b>(4.5)</b>

## CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

### Commissioning, Strategy and Performance

This page contains the budgets for access to resources service; policy, planning and performance; joint commissioning and partnerships; as well as contract procurement and school organisation.

#### FULL TIME EQUIVALENTS

Number of Permanent Staff  
Number of DSG Staff  
Number of Fixed term contracts  
Total FTE

2014/15	2015/16
47.4	43.2
5.9	5.9
1.0	1.0
54.3	50.0

#### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000	2015/16 DSG Estimate £000	2015/16 LA Estimate £000
<b>Expenditure</b>						
Employees	2,165	0	43	2,208	205	2,003
Premises	532	2	(116)	418	20	398
Transport	39	0	(3)	36	2	34
Supplies and Services	6,333	63	(2,080)	4,316	52	4,264
Third Party Payments	5,862	28	1,372	7,262	3,752	3,510
Transfer Payments	0	0	0	0	0	0
Support Services	576	0	(104)	472	32	440
Depreciation and Impairment Losses	0	0	0	0	0	0
<b>GROSS EXPENDITURE</b>	<b>15,507</b>	<b>93</b>	<b>(888)</b>	<b>14,712</b>	<b>4,063</b>	<b>10,649</b>
<b>Income</b>						
Government Grants	(106)	0	29	(77)	0	(77)
Other Reimbursements and Contributions	(310)	0	27	(283)	(28)	(255)
Customer and Client Receipts	(1,960)	0	1,735	(225)	0	(225)
Interest	0	0	0	0	0	0
Recharges	0	0	0	0	0	0
Reserves	0	0	0	0	0	0
<b>GROSS INCOME</b>	<b>(2,376)</b>	<b>0</b>	<b>1,791</b>	<b>(585)</b>	<b>(28)</b>	<b>(557)</b>
<b>NET EXPENDITURE</b>	<b>13,131</b>	<b>93</b>	<b>903</b>	<b>14,127</b>	<b>4,035</b>	<b>10,092</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(311)	0.0
Overhead adjustments	(104)	
Transfer between departments	52	
Revenuisation	1,000	
Technical adjustments	266	
<b>TOTAL</b>	<b>903</b>	<b>0.0</b>

## CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

### Education

To page contains the budgets for school improvement; early years and children's centres; education inclusion; as well as special educational needs and disability integrated service.

#### FULL TIME EQUIVALENTS

	2014/15	2015/16
Number of Permanent Staff	185.7	203.8
Number of DSG Staff	67.5	65.9
Number of Fixed term contracts	0.0	0.0
Total FTE	253.2	269.6

#### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000	2015/16 DSG Estimate £000	2015/16 LA Estimate £000
<b>Expenditure</b>						
Employees	10,199	0	756	10,955	3,230	7,725
Premises	734	3	169	906	143	763
Transport	3,113	44	(7)	3,150	56	3,094
Supplies and Services	13,972	58	1,341	15,371	13,544	1,827
Third Party Payments	9,435	18	2,307	11,760	8,652	3,108
Transfer Payments	19	0	0	19	0	19
Support Services	2,175	0	183	2,358	192	2,166
Depreciation and Impairment Losses	191	0	(19)	172	0	172
<b>GROSS EXPENDITURE</b>	<b>39,838</b>	<b>123</b>	<b>4,730</b>	<b>44,691</b>	<b>25,817</b>	<b>18,874</b>
<b>Income</b>						
Government Grants	(250)	0	(3,493)	(3,743)	(3,573)	(170)
Other Reimbursements and Contributions	(2,337)	0	(959)	(3,296)	(79)	(3,217)
Customer and Client Receipts	(2,394)	0	98	(2,296)	(371)	(1,925)
Interest	0	0	0	0	0	0
Recharges	0	0	0	0	0	0
Reserves	0	0	0	0	0	0
<b>GROSS INCOME</b>	<b>(4,981)</b>	<b>0</b>	<b>(4,354)</b>	<b>(9,335)</b>	<b>(4,023)</b>	<b>(5,312)</b>
<b>NET EXPENDITURE</b>	<b>34,857</b>	<b>123</b>	<b>376</b>	<b>35,356</b>	<b>21,794</b>	<b>13,562</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(240)	(2.0)
Overhead adjustments	182	
Transfer between departments	100	
Depreciation adjustments	18	
Technical adjustments	316	
<b>TOTAL</b>	<b>376</b>	<b>(2.0)</b>

## CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

### Schools

This budget covers schools funding as well as some centrally retained DSG money to support the schools function.

#### FULL TIME EQUIVALENTS

Number of Permanent Staff  
 Number of DSG Staff  
 Number of Fixed term contracts  
 Total FTE

2014/15	2015/16
0.0	0.0
0.0	0.0
0.0	0.0
0.0	0.0

#### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000	2015/16 DSG Estimate £000	2015/16 LA Estimate £000
<b>Expenditure</b>						
Employees	639	0	15	654	654	0
Premises	34	0	12	46	46	0
Transport	0	0	0	0	0	0
Supplies and Services	116,251	0	25,853	142,104	142,104	0
Third Party Payments	0	0	0	0	0	0
Transfer Payments	0	0	0	0	0	0
Support Services	0	0	0	0	0	0
Depreciation and Impairment Losses	5,033	0	21	5,054	0	5,054
<b>GROSS EXPENDITURE</b>	<b>121,957</b>	<b>0</b>	<b>25,901</b>	<b>147,858</b>	<b>142,804</b>	<b>5,054</b>
<b>Income</b>						
Government Grants	(142,104)	0	(25,597)	(167,701)	(167,701)	0
Other Reimbursements and Contributions	(1,053)	0	24	(1,029)	(1,029)	0
Customer and Client Receipts	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Recharges	0	0	0	0	0	0
Reserves	0	0	0	0	0	0
<b>GROSS INCOME</b>	<b>(143,157)</b>	<b>0</b>	<b>(25,573)</b>	<b>(168,730)</b>	<b>(168,730)</b>	<b>0</b>
<b>NET EXPENDITURE</b>	<b>(21,200)</b>	<b>0</b>	<b>328</b>	<b>(20,872)</b>	<b>(25,926)</b>	<b>5,054</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Depreciation adjustments	21	
Technical adjustments	307	
<b>TOTAL</b>	<b>328</b>	<b>0.0</b>

## CHILDREN, SCHOOLS AND FAMILIES DEPARTMENT

### Other Children Schools and Families Budgets

This budget covers asylum seeker costs, past and present pension and redundancy costs, ESG income and PFI unitary charges.

#### FULL TIME EQUIVALENTS

Number of Permanent Staff  
 Number of DSG Staff  
 Number of Fixed term contracts  
 Total FTE

2014/15	2015/16
2.2	2.2
0.0	0.0
0.0	0.0
2.2	2.2

#### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000	2015/16 DSG Estimate £000	2015/16 LA Estimate £000
<b>Expenditure</b>						
Employees	2,140	18	(6)	2,152	0	2,152
Premises	0	0	0	0	0	0
Transport	0	0	0	0	0	0
Supplies and Services	221	747	(656)	312	0	312
Third Party Payments	10,050	148	103	10,301	0	10,301
Transfer Payments	0	0	0	0	0	0
Support Services	16	0	0	16	0	16
Depreciation and Impairment Losses	0	0	0	0	0	0
<b>GROSS EXPENDITURE</b>	<b>12,427</b>	<b>913</b>	<b>(559)</b>	<b>12,781</b>	<b>0</b>	<b>12,781</b>
<b>Income</b>						
Government Grants	(3,570)	0	647	(2,923)	0	(2,923)
Other Reimbursements and Contributions	(2,198)	0	0	(2,198)	0	(2,198)
Customer and Client Receipts	(61)	0	61	0	0	0
Interest	(44)	0	0	(44)	0	(44)
Recharges	0	0	0	0	0	0
Reserves	274	0	(250)	24	0	24
<b>GROSS INCOME</b>	<b>(5,599)</b>	<b>0</b>	<b>458</b>	<b>(5,141)</b>	<b>0</b>	<b>(5,141)</b>
<b>NET EXPENDITURE</b>	<b>6,828</b>	<b>913</b>	<b>(101)</b>	<b>7,640</b>	<b>0</b>	<b>7,640</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	0	
Overhead adjustments	0	
Use of Reserves adjustment	(250)	
Technical adjustments	149	
<b>TOTAL</b>	<b>(101)</b>	<b>0.0</b>



## **2015/2016 ESTIMATES**

# **ENVIRONMENT AND REGENERATION DEPARTMENT**



## SUMMARY: ENVIRONMENT & REGENERATION

### FULL TIME EQUIVALENTS (FTE)

Permanent Staff

Fixed Term Contract

Total FTE

2014/15	2015/16
625	644
12	11
636	654

### SERVICE AREA ANALYSIS

#### CHANGE BETWEEN YEARS

	2014/2015 Original Estimate £000	Inflation £000	Other Variations £000	2015/2016 Estimate £000
Street Scene and Waste	25,561	381	(8,209)	17,733
Public Protection and Development	(5,741)	119	(2,322)	(7,944)
Sustainable Communities	1,785	217	12,194	14,196
Safer Merton	1,248	0	(1,248)	0
Senior Management and Support	0	35	(35)	0
<b>TOTAL EXPENDITURE</b>	<b>22,853</b>	<b>752</b>	<b>380</b>	<b>23,985</b>

## ENVIRONMENT AND REGENERATION DEPARTMENT

### Departmental Summary

#### FULL TIME EQUIVALENTS (FTE)

Permanent Staff  
Fixed Term Contract  
Total FTE

2014/15	2015/16
625	644
12	11
636	654

#### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/2015 Original Estimate £000	Inflation £000	Other Variations £000	2015/2016 Estimate £000
<b>Expenditure</b>				
Employees	21,896	492	1,040	23,428
Premises	3,402	29	(465)	2,966
Transport	8,140	39	682	8,861
Supplies and Services	4,329	46	353	4,728
Third Party Payments	9,504	146	638	10,289
Transfer Payments	16	0	(7)	9
Support Services	8,065	0	759	8,825
Depreciation and Impairment Losses	7,333	0	1,250	8,583
<b>GROSS EXPENDITURE</b>	<b>62,685</b>	<b>752</b>	<b>4,252</b>	<b>67,689</b>
<b>Income</b>				
Government Grants	(410)	0	(71)	(481)
Other Reimbursements and Contributions	(2,413)	0	(1,246)	(3,658)
Customer and Client Receipts	(33,618)	0	(3,290)	(36,908)
Interest	0	0	0	0
Recharges	(2,440)	0	(216)	(2,656)
Reserves	(950)	0	950	(0)
<b>GROSS INCOME</b>	<b>(39,832)</b>	<b>0</b>	<b>(3,872)</b>	<b>(43,704)</b>
<b>NET EXPENDITURE</b>	<b>22,853</b>	<b>752</b>	<b>380</b>	<b>23,985</b>

Other variations are analysed as follows:

Major Items	£000	fte
Savings	(1,591)	(13)
Depreciation adjustments	1,250	
Overheads adjustments	544	
Transfer between departments	(157)	(1)
Technical adjustments	(346)	
Use of Reserves adjustments	680	3
<b>TOTAL</b>	<b>380</b>	<b>(14.2)</b>

## ENVIRONMENT AND REGENERATION DEPARTMENT

**Street Scene and Waste:** Transport Services, Waste Management and Operations.

### FULL TIME EQUIVALENTS (FTE)

Permanent Staff

Fixed Term Contract

Total FTE

2014/15	2015/16
351	314
0	1
351	315

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/2015 Original Estimate £000	Inflation £000	Other Variations £000	2015/2016 Estimate £000
<b>Expenditure</b>				
Employees	10,868	240	(1,770)	9,338
Premises	1,437	1	(1,162)	276
Transport	7,627	30	574	8,231
Supplies and Services	1,532	12	(407)	1,137
Third Party Payments	8,270	98	(1,694)	6,674
Transfer Payments	2	0	0	2
Support Services	4,073	0	(902)	3,171
Depreciation and Impairment Losses	6,436	0	(5,243)	1,193
<b>GROSS EXPENDITURE</b>	<b>40,245</b>	<b>381</b>	<b>(10,604)</b>	<b>30,022</b>
<b>Income</b>				
Government Grants	(288)	0	288	0
Other Reimbursements and Contributions	(1,894)	0	878	(1,016)
Customer and Client Receipts	(12,005)	0	732	(11,273)
Recharges	(497)	0	497	0
Reserves	0	0		0
<b>GROSS INCOME</b>	<b>(14,684)</b>	<b>0</b>	<b>2,395</b>	<b>(12,289)</b>
<b>NET EXPENDITURE</b>	<b>25,561</b>	<b>381</b>	<b>(8,209)</b>	<b>17,733</b>

Other variations are analysed as follows:

Major Items	£000	fte
Savings	(443)	
Depreciation adjustments	141	
Overheads adjustments	357	
Transfer between departments	(92)	
Technical adjustments	(8,447)	(36.6)
Use of reserves adjustments	275	1.0
<b>TOTAL</b>	<b>(8,209)</b>	<b>(35.6)</b>

## ENVIRONMENT AND REGENERATION DEPARTMENT

**Public Protection:** Regulatory Services Partnership, Parking Control, Safer Merton.

### FULL TIME EQUIVALENTS (FTE)

Permanent Staff \*

Fixed Term Contract

Total FTE

2014/15	2015/16
132	146
4	1
136	147

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/2015 Original Estimate £000	Inflation £000	Other Variations £000	2015/2016 Estimate £000
<b>Expenditure</b>				
Employees	5,226	94	257	5,577
Premises	691	1	(49)	643
Transport	226	3	(44)	185
Supplies and Services	670	12	(116)	566
Third Party Payments	326	9	282	617
Transfer Payments	2	0	(2)	(0)
Support Services	1,635	0	(161)	1,474
Depreciation and Impairment Losses	76	0	136	212
<b>GROSS EXPENDITURE</b>	<b>8,852</b>	<b>119</b>	<b>303</b>	<b>9,274</b>
<b>Income</b>				
Government Grants	(0)	0	(108)	(108)
Other Reimbursements and Contributions	(99)	0	(1,180)	(1,279)
Customer and Client Receipts	(14,387)	0	(1,443)	(15,830)
Recharges	0	0	0	0
Reserves	(106)	0	106	(0)
<b>GROSS INCOME</b>	<b>(14,592)</b>	<b>0</b>	<b>(2,625)</b>	<b>(17,217)</b>
<b>NET EXPENDITURE</b>	<b>(5,741)</b>	<b>119</b>	<b>(2,322)</b>	<b>(7,944)</b>

Other variations are analysed as follows:

Major Items	£000	fte
Savings	(611)	(7.3)
Depreciation adjustments	(3)	
Overheads adjustments	41	
Transfer between departments	(45)	(1.0)
Technical adjustments	(1,704)	(15.1)
Use of Reserves adjustments	0	
<b>TOTAL</b>	<b>(2,322)</b>	<b>(23.4)</b>

\* The 2015/16 figure includes 18fte of LB Richmond staff that transferred to Merton as part of the Regulatory Services Partnership.

## ENVIRONMENT AND REGENERATION DEPARTMENT

**Sustainable Communities:** Traffic and Highway Services, Development Control, Building Control, Physical Regeneration, Spatial Planning and Policy, Regeneration Partnerships, Property Management, Greenspaces, Leisure and Culture Development, Transport Planning & Safety Education, Business Performance.

### FULL TIME EQUIVALENTS (FTE)

**Permanent Staff**  
**Fixed Term Contract**  
**Total FTE**

2014/15	2015/16
115	173
2	7
117	180

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/2015 Original Estimate £000	Inflation £000	Other Variations £000	2015/2016 Estimate £000
<b>Expenditure</b>				
Employees	4,203	126	3,245	7,574
Premises	1,271	27	748	2,046
Transport	260	6	159	425
Supplies and Services	1,750	19	1,056	2,825
Third Party Payments	780	39	2,179	2,998
Transfer Payments	12	0	(5)	7
Support Services	1,982	0	2,051	4,033
Depreciation and Impairment Losses	683	0	6,496	7,179
<b>GROSS EXPENDITURE</b>	<b>10,941</b>	<b>217</b>	<b>15,929</b>	<b>27,087</b>
<b>Income</b>				
Government Grants	(52)	0	(321)	(373)
Other Reimbursements and Contributions	(218)	0	(1,145)	(1,363)
Customer and Client Receipts	(7,220)	0	(2,584)	(9,804)
Recharges	(821)	0	(529)	(1,350)
Reserves	(844)	0	844	(0)
<b>GROSS INCOME</b>	<b>(9,156)</b>	<b>0</b>	<b>(3,735)</b>	<b>(12,891)</b>
<b>NET EXPENDITURE</b>	<b>1,785</b>	<b>217</b>	<b>12,194</b>	<b>14,196</b>

Other variations are analysed as follows:

Major Items	£000	fte
Savings	(534)	(5.9)
Depreciation adjustments	1,112	
Overheads adjustments	329	
Transfer between departments	(20)	
Technical adjustments	11,052	73.7
Use of Reserves adjustments	255	0.4
<b>TOTAL</b>	<b>12,194</b>	<b>68.2</b>

## ENVIRONMENT AND REGENERATION DEPARTMENT

**Safer Merton:** Management of the Community Safety Partnership and related legislation.

### FULL TIME EQUIVALENTS (FTE)

**Permanent Staff**  
**Fixed Term Contract**  
**Total FTE**

2014/15	2015/16
<b>16</b>	<b>0</b>
<b>6</b>	<b>0</b>
<b>22</b>	<b>0</b>

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/2015 Original Estimate £000	Inflation £000	Other Variations £000	2015/2016 Estimate £000
<b>Expenditure</b>				
Employees	841	0	(841)	0
Premises	2	0	(2)	0
Transport	7	0	(7)	0
Supplies and Services	179	0	(179)	0
Third Party Payments	129	0	(129)	0
Transfer Payments	0	0	0	0
Support Services	230	0	(230)	0
Depreciation and Impairment Losses	139	0	(139)	0
<b>GROSS EXPENDITURE</b>	<b>1,525</b>	<b>0</b>	<b>-1,525</b>	<b>0</b>
<b>Income</b>				
Government Grants	(70)	0	70	0
Other Reimbursements and Contributions	(201)	0	201	0
Customer and Client Receipts	(6)	0	6	0
Recharges	0	0	0	0
Reserves	0	0	0	0
<b>GROSS INCOME</b>	<b>(277)</b>	<b>0</b>	<b>277</b>	<b>0</b>
<b>NET EXPENDITURE</b>	<b>1,248</b>	<b>0</b>	<b>(1,248)</b>	<b>0</b>

Other variations are analysed as follows:

Major Items	£000	fte
Saving	0	
Depreciation adjustments	0	
Overheads adjustments	0	
Technical adjustments	(1,248)	(22.0)
<b>TOTAL</b>	<b>(1,248)</b>	<b>(22)</b>

## ENVIRONMENT AND REGENERATION DEPARTMENT

**Senior Management and Support:** The Department's senior management and secretarial support.

### FULL TIME EQUIVALENTS (FTE)

Permanent Staff

Fixed Term Contract

Total FTE

2014/15	2015/16
11	11
0	2
11	13

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/2015 Original Estimate £000	Inflation £000	Other Variations £000	2015/2016 Estimate £000
<b>Expenditure</b>				
Employees	758	32	149	939
Premises	1	0	0	1
Transport	20	0	0	20
Supplies and Services	197	3	(1)	199
Third Party Payments	0	0	0	0
Transfer Payments	0	0	0	0
Support Services	146	0	1	147
Depreciation and Impairment Losses	0	0	0	0
<b>GROSS EXPENDITURE</b>	<b>1,122</b>	<b>35</b>	<b>149</b>	<b>1,306</b>
<b>Income</b>				
Government Grants	0	0	0	0
Other Reimbursements and Contributions	0	0	0	0
Customer and Client Receipts	0	0	0	0
Recharges	(1,122)	0	(184)	(1,306)
Reserves	0	0	0	0
<b>GROSS INCOME</b>	<b>(1,122)</b>	<b>0</b>	<b>(184)</b>	<b>(1,306)</b>
<b>NET EXPENDITURE</b>	<b>0</b>	<b>35</b>	<b>(35)</b>	<b>0</b>

Other variations are analysed as follows:

Major Items	£000	fte
Saving	(3)	
Overheads adjustments	(183)	
Technical adjustments	1	
Use of Reserves adjustments	150	2.0
<b>TOTAL</b>	<b>(35)</b>	<b>2.0</b>



## **2015/2016 ESTIMATES**

# **COMMUNITY AND HOUSING DEPARTMENT**



**SUMMARY: COMMUNITY AND HOUSING**

	<b>2014/15</b>	<b>2015/16</b>
Number of FTE Staff	531.05	466.32
Number of FTE PCT TUPE staff	24.24	22.74
Number of Fixed Term contract	0.00	2.00
<b>Total FTE</b>	<b>555.29</b>	<b>491.06</b>

**SERVICE AREA ANALYSIS**

	<b>2014/15 Original Estimate £000</b>	<b>Inflation £000</b>	<b>Other Variations £000</b>	<b>2015/16 Estimate £000</b>
Adult Social Care	55,498	1,058	(878)	55,678
Libraries and Heritage	3,193	37	(141)	3,089
Merton Adult Education	39	46	(5)	80
Housing General Fund	2,207	49	(105)	2,151
Senior Management	396	3	3	402
<b>NET EXPENDITURE</b>	<b>61,333</b>	<b>1,193</b>	<b>(1,126)</b>	<b>61,400</b>

## COMMUNITY AND HOUSING DEPARTMENT Total

The department includes Adult Social Care, Housing, Libraries and Merton Adult Education.

### FULL TIME EQUIVALENTS

	2014/15	2015/16
Number of FTE Staff	531.05	466.32
Number of FTE PCT TUPE staff	24.24	22.74
Number of Fixed Term contract	0.00	2.00
<b>Total FTE</b>	<b>555.29</b>	<b>491.06</b>

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Original Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000
<b>Expenditure</b>				
Employees	19,110	462	(553)	19,019
Premises	1,094	17	(133)	978
Transport	1,202	18	3	1,223
Supplies and Services	5,175	65	1,246	6,486
Third Party Payments	41,784	631	409	42,824
Transfer Payments	9,732	0	123	9,855
Support Services	8,356	0	(100)	8,256
Depreciation and Impairment Losses	739	0	(98)	641
<b>GROSS EXPENDITURE</b>	<b>87,192</b>	<b>1,193</b>	<b>897</b>	<b>89,282</b>
<b>Income</b>				
Government Grants	(2,977)	0	(1,083)	(4,060)
Other Reimbursements and Contributions	(8,055)	0	(619)	(8,674)
Customer and Client Receipts	(11,651)	0	(252)	(11,903)
Interest	0	0	0	0
Recharges	(3,109)	0	(136)	(3,245)
Reserves	(67)	0	67	0
<b>GROSS INCOME</b>	<b>(25,859)</b>	<b>0</b>	<b>(2,023)</b>	<b>(27,882)</b>
<b>NET EXPENDITURE</b>	<b>61,333</b>	<b>1,193</b>	<b>(1,126)</b>	<b>61,400</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(2,154)	(48.14)
Growth	157	0
Overheads adjustments	(236)	0
Depreciation adjustments	(98)	0
Rebasing of Income	(220)	0
Technical adjustments	(153)	0
Transfers between departments	0	0
Grants	27	0
Other	1,006	0
Use of Reserves Adjustment	545	0.00
<b>TOTAL</b>	<b>(1,126)</b>	<b>(48.14)</b>

## COMMUNITY AND HOUSING DEPARTMENT Adult Education

Provides high quality learning and training needs of Merton communities for ages 16-65. Funded by LSC, MAE is able to support financially qualifying learners and or offer free courses. Services are provided through two main town centres Whatley Avenue, Wimbledon's Marlborough hall, and four neighbourhood centres, Cobham Court, Mictam's Canons house, Pollards Hill and Morden libraries.

### FULL TIME EQUIVALENTS

	2014/15	2015/16
Number of FTE Staff	29.36	27.29
Number of Fixed Term contract	0.00	0.00
<b>Total FTE</b>	<b>29.36</b>	<b>27.29</b>

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15		Other	2015/16
	Original	Inflation	Variations	Estimate
	£000	£000	£000	£000
<b>Expenditure</b>				
Employees	1,785	38	68	1,891
Premises	174	3	(11)	166
Transport	3	0	1	4
Supplies and Services	345	5	0	350
Third Party Payments	0	0	0	0
Transfer Payments	0	0	0	0
Support Services	311	0	24	335
Depreciation and Impairment Losses	97	0	(5)	92
<b>GROSS EXPENDITURE</b>	<b>2,715</b>	<b>46</b>	<b>77</b>	<b>2,838</b>
<b>Income</b>				
Government Grants	(1,873)	0	(82)	(1,955)
Other Reimbursements and Contributions	0	0	0	0
Customer and Client Receipts	(803)	0	0	(803)
Interest	0	0	0	0
Recharges	0	0	0	0
Reserves	0	0	0	0
<b>GROSS INCOME</b>	<b>(2,676)</b>	<b>0</b>	<b>(82)</b>	<b>(2,758)</b>
<b>NET EXPENDITURE</b>	<b>39</b>	<b>46</b>	<b>(5)</b>	<b>80</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(14)	(0.50)
Growth	0	
Overheads adjustments	24	
Depreciation adjustments	(5)	
Rebasing of Income	0	
Technical adjustments	(10)	
Transfers between departments	0	
Grants	0	
Other	0	
Use of Reserves Adjustment	0	
<b>TOTAL</b>	<b>(5)</b>	<b>(0.50)</b>

**COMMUNITY AND HOUSING DEPARTMENT**  
**Library & Heritage Services**

Services are provided through three main town centre libraries, Mitcham, Morden, Wimbledon and four neighbourhood libraries, Donald Hope, Pollards Hill, Raynes Park and West Barnes. Additional services available are home visits and school services. Also available is the Heritage Service located at Morden Library.

**FULL TIME EQUIVALENTS**

	<b>2014/15</b>	<b>2015/16</b>
Number of FTE Staff	47.00	45.71
Number of Fixed Term Contract	0.00	1.00
<b>Total FTE</b>	<b>47.00</b>	<b>46.71</b>

**SUBJECTIVE ANALYSIS OF ESTIMATES**

	<b>2014/15 Original Estimate £000</b>	<b>Inflation £000</b>	<b>Other Variations £000</b>	<b>2015/16 Estimate £000</b>
<b>Expenditure</b>				
Employees	1,327	21	(23)	1,325
Premises	401	6	(10)	397
Transport	4	0	0	4
Supplies and Services	582	9	(126)	465
Third Party Payments	65	1	(38)	28
Transfer Payments	0	0	0	0
Support Services	689	0	7	696
Depreciation and Impairment Losses	566	0	(76)	490
<b>GROSS EXPENDITURE</b>	<b>3,634</b>	<b>37</b>	<b>(266)</b>	<b>3,405</b>
<b>Income</b>				
Government Grants	0	0	0	0
Other Reimbursements and Contributions	(114)	0	114	0
Customer and Client Receipts	(327)	0	11	(316)
Interest	0	0	0	0
Recharges	0	0	0	0
Reserves	0	0	0	0
<b>GROSS INCOME</b>	<b>(441)</b>	<b>0</b>	<b>125</b>	<b>(316)</b>
<b>NET EXPENDITURE</b>	<b>3,193</b>	<b>37</b>	<b>(141)</b>	<b>3,089</b>

Other Variations are analysed as follows:

<b>Major Items</b>	<b>£000</b>	<b>fte</b>
Savings	(22)	0.00
Growth	0	
Overheads adjustments	7	
Depreciation adjustments	(76)	
Rebasing of Income	0	
Technical adjustments	(50)	
Transfers between departments	0	
Grants	0	
Other	0	
Use of Reserves Adjustment	0	
<b>TOTAL</b>	<b>(141)</b>	<b>0.00</b>

**COMMUNITY AND HOUSING DEPARTMENT**  
**Housing General Fund**

**Housing Needs and Enabling Service**

**FULL TIME EQUIVALENTS**

Number of FTE Staff

**2014/15**    **2015/16**

32.50        30.53

Number of Fixed Term Contract

0.00        0.00

**Total FTE**

**32.50**     **30.53**

**SUBJECTIVE ANALYSIS OF ESTIMATES**

	<b>2014/15 Original Estimate £000</b>	<b>Inflation £000</b>	<b>Other Variations £000</b>	<b>2015/16 Estimate £000</b>
<b>Expenditure</b>				
Employees	1,310	23	(111)	1,222
Premises	38	1	0	39
Transport	28	1	(1)	28
Supplies and Services	200	3	0	203
Third Party Payments	1,154	21	221	1,396
Transfer Payments	338	0	(34)	304
Support Services	277	0	(26)	251
Depreciation and Impairment Losses	0	0	0	0
<b>GROSS EXPENDITURE</b>	<b>3,345</b>	<b>49</b>	<b>49</b>	<b>3,443</b>
<b>Income</b>				
Government Grants	(969)	0	(171)	(1,140)
Other Reimbursements and Contributions	(5)	0	0	(5)
Customer and Client Receipts	(97)	0	(50)	(147)
Interest	0	0	0	0
Recharges	0	0	0	0
Reserves	(67)	0	67	0
<b>GROSS INCOME</b>	<b>(1,138)</b>	<b>0</b>	<b>(154)</b>	<b>(1,292)</b>
<b>NET EXPENDITURE</b>	<b>2,207</b>	<b>49</b>	<b>(105)</b>	<b>2,151</b>

Other Variations are analysed as follows:

<b>Major Items</b>	<b>£000</b>	<b>fte</b>
Savings	(104)	(1.00)
Growth	0	
Overheads adjustments	(26)	
Depreciation adjustments	0	
Rebasing of Income	0	
Technical adjustments	19	
Transfers between departments	0	
Grants	0	
Other	6	
Use of Reserves Adjustment	0	
<b>TOTAL</b>	<b>(105)</b>	<b>(1.00)</b>

## COMMUNITY AND HOUSING DEPARTMENT

### Adult Social Care

This area includes Older People, Mental Health, Learning Disability, Physical Disability and sensory Impaired clients. It also includes No Recourse to Public Fund, aids support and substance misuse clients, concessionary fares and clients receiving other services.

#### FULL TIME EQUIVALENTS

	2014/15	2015/16
Number of FTE Staff	420.19	360.79
Number of FTE PCT TUPE staff	24.24	22.74
Number of Fixed Term Contract	0.00	1.00
<b>Total FTE</b>	<b>444.43</b>	<b>384.53</b>

#### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Original Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000
<b>Expenditure</b>				
Employees	14,464	379	(486)	14,357
Premises	481	7	(112)	376
Transport	1,167	17	3	1,187
Supplies and Services	3,914	46	1,372	5,332
Third Party Payments	40,565	609	226	41,400
Transfer Payments	9,394	0	157	9,551
Support Services	7,041	0	(109)	6,932
Depreciation and Impairment Losses	76	0	(17)	59
<b>GROSS EXPENDITURE</b>	<b>77,102</b>	<b>1,058</b>	<b>1,034</b>	<b>79,194</b>
<b>Income</b>				
Government Grants	(135)	0	(830)	(965)
Other Reimbursements and Contributions	(7,936)	0	(733)	(8,669)
Customer and Client Receipts	(10,424)	0	(213)	(10,637)
Interest	0	0	0	0
Recharges	(3,109)	0	(136)	(3,245)
Reserves	0	0	0	0
<b>GROSS INCOME</b>	<b>(21,604)</b>	<b>0</b>	<b>(1,912)</b>	<b>(23,516)</b>
<b>NET EXPENDITURE</b>	<b>55,498</b>	<b>1,058</b>	<b>(878)</b>	<b>55,678</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	(2,014)	(46.64)
Growth	157	
Overheads adjustments	(245)	
Depreciation adjustments	(17)	
Rebasing of Income	(220)	
Technical adjustments	(111)	
Transfers between departments	0	
Grants	27	
Other	1,000	
Use of Reserves Adjustment	545	
<b>TOTAL</b>	<b>(878)</b>	<b>(46.64)</b>

## COMMUNITY AND HOUSING DEPARTMENT Senior Management

This area includes the cost of the Director and Executive Assistant

### FULL TIME EQUIVALENTS

Number of FTE Staff

Number of Fixed Term Contract

**Total FTE**

2014/15	2015/16
2.00	2.00
0.00	0.00
<b>2.00</b>	<b>2.00</b>

### SUBJECTIVE ANALYSIS OF ESTIMATES

	2014/15 Original Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000
<b>Expenditure</b>				
Employees	224	1	(1)	224
Premises	0	0	0	0
Transport	0	0	0	0
Supplies and Services	134	2	0	136
Third Party Payments	0	0	0	0
Transfer Payments	0	0	0	0
Support Services	38	0	4	42
Depreciation and Impairment Losses	0	0	0	0
<b>GROSS EXPENDITURE</b>	<b>396</b>	<b>3</b>	<b>3</b>	<b>402</b>
<b>Income</b>				
Government Grants	0	0	0	0
Other Reimbursements and Contributions	0	0	0	0
Customer and Client Receipts	0	0	0	0
Interest	0	0	0	0
Recharges	0	0	0	0
Reserves	0	0	0	0
<b>GROSS INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET EXPENDITURE</b>	<b>396</b>	<b>3</b>	<b>3</b>	<b>402</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	0	
Growth	0	
Overheads adjustments	4	
Depreciation adjustments	0	
Rebasing of Income	0	
Technical adjustments	(1)	
Transfers between departments	0	
Grants	0	
Other	0	
Use of Reserves Adjustment		
<b>TOTAL</b>	<b>3</b>	<b>0.00</b>

**COMMUNITY AND HOUSING DEPARTMENT**  
**Public Health**

Public Health services comprise• Mandatory Services : Sexual health, NHS health checks, National Child Measurement Programme, Support to Clinical Commissioning groups, and assurance of health emergency preparedness. • Universal Services : Smoking cessation, Drugs and alcohol, Obesity

**FULL TIME EQUIVALENTS**

Number of FTE Staff

Number of Fixed Term Contracts

**Total FTE**

2014/15	2015/16
13.77	14.77
0.00	0.00
<b>13.77</b>	<b>14.77</b>

**SUBJECTIVE ANALYSIS OF ESTIMATES**

	2014/15 Original Estimate £000	Inflation £000	Other Variations £000	2015/16 Estimate £000
<b>Expenditure</b>				
Employees	922	0	73	995
Premises	0	0	2	2
Transport	7	0	(5)	2
Supplies and Services	4,431	0	290	4,721
Third Party Payments	4,374	0	(219)	4,155
Transfer Payments	0	0	0	0
Support Services	110	0	62	172
Depreciation and Impairment Losses	0	0	0	0
<b>GROSS EXPENDITURE</b>	<b>9,844</b>	<b>0</b>	<b>203</b>	<b>10,047</b>
<b>Income</b>				
Government Grants	(9,236)	0	0	(9,236)
Other Reimbursements and Contributions	(608)	0	117	(491)
Customer and Client Receipts	0	0	0	0
Interest	0	0	0	0
Recharges	0	0	0	0
Reserves	0	0	0	0
<b>GROSS INCOME</b>	<b>(9,844)</b>	<b>0</b>	<b>117</b>	<b>(9,727)</b>
<b>NET EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>320</b>	<b>320</b>

Other Variations are analysed as follows:

Major Items	£000	fte
Savings	0	
Growth	0	
Overheads adjustments	62	
Depreciation adjustments	0	
Rebasing of Income	0	
Technical adjustments	0	
Transfers between departments	0	
Grants	0	
Other	(62)	
Use of Reserves Adjustment	320	
<b>TOTAL</b>	<b>320</b>	<b>0.00</b>



## Standard Subjective Analysis – The Key

### Introduction

The subjective analysis is the analysis of income and expenditure that is applicable to all Best Value reporting requirements for all accounting periods from 1 April 2008.

We use a set standard subjective analysis for a number of reasons:-

- The subjective analysis is a CIPFA recommended structure.
- It minimises the reporting requirements for Government statistical reporting.
- It provides information in a multi dimensional format for Best Value
- It improves consistency and therefore helps Authorities to make effective comparisons for Best Value and other financial requirements
- A subjective Analysis provides further information that is useful for benchmarking analysis.
- For analysing costs in reviews.

## Glossary of the standard Subjective analysis

### Details of Expenditure groups and what is included:

**1** Employees: This group includes the costs of employee expenses, both direct and indirect to the Authority.

#### Direct employee expenses

- Salaries
- Employer's National Insurance contribution
- Employers retirement benefit costs
- Agency Staff
- Employee expenses

#### Indirect employee expenses

- Relocation
- Interview
- Training
- Advertising
- Severance payments
- Employee - related schemes

**2** Premises: This group includes expenses directly related to the running of the premises and land.

- Energy costs
- Rent
- Rates
- Water Services
- Fixtures and Fittings
- Apportionment of expenses of operating buildings
- Cleaning and Domestic Supplies
- Grounds maintenance costs
- Premises Insurance
- Contribution to premises - related provisions.

**3** Transport: This group includes all costs associated with the provision, hire or use of transport, including travelling allowances and home to school transport..

#### Direct Transport costs

- Repair and maintenance, running costs and contributions to provisions in respect of vehicles.
- Repairs and maintenance of (e.g.) roads included in this heading, but should be included in the relevant subjective headings (such as staff costs, supplies and services etc),

- This could include the write-off in the year of any assets not deemed material by the authority's capital accounting policies i.e. below de minimis thresholds set).
  - Contract hire and operating leases
  - Public Transport
  - Staff Travelling expenses
  - Car allowances
  - Contribution to transport related provisions
- 4** Supplies and Services: This group includes all direct supplies and service expenditure to the authority.
- Equipment, furniture and materials
  - Catering Services
  - Communications and computing includes expenses
  - Grants and subscriptions
  - Private Finance Initiatives and Public Private Partnership schemes.
  - Contributions to provisions
  - Miscellaneous expenses
- 5** Third Party Payments: Independent units within the council; included services defined as category (a) to (e) in Appendix D of BVACOP
- Joint Authorities
  - Other Local authorities
  - Health authorities
  - Government departments
  - Voluntary associations
  - Other establishments
  - Private contractors
  - Other agencies
  - Debit resulting from soft loans
- 6** Transfer Payments: This includes the cost of payments to individuals for which no goods or services are received in return by the local authority. Four sub-groups are suggested: However, this list is not exhaustive.
- Schoolchildren and students
  - Adult Social Services clients
  - Housing benefits
  - Debit resulting from soft loans
- 7** Support Services: Charges for services that support the provision of services to the public.
- Finance
  - IT

- Human Resources
- Property Management /Office Accommodation
- Legal services (not included in the definition of Corporate and democratic Core)
- Procurement Services
- Corporate Services not included in the definition of Corporate and democratic Core)
- Transport Functions

**8** Depreciation and Impairment losses: This provides the subjective analysis that will record the revenue impact of capital items in the services revenue accounts for the authority,

**9** Income: This group included all income received by the services from external users or by way of charges or recharges to internal users.

#### Government Grants

- Specific and special government grants

#### Other Reimbursements and contributions

- Revenue Income received to finance a function/project jointly or severally undertaken with other bodies.
- Contributions from other local authorities.
- Value of costs recharged to outside bodies including other committees.

#### Customer and Client Receipts

- Sales products or materials, data technology or surplus products.
- Fee and charges for services, use of facilities, admissions and lettings
- Rents, tithes, acknowledgements. way leaves and other land and property-based charges of a non-casual user.

#### Interest

#### Recharges

- Value of costs recharged to internal users

#### Reserves

- All credits resulting from soft loans should be included in this subjective (as a corporate entry).

## Risk Analysis for General Fund

- 1 The Council's draft budget for 2015/16, has been analysed to identify key areas of risk. Costs that are regarded as fixed have been disregarded along with Schools' budgets.

	£m
<b>Employees</b>	91.0
Premises Related Expenditure	8.0
Transport Related Expenditure	13.5
Supplies and Services	31.2
Third Party Payments	72.6
Transfer Payments	103.9
Support Services	29.9
Depreciation and Impairment Costs	16.5
Cost of Borrowing	14.1
Pension Fund	4.5
Contingency	1.5
Corporate Provisions	4.6
<b>Incomes</b>	
Government Grants	103.8
Other Grants, Reimbursements and Contributions	24.1
Customer and Client Receipts	57.5
Interest	0.0
Recharges	30.9
Balances	0.0
Asset Rentals: Depreciation & Impairment	16.5
<b>Overall Total</b>	<b>624.1</b>

2. In addition the savings proposals for 2015/19 have been assessed in terms of deliverable risk. The level of deliverable risk is:

Risk Rating	New 2015/16 £000	New 2016/17 £000	New 2017/18 £000	New 2018/19 £000	Previous 2015/19 £000	Total 2015/19 £000
Low	693	3,739	1,027	619	1,141	7,219
Medium	60	4,728	1,770	(283)	4,146	10,421
High	20	2,198	1,208	812	5,208	9,446
<b>Total</b>	<b>773</b>	<b>10,665</b>	<b>4,005</b>	<b>1,148</b>	<b>10,495</b>	<b>27,086</b>

3. Using the data available the levels of risk for the key areas have been assessed as shown in the following table:

	£m	Min %	Mid %	Max %
<b>Employees</b>	91.0	0.25	0.50	0.75
Premises Related Expenditure	8.0	1.50	2.50	3.50
Transport Related Expenditure	13.5	2.00	3.00	4.00
Supplies and Services	31.2	1.50	2.50	3.50
Third Party Payments	72.6	3.00	5.00	7.00
Transfer Payments	103.9	3.00	4.00	5.00
<b>Incomes</b>				
Government Grants	103.8	1.00	2.00	3.00
Other Grants, Reimbursements and Contributions	24.1	1.00	2.00	3.00
Customer and Client Receipts	57.5	1.50	2.50	3.50
<b>Savings</b>				
Low Deliverability Risk	7.2	1.50		
Medium Deliverability Risk	10.4		3.00	
High Deliverability Risk	9.4			7.50
Safety Net Threshold	2.4	100.00	100.00	100.00

4. Applying the risk levels in the table above produces the following level of addressed risk:

	£m	Min £m	Mid £m	Max £m
<b>Employees</b>	91.0	0.23	0.46	0.68
Premises Related Expenditure	8.0	0.12	0.20	0.28
Transport Related Expenditure	13.5	0.27	0.41	0.54
Supplies and Services - DSG	31.2	0.47	0.78	1.09
Third Party Payments	72.6	2.18	3.63	5.08
Transfer Payments	103.9	3.12	4.16	5.20
<b>Incomes</b>				
Government Grants	103.8	1.04	2.08	3.11
Other Grants, Reimbursements and Contributions	24.1	0.24	0.48	0.72
Customer and Client Receipts	57.5	0.86	1.44	2.01
<b>Savings</b>				
Low Deliverability Risk	7.2	0.11		
Medium Deliverability Risk	10.4		0.31	
High Deliverability Risk	9.4			0.71
Safety Net Threshold	2.4	2.40	2.40	2.40
Total		11.05	16.31	21.84

## Merton Council Retail Property Discount 2015/16

The Government announced in the Autumn Statement (3 December 2014) that it wishes local authorities to grant Business Rates (NNDR) relief of up to £1,500 to all occupied retail properties with a rateable value of £50,000 or less that are wholly or mainly being used as shops, restaurants, cafes or drinking establishments. The relief will apply for the 2015/16 financial year. This relief was previously set at up to £1,000 in 2014/15.

### Which properties will benefit from relief?

Properties that will benefit from the relief will be occupied hereditaments with a rateable value of £50,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

In guidance issued central government consider shops, restaurants, cafes and drinking establishments to include properties that are being used for the sale of goods to visiting members of the public and properties that are being used for the provision of the following services to visiting members of the public.

### Eligibility Criteria

Properties that are being used for the provision of the following services to visiting members of the public:

- Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licence, chemists, newsagents, hardware stores, supermarkets etc).
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing)
- Car/ caravan show rooms
- Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)
- Hair beauty services (such as hairdressers, nail bars, beauty salons, tanning shops etc)
- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- DVD/ video rentals
- Tool hire
- Car hire
- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops

- Pubs
- Bars

### **Ineligible businesses/organisations**

The following types of uses are **not** eligible for Retail relief;

Properties that are being used for the provision of the following services to visiting members of the public:

Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers)

Other services (e.g. estate agents, letting agents, employment agencies)

Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)

Professional Services (e.g. solicitors, accountants, insurance agents/financial advisers, tutors)

Post office sorting office

Businesses trading in activities that could bring the scheme into disrepute (e.g. pornography etc.)

Any other properties which are not reasonably accessible to visiting members of the public.

Properties which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

### **How much relief will be available?**

The total amount of government-funded relief available for each property for each of the years under this scheme is £1,000 for 2014/15 and £1,500 for 2015/16. The amount does not vary with rateable value and there is no taper. The relief will be applied against the net bill after all other reliefs.

The discount will be apportioned if there is a change of ratepayer during the year.

### **Application Process**

No formal application form is necessary where we are satisfied the qualifying criteria above is met. From 1 April 2014, we identified all retail properties we considered met the criteria and applied the discount. A form was sent to all these ratepayers, enclosing the qualifying criteria and information concerning State Aid. They were required to return the form to state they met the criteria, and that the amount of relief is did not exceed State Aid limits. (See the De Minimis Regulations (1407/2013))

We will not require re-applications for the 2015/16.

If there is a change of ratepayer during 2014/15 or 2015/16, the eligibility for a discount will be reviewed with regards to the new occupier's use of the property.

### **Decision Making and Appeals**

The Head of Revenues and Benefits will be responsible for approving all applications, with a monthly review by the Director of Corporate Services. There will be no right of appeal.

### **Budget**

Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003) as it expects authorities to grant relief to qualifying ratepayers.



## **Merton Council Transitional Relief Discount 2015/16**

The Government announced in the Autumn Statement (3 December 2014) that it wishes local authorities to grant Business Rates (NNDR) transitional relief discount to small and medium properties which meet the criteria specified. The relief will apply for the financial years 2015/16 and 2016/17. This discount replaces the statutory Transitional Relief Scheme which comes to an end on 31 March 2015.

### **Which properties will benefit from relief?**

Properties that will benefit are those with a rateable value up to and including £50,000 who would have received transitional relief in 2015/16 or 2016/17 had the existing transitional relief scheme continued in its current format. In line with the existing thresholds in the transitional relief scheme, the £50,000 rateable value threshold should be based on the rateable value shown for 1/4/10 or the substituted day in the cases of splits and mergers.

### **How much relief will be available?**

A cap on increases for small properties (with a rateable value of less than £25,500) in both 2015/16 and 2016/17 will be 15% for other properties (with a rateable value up to and including £50,000) the cap will be 25% (before the increase for the change in the multiplier.)

The scheme applies only to properties up to and including £50,000 rateable value based on the value shown for 1 April 2010 or the substituted day in the cases of splits and mergers. Changes in rateable value which take effect from a later date should be recalculated using the normal rules in the transitional relief scheme. The relief will be calculated on a daily basis.

### **Recalculations of relief**

In accordance with the current transitional relief scheme, the amount of relief awarded will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.

### **Application Process**

No formal application form is necessary where we are satisfied the qualifying criteria above is met. From 1 April 2015, we will identify all properties we consider meet the criteria and apply the discount. A form will be sent to all these ratepayers, enclosing the qualifying criteria and information concerning State Aid. They will be required to return the form to state they met the criteria, and that the amount of relief did not exceed State Aid limits. (See the De Minimis Regulations (1407/2013))

We will not require re-applications for 2016/17.

### **Decision Making and Appeals**

The Head of Revenues and Benefits will be responsible for approving all applications, with a monthly review by the Director of Corporate Services. There will be no right of appeal.

### **Budget**

Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003) as it expects authorities to grant relief to qualifying ratepayers.

This page is intentionally left blank