

Cabinet

**Date & time**

Tuesday, 18
December 2012 at
10.30 am

Place

Ashcombe Suite,
County Hall, Kingston
upon Thames, Surrey
KT1 2DN

Contact

Anne Gowing
Room 122, County Hall
Tel 020 8541 9938

Chief Executive

David McNulty

NOTE TIME

anne.gowing@surreycc.gov.uk

Membership: Mr David Hodge (Chairman), Mr Peter Martin (Vice-Chairman), Mrs Mary Angell, Mrs Helyn Clack, John Furey, Mr Michael Gosling, Mrs Kay Hammond, Mrs Linda Kemeny, Ms Denise Le Gal, Mr Tony Samuels and Distribution list AGtest.

If you would like a copy of this agenda or the attached papers in another format, eg large print or braille, or another language please either call 020 8541 9068, write to Democratic Services, Room 122, County Hall, Penrhyn Road, Kingston upon Thames, Surrey KT1 2DN, Minicom 020 8541 9698, fax 020 8541 9009, or email anne.gowing@surreycc.gov.uk or james.stanton@surreycc.gov.uk.

This meeting will be held in public. If you would like to attend and you have any special requirements, please contact Anne Gowing or James Stanton on 020 8541 9938 or 020 8541 9068.

***Note:** This meeting may be filmed for live or subsequent broadcast via the Council's internet site - at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed. The images and sound recording may be used for training purposes within the Council.*

Generally the public seating areas are not filmed. However by entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes.

If you have any queries regarding this, please contact the representative of Legal and Democratic Services at the meeting

1 APOLOGIES FOR ABSENCE

2 MINUTES OF PREVIOUS MEETING: 27 NOVEMBER 2012

The minutes will be available in the meeting room half an hour before the start of the meeting.

3 DECLARATIONS OF INTEREST

To receive any declarations of disclosable pecuniary interests from Members in respect of any item to be considered at the meeting.

Notes:

- In line with the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, declarations may relate to the interest of the member, or the member's spouse or civil partner, or a person with whom the member is living as husband or wife, or a person with whom the member is living as if they were civil partners and the member is aware they have the interest.
- Members need only disclose interests not currently listed on the Register of Disclosable Pecuniary Interests.
- Members must notify the Monitoring Officer of any interests disclosed at the meeting so they may be added to the Register.
- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest.

4 PROCEDURAL MATTERS

4a Members' Questions

The deadline for Member's questions is 12pm four working days before the meeting (*12 December 2012*).

4b Public Questions

(Pages 1
- 2)

The deadline for public questions is seven days before the meeting (*11 December 2012*).

A question has been received from Mr Beaman.

4c Petitions

The deadline for petitions was 14 days before the meeting, and no petitions have been received.

4d Representations received on reports to be considered in private

To consider any representations received in relation why part of the meeting relating to a report circulated in Part 2 of the agenda should be open to the public.

5 REPORTS FROM SELECT COMMITTEES, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL

(Pages 3
- 4)

Recommendations from the Adult Social Care Select Committee in relation to Budget Monitoring.

6 ENABLING NEW DEVELOPMENT - THAMES BASIN HEATHS SPECIAL PROTECTION AREA - SUITABLE ALTERNATIVE NATURAL GREEN SPACES (SANGS) - POLICY REVISION (Pages 5 - 28)

To consider alterations to the existing policy that allows County Council land to be considered as possible Suitable Alternative Natural Green Spaces (SANGS) and agree the level of landowner charge that will be levied for this purpose. SANGS are areas of land that are required to be made available by developers in perpetuity for the leisure use of the occupiers of new developments, the intention being to reduce visitor pressure, and therefore mitigate the impact, on the Thames Basin Heath Special Protection Areas.

[The decisions on this item can be called in by the Environment and Transport Select Committee]

7 CHILDREN, SCHOOLS AND FAMILIES DIRECTORATE ANNUAL REPORT FOR 2011-2012 (Pages 29 - 58)

This report details the achievements of the Children, Schools and Families Directorate in 2011-12. Performance data predominantly reflects the financial year 2011-12 apart from schools data which reflects the 2010/11 academic year. The timing of the report reflects the need to reflect key messages from the Ofsted inspection of children's services in the Autumn 2012. The Children, Schools and Families (CSF) Directorate has made good progress over the past year. A recent Ofsted inspection found Surrey County Council's arrangements for the protection of children to be effective. The directorate has developed a children and young people's strategy for 2012-17 order to sustain continued improvement.

[The decisions on this item can be called in by the Education Select Committee]

8 2012 PROVISIONAL EDUCATION PERFORMANCE OUTCOMES (Pages 59 - 78)

To consider an overview of the provisional educational outcomes of children and young people in early years, primary, secondary and special school phases for the academic year ending in the summer of 2012.

Comments from the Education Select Committee are also included.

[The decisions on this item can be called in by the Education Select Committee]

9 SURREY MINERALS AND WASTE PLANS - ADOPTION OF THE AGGREGATES RECYCLING JOINT DEVELOPMENT PLAN DOCUMENT (Pages 79 - 86)

To recommend to the next meeting of the County Council that the Aggregates Recycling Joint Development Plan Document be adopted. The Development Plan Document contains recommended modifications and amendments as recommended by the Inspector following independent public examination.

Please note that the annexes have been circulated to Cabinet Members only. However, they are available in the Members Reading Room and with

this report on the Surrey County Council website. Hard copies are available on request.

- 10 PROVISION OF HOME BASED BREAKS SERVICES FOR CARERS: APPROVAL TO AWARD A CONTRACT** (Pages 87 - 102)
- To award a fixed price contract to the recommended tenderer for the provision of Home Based Breaks Services for Carers from February 2013. The report provides details of the procurement process and demonstrates why the recommended contract award delivers best value for money for carers and Surrey residents alike.
- [The decisions on this item can be called in by the Adult Social Care Select Committee]*
- 11 CONTRACT AWARD FOR MECHANICAL, ELECTRICAL AND ROOFING MAINTENANCE FRAMEWORKS** (Pages 103 - 108)
- To award three Specialist Construction Framework agreements to the recommended tenderers for the provision of mid-sized planned roofing, mechanical and electrical engineering projects.
- [The decisions on this item can be called in by the Council Overview and Scrutiny Committee]*
- 12 BUDGET MONITORING FORECAST 2012/13 (PERIOD ENDING NOVEMBER 2012)** (Pages 109 - 130)
- To note the year-end revenue and capital budget monitoring projections as at the end of November 2012.
- [The decisions on this item can be called in by the Council and Overview Scrutiny Committee]*
- 13 SURREY COUNTY COUNCIL AND EAST SUSSEX PARTNERSHIP - SHARED SERVICES** (Pages 131 - 136)
- Surrey County Council, as with other public sector bodies, is faced with delivering services to the public in the context of reduced funding. One option to deliver better value for money is to work in collaboration with other councils to deliver services. The Council has entered into a number of discussions with other local authorities to explore collaboration opportunities under the SE7 initiative.
- The Strategy to develop partnerships as key to delivering benefits to residents, ensuring resilience and achieving efficiencies was endorsed by Cabinet in November 2011. The report "Time for Leadership, Leading the Change Agenda" set out the strategy, benefits and framework for working in partnership and collaboration.
- The Change & Efficiency directorate has been evaluating collaboration and partnership opportunities in the context of this strategy and has set out the vision "to be a leading public service provider of innovative business solutions and transformational change".
- In line with this, it is proposed that Surrey County Council and East Sussex County Council enter into a partnership agreement, under which Surrey County Council will carry out transactional support activities and IT Hosting services on behalf of East Sussex County Council.

[The decisions on this item can be called in by the Council Overview and Scrutiny Committee]

- 14 LEADER / DEPUTY LEADER / CABINET MEMBER DECISIONS TAKEN SINCE THE LAST CABINET MEETING** (Pages 137 - 142)

To note any delegated decisions taken by the Leader, Deputy Leader and Cabinet Members since the last meeting of the Cabinet.

15 EXCLUSION OF THE PUBLIC

That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information under the relevant paragraphs of Part 1 of Schedule 12A of the Act.

PART TWO - IN PRIVATE

- 16 CONTRACT AWARD FOR MECHANICAL, ELECTRICAL AND ROOFING MAINTENANCE FRAMEWORKS (PART 2 ANNEX)** (Pages 143 - 148)

This is a Part 2 Annex to agenda item 11.

- 17 PROVISION OF HOME BASES BREAKS SERVICES FOR CARERS APPROVAL TO AWARD A CONTRACT (PART 2 ANNEX)** (Pages 149 - 152)

This is a Part 2 Annex to agenda item 10.

- 18 SURREY COUNTY COUNCIL AND EAST SUSSEX PARTNERSHIP - SHARED SERVICES** (Pages 153 - 156)

This is a Part 2 Annex to agenda item 13.

19 PUBLICITY FOR PART 2 ITEMS

To consider whether the item considered under Part 2 of the agenda should be made available to the Press and public.

20 URGENT ITEM: SITE ACQUISITION FOR POSSIBLE SCHOOL PURPOSES

The Cabinet is asked to approve the acquisition of land currently available as an off-market transaction to possibly assist in the delivery of secondary school places in the Guildford area.

This item has been circulated under the Special Urgency procedures set out in the Council's Constitution.

David McNulty
Chief Executive
PUBLISHED: 7 December 2012
REVISED: 18 December 2012

QUESTIONS, PETITIONS AND PROCEDURAL MATTERS

The Cabinet will consider questions submitted by Members of the Council, members of the public who are electors of the Surrey County Council area and petitions containing 100 or more signatures relating to a matter within the Cabinet's terms of reference, in line with the procedures set out in the Council's Constitution.

Please note:

1. The number of public questions which can be asked at a meeting may not exceed six. Questions which are received after the first six will be held over to the following meeting or dealt with in writing at the Chairman's discretion.
2. Questions will be taken in the order in which they are received.
3. Questions will be asked and answered without discussion. The Leader, Deputy Leader or Cabinet Member may decline to answer a question, provide a written reply or nominate another Member to answer the question.
4. Following the initial reply, one supplementary question may be asked by the questioner. The Leader, Deputy Leader or Cabinet Member may decline to answer a supplementary question.

MOBILE TECHNOLOGY – ACCEPTABLE USE

All mobile devices (mobile phones, BlackBerries, etc) should be switched off or placed in silent mode during the meeting to prevent interruptions and interference with the PA and Induction Loop systems.

Those attending for the purpose of reporting on the meeting may use mobile devices in silent mode to send electronic messages about the progress of the public parts of the meeting. This is subject to no interruptions, distractions or interference with the PA and Induction Loop systems being caused. The Chairman may ask for mobile devices to be switched off in these circumstances.

Thank you for your co-operation

CABINET – 18 DECEMBER 2012

ITEM 4 - PROCEDURAL MATTERS

Public Questions

Question (1) from Mr David Beaman

On 8 October 2012, the Chancellor of The Exchequer announced provision of an additional £450 million to assist local authorities keep Council Tax for 2013/2014 frozen for a third year. Surrey County Council was one of the few local authorities that rejected the offer of a similar grant last year and, as a consequence, Council Tax charges for the current 2012/2013 year for residents of Surrey had to be increased by 2.5% in April. Have any circumstances changed that will allow Surrey County Council to accept this additional grant and allow Council Tax charges for 2013/2014?

Reply:

To be tabled at the meeting.

**David Hodge
Leader of the Council
18 December 2012**

This page is intentionally left blank

ADULT SOCIAL CARE SELECT COMMITTEE**Item under consideration: BUDGET MONITORING****Date Considered: 30 November 2012**

At the meeting on 30 November, the Committee considered a report on Budget Monitoring in Adult Social Care. Discussion on this item centred on the pressures that the Directorate is currently experiencing. A primary reason for these pressures is a significant unforeseen increase in demand for social care assistance, coupled with continuing demographic pressures. The Directorate has been a victim of its own success because of its work to raise awareness. For example, there has been a five-fold increase in the numbers of people diagnosed with early onset dementia that now require assistance.

The Directorate has worked very hard over the last few years to make savings to its budget. The Committee heard from two providers of services to people with learning disabilities. They indicated that they were experiencing their own significant budget pressures due to the savings the Directorate had to make. For example, the Directorate has not given inflationary uplifts in line with RPI since 2007. Providers indicated this meant that the real value of every £1 paid in fees in 2003 is now 86p. This affects the care they are able to provide due to staffing costs, food price increases and the general economic climate.

The Committee was greatly concerned to hear that the savings that the Directorate was being asked to make might ultimately affect the care our residents receive. The Committee recognised that the savings targets were necessary and that the Directorate had worked very hard to meet these but are very concerned that the targets being set for next year are a step too far. There is concern that Adult Social Care is being asked to shoulder more of the burden than other Directorates.

Therefore the Select Committee recommends to the Cabinet:

1. The Adult Social Care Directorate has worked extremely well over the last two years to meet very challenging financial savings targets;
2. The Committee continues to champion preventative measures that will affect the long term figures positively;
3. The savings that have been required and will need to continue may now begin to affect the quality of care in some areas;
4. The Adult Social Care Select Committee formally requests that the Cabinet re-consider the savings targets being imposed on the Adult Social Care Directorate, bearing in mind the demographic challenges and increased demand facing it; and
5. The public need to be informed and prepared for possibly difficult announcements and impacts of the funding allocation from central government due in December and in the future.

Sally Marks
Chairman, Adult Social Care Select Committee

This page is intentionally left blank

SURREY COUNTY COUNCIL**CABINET****DATE: 18 DECEMBER 2012****REPORT OF: MR JOHN FUREY, CABINET MEMBER FOR TRANSPORT AND ENVIRONMENT****LEAD OFFICER: TREVOR PUGH - STRATEGIC DIRECTOR FOR ENVIRONMENT & INFRASTRUCTURE****SUBJECT: ENABLING NEW DEVELOPMENT - THAMES BASIN HEATHS SPECIAL PROTECTION AREA – SUITABLE ALTERNATIVE NATURAL GREEN SPACES (SANGS) - POLICY REVISION****SUMMARY OF ISSUE:**

The restrictions imposed upon new development to prevent likely significant effect upon the habitat of certain ground nesting bird species in the Thames Basin Heath Special Protection Areas has led to a regime of avoidance measures known as Suitable Alternative Natural Green Spaces (SANGS).

SANGS are areas of land that are required to be made available by developers in perpetuity for the leisure use of the occupiers of new developments, the intention being to reduce visitor pressure, and therefore mitigate the impact, upon the Thames Basin Heath Special Protection Areas.

The lack of available SANGS in the areas of the County affected by the restrictions, prevents new development, the purpose of the report being to utilise County Council land as SANGS to assist new development secure planning permission and both create new, and enhance existing, County Council green space land.

The Cabinet is asked to consider alterations to the existing policy that allows County Council land to be considered as possible SANGS and agree the new landowner charges that will be sought from new development.

RECOMMENDATIONS:

It is recommended that:

1. the County Council alters its current Policy by the removal of the requirement that proposals for SANGS are to be considered in the light of whether new housing development is being proposed on land in the Green Belt or on land covered by any other protective or environmental designation, including Sites of Special Scientific Interest, ancient monuments, Area of Outstanding Natural Beauty or Areas of Great Landscape Value; such issues being left for determination by the relevant local planning authority;
2. the County Council alters its current Policy by the removal of the requirement that an uplift payment is to be negotiated upon a site by site basis and instead a standard landowner charge per development be secured for the use of its land as SANGS, in addition to the on site costs of bringing the land up to the required Natural England standards for use as SANGS in perpetuity with the necessary capital, maintenance and management costs, all being secured

through developer payments;

3. the question of whether future SANGS should be provided on individual County Council sites to continue to be considered and approved by the Cabinet Member for Transport & Environment, in consultation with the Strategic Director for Environment and Leader of the Council, on a site by site basis; and
4. the County Council adopts the Policy as set out in Annex 2.

REASON FOR RECOMMENDATIONS:

The potential benefits of SANGS assist in the protection of the bird species which are considered to be at risk due to the ability of SANGS to influence the behaviour of heathland visitors;

As a result of the use of County Council land as SANGS capital, maintenance and management improvements can be undertaken on the land, at no cost to the County Council through developer payments, at the same time as supporting those affected local authorities in achieving their housing targets;

Use of County Council land as SANGS releases land for new development for which the County Council will receive a landowner charge in recognition of the uplift in value that the SANGS bestow on the proposed development sites.

DETAILS:

1. The Cabinet is asked to consider alterations to the existing policy relating to County Council land being made available as SANGS.
2. The legal and historic background of the Thames Basin Heath Special Protection Areas, the European Directive and the habitat protection regime introduced to protect the ground nesting birds, is attached as **Annex 1 and Annex 1 Appendix A**.
3. A plan showing the extent of the Thames Basin Heath Special Protection Areas, and the local planning authority areas affected, is to be found at **Annex 1 Appendix B**.
4. SANGS are areas of land that are required to be made available by developers in perpetuity for the leisure use of the occupiers of the new development, the intention being to reduce the numbers of visitors to the Special Protection Areas (SPAs), in turn reducing the impact and damage to the ground nesting birds habitats.
5. On 5 May 2010 the Cabinet Member for the Environment agreed a policy, regarding the use of County Council land as SANGS in perpetuity, subject to the following conditions-
 - The County Council makes available appropriate land owned by the Council to be used as Suitable Alternative Natural Green space (SANG) where necessary capital, maintenance and management costs are agreed as developer contributions.
 - Such SANG sites should not relate to proposals for new housing development on land in the Green Belt or on land covered by any other protective or environmental designation, including Sites of Special Scientific Interest, ancient monuments, Areas of Outstanding Natural Beauty or Areas of Great Landscape

Value, and

- Agreement of County Council land as SANG sites be considered on a case by case basis and to be subject to:
 - the Council receiving additional payment in recognition of the uplift in value that releasing the land would bestow on the respective development site;
 - a thorough assessment of all relevant financial issues including potential future commercial value; and
 - the approval of the Cabinet Member for Environment.
- 6. On 16 February 2011 the Cabinet Member subsequently agreed that Valley End, Chobham be approved for use as a SANG in conjunction with new residential development at Fairfield House, Sunningdale.
- 7. On 11 July 2011 the Cabinet Member further agreed that Valley End, Chobham be approved for use as a SANG in conjunction with new residential development at Summerwood and Pucksfield, Charters Road, Sunningdale Ascot.
- 8. Following the adoption of the County SANGS Policy concerns were subsequently expressed by three local authorities, Guildford BC, Rushmoor BC and Surrey Heath BC, in addition to Natural England, that the conditions attached to the Policy led to uncertainty in relation to whether the County SANGS could be provided for individual applications and the high level of contributions that would be sought on a site by site basis.
- 9. Officers have considered and discussed the representations at length and agreed that the Policy could be altered to accommodate the concerns expressed; this in turn ensuring that the County SANGS are then available to support new development in the affected local planning authority areas.
- 10. A number of proposed changes have been considered by officers, the changes also being the subject of a consultation with the affected local planning authorities, and a copy of the proposed revised draft policy is to be found at **Annex 2**.
- 11. This report requires two issues to be addressed, the first is the need to revise the existing Policy to meet the local planning authority concerns and the second is to agree the level of landowner charge that will be charged for the use of the County Council's land as SANGS in perpetuity.
- 12. As regards the first issue the concerns of the affected local authorities and Natural England have been addressed, by revising the policy in the terms as set out in **Annex 2** and removing the previous ability to prevent new housing development on land in the Green Belt or on land covered by any other protective or environmental designation, including Sites of Special Scientific Interest, ancient monuments, Areas of Outstanding Natural Beauty or Areas of Great Landscape Value which is an issue for determination by the local planning authorities.
- 13. The second issue relates to the previous requirement for a fixed uplift tariff, this tariff having previously been set at a level that it was considered would not adversely affect the ability to develop residential sites but a tariff that realised a reasonable financial uplift for County land, as a result of being utilised as SANGS in perpetuity, the tariff being in addition to the costs of the necessary works to the land to achieve satisfactory SANGS, all costs being recovered through developer contributions.

14. As a result of the concerns as to the impact of such a level of uplift on viability in less affluent development areas it was agreed to adopt a charge based upon the size of the development, a matrix of the proposed charges being set out in the proposed policy.

CONSULTATION:

15. A consultation with the affected local planning authorities has been undertaken and responses were received from eight authorities.
16. Such responses were generally positive although a range of further issues were raised which required consideration, a summary of the responses and the County Council's further clarification is set out in **Annex 3**.
17. The further clarification addresses the issues and confirms that the negotiations with each developer are intended to take place in advance of the planning application process and as a result the application process should not be delayed.
18. It is therefore considered that the revised policy will be of assistance to those developers who do not have access to alternative and available SANGS land and will in turn allow development to be brought forward which would otherwise be restrained by the requirements of the European Directive.

RISK MANAGEMENT AND IMPLICATIONS:

19. Under the European Habitats Directive if SANGS are not available to support new development in any 'zone of influence' then Natural England have no alternative but to lodge an objection to any application that it is considered will cause damage to the SPA area and its protected species.
20. The lack of available SANGS land will affect the ability of the affected local planning authorities to meet their housing targets and as a result affect their ability to support the growth agenda in Surrey.
21. The future availability of land for SANGS in Surrey is likely to be a finite resource, given the fact that each SANG has an agreed capacity of residential units that can be supported by it, and as a result the regime could have a damaging effect on the long term implications for growth in Surrey and the wider economy if an alternative regime for mitigation is not established.
22. Officers have been asked to consider all alternative mitigation measures with a view to such measures being considered and hopefully adopted by the relevant bodies and organisations, whilst bearing in mind that the mitigation is required as a result of a European Directive.

Financial and Value for Money Implications

23. Developers would be expected to pay for the access management arrangements, the capital costs incurred in bringing the land condition up to the SANGS standards and the maintenance and management costs of the land once allocated for use as a SANG, all of these arrangements being in addition to any current service level expenditure. Such capital works could include new car parks, new and upgraded footpaths and new and improved information and interpretation.

24. The specific requirements of each new SANGS site will determine the extent and design of the capital works to bring the site up to the standards required by Natural England, the costs of the works being apportioned by the level of mitigation required and paid for by the respective developers.
25. Where County Council land is made available for use as SANGS the development land which is linked to it will become developable, subject to planning permission being granted, and because the development land cannot secure a planning permission without the benefit of the SANG land the County Council will seek a landowner payment in recognition of the uplift in value that releasing the land bestows upon the related development land.
26. As SANGS are required to be maintained in perpetuity it is also necessary to ensure that any land proposed as a SANG is first assessed to ascertain whether it has any alternative commercial or other development value before the land is allocated as a SANG.
27. The adoption of a landowner charge, based on the sq m of the respective residential unit as opposed to a fixed sum per residential unit, is proposed as a result of the need to balance on the one hand a reasonable charge for the use of the land in perpetuity and on the other a landowner charge which does not prejudice the viability of new development.
28. The proposed landowner charge also reflects the fact that a large proportion of new residential development is likely to encompass smaller unit sizes and as a result the level of charge per sq m for such units has been reduced in order to reflect the lower viability thresholds of development of this size.
29. The previously utilised tariff of £10,000 per residential unit, whilst having been acceptable in relation to higher value developments, is not acceptable to the affected local authorities because future development will encompass a range of residential unit sizes and a charge of this size will clearly affect the viability of smaller residential units.
30. The landowner charges matrix has been developed to overcome this problem and as a result the income anticipated by the proposed new landowner charge, calculated on a 'per sq m' basis, is likely to be less than £10,000 per residential unit tariff where a development consists of a range of residential unit sizes of between 1 and 4 bedrooms and more than £10,000 per residential unit tariff where a development consists of unit sizes of more than 4 bedrooms, or where the residential units are larger than the average house sizes.
31. It is hoped that the new landowner charge matrix will be more acceptable to developers than the previous tariff and the likely income will be higher, in overall terms, as a result of a possible increased demand for use of County Council land as SANGS.
32. The following are suggested income calculations, based upon average dwelling sizes published by the Commission for Architecture and the Built Environment (CABE) in April 2010, using the proposed landowner charge matrix –

Studio flat	(20 sq metres)	£20 per sq m	£400
1 bed flat	(46 sq metres)	£50 per sq m	£2,300
2 bed flat	(60 sq metres)	£50 per sq m	£3,000
3 bed flat	(88 sq metres)	£50 per sq m	£4,400

1 bed house (66 sq metres)	£50 per sq m	£3,300
2 bed house (70 sq metres)	£50 per sq m	£3,500
3 bed house (94 sq metres)	£75 per sq m	£7,050
4 bed house (119 sq metres)	£75 per sq m	£8,925
5 bed house (160 sq metres)	£100 per sq m	£16,000

33. Officers are unable to accurately quantify the overall financial impact of adopting the proposed landowner charge matrix because we are unable to accurately predict the number of developments, their locations or their mix and whether a particular development will wish to utilise a County Council SANG rather than an alternative area of land.
34. However as an indication of the potential impact, if the proposed landowner charge matrix had been applied to a development of ten 2 bedroom units, prior to the adoption of this policy, the County Council would have received £35,000 as opposed to the £100,000 it actually received using the £10,000 per unit tariff. Had the development consisted of ten 5 bedroom residential units then the County Council would now receive £160,000, instead of the £100,000, using the proposed landowner charge matrix.
35. These calculations highlight the variable nature of the income, which will be dependent upon the exact number and mix of development coming forward in the future. A decision as to how this potential income stream is to be utilised by the County Council has yet to be agreed but a decision will need to be taken before the adopted policy is published and developers begin negotiations with officers in relation to the availability of County Council land as SANGS.
36. An annual review mechanism has also been incorporated within the proposed policy to ensure that the landowner charge matrix can be reconsidered should issues regarding viability require the matrix to be formally reviewed in the light of experience and any changes to market conditions.

Section 151 Officer Commentary

37. The financial impacts of the recommendations are explained from paragraph 23 onwards. In particular, the decision to adopt the proposed landowner charge could result in reduced income to the County Council. However this would depend on the number and exact nature of developments using County Council land as SANGS, which itself is difficult to predict, and in addition it is expected that the revised charges will be more acceptable to developers, which could lead to increased use of County Council land as SANGS.

Legal Implications – Monitoring Officer

38. The Thames Basin Heaths SPA is designated under European Directive 79/409/EEC and Natural England has identified that net additional development up to 5km from the designated sites is likely to have a significant effect on the integrity of the SPA and as a result the effect of new development in such areas is required to be mitigated; the SANGS regime being the strategy that has been implemented to mitigate the impacts of such development.
39. The provision of County Council land as SANGS assists those local planning authorities affected by the SANGS regime and prospective developers in mitigating the impacts of such development upon the Thames Basin Heaths Special Protection Areas.

Equalities and Diversity

40. The report, which proposes strategic policy changes, does not propose changes that would have adverse impacts on any of the designated groups under the equalities legislation and it is on this basis that it is not necessary to undertake an Equalities Impact Assessment.
41. Any impacts at the level of the individual SANGS should be beneficial by providing suitable recreational space close to new development for people to enjoy access to green space etc.
42. The key issue from an equalities perspective will be to ensure that accessibility issues are taken account of on an individual site-by-site basis and any new or upgraded access facilities on future SANGS will be designed to comply with the County Council's least restrictive access principles.

Public Health implications

43. SANGS potentially creates additional public open space, near to new residential development, for a variety of outdoor recreational uses, offering exercise opportunities to assist in improving the public's health.

Climate change/carbon emissions implications

44. The County Council attaches great importance to being environmentally aware and wishes to show leadership in cutting carbon emissions and tackling climate change and the development of SANGS potentially creates additional open space for recreational use near to new residential development, thus reducing unnecessary private vehicle journeys to the Thames Basin Heaths Special Protection Areas.

WHAT HAPPENS NEXT:

45. If the recommendations are accepted the respective local planning authorities and Natural England will be notified of the amended policy, the policy will be publicised and officers will begin the necessary work to identify and bring forward further prospective SANGS sites.

Contact Officer:

Paul Druce, Infrastructure Agreements Manager
Tel: 020 8541 7386
email: paul.druce@surreycc.gov.uk

Consulted:

Trevor Pugh, Strategic Director Environment and Infrastructure
Ian Boast, Assistant Director Environment
Lisa Creaye-Griffin, Countryside Group Manager
John Stebbings, Chief Property Officer
Affected local planning authorities in Surrey in addition to Windsor & Maidenhead RB and Rushmoor BC
Mr Tony Samuels, Cabinet Member for Assets and Regeneration Programmes

Annexes:

Annex 1 and Annex 1 Appendix A - the legal and historic background of the Thames Basin Heath Special Protection Areas, the European Directive and the habitat protection regime introduced to protect ground nesting birds.

Annex 1 Appendix B - plan showing the extent of the TBH SPAs.

Annex 2 - proposed revised draft policy.

Annex 3 - summary of the local planning authority responses and the County Council's further clarification.

Sources/background papers:

- 5 May 2010 - Cabinet Member for the Environment Report: agreed the Policy regarding the use of County Council land as SANGS subject to certain conditions
 - 16 February 2011 - Cabinet Member for the Environment Report: agreed that Valley End, Chobham be approved for use as SANG in connection with development at Fairfield House, Sunningdale.
 - 12 July 2011 - Cabinet Member for the Environment Report : agreed that Valley End, Chobham be approved for use as a SANG in connection with development at Summerwood and Pucksfield, Charters Road, Sunningdale Ascot
-

**THAMES BASIN HEATHS SPECIAL PROTECTION AREA
SUITABLE ALTERNATIVE NATURAL GREEN SPACES
POLICY REVISION**

Background Information

- 1 The Thames Basin Heath, which covers parts of Surrey, Hampshire and Berkshire, is a rare example of lowland heathland, being home to three important bird species, the Nightjar, the Dartford Warbler and the Woodlark. It is protected by European law and is designated as a “Special Protection Area” (SPA), the heath and the birds that nest and breed there being easily disturbed by people and their pets, the extent of the SPA being shown on the map at Annex 2.
- 2 As part of the work to prepare the old South East Plan the local authorities surrounding the Thames Basin Heath undertook a considerable amount of work to develop ways to ensure that any new development, particularly residential development, minimised the impact on the heathland and its birds. Advised by a number of other partners, including the Government Office for the South East and Natural England, the local authorities established the Thames Basin Heath Joint Strategic Partnership.
- 3 The Partnership’s Board developed a Delivery Framework which sets out measures to be implemented to help avoid likely significant effect on the SPA arising from new development, the County Council being represented on the Board by the Cabinet Member for Environment and Transport.
- 4 The Delivery Framework is a non-statutory document and was endorsed by the Partnership Board on 12 February 2009. The Partnership Board recommended the local authorities affected by the SPA to use the Delivery Framework to guide the production of local avoidance and mitigation strategies and appropriate policies in their Local Development Frameworks (now Local Plans), the Board continuing to guide implementation of the Delivery Framework and the access management and monitoring work.
- 5 The Delivery Framework has two main elements:
 - access management on the SPA, and
 - provision of Suitable Alternative Natural Greenspaces (SANGS).

Access Management

- 6 The Delivery Framework acknowledges that owners of SPA land have a duty to improve the quality of the SPA to “favourable condition” status. The County Council owns a considerable area of prospective SPA land, which includes Chobham, Ockham and Wisley, Whitmoor, and Bisley and West End Commons. All this land is part of the Council’s Countryside Estate and is managed by Surrey Wildlife Trust, the Trust working with Natural England to improve the nature conservation value of the land to “favourable condition”, the condition of the habitat being assessed by Natural England according to nationally agreed criteria.

- 7 Access management of SPA land has to be undertaken by existing landowners and land managers under arrangements co-ordinated by Natural England. The Delivery Framework sets out an overarching strategy for access management on the SPA and SANGS, which include
 - a consistent SPA/SANG message which may include signs, leaflets, educational material, etc
 - guidance on access management on the SPA eg including rangers, seasonal restrictions, campaigns, etc
 - guidance over access management on SANG, eg provision of attractive facilities.
- 8 Access management on the SPA was intended to be funded by developer contributions which are sought at planning application stage of new development proposals, any SANG being provided in perpetuity which has been legally defined as a period over 80 years. A proportion of the developer contributions will fund necessary monitoring, including habitat condition, bird numbers, access management and visitor surveys.
- 9 The new access management regime could potentially be valuable in providing guidance to members of the public who use the SPA heathland by advising them of the reasons why, for example, dogs need to be controlled in such areas.
- 10 The County Council have agreed to participate in the new arrangements with its partner, the Surrey Wildlife Trust.

Suitable Alternative Natural Greenspace(SANGS)

- 11 Under the old South East Plan and detailed in the Delivery Framework, SANGS are created in order to provide alternative recreational land to attract new residents away from the SPA's, SANGS being delivered by local authorities, and currently funded by developer contributions, in perpetuity. SANGS are to be provided for any new development lying within a "zone of influence" which is defined as any area between 400m and 5km from the perimeter of the SPA, there being a presumption against any development within 400m of the SPA's perimeter. The text of the old South East Plan policy NRM6 "Thames Basin Heaths Special Protection Area" is set out in Annex 1 Appendix A .
- 12 Under the Delivery Framework SANGS should be provided on new or existing public open space taking into account existing patterns and rights of public use, any existing nature conservation interests and its relationship within a wider accessible open space or any network of green infrastructure.
- 13 Appropriate references to SANGS and other SPA related impact avoidance measures are made in each of the local authority's Local Plans, supported where appropriate by supplementary planning or guidance documents.
- 14 Guidance documents are being produced by each of the affected local planning authorities, being called "avoidance strategies" and avoidance strategies have been produced by Elmbridge, Guildford, Runnymede, Surrey Heath, Woking and Waverley Borough Councils; the avoidance strategies indicating and describing potential SANGS sites in each of the Borough's.

- 15 The Guildford Borough Council Avoidance Strategy 2009-2014 has proposed SANGS on three sites owned by the County Council, namely:-
- Broad Street and Backside Common,
 - Stringers Common, and
 - Tongham Pools.
- 16 The first two sites are part of the Countryside Estate and are leased to and managed by Surrey Wildlife Trust. The third site was acquired by the County Council for the construction of the Blackwater Valley highways route, but as it is not part of the highway corridor it is currently managed by the Estates and Property Service, in conjunction with the Blackwater Valley Countryside & Management Partnership.
- 17 It is likely over time that Avoidance Strategies in a number of local authorities will include proposals for SANGS on County Council land, local authorities in Hampshire and Berkshire already seeking the provision of SANGS on County Council land, because of the lack of availability of suitable land in their own areas.
- 18 SANGS provision is currently funded by developer contributions collected by the local authority and is provided in advance of occupation of the new development. The calculation of contributions can take account of any land acquisition costs, upgrading costs and maintenance and management costs in perpetuity.
- 19 Contribution tariffs are currently set out in the avoidance strategies and are based on the size of new dwellings in terms of the number of bedrooms proposed, as a reflection of the number of additional residents and include the cost of identified works on SANGS sites, tariffs being updated on an annual basis in line with the Retail Price Index.
- 20 With the advent of the Community Infrastructure Levy, and the transfer of the collection of the majority of developer contributions from s106 to the Levy, tariffs will have to be assessed upon the sq metre size of the new development that is being proposed in the future.

This page is intentionally left blank

**THAMES BASIN HEATHS SPECIAL PROTECTION AREA
SUITABLE ALTERNATIVE NATURAL GREEN SPACES
POLICY REVISION**

**South East Plan Policy NRM6 “Thames Basin Heaths Special Protection Area”
The South East Plan Regional Spatial Strategy for the South East of England.
- GOSE May 2009**

New development, which is likely to have a significant effect on the ecological integrity of Thames Basin Heaths Special Protection Area (SPA), will be required to demonstrate that adequate measures are put in place to avoid or mitigate any potential adverse effects. Such measures must be agreed with Natural England.

Priority should be given to directing development to those areas where potential adverse effects can be avoided without the need for mitigation measures. Where mitigation measures are required local planning authorities, as Competent Authorities, should work in partnership to clearly set out and deliver a consistent approach to mitigation, based on the following principles:

- i a zone of influence set at 5km linear distance from the SPA boundary will be established where measures must be taken to ensure that the integrity of the SPA is protected.
- ii within this zone of influence there will be a 400m “exclusion zone” where mitigation measures are unlikely to be capable of protecting the integrity of the SPA. In exceptional circumstances this may vary with the provision of evidence that demonstrates the extent of the area within which it is considered that mitigation measures will be capable of protecting the integrity of the SPA. These small locally determined zones will be set out in local development frameworks (LDFs) and SPA avoidance strategies and agreed with Natural England.
- iii where development is proposed outside the exclusion zone but within the zone of influence, mitigation measures will be delivered prior to occupation and in perpetuity. Measures may be based on a combination of access management, and the provision of Suitable Alternative Natural Green Space (SANGS).

Where mitigation takes the form of provision of SANG the following standards and arrangements will apply:

- iv a minimum of 8 hectares of SANGS land (after discounting to account for current access and capacity) should be provided per 1,000 new occupants.
- v developments of fewer than 10 dwellings should not be required to be within a specified distance of SANGS land provided it is ensured that a sufficient quantity of SANGS land to cater for the consequent increase in residents prior to occupation of the dwellings.
- vi access management measures will be provided strategically to ensure that adverse impacts on the SPA are avoided and that SANG functions effectively.

- vii authorities should co-operate and work jointly to implement mitigation measures. These may include, inter alia, assistance to those authorities with insufficient SANG land within their own boundaries, cooperation on access management and joint development plan documents.
- viii relevant parties will co-operate with Natural England and landowners and stakeholders in monitoring the effectiveness of avoidance and mitigation measures and monitoring visitor pressure on the SPA and review/amend the approach set out in this policy as necessary.
- ix local authorities will collect developer contributions towards mitigation measures, including the provision of SANG land joint contributions to the funding of access management and monitoring the effects of mitigation measures across the SPA.
- x large developments may be expected to provide bespoke mitigation that provides a combination of benefits including SANG, biodiversity enhancement, green infrastructure and, potentially, new recreational facilities.

Where further evidence demonstrates that the integrity of the SPA can be protected using different linear thresholds or with alternative mitigation measures (including standards of SANG provision different to those set out in this policy) these must be agreed with Natural England.

The mechanism for this policy is set out in the TBH Delivery Framework, by the TBH Joint Strategic Partnership and partners and stakeholders, the principles of which should be incorporated into local authorities LDF's.

Supporting Text

The Thames Basin Heaths Special Protection Area (SPA) is designated under European Directive 79/409/EEC because of its populations of three heathland species of birds – Dartford Warbler, Nightjar and Woodlark. This designation covers parts of 15 local authority areas and three counties and is likely to have a major impact upon the potential for development within these areas and others adjoining it.

Natural England has identified that net additional housing development (residential institutions and dwellings) up to 5km from the designated sites is likely to have a significant effect (alone or in combination with other plans or projects) on the integrity of the SPA. Initial advice from Natural England is that an exclusion zone of 400 metre linear distance from the SPA is appropriate. The district level housing allocations for the affected sub-regions presuppose that a workable approach to dealing with the effects of development on the SPA can be found. Local authorities that are affected by the designation should deal, in their Local Development Documents, with the issue of the effects of development on the SPA, and put forward a policy framework to protect the SPA whilst meeting development requirements. The focus of this policy is on avoidance and mitigation of the effects of residential development. This does not obviate the need for possible Habitats Regulation Assessment on other forms of development.

Nor do the provisions of this policy exclude the possibility that some residential schemes (and, in particular relatively large schemes) either within or outside the 5km zone might require assessment under the Habitats Regulations due to a likely significant effect, alone or in combination with other plans or projects, and subject to advice from Natural England.

Applications for all non-residential development will need to be subject to Habitats Regulation Assessment where they are likely to have significant adverse impact on the Thames Basin Heaths SPA.

To assist local authorities in the preparation of Local Development Documents, and to enable development to come forward in a timely and efficient manner, Policy NRM6 sets out the extent of mitigation measures required, based on current evidence. The evidence available indicates that effective mitigation measures should comprise a combination of providing suitable areas for recreational use by residents to buffer the SPA and actions on the SPA to manage access and encourage use of alternative sites. Such measures must be operational prior to the occupation of new developments to ensure that the interests of the SPA are not damaged. Local Authorities and Natural England will need to co-operate so that the effect of mitigation measures can be monitored across the SPA.

Where developers propose a bespoke solution, this will be assessed on its own merits under the Habitats Regulations. The SANG requirement for bespoke solutions may vary according to the size and proximity of development to the SPA; early consultation with Natural England and the local planning authority is encouraged.

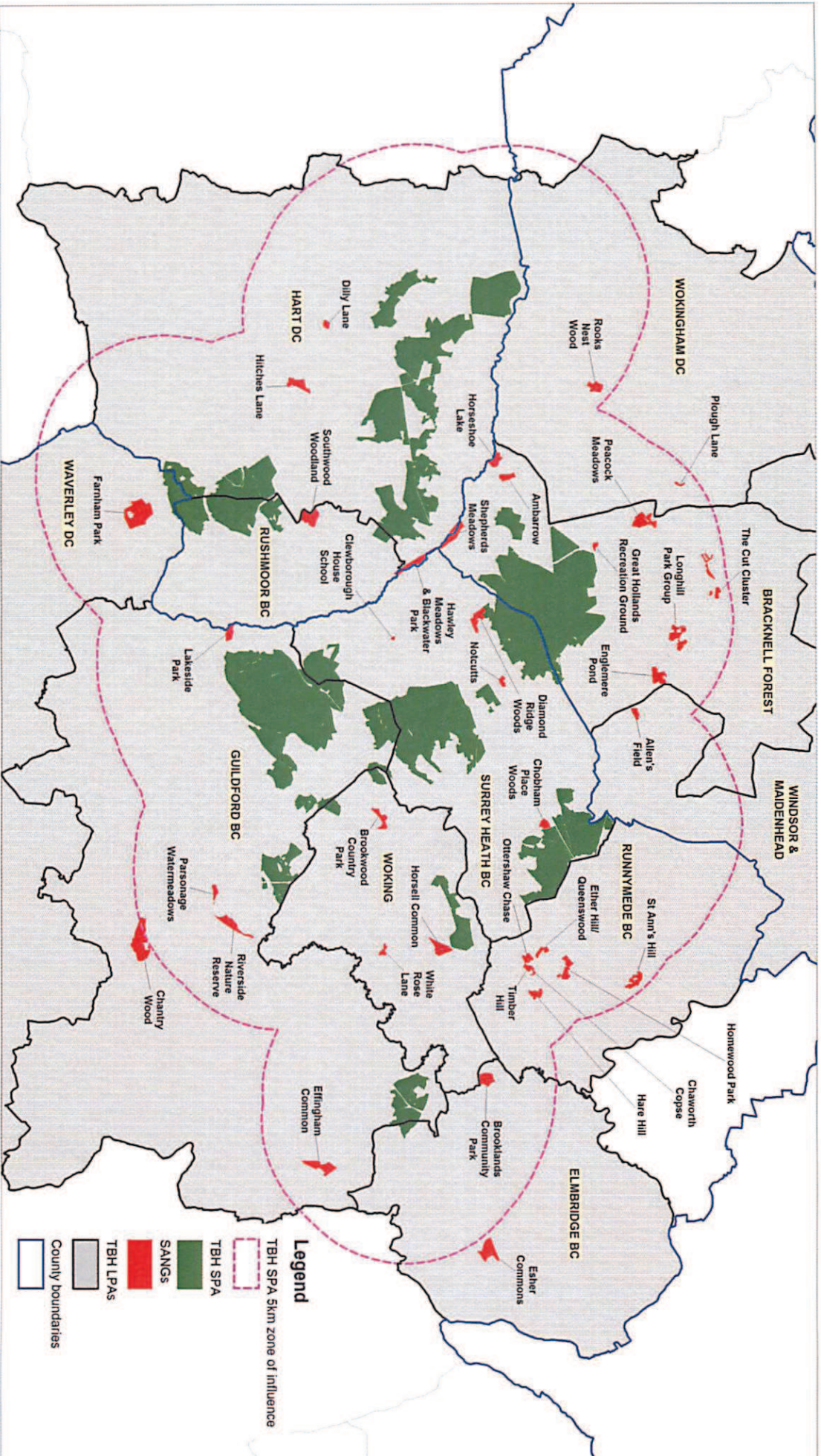
Should it become apparent during the lifetime of this Plan that alternative arrangements may need to apply these must be brought forward with the agreement of Natural England.

One route would be the publication of supplementary guidance to this Plan by Natural England to set out alternative arrangements or further details.

This page is intentionally left blank

Thames Basin Heaths SANGS as at September 2012
 Site boundaries are indicative only. Definitive site boundaries are held by the relevant local authority

ANNEX 1 - APPENDIX B



This page is intentionally left blank

**THAMES BASIN HEATHS SPECIAL PROTECTION AREA
SUITABLE ALTERNATIVE NATURAL GREEN SPACES
POLICY REVISION**

SANGS on County Council Land – Proposed Policy

The County Council intends to participate in delivering avoidance strategies for the Thames Basin Heaths Special Protection Area and where land owned by the County Council appears to meet Natural England’s criteria for use as a Suitable Alternative Natural Green Space its suitability will then be assessed.

County Council land being considered for use as a Suitable Alternative Natural Green Spaces (SANGS) will be subject to -

- an assessment having been undertaken of all relevant financial issues, including any potential future alternative commercial value of the identified land,
- an assessment having been undertaken of any biodiversity, habitat or similar issues, arising from the use of the land as a potential SANGS, and any conflicts being properly mitigated or compensated,
- all necessary capital, maintenance and management costs of the creation of a potential SANGS being identified and agreed, such costs being recovered from the developer(s) who require(s) the SANGS to support their development,
- the assessment of the landowner payment, in recognition of the uplift in value that the SANGS bestows upon the proposed development site, and
- the approval of the Cabinet Member for Environment and Transport (or any successor role) that the above mentioned requirements have been addressed to that Member’s satisfaction.

Once land has been identified as a suitable SANGS it will be made available upon completion of all the necessary works and processes to create a SANGS, including the assessment of its capacity, and the approval of the SANGS by Natural England (or any successor body) has been secured.

Where identified land has been designated as a SANGS the proposed use of the identified SANGS will be subject to the prior receipt by the County Council of a landowner payment for each new residential unit, in recognition of the uplift in value that releasing the identified land as a SANG will bestow on the related development site, in accordance with the following matrix –

Studio flat	£20 per sq metre
1 bed flat	£50 per sq metre
2 bed flat	£50 per sq metre
3 bed flat	£50 per sq metre
1 bed house	£50 per sq metre
2 bed house	£50 per sq metre
3 bed house	£75 per sq metre

4 bed house	£75 per sq metre
5 bed house and above	£100 per sq metre

The County Council will review this matrix and its values upon an annual basis and the affected local authorities will be consulted upon any proposals to change the values before any changes are implemented.

**THAMES BASIN HEATHS SPECIAL PROTECTION AREA
SUITABLE ALTERNATIVE NATURAL GREEN SPACES
POLICY REVISION**

**County Council SANGS Policy
Consultation upon proposed revisions**

Those local planning authorities affected by the County Council proposals were consulted to enable their views to be taken into account when deciding whether to adopt the proposed changes to the policy, detailed responses being received from Guildford, Runnymede, Rushmoor, Surrey Heath, Windsor & Maidenhead and Woking; all of which welcomed the changes but raised additional concerns.

The responses have been considered by the relevant portfolio holders and will be taken into account when the final report goes to Cabinet in December.

The summary below addresses the responses and further clarifies the intentions of the County Council as regards its policy in order to address some apparent misconceptions as to how the policy is intended to operate.

Summary of responses and further clarification

Concerns in respect of how the policy would work in practical terms.

It is intended that the policy will operate upon the basis that the County Council is acting as a landowner, in relation to the availability of their land as a SANG, and not as a planning authority.

As such the question of whether any County Council land is suitable as a SANG to support development, in addition to the landowner costs, are matters that will be agreed with each developer before a planning application is submitted.

Any agreement between the County Council and the Developer will form part of the application and will confirm the availability of the SANG, should planning permission be granted.

Collection of charges through CIL rather than by a separate landowner agreement.

It is intended that any landowner costs will be agreed and collected outside of the CIL regime.

Lawfulness of uplift charge (or the landowner charge as suggested by several LPA's).

As the County Council are acting as a landowner they are therefore within their rights to seek compensation for the imposition of a covenant in perpetuity upon their land.

It is interesting to note that three of the authorities that responded to the consultation also impose a similar charge or accept that it is reasonable for private landowners to seek recompense in this way.

Uncertainty due to lack of process information/guidance and possible delays in completing all necessary documentation.

As stated earlier it is intended that the availability of land as a SANG to support a development will be agreed before a planning application is submitted to the planning authority.

As a result there should be no delays to the planning application process arising from County Council land being made available as a SANG.

Lack of known proposed sites and scale of charges affects certainty of provision and ability to collect through CIL.

It is intended that a list of available sites will be developed over time, as each SANG comes on line, following earlier developer requests and planning applications. The schedule of landowner charges will be made available to enable developers to calculate the costs involved prior to their planning application being submitted.

The negative effects of the charges upon viability levels of development in each LPA area and other s106 infrastructure.

It is considered that the viability of any particular proposal will vary from case to case particularly where the development costs, including SANGS, have not been taken into account as part of the site valuation/purchase exercise.

The County Council have agreed within the policy that they will review the landowner costs upon an annual basis which will provide an early opportunity to review any negative affects that the level of costs are perceived to have had on the viability levels of particular developments.

Concerns as regards competition with existing SANGS sites.

It is intended that County Council land is to be considered as land of last resort, particularly in a situation where a developer has been unable to secure suitable alternative land as a SANG.

If the concerns expressed as regards the County Council landowner costs are correct then any existing SANGS, with usable capacity remaining, are unlikely to be detrimentally affected.

Evidence required supporting proposed calculations of uplift charge particularly for larger dwellings and an annual review date required.

The proposed landowner costs have been levied upon the basis of the average size of residential units (Source: Dwelling size survey (April 2010) – CABE), taking into account charges levied in relation to existing landholdings and developments, adjusted to reduce the burden upon smaller units of accommodation.

It is intended that the landowner costs will be reviewed annually.

Lack of the full range of residential accommodation (including other types of residential accommodation) in proposed table of uplift charges.

It is not thought reasonable to attempt to list every type of accommodation and it is considered that the range of accommodation listed in the schedule is a reasonable guide to the likely costs a developer will incur when applied to their intended mix of residential accommodation.

Need for planning permission and Environmental Assessments for each proposed SANGS site.

The County Council land will be the subject of an appraisal that will identify key sensitivities and issues for each of the areas of land that would need to be investigated further as part of the planning application that is seeking to include that land as a SANG.

Once agreement is reached with the developer it will be for the relevant local planning authority to determine whether the proposed development, including any changes of land use or management needed in respect of the SANG, requires an Environmental Impact Assessment (EIA) under the provisions of the Town & Country Planning (Environmental Impact Assessment) Regulations 2011.

Should an EIA be required by the local planning authority it will be the responsibility of the developer to carry out the environmental impact assessment of the proposed development and the associated SANG as part of their planning application. If any planning issues arise in relation to any County Council land proposed as a SANG it will be dealt with as part of the developers planning application.

Interaction with Natural England's Strategic Management payment (SAMM) and existing LPA avoidance strategies.

It will be for the planning authority and the developer to determine and agree what costs arise in connection with the SAMM payment as part of the planning application process.

This page is intentionally left blank

SURREY COUNTY COUNCIL**CABINET****DATE: 18 DECEMBER 2012****REPORT OF: MRS MARY ANGELL, CABINET MEMBER FOR CHILDREN AND FAMILIES****LEAD OFFICER: NICK WILSON, STRATEGIC DIRECTOR CHILDREN, SCHOOLS AND FAMILIES****SUBJECT: CHILDREN, SCHOOLS AND FAMILIES DIRECTORATE ANNUAL REPORT FOR 2011-2012****SUMMARY OF ISSUE:**

This report details the achievements of the Children, Schools and Families Directorate in 2011-12. Performance data predominantly reflects the financial year 2011-12 apart from schools data which reflects the 2010/11 academic year. The timing of the report reflects the need to reflect key messages from the Ofsted inspection of children's services in the Autumn 2012. The Children, Schools and Families (CSF) Directorate has made good progress over the past year. A recent Ofsted inspection found Surrey County Council's arrangements for the protection of children to be effective. The directorate has developed a children and young people's strategy for 2012-17 order to sustain continued improvement.

The directorate received national recognition for the implementation of its new integrated children's system (ICS) and for an innovative savings scheme for looked after children. Other successes for the directorate include continuing low levels of young people who are not in education, employment and training (NEET) and reducing first-time entrance to the youth justice system to an all-time low.

Pupils in Surrey's maintained schools continue to perform well at each key stage and in most cases remained above the national average in 2011. Results for pupils attending the virtual school for children at key stage 1 continue to be well above national averages for children in care and at key stage 4 are the highest ranking amongst statistical neighbours.

The directorate's annual report 2011/12 details work that will be undertaken over the next year to enable the delivery of the best outcomes at all stages of childhood and support the most vulnerable children and their families. Financial pressures in the next few years will have a strong impact on the directorate as will toughened inspection frameworks for multi-agency safeguarding and schools. Following the Ofsted inspection of children's services there is still much to do, particularly in strengthening the cohesiveness of partnership working and implementing a coordinated programme of early help. Shared understanding of service thresholds is needed as is the embedding of the use of the common assessment framework (CAF) as a holistic tool for responding to children's needs. These areas will be taken forward through a public value programme, the children and young people's partnership and the Surrey Safeguarding Children Board.

RECOMMENDATIONS:

It is recommended that:

1. The good progress that has been made by the Directorate and achievements over the last year be noted.
2. The publication of the CSF directorate annual report be agreed.

REASON FOR RECOMMENDATIONS:

To note the progress and plans detailed in the 2011/2012 annual report and allow them to be published and shared with the wider council and its partners.

DETAILS:

1. The directorate has made good progress over the past 12 months and this was confirmed by the Ofsted inspection of Surrey County Council's arrangements for the protection of children in September 2012. The inspection found that the directorate's work to keep children safe is effective. The directorate is child focused, listening and making a difference to vulnerable children and young people. A number of highly innovative projects are underway to improve outcomes for children and improve value for money.
2. The children and young people's strategy for 2012-17 has been developed in order to sustain continued improvement. This will help the directorate work more closely with its partners and with children, young people and their families to provide high performing services that deliver the best outcomes at all stages of childhood, and support the most vulnerable.
3. The children and young people's strategy is underpinned by the 'lifecourse outcomes' approach, which aims to help the directorate better understand the types of support that children and young people need at each stage of their childhood, and enable better working with partners. It is intended to develop a common narrative for the directorate's aspirations for children and young people and will become a corner piece of its commissioning framework. It has four priorities that reflect the areas the directorate most need to focus on with partners: prevention, protection, participation and potential.

Leadership and management

4. Nick Wilson continued as Strategic Director for Children, Schools and Families. Councillor Mary Angell continues as statutory Lead Member for Children's Services. Councillor Linda Kemeny replaced Councillor Tim Hall earlier this year and holds the Children and Learning portfolio. Councillor Kay Hammond has continued in her role as portfolio holder for Community Safety (containing services for Young People). The Deputy Directors Caroline Budden, P-J Wilkinson and Garath Symonds have also played an important role in supporting Nick Wilson's leadership of the directorate.
5. Ofsted found that senior leaders within Surrey County Council are well supported by elected members and have delivered significant improvements. There is also a good understanding of strengths and areas for development

within the council through well developed performance management and quality assurance structures.

Prevention

6. Early help is provided through a preventative approach so that children and young people are provided with additional support alongside traditional case work to prevent the need for more acute or specialist services. The preventative service comprises three teams: family group conference, extended hours service and HOPE.
7. The family group conference (FGC) service works with young people who are on the cusp of being accommodated. A key success of the FGC in the first quarter of 2011/2012 (April to August 2011) was that 128 children were prevented from being looked after.
8. The extended hours service became operational in September 2011, providing practical and therapeutic multi-agency support for young people on the edge of becoming accommodated. Feedback from service users and partners has been positive.
9. HOPE offers a therapeutic day service for young people with mental health issues who are at risk of family or placement breakdown. In 2011-2012, HOPE worked with 119 young people. Key successes include preventing 35 young people from requiring admission to a child psychiatric unit, and increasing average attendance to 79% among young people of compulsory and over compulsory school age, compared to 24% average attendance before their involvement with HOPE.
10. From April 2011 to March 2012, 1381 common assessment frameworks (CAF)s were completed, exceeding the target of 1,000 for that period. It is likely that the target for 2012/2013 (1,000) will be exceeded, with 521 CAFs completed between April to July 2012. There has been a focus on auditing CAFs, monitoring outcomes and gathering user feedback in order to evaluate the effectiveness of early help. Work continues to encourage services, partners and frontline staff to use the CAF appropriately as a holistic assessment and response to children's needs, and to encourage consistent quality of assessment.
11. Surrey continues to have one of the lowest teenage pregnancy rates in the country. Latest data (2010) indicates that the conception rate for girls under 18 in 2008-2010 was down to 21.4 per 1000 from 22.3 per 1000 in 2007-2009. This is lower than the teenage pregnancy rate average in England 2008-2010 of 38.1 per 1000. The rates for sexually transmitted infections for young people between 2009/10 and 2010/11 fell amongst 15-19 year olds but increased for those under 15. Nationally, the sexually transmitted infections rate fell slightly for both under 15s and 15-19s. Over the past year the Youth Support Service has established new borough based local sexual health schemes. School nurse and drop in clinics have been established in target areas, and are working to gain the 'You're Welcome' quality standard accreditation so that they reach out to young people who might otherwise be reluctant to use them.
12. The targeted mental health in schools programme has been extended to over 200 schools, offering training in mental health awareness. The targeted

mental health in schools team will continue to promote and develop the key messages to all schools in Surrey, thus ensuring more effective mental and emotional health support for all pupils.

13. Young people's housing support panels became operational in September 2012, and a new homelessness prevention service aims to ensure no young person is homeless or is placed in bed and breakfast accommodation.
14. Surrey is implementing the national troubled families agenda through the Surrey Family Support Programme. The government defines troubled families as those who are involved in crime and anti-social behaviour and have a child not in school and an adult on out-of-work benefits. This definition does not cover all the families with multiple problems who live in Surrey so a database is being developed with input from the Department for Work and Pensions, the police and other partners to target families who would most benefit from the programme. The Surrey Family Support Programme has agreed to work jointly with partners to support 1,000 families with multiple problems over the next two years. Local coordination of this work will be led by a small team of staff managed by each borough and district council and supported by the County Council, police and other agencies. All families eligible for the support programme will undergo a single multi-agency assessment, incorporating the common assessment framework, and will have a single multi-agency plan covering the whole family. A team around the family approach will bring together all agencies and professionals working with the family with the aim of intelligently coordinating people and resources. Each of the families in the programme will be given 12 weeks of intensive support provided by family coordinators based in the local borough and district teams.
15. The Surrey Family Support Programme is currently working with partners in other directorates, the voluntary sector and district and borough colleagues to coordinate support and information for families affected by welfare reforms. This will include training and briefings for staff, and publicity about services that can offer advice/advocacy. The child poverty chapter of the Surrey joint strategic needs assessment (JSNA) will be reviewed in 2013, to inform the directorate's on ongoing strategic approach to child poverty.

Protection

16. Following a review of the Surrey Safeguarding Children Board (SSCB), four area safeguarding groups were established in 2011. Key achievements include championing responses to the problem of child sexual exploitation (CSE) and development of a new children's services threshold document. Work next year will ensure that service thresholds are adhered to by all key agencies and establish a clear joint commitment with partners of an integrated early help offer.
17. Domestic abuse continues to be a significant priority and a number of workstreams are being developed and implemented. A service level agreement is now in place for a centralised commissioning arrangement for specialist domestic abuse outreach services, using service providers and service user views to inform commissioning.
18. In line with national trends, the numbers of looked after children continued to rise in 2011/12, reaching 807 at the end of March 2012. 39.5% of looked after children were placed outside Surrey (March 2012). Children placed within their

own kinship networks grew from 40 in April 2011 to 100 at the end of March 2012. Most kinship placements are within Surrey, with extended families, allowing existing relationships and commitments to continue.

19. Following a request for more help with savings, a scheme has been developed for looked after children that will see the council match savings made by young people, and the development of a bursary funded by county councillors. This is the first scheme of its kind nationally.
20. In January 2012, Surrey County Council Children's Services won 'best project delivery' at the UK Public Sector Digital Awards for the implementation of a new integrated children's system (ICS). Ofsted praised Surrey for the swift implementation of the new system and resulting improvements in service delivery. The new ICS has improved safeguarding of children through improved increased visibility of data and a reduction in the duplication of records.

Participation

21. Following major reorganisation, a new Youth Support Service provides an integrated response for Surrey's most vulnerable young people, complemented by the commissioning of a range of targeted provision for those at risk of failing to make a successful post-16 transition.
22. The proportion of young people not in education, employment or training (NEET) has remained low relative to statistical neighbours. Latest figures for June 2012 show that Surrey was one of the best performing authorities (at 4.1%), ranking second among its statistical neighbours.
23. The percentage of young people achieving level 2 qualifications by age 19 increased by 2% to 84.6% in 2010/11. This meant that the 2012 target of 83.2% was exceeded a year early. Similar progress was seen at level 3, with a record high of 65.5% attaining this level. Local targets were again exceeded early as the 2011 level 3 results were above the 2015 target of 65%.
24. Surrey has achieved an 85% reduction in first time entrants to the youth justice system between 2008 and 2012, the lowest per capita in England, with the projection for 2012 -13 indicating a further 50% reduction. First time entrants to the youth justice system are now the lowest ever. Use of custody is the lowest per capita use of custody in England for any sizeable authority and represents a 73% reduction in the use of custody in Surrey over the last five years. The most recent Ministry of Justice figures (March 2012) indicate a 28.3% re-offending rate for young people in Surrey. The continued downward trend is encouraging against a flat performance in the south-east region and an increase nationally.
25. There has been a significant increase in the number of young people requesting advocacy support, 34 in 2011-2012 compared to 7 in the previous 12 months, suggesting that more children and young people are aware of their rights. In response to this increased demand, the service has run an advocacy training course for new advocates. Following the training, several new external advocates have been added. The training is being extended to social workers to provide issue based advocacy support to young people making a complaint.

26. The directorate received 326 complaints, an increase of 31%, with a corresponding increase in complaints made directly by young people. Three quarters of complaints were responded to within 10 working days at the first stage of the process. The directorate improved the quality of responses at stage one and recorded a low level, 3%, of escalation to stage two. The team is focusing on resolution and learning from complaints and works closely with senior managers in operational services to address improvements to practise.

Potential

27. Early years' provider quality is consistently above regional and national averages, with 81% of early years providers achieving good or outstanding in Ofsted inspections, compared to 78% for the south east region and 74% nationally.
28. The proportion of children in the Early Years Foundation Stage reaching the national indicator (NI) 72 milestone (good progress in the early learning goals) has increased from 64.1% in 2010 to 65.7% and indications for end of school year (July 2012) show a further increase to 70.4%. The gap between the lowest achieving 20% in the early years foundation stage and the median (NI 92) has reduced from 30.1% in 2010 to 28.5%, with indications for July 2012 showing a further reduction to 27.6%. The gender gap has reduced from 17.8% to 15.4%, with boys having made good progress during the period. There have been steady improvements in the proportion of children gaining six or more points in the personal, social and emotional development scales. Focus continues on targeted intervention work for children with English as an additional language, children with special educational needs, and to address boys' writing in the early years.
29. At key stage 1, Surrey is ranked in the top 10 local authorities nationally for both reading and maths and in the top 20 for writing. Key stage 2 results in individual subjects improved by at least one percentage point in 2011, which is on a par with national figures.
30. At key stage 4 the percentage of pupils achieving five or more GCSEs or equivalents at grades A* to C including English and maths increased from 62% to 63.4%; this was five percentage points above the national average in 2011.
31. Pupils eligible for free school meals showed improved attainment across all key stages in the 2011 results and narrowed the gap with their peers.
32. Of all school inspections carried out to 31 March 2012, 71.9% of Surrey state-funded schools were judged to be good or outstanding compared with 69.8% nationally. 27.3% of schools were judged as 'outstanding', compared to 21.2% nationally. Fourteen schools were judged as 'inadequate', representing 3.6% of Surrey's schools and academies, compared with 2.3% nationally. New data has since been published by Ofsted. The new data is included in the provisional education outcomes paper which is item 8 on the agenda at today's Cabinet.
33. In January 2012, 5,345 pupils (2% of 0-19s) had statements of special educational needs (SEN) maintained by Surrey. 98% of statutory assessments are completed within prescribed timescales. The percentage of pupils with statements attending schools in Surrey (regardless of which local

authority maintains the statement) has remained consistent over the last five years at 3%. The SEN strategy is currently being revised to improve the range of special school provision and support the inclusion of more pupils.

34. Total permanent exclusions figures for 2012, based on five half terms of data, are on a par with the previous academic year, following several year-on-year reductions (43 exclusions in half-terms 1-5 in 2011/12). Fixed term exclusions continued to fall, with 4440 in half-terms 1-5 in 2012, compared to 4561 for the same period in 2011.
35. The virtual school is for children in care who attend real school settings with a nominated designated teacher acting as their 'champion'. Results at Surrey's virtual school at key stage 1 continue to be well above all national averages for children in care. Significant improvements continue in reading and writing, with reading levels at 83% approaching those for all pupils in Surrey (86%) and the 2011 maths result (92%) exceeding the national figure for all children (90%) and just one percentage point lower than for all Surrey children. Despite high numbers of children with a statement of special educational needs and others on the code of practice in the key stage 2 cohort, results from last year were maintained in both English and maths. 58% of pupils made expected progress in maths between key stage 1 and key stage 2, and 68% in English. Performance at key stage 2 in English is below national averages, but the gap has been closed in maths and Surrey's ranking against statistical neighbours has improved for all measures.
36. The virtual school in 2011 saw a considerable improvement at key stage 4 in all measures, delivering the best results since the introduction of higher thresholds. Just over half of all children in care achieved five or more A*-G grades - an 11% improvement; 37% achieved five or more A*-C grades - a 14% improvement and six percentage points higher than the national average; and 22% achieved five or more A*-C including English and maths - an 11% improvement and nine percentage points higher than the national average. These results place Surrey as the highest ranking local authority among its statistical neighbours.
37. The 2010/11 overall absence rate for secondary pupils on roll in out-of-county educational provision pupils showed an improvement of just under 2%, despite a slight increase in the overall number of fixed term exclusions. The absence rate for pupils on roll in Surrey provision remained static, despite a significant reduction in fixed term exclusions.
38. Surrey, as a member of SE7¹, is one of 20 national special educational needs and disability (SEND) pathfinders who are currently trialling the Government's plans for a new approach for young people with SEND. The aim is to design and test a new single, integrated assessment process and plan. The Surrey pathfinder team has recruited families to trial the new process and participate in joint training and network meetings with key workers who will support them through the trial process. According to interim feedback from national evaluation, Surrey's progress is generally in line with the national picture but has been particularly successful in engaging parents and carers. New challenges are anticipated as the pathfinder moves into its delivery phase, and a number of possible solutions may need to be trialed and tested.

¹ Surrey, Hampshire, Kent, Medway, Brighton and Hove, East and West Sussex

39. Surrey's Gypsy Roma Traveller (GRT) children and young people needs assessment was published in 2012. It has been welcomed across a range of services, with staff commenting that it has deepened their understanding of GRT needs and issues and raising awareness for future commissioning. The needs analysis and associated chapter in the joint strategic needs assessment (JSNA) have been commended by the organisation 'Friends, Families and Travellers' as examples of good practice for other local authorities. It is expected that the needs analysis to inform development of a strategy in the coming months.
40. A children and young people's partnership board has been established, consisting of key commissioning agencies. It aims to focus on those things where two or more partners working together can add value. In June 2012 a peer challenge team observed 'a strong appetite' among partners for the development of a collective narrative about Surrey's vulnerable children. Partnership work in the next 12 months will build on this and also focus on delivering on the government's troubled families agenda by implementing the family support programme across Surrey; developing an inter-agency children's plan, and implementation of an integrated child protection unit.

CONSULTATION:

41. The Children, Schools and Families directorate annual report has been developed with input from managers across the directorate and in discussion with Cabinet Members.

RISK MANAGEMENT AND IMPLICATIONS:

42. The Annual Report highlights the successes of the CSF directorate over the past year. It also includes information on future work to continue to improve outcomes for some groups of children and young people. This will enable the directorate to anticipate and mitigate against risks which may have an adverse effect on some groups of children and young people in the future.
43. Budget cuts in the next few years will have a strong impact on the directorate, so in order to mitigate against this risk and sustain continued improvement the directorate has developed its children and young people's strategy for 2012-17.

Financial and Value for Money Implications

44. The Directorate budget for 2011/12 was £283m, with allocations to services as follows:
- Schools & Learning £187m
 - Children's Services £81m
 - Services for Young People £15m
45. 2011/12 was the first year of the 2011 comprehensive spending review, with the Directorate being affected by grant rationalisation and the removal of targeted ring-fencing for many grants such as Sure Start and Aiming High. The economic climate worsened during the financial year and there were ongoing concerns about further reductions to public funds. The Directorate

successfully achieved target savings of £10.5m in 2011/2012, and, in planning for further significant savings over the next 5 years (over £40m), have used an additional underspend in 2012/13 to help achieve further savings and address the increasing demand of child protection cases and services.

46. The final Dedicated School Grant for 2011/12 was £688m. This reduced by £62m during the financial year as academy schools were established. During the financial year, 21 schools converted to academy status, which represents nearly 6% of the total schools in Surrey. The 2011/12 directorate capital budget was £56m and mainly funded the statutory provision of additional school places and school maintenance. There will be a capital investment of £244m over the next 5 years for the provision of additional school places across the county.

Section 151 Officer Commentary

47. The Section 151 Officer confirms that all material financial information has been included in this report.

Legal Implications – Monitoring Officer

48. The 2011/2012 Annual Report details how the Children, Schools and Families Directorate meets its statutory requirements. We are also working to respond to new government policy and legislation that will have an impact on services and children, young people and families in Surrey. The Directorate will continue to work to meet current and future legislative requirements.

Equalities and Diversity

49. The vision of the children and young people's strategy 2012 – 2017 is to deliver high performing services that deliver the best outcomes at all stages of childhood, and support the most vulnerable. A central part of the work of the directorate is to narrow the gap in outcomes between the majority of children and young people in Surrey and those who are vulnerable or disadvantaged. The annual report details work that the Children, Schools and Families Directorate have undertaken to improve the outcomes for protected groups. These actions include the Surrey's Gypsy Roma Traveller (GRT) children and young people needs assessment, the special educational needs and disability (SEND) pathfinders pilots for disabled children and the early help and preventative approach.
50. There is no specific equalities impact assessment (EIA) for the annual report as it does not propose any new policy, function or service changes and the recommendation for Cabinet Members is for publication of the annual report. Any new policy, function or service changes detailed in the annual report within the CSF directorate will fully consider the equalities impact assessment on protected groups.

Other Implications:

51. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	Set out below.
Safeguarding responsibilities for vulnerable children and adults	Set out below.
Public Health	Set out below.
Climate change	No significant implications arising from this report)
Carbon emissions	No significant implications arising from this report

Corporate Parenting/Looked After Children implications

52. Surrey's looked after children achieve less well across a range of social, health and educational outcomes when compared to their Surrey peers, all of which impacts upon their life chances and future prospects. The CSF directorate continues to take account of its corporate parenting responsibilities and the impact on looked after children. The directorate also this year launched the looked after children savings scheme which was the first of its kind in the country in order to help looked after children's financial skills development. Paragraph 5.4 of annex one details work to support looked after children and the actions to be taking over the coming year to improve outcomes for this group and continue to ensure Surrey is an effective corporate parent.

Safeguarding responsibilities for vulnerable children and adults implications

53. The 2011/2012 annual report details the work the directorate has taken to make children and young people in Surrey safe and also the actions the directorate will take over the coming year to ensure that children and young people remain safe.

Public Health implications

54. The 2011/2012 annual report identifies actions that have been undertaken with a view to improving both the physical and mental health of children and young people in Surrey. Actions include the HOPE service which is an early intervention for young people with mental health issues and sexual health schemes.

WHAT HAPPENS NEXT:

55. The 2011/2012 annual report will be made available to the council and partners. The CSF directorate will continue to work to deliver the best outcomes at all stages of childhood, and support the most vulnerable

Contact Officer:

Jo Holtom (020 8541 7150)
Kerry Merrill (01372 833994)

Consulted:

Children, Schools and Families Directorate Leadership Team
Councillor Linda Kemeny – Cabinet Member for Children and Learning
Councillor Kay Hammond – Cabinet Member for Safer Communities
Children, Schools and Families Directorate Leadership Team
Service Managers across the Children, Schools and Families Directorate

Annexes:

- Annex 1 – Children Schools and Families Directorate Annual Report 2011-12

Sources/background papers:

- Ofsted Inspection of local authority arrangements for the protection of children 19 October 2012.
-

This page is intentionally left blank

Annual Report 2011-2012

Children, Schools and Families Directorate

1. Introduction

The annual report of Nick Wilson, Strategic Director Children Schools and Families summarises the directorate's progress over the past 12 months, and areas for development going forward. Performance data predominantly reflects the financial year 2011-12 apart from schools data which reflects the 2010/11 academic year.

There are 272,800 children and young people aged 0 to 19 in Surrey, and we want to ensure that they all benefit from living in this prosperous and economically competitive county. This includes being healthy, safe, well educated, having leisure opportunities at each stage of their childhood and having good employment prospects.

The timing of the report reflects the need to reflect key messages from the Ofsted inspection of children's services in the Autumn 2012. The Ofsted inspection of Surrey County Council's arrangements for the protection of children in September 2012 found that our work to keep children safe is effective. We are child focused, we are listening and our work is making a difference to vulnerable children and young people. Following the Ofsted inspection of children's services there is still much to do including implementing an early help approach to tackle problems before they become more serious, and strengthening our work with partners. Financial pressures in the next few years will have a strong impact on the directorate, and in order to sustain continued improvement we have developed our children and young people's strategy for 2012-17. This will help us work more closely with our partners and with children, young people and their families to provide high performing services that deliver the best outcomes at all stages of childhood, and support the most vulnerable. A number of highly innovative projects are underway to improve outcomes for children and improve value for money.

2. Leadership and management

Nick Wilson continued in his role as strategic director for Children, Schools and Families. Councillor Mary Angell continues as statutory Lead Member for Children's Services. Councillor Linda Kemeny replaced Councillor Tim Hall earlier this year and holds the Children and Learning portfolio. Councillor Kay Hammond has continued in her role as portfolio holder for Community Safety. The Deputy Directors Caroline Budden, P-J Wilkinson and Garath Symonds have also played a hugely important role in supporting Nick Wilson's leadership of the directorate.

Ofsted found that senior leaders within Surrey County Council are well supported by elected members and have delivered significant improvements. There is also a good understanding of strengths and areas for development within the council through well developed performance management and quality assurance structures.

3. New children and young people's strategy and lifecourse outcomes

The Children and Young People's Strategy 2012-17 was published in September 2012, following consultation with a range of internal and external partners, elected members, children, young people and families. It has four priorities that reflect the areas we most need to focus on with partners, so that we can use our common resources more effectively. These are:

- **Prevention** - we will support children and young people to have positive contributions and achievements by promoting outcomes that will help boost their own and their families' capacity to avoid developing problems.
- **Protection** - we will protect Surrey's children and young people to keep them safe from harm and neglect, so that they can grow up in an environment that allows them to achieve their best.
- **Participation** - we will increase the number of children and young people in Surrey participating in the best opportunities on offer in the county and beyond.
- **Potential** - we will provide and support excellent opportunities and services for Surrey's children and young people so they can realise their full potential.

Lifecourse outcomes

The children and young people's strategy is underpinned by the 'lifecourse outcomes' approach, which aims to help us better understand the types of support that children and young people need at each stage of their childhood, and enable us to work better with partners. It is intended to develop a common narrative for our aspirations for children and young people and will become a corner piece for our commissioning framework.

Delivery plans

The children and young people's strategy will be delivered through three plans:

- The **health, wellbeing and safeguarding plan** will protect children, promote their physical and emotional health and wellbeing, and improve outcomes for families, engaging a wide range of partners such as clinical commissioning groups, police and schools.
- The **education and achievement plan** will build on strong partnership working with local education providers to achieve good educational outcomes at all stages in a child's life.
- The **young people's employability plan** will deliver the county council's strategy of full participation for all children and young people.

4. Prevention

4.1 Early help

Our preventative approach aims to ensure problems are identified early so that children and young people are provided with additional support alongside traditional case work to prevent the need for more acute or specialist services. The preventative service comprises three teams:

- The family group conference (FGC) service works with young people who are on the cusp of being accommodated. Of the FGCs held in the first quarter of 2011/2012 (April to August 2011), 128 children were prevented from being looked after; 12 subject to care proceedings went back to their family; and 12 were rehabilitated back to family/friends. 43 young people with FGC plans were not prevented from becoming looked after, and 29 families withdrew from the FGC process.
- The extended hours service became operational in September 2011, providing practical and therapeutic multi-agency support for young people on the edge of becoming accommodated. Feedback from service users and partners has been positive.
- HOPE offers a therapeutic day service for young people with mental health issues who are at risk of family or placement breakdown. In 2011-2012, HOPE worked with 119 young people. Key successes include preventing 35 young people from requiring admission to a child psychiatric unit, and increasing average attendance to 79% among young people of compulsory and over compulsory school age, compared to 24% average attendance before their involvement with HOPE.

As reflected within our two year public value programme, one of our most important challenges going forward is to strengthen our focus on early help to stop issues escalating, making it easier for children and young people to stay on track and realise their potential. We will need to work effectively with partners to implement coordinated early help across the county, and agree thresholds for when to use social care as an intervention and when to use less targeted provision. We will need to develop our evidence base to demonstrate the effectiveness of our approach in preventing the need for statutory services.

4.2 Common assessment framework (CAF)

From April 2011 to March 2012, 1,381 CAFs were completed, exceeding the target of 1,000 for that period. It is likely that the target for 2012/2013 (1,000) will be exceeded, with 521 CAFs completed between April to July 2012. There has been a focus on auditing CAFs, monitoring outcomes and gathering user feedback in order to evaluate the effectiveness of early help. Work continues to encourage services, partners and frontline staff to use the CAF appropriately as a holistic assessment and response to children's needs, and to encourage consistent quality of assessment.

4.3 Physical health

Surrey continues to have one of the lowest teenage pregnancy rates in the country. Latest data (2010) indicates that the conception rate for girls under 18 in 2008-2010 was down to 21.4 per 1000 from 22.3 per 1000 in 2007-2009.

The rates for sexually transmitted infections for young people between 2009/10 and 2010/11 fell amongst 15-19 year olds but increased for those under 15. Nationally, the sexually transmitted infections rate fell slightly for both under 15s and 15-19s. Over the past year the Youth Support Service has established new borough based local sexual health schemes providing contraception, condom distribution, Chlamydia testing, advice/signposting and where appropriate, engagement with families around risky sexual behaviours. School nurse and drop in clinics have been established in target areas, and are working to gain the 'You're Welcome' quality standard accreditation so that they reach out to young people who might otherwise be reluctant to use them.

4.4 Emotional wellbeing and mental health

The targeted mental health in schools programme has been extended to over 200 schools, offering training in mental health awareness. The targeted mental health in schools team will continue to promote and develop the key messages to all schools in Surrey, thus ensuring more effective mental and emotional health support for all pupils. Schools can also access early advice and consultation from borough-based primary mental health workers.

The child and adolescent mental health service (CAMHS) partnership has increased capacity with the deployment of four CAMHS senior nurse practitioners. CAMHS youth advisors continue to involve young people in service development, including training CAMHS staff and peer education in schools. A new and innovative service, 'No Labels', uses a youth work approach to support young people with significant mental health needs who do not wish to engage with statutory services. A mental health equalities project led by Services for Young People will review how needs are being met. The mental health public value review is investigating how children in families where adult or sibling mental health is a concern can be better supported.

4.5 Children and young people with disabilities

In 2011/12, 1,920 disabled children and young people accessed short break activities. Over 250 families are now in receipt of direct payments and there has also been a corresponding increase in the provision of carers breaks grants, which allow families to tailor their own support. Surrey has published a 'short breaks statement' which provides a description of the range of services available. We are also ensuring that necessary savings can be achieved without impacting on individual care packages.

A specific focus on transition, with closer links between children's and adults' services, has enabled earlier planning to take place. Data collection regarding the needs of young people in transition is supporting joint projects with Adult Services to increase the range of options for young adults to remain living in Surrey, reducing costly out of county college placements.

4.6 Housing and youth homelessness

A rapid improvement event earlier this year delivered significant improvements in working relationships with borough and district housing authorities, and a potential resource of 15 bed spaces for young people has been identified. The joint housing protocol is being updated and a common referral form and eviction process has been agreed with all accommodation providers, with a restorative justice approach used to avoid eviction. Young people's housing support panels became operational in September 2012, and our new homelessness prevention service, which went live in November 2012, aims to ensure no young person is homeless or placed in bed and breakfast accommodation.

4.7 Surrey Family Support Programme

Surrey is implementing the national troubled families agenda through the Surrey Family Support Programme. The government defines troubled families as those who are involved in crime and anti-social behaviour and have a child not in school and an adult on out-of-work benefits. This definition does not cover all the families with multiple problems who live in Surrey so a database is being developed with input from the Department for Work and Pensions, the police and other partners to target families who would most benefit from the programme.

We have agreed to work jointly with partners to support 1,000 families with multiple problems over the next two years. Local coordination of this work will be led by a small team of staff managed by each borough and district council and supported by the county council, police and other agencies. All families eligible for the support programme will undergo a single multi-agency assessment, incorporating the common assessment framework (CAF), and will have a single multi-agency plan covering the whole family. A team around the family approach will bring together all agencies and professionals working with the family with the aim of intelligently coordinating people and resources. Each of the families in the programme will be given 12 weeks of intensive support provided by family coordinators based in the local borough and district teams.

4.8 Families in poverty

Surrey's families in poverty strategy aims to develop a joint approach with partners to tackle child poverty and its effects locally. It is intended to improve cohesiveness by:

- Encouraging better planning and coordination of services by providing borough and district needs assessments to inform local commissioning.
- Identifying key provision and enhancing this through new, targeted local projects.
- Developing training to raise awareness among frontline staff about family poverty and its effects, including benefits changes and their implications for service users.
- Improving information about available services to ensure families are signposted to appropriate support at an early stage and prevent difficulties from escalating.

The Early Years and Childcare Service promotes the availability of childcare and the support available to pay for it, and thus plays a key role in reducing child poverty. Children's centres can support families to prepare for and/or return to work, and together with the Surrey Family Information Service, provide information about means-tested and non means-tested benefits and services. The young people's employability plan signed off by cabinet in July 2012 contains key actions to tackle worklessness in families, supporting the goal for all young people to participate in education, employment or training, and break the cycle of poverty.

We are currently working with partners in other directorates, the voluntary sector and district and borough colleagues to coordinate support and information for families affected by welfare reforms. This will include training and briefings for staff, and publicity about services that can offer advice/advocacy. Outcomes from district and borough projects commissioned in 2011/12 as part of Surrey's families in poverty strategy are currently being evaluated, and learning will be shared with key partners to help sustain the effective approaches. The child poverty chapter of our joint strategic needs assessment (JSNA) will be reviewed in 2013, to inform our on ongoing strategic approach.

5. Protection

5.1 Safeguarding boards

Following a review of the Surrey Safeguarding Children Board (SSCB), four area safeguarding groups were established in 2011, forming a vital framework for partnership working. Positive achievements of the area groups include:

- Establishing domestic abuse services for children and funding support groups for adult victims.
- Development of a new children's services threshold document.

- Regular liaison meetings with schools' child protection officers.
- Championing responses to the problem of child sexual exploitation (CSE) across all agencies and successfully raising awareness.
- A joint assessment protocol in the north-west for teenagers who self-harm.
- Funding of specialist training for practitioners on targeted parenting courses.

The service has agreed to switch from being a training provider to a training commissioner. The next year has major challenges and the SSCB will concentrate on:

- Ensuring that service thresholds are adhered to by all key agencies for children in need and those in need of protection.
- Establishing a clear joint commitment with partners to the implementation of an integrated early help offer.
- Implementing the agreement to deliver an integrated child protection initial and risk assessment unit.
- Ensuring that assessments clearly evaluate risks, needs and protective factors, and that consideration of ethnicity and diversity informs planning and interventions.
- Ensuring that child protection and children in need plans are specific about what needs to change for the child, and timescales, and ensuring that risks are reviewed when children have been on child protection plans for more than 18 months.
- Developing and implementing a new quality assurance strategy.
- Scoping, modelling and tendering from provision of a multi-agency safeguarding training plan.
- Developing a strategy to address the problem of domestic abuse, informed by outcomes from a rapid improvement event.

5.2 Education safeguarding

Extra resources have enabled the education safeguarding group to agree an action plan to address areas of weakness. The following priorities have been agreed for this year:

- Delivering up to date and role-relevant safeguarding training to Surrey's education workforce.
- Child sexual exploitation awareness training for all education providers and staff.
- Developing relations with independent education providers in Surrey and where applicable, the safeguarding leads of their sponsors and companies.
- Completing the Section 11 audit for Schools and Learning; co-ordinating and monitoring action plans.

5.3 Domestic abuse

Domestic abuse continues to be a significant priority and a number of workstreams are being developed and implemented. These include building on the existing domestic abuse awareness training framework to offer additional professional and service-specific skills training options; high profile awareness campaigns with core partners and local media, and piloting new ways to share information in a more timely way. A service level agreement is now in place for a centralised commissioning arrangement for specialist domestic abuse outreach services, using service providers' and service user's views to inform commissioning. The operating protocol for multi-agency risk assessment conferences is being reviewed alongside use of the multi-agency information sharing protocol. A deep dive this autumn into case files with Surrey safeguarding children board (SSCB) will complement the learning from recent work where the local safeguarding group worked with specialist

domestic abuse services to review case files and practice. There is also a bid for a joint funded post to support multi agency domestic abuse work.

5.4 Looked after children and care leavers

In line with national trends, the numbers of looked after children continued to rise in 2011/12, reaching 807 at the end of March 2012. 39.5% of looked after children were placed outside Surrey (March 2012). Children placed within their own kinship networks grew from 40 in April 2011 to 100 at the end of March 2012. Most kinship placements are within Surrey, with extended families allowing existing relationships and commitments to continue.

The use of independent fostering agencies (IFAs) increased very slightly over the year but given the overall rise in numbers this rise was not significant. 163 children were placed in IFAs at the year end, meaning that most children needing to be looked after with foster carers were successfully placed within our in-house service. A new parent and child fostering scheme became operational in August 2011, with seven placements approved to date. The scheme offers time-limited assessment placements for parents and children who are subject to care proceedings.

Services for care leavers were brought back in-house under a streamlined model. New teams will work with young people from 16 years old and will have an area based focus, working alongside looked after children teams to improve the arrangements for transition.

The Corporate Parenting Board continues to take an active role in overseeing services and outcomes for looked after children, and links closely with the Care Council to ensure children's views are listened to and acted on. Following a request for more help with savings, a scheme has been developed for looked after children that will see the council match savings made by young people, and the development of a bursary funded by county councillors. This is the first scheme of its kind nationally.

5.5 ICS award

In January 2012, Surrey County Council Children's Services won 'best project delivery' at the UK Public Sector Digital Awards for the implementation of a new integrated children's system. Ofsted praised Surrey for the swift implementation of the new system and resulting improvements in service delivery. The new ICS has improved safeguarding of children through improved increased visibility of data and a reduction in the duplication of records.

6. Participation

6.1 Participation in education, training and employment

Following major reorganisation, a new Youth Support Service provides an integrated response for Surrey's most vulnerable young people, complemented by the commissioning of a range of targeted provision for those at risk of failing to make a successful post-16 transition.

The proportion of young people not in education, employment or training (NEET) has remained low, relative to our statistical neighbours. Latest figures for June 2012 show that Surrey was one of the best performing authorities (at 4.1%), ranking second among its statistical neighbours, behind Buckinghamshire (3.8%).

The percentage of young people achieving level 2 qualifications by age 19 increased by 2% to 84.6% in 2010/11. This meant that the 2012 target of 83.2% was exceeded a year early. Similar progress was seen at level 3, with a record high of 65.5% attaining this level. Local targets were again exceeded early as the 2011 level 3 results were above the 2015 target of 65%.

The 2011 Surrey Youth Festival provided almost 2,000 year 11 pupils with the opportunity to meet representatives from more than 60 local colleges, training and apprenticeship providers, and help them plan for year 12 and beyond. Surrey County Council has agreed to offer free meals to teenagers from disadvantaged backgrounds who attend college courses.

Skills centre pilots in youth centres have successfully concluded in five areas, with the start of countywide roll-out in October 2012 to provide flexible pathways to education, apprenticeships or employment. New contracts with the voluntary sector provided opportunities for 990 young people to participate in youth and community work and local prevention activity in the first months of 2012. Surrey's future jobs fund scheme concluded having successfully created over 350 jobs for young people, and schemes are now being run in three boroughs to continue this positive initiative. 'Work pairing' trials have been commissioned to match a young person with a small business for a no-commitment trial period.

In the first three weeks of availability (August 2012), 90 Surrey apprenticeship grants were claimed, providing £1,500 to each Surrey business taking on a Surrey-resident young person as an apprentice. The 200 in 100 campaign secured 216 pledges (target 200) to employ young people in Surrey businesses in the 100 days leading up to National Apprenticeship Week.

Responsibility for commissioning provision for post-16 learners with learning difficulties and or disabilities (LLDD) transferred from the Learning and Skills Council just over two years ago. The LLDD strategy has been in place for 18 months, showing significant progress including:

- Increased numbers of young people with LLDD accessing local provision.
- Making sure that all young people with statements are able to have a learning difficulty assessment, and that discussions on post-16 options and long term aspirations start much earlier, from Year 9.
- College assessments for high needs learners now take place 14 months before transition, rather than 2-6 months before.
- Multi-agency planning meetings take place each year to plan provision for young people 18 months in advance.
- There are regular focus groups with parents and young people.
- Developing the quality of the assessments, resource allocation and training and development needs.
- Developing closer links between commissioning for supported living and commissioning for education.

6.2 Youth offending

Surrey has achieved an 85% reduction in first time entrants to the youth justice system between 2008 and 2012, the lowest per capita in England, with the projection for 2012 -13 indicating a further 50% reduction. First time entrants to the youth justice system are now the lowest ever with just 27 young people in the first three months of 2012. Use of custody continues to be amongst the lowest in the country, with 15 young people receiving a custodial sentence in 2011-12. This is the lowest per capita

use of custody in England for any sizeable authority and represents a 73% reduction in the use of custody in Surrey over the last five years. The most recent Ministry of Justice figures (March 2012) indicate a 28.3% re-offending rate for young people in Surrey. The continued downward trend is encouraging against a flat performance in the south-east region and an increase nationally. New initiatives on preventing homelessness and increasing participation through the ready for work programme and skills centres will further support the drive to reduce reoffending and reduce both remand and sentence custody.

6.3 Children and young people's participation

Opportunities for young people to challenge and debate service provision have included consultation events run by the rights and participation service concerning the design of the new leaving care service; an event for unaccompanied minors, and the development of the new Children's Services pledge (the promise to looked after children about to work with them). Young people have contributed to the 'design a contact room' project, which will see supervised contact rooms redesigned and updated by young people with support from the children's rights team. Total Respect training involving Care Council members has been delivered six times this year, with a plan to extend provision in the coming months. Care Council Juniors has been established for 8 to 12 year olds, and the 'One Voice' group for disabled children has been valuable in helping drive service changes.

6.4 Advocacy and complaints

There has been a significant increase in the number of young people requesting advocacy support, 34 in 2011 2012 compared to seven in the previous 12 months, suggesting that more children and young people are aware of their rights. In response to this increased demand, the service has run an advocacy training course for new advocates. Following the training, several new external advocates have been added. The training is being extended to social workers to provide issue based advocacy support to young people making a complaint.

The directorate received 326 complaints, an increase of 31%. There was also an increase in complaints made directly by young people, demonstrating accessibility. Three quarters of complaints were responded to within 10 working days at the first stage of the process. We have improved the quality of responses at stage one and recorded a low level, 3%, of escalation to stage two, working closely with operational services to establish improvements to practice. The team is focusing on resolution and learning from complaints and works closely with senior managers in operational services to address improvements to practise. Key learning from complaints in 2011-2012 included raising staff awareness about how to handle information relating to a parent's gender identity; awareness of looked after children's cultural/faith and dietary needs, and recognising the importance of timely and accurate record-keeping. Going forward, our challenges include showing how learning from complaints has been used to influence strategic developments, service design and review; and enabling more children and young people to express their views concerning their care plans and whether these have been effective.

6.5 Parents' participation

Family Voice aims to increase participation of parents, carers and disabled children and young people, and is actively involved in a number of strategic planning groups and consultations. The Partnership with Parents team offers support and advice to parents of children with special and additional educational needs. It has a dedicated parent helpline and outreach initiatives including parent's evenings and conferences. The team is currently working to improve its links with schools and the

special educational needs (SEN) service, to embed learning from parents' experiences and it is also involved in the SE7 Pathfinder.

7. Potential

7.1 Early years

The early education and childcare sector in Surrey continues to be nationally recognised as a major infrastructure support for working parents and the economy, and is vital to improving outcomes for children. Provider quality is consistently above regional and national averages, with 81% of early years providers achieving good or outstanding in Ofsted inspections, compared to 78% for the south east region and 74% nationally. 161 childcare providers have undertaken the Surrey Quality Improvement Award, with 31 having completed it so far and almost all who complete/take part improving their Ofsted inspection judgements.

The number of practitioners qualified to full early years professional status continues to rise, with 149 in 2011 compared to 92 in 2010. 33% of leaders are now qualified to level 4 or above and 42% of staff qualified to level 3. Surrey continues to have higher than the national average of male carers - 5% of practitioners in group care settings and 3% of home-based childcare providers.

The proportion of children in the Early Years Foundation Stage reaching the national indicator (NI) 72 milestone (good progress in the early learning goals) has increased from 64.1% in 2010 to 65.7% and indications for end of school year (July 2012) show a further increase to 70.4%. The gap between the lowest achieving 20% in the early years foundation stage and the median (NI 92) has reduced from 30.1% in 2010 to 28.5%, with indications for July 2012 showing a further reduction to 27.6%. The gender gap has reduced from 17.8% to 15.4%, with boys having made good progress during the period. There have been steady improvements in the proportion of children gaining six or more points in the personal, social and emotional development scales. Focus continues on targeted intervention work for children with English as an additional language, children with special educational needs and to address boys' writing in the early years.

The every child a talker (ECAT) initiative has been embedded with the implementation of a new early language team from July 2012. Other initiatives include London 2012 language-themed events and free books for pre-school children through the Bookstart programme. A number of leaflets have been produced to support parents in developing children's communication skills.

Over 1,334 children with additional needs have been supported by the Early Years and Childcare Service. Extra support for children with additional needs has been provided through 318 inclusion support grants and 25% of settings benefited from funding for small pieces of equipment to meet the needs of an individual child. Funding individual needs equipment grants provided essential specialist equipment to enable 15 children to take up their free entitlement. Free entitlement take-up is closely monitored to ensure it reflects local populations and that identified groups do not miss out. Currently 13% of children accessing the early years free entitlement in the private, voluntary and independent sector are from an ethnic minority background, with 84% of eligible looked after children accessing a funded place.

Over 40 out-of-school settings took part in the disabled children's access to childcare scheme, which aims to improve disabled children's access to childcare and to reduce attitudinal barriers through bespoke training workshops, hands on activity days, and resources to support practice improvements.

Surrey early support service helps families with disabled children from birth to five years old, and currently has 214 active cases and 43 cases awaiting allocation. The 'Including Me' scheme allows certain children attending special schools and units to go to mainstream after-school clubs, with support if needed, reducing pressure on spaces at oversubscribed specialist schemes. Over 65 children benefitted from this scheme during the year.

7.2 Educational achievement

The majority of pupils in Surrey state-funded schools continue to perform better across all key stages, and the majority of performance areas, than their peers regionally and nationally. This has been the trend for the last five years, although sustained improvement for some cohorts of children remains an area of focus. The annual local authority school improvement plan has been completed to respond to new government floor thresholds that incorporate both pupil progress and absolute attainment.

At key stage 1, Surrey is ranked in the top 10 local authorities nationally for both reading and maths and in the top 20 for writing. Key stage 2 results in individual subjects improved by at least one percentage point in 2011, which is on a par with national figures. The proportion of pupils achieving the expected level in both English and maths at key stage 2 in 2011 was static at 77%, with national results also static. There were overall improvements in writing, English and maths. Compared to last year, relatively fewer pupils made expected progress in English, although pupil progress in maths improved both in Surrey and nationally. Surrey remains behind national performance in English and maths progress measures at key stage 2, so this remains an area for improvement, together with ensuring children from vulnerable groups make at least expected progress at each key stage. Provisional results indicate substantial improvement in all these measures in 2012.

17 schools (9%) were below the government floor threshold at key stage 2, compared to 19 schools in the previous year. This is better than national (10%) and south-east regional (11%) figures. Provisional results indicate a reduction in 2012 with less than 10 primary schools below the floor standard.

At key stage 4 the percentage of pupils achieving five or more GCSEs or equivalents at grades A* to C including English and maths increased from 62% to 63.4%; this was five percentage points above the national average in 2011. However, the rate of improvement in Surrey was slower than the rate nationally (Surrey – 0.9 percentage point improvement; national – 2.6 percentage point improvement). Expected progress in English from key stage 2 to key stage 4 was similar to 2010 but more pupils made expected progress in maths this year. One secondary school was below the government floor standard introduced last summer.

Pupils eligible for free school meals showed improved attainment across all key stages in the 2011 results and narrowed the gap with their peers. A free school meals primary project was launched in 2010/11, sharing data and good practice to improve outcomes. The proportion of pupils eligible for free school meals has risen slightly over the last five years, from 6.5% in 2008, to 8.1% in 2012.

Performance in school sixth forms improved again in 2011, with results for points achieved per student and points achieved per entry remaining above the national average.

7.3 School improvement

Of all school inspections carried out up to 31 March 2012, 71.9% of Surrey state-funded schools were judged to be good or outstanding compared with 69.8% nationally. 27.3% of schools were judged as 'outstanding', compared to 21.2% nationally. 14 schools were judged as 'inadequate', representing 3.6% of Surrey's schools and academies, compared with 2.3% nationally. Of these, six were inspected under the new framework which commenced in January 2012.

During the period from April 2011 to March 2012, two schools were removed from a 'notice to improve' and four schools were removed from special measures. Schools in Surrey are removed from a category of concern within Ofsted's recommended timescales. In April 2012, 28 schools were being supported through the additional support and intervention programme (ASIP) register. We have continued to partner our outstanding schools with those experiencing difficulties. The programme of school to school support has been enhanced by nine national leaders of education and 35 local leaders of education who have been deployed in Surrey schools as part of our successful local leadership strategy.

7.4 Schools commissioning

Recent trends of rising pupil numbers resulted in the need for additional school places, A 5 year programme of expansion will result in an increase of around 10,000 primary and 4,230 secondary places. In some areas this demand may be met by additional new schools.

Births rates rose significantly in 2010, compared with 2008 and 2009; over the last decade there has been a 20% increase. Transfers from private education and increased inward migration have resulted in unanticipated additional demand for school places, particularly within the larger conurbations in Surrey. To meet this demand there has been an acceleration of the Basic Need programme for schools (SBN) in 2011/12. In exceptional circumstances we have met this demand with an initial temporary solution whilst plans for a permanent solution are developed.

All Surrey applicants were offered a place at school to start in September 2011 (and again in 2012). There was also a slight increase in the proportion of these that were a preference of the applicant.

7.5 Special educational needs (SEN)

In January 2012, 5,345 pupils (2% of 0-19s) had statements of special educational needs (SSEN) maintained by Surrey. 98% of statutory assessments are completed within prescribed timescales. The percentage of pupils with statements attending schools in Surrey (regardless of which local authority maintains the statement) has remained consistent over the last five years at 3%.

The SEN strategy is currently being revised to improve the range of special school provision and support the inclusion of more pupils with special educational needs, often with increased complexity of needs, in mainstream schools. 601 children with Surrey SSENs were placed in non-maintained special schools, independent special schools and other independent schools in January 2012. The impact of the changes as a result of school funding reforms will be monitored.

7.6 Education support

The referral rate for specialist teaching and education psychology services was 546 children per month (March 2012 figures), with an average of 81% of individual pupil interventions judged successful. Interventions through the 12 week portage programme for families who have concerns about their young child's challenging behaviours, continue to be highly successful, showing significant changes to the behaviour checklist scores for individual children and high approval/satisfaction ratings on parent feedback questionnaires.

Behaviour support teachers are helping to implement Surrey County Council's anti-bullying strategy by supporting schools to develop effective processes to tackle bullying. The educational psychology service continues to extend its nurture group provision to develop four clusters that work in partnership with groups of schools. The race equality and minority achievement service has continued to provide specialist support to improve outcomes and raise the achievement of children and young people from ethnic minority groups including travellers. 100% of pupil-focused interventions evaluated between September 2011 and July 2012 were judged as successful and support for pupils with English as an additional language has resulted in most pupils making a significantly better than average rate of progress.

7.7 Reducing exclusions and absence

Total permanent exclusions figures for 2012, based on five half terms of data, are on a par with the previous academic year, following several year-on-year reductions (43 exclusions in half-terms 1-5 in 2011/12). Fixed term exclusions continued to fall, with 4440 in half-terms 1-5 in 2012, compared to 4561 for the same period in 2011.

Secondary schools in Surrey have seen a steady decrease in overall absence over the last five years, and attendance rates have been above the national average for the last three years (full academic year data to 2010/11). In primary schools, attendance has also been consistently above the national average for the last four academic years (full academic year data to 2010/11). A slight rise in absence in primary schools observed in 2009/10 was addressed through the introduction of a primary attendance strategy. Attendance in primary schools improved in 2010/11 beyond those observed in 2008/09; therefore the overall trend since 2007/08 is downwards.

Surrey alternative learning provision has been recognised and commended by the government behaviour expert as one of the best models of practice nationally. There is emphasis on preventative work, the number of learners has increased and feedback is positive. Headteachers are engaged in the shaping and commissioning of future services, which is likely to result in further devolution of provision to network and school level. Improved arrangements to support hard-to-place pupils and to monitor the 'children missing education' cohort have led to decreased numbers on the register. Special educational needs pupils represent the majority of pupils missing education, so special education needs managers attend monthly meetings of area professionals to address this issue.

7.8 Virtual school

Pupil numbers in the virtual school continued to rise throughout the year, and are now the largest ever. In March 2012 there were just under 500 school-age children in care to Surrey (a 17% rise in numbers on the same period last year), 49% of these in Years 9 to 11 (aged 13-16 yrs).

Our overall results at key stage 1 continue to be well above all national averages for children in care. Significant improvements continue in reading and writing, with reading levels at 83% approaching those for all pupils in Surrey (86%) and the 2011 maths result (92%) exceeding the national figure for all children (90%) and just one percentage point lower than for all Surrey children.

Despite high numbers of children with a statement of special educational needs and others on the code of practice in the key stage 2 cohort, results from last year were maintained in both English and maths. 58% of pupils made expected progress in maths between key stage 1 and key stage 2, and 68% in English. Performance in English is below national averages, but the gap has been closed in maths and Surrey's ranking against statistical neighbours has improved for all measures.

2011 saw a considerable improvement at key stage 4 in all measures, delivering our best results since the introduction of higher thresholds. Just over half of all children in care achieved five or more A*-G grades - an 11% improvement; 37% achieved five or more A*-C grades - a 14% improvement and six percentage points higher than the national average; and 22% achieved five or more A*-C including English and maths - an 11% improvement and nine percentage points higher than the national average. These results place Surrey as the highest ranking local authority among its statistical neighbours.

The virtual school monitors and reports on the overall attendance of all young people on roll. By the end of the 2010/11 academic year, there was a reduction in overall absence among primary age pupils, including numbers of fixed term exclusions across Surrey and out-of county schools, and there had been no permanent exclusions.

The 2010/11 overall absence rate for secondary pupils on roll in out-of-county educational provision pupils showed an improvement of just under 2%, despite a slight increase in the overall number of fixed term exclusions. The absence rate for pupils on roll in Surrey provision remained static, despite a significant reduction in fixed term exclusions.

A strong partnership has been established with the four Surrey further education colleges to ensure young people in care maximise their potential through supported choices and consistent professional guidance. College staff have been receptive to training around the impact of trauma on learning and the context pre-care, which may affect the learning and ongoing conduct of students. 100% of our 2011 Year 11 cohort achieved their transition goal for the beginning of Year 12.

Work with the asylum support team and the race and ethnic minority achievement team has helped promote timely assessment and placement for incoming unaccompanied asylum seeking children. An 'adoption and education' policy written collaboratively with the adoption team will be disseminated shortly, and the education section in the foster carers' handbook has been rewritten. An admissions protocol for children in care has been finalised, which should ensure that progress in securing timely admissions is maintained. Work to ensure distribution and promotion of the pupil premium for children in care has been accredited nationally.

A toolkit for designated teachers and foster carers to develop financial capability among looked after children has been launched. Two conferences for designated teachers for children in care were well attended and positively evaluated. Training around personal education plans (PEPs) continues to be delivered termly, and elected members are now key auditors of PEPs. We have again secured funding for 'Letterbox Club' (a scheme from the Booktrust that provides monthly parcels of books and learning materials to children in care), and have worked in partnership with Surrey Libraries and the Surrey History Society to supplement these materials and make local links.

Our next steps for development are to:

- Work with colleagues in the Early Years and Childcare Service to embed early intervention in the learning opportunities for children in care and ensure their free nursery entitlement is accessed.
- Continue to monitor and reduce fixed term exclusions by early intervention and collaborative working.
- Develop further support for those following courses leading to higher education.
- Investigate ways of providing for children in care who are out of school for any reason for a period of time, looking at other authority models to inform this.

7.9 Surrey special educational needs and disability (SEND) pathfinder

Surrey, as a member of SE7¹, is one of 20 national SEND pathfinders who are currently trialling the Government's plans for a new approach for young people with SEND. The aim is to design and test a new single, integrated assessment process and plan which is more outcomes focused, is co-produced with children, young people and families, is less repetitive and bureaucratic, and is developed through effective joint working. Following two well attended launch events, the Surrey pathfinder team has recruited families to trial the new process and participate in joint training and network meetings with key workers who will support them through the trial process. Other workstreams are focused on developing a local offer (giving transparency of services available for children and young people with SEND), and developing personal budgets to meet a range and complexity of needs, including transition/preparation for adulthood.

According to interim feedback from national evaluation, Surrey's progress is generally in line with the national picture but has been particularly successful in engaging parents and carers. We anticipate new challenges as the pathfinder moves into its delivery phase, and a number of possible solutions may need to be trialled and tested.

7.10 Gypsy, Roma and Traveller (GRT) children and young people

Following collaborative work in 2011 with members of Surrey's GRT community and partners within and outside the Children, Schools and Families Directorate, our needs analysis bringing together our understanding of the key issues affecting Surrey's GRT children and young people was published in 2012. It recognises that improving outcomes for GRT children and young people sits within the wider context of improving the quality of life for their families and communities. It has been welcomed across a range of services, with staff commenting that it has deepened their understanding of GRT needs and issues and raising awareness for future commissioning. The needs analysis and associated chapter in our joint strategic needs assessment (JSNA) have been commended by the organisation 'Friends, Families and Travellers' as examples of good practice for other local authorities. We expect the needs analysis to inform development of a strategy in the coming months.

8. Partnership working

Following a number of changes to Surrey's children's trust arrangements, a children and young people's partnership board has been established, consisting of key commissioning agencies. It aims to

¹ Surrey, Hampshire, Kent, Medway, Brighton and Hove, East and West Sussex

focus on those things where two or more partners working together can add value. Key areas of progress include:

- A comprehensive joint strategic needs assessment that clearly identifies children and young people's needs.
- A workforce group focused on multi-agency training.
- Local safeguarding children boards working through joint safeguarding actions.
- Working with Surrey's emerging clinical commissioning groups with a view to establishing joint working on children's health and care.
- A primary vision setting out how Surrey County Council and primary schools will work together.

Surrey took part in a peer challenge in 2012 that analysed the leadership of partnership arrangements as part of an improvement programme in the south-east region. The peer challenge team observed 'a strong appetite' among partners for the development of a collective narrative about Surrey's vulnerable children. We hope to build on this joint commitment through the Surrey Alliance and Surrey Safeguarding Children's Board, to implement an early help offer with shared agreement about when to use social care as an intervention and when to use less targeted provision arrangements. Partnership work in the next 12 months will also focus on delivering on the government's troubled families agenda by implementing the family support programme across Surrey; developing an inter-agency children's plan, and implementation of an integrated child protection unit.

9. Financial management

The directorate budget for 2011/12 was £283m, with allocations to services as follows:

- Schools and Learning £187m
- Children's Services £81m
- Services for Young People £15m

2011/12 was the first year of the 2011 comprehensive spending review, with the directorate being affected by grant rationalisation and the removal of targeted ring-fencing for many grants such as Sure Start and Aiming High. The economic climate worsened during the financial year and there were ongoing concerns about further reductions to public funds. The directorate successfully achieved target savings of £10.5m in 2011/2012, and, in planning for further significant savings over the next five years (over £40m), have used an additional underspend in 2012/13 to help achieve further savings and address the increasing demand of child protection cases and services.

The final dedicated school grant for 2011/12 was £688m. This reduced by £62m during the financial year as academy schools were established. During the financial year, 21 schools converted to academy status, which represents nearly 6% of the total schools in Surrey. The directorate capital budget for 2011/12 was £56m. This has mainly funded the statutory provision of additional school places and school maintenance. There will be a capital investment of £244m over the next five years for the provision of additional school places across the county.

10. Workforce development

Investment in leadership and management development has continued, in particular the Association of Directors of Children's Services (ADCS) regional programme and national Director of Children's

Services (DCS) and aspiring DCS programmes. Within the council, a coaching programme has helped to equip our managers with the skills to engage in positive conversations with colleagues.

We have been working on implementing the actions from the health check undertaken in Children's Services last year, combined with actions required under the social work reform programme. Highlights include the creation of a joint social work reform board with Adult Services, four new consultant senior social work practitioner roles, reviewing options for social work training and a training programme for frontline social work managers jointly with London boroughs.

Key actions for the coming year will include supporting the introduction of the new assessed year in employment for newly qualified social workers; introducing a new career framework for social workers that covers pay and professional progression, and strengthening performance management. We will also need to consolidate recent improvements in supervision, to ensure consistent practice across all teams. We will provide reflective developmental opportunities with explicit links to annual appraisals and training plans, particularly for newly qualified and recently recruited social workers.

11. Conclusion

During the past 12 months the work of Surrey's Children, Schools and Families Directorate has continued to improve in many areas. We received national recognition for the implementation of our new integrated children's system (ICS) and for an innovative savings scheme for looked after children. Our work is child focused, and there are many examples of children, young people and parents' participation in designing and evaluating services, helping to improve service delivery. Other successes for the directorate include continuing low levels of children who are not in education, employment and training; high uptake of initiatives such as the Surrey apprenticeship scheme, and reducing first-time entrance to the youth justice system to an all-time low.

There is still much to do, particularly in strengthening the cohesiveness of partnership working and implementing a coordinated programme of early help. We need to ensure shared understanding of service thresholds and embed the use of the common assessment framework (CAF) as a holistic tool for responding to children's needs. These areas will be taken forward through our public value programme, the children and young people's partnership and the Surrey Safeguarding Children Board.

The expertise of our partners is a huge asset that complements the dedication of staff working at all levels within the directorate, and our political leadership. I remain confident that together we can be resilient in the face of unprecedented financial challenges, and will continue to improve our services to deliver the best possible outcomes for Surrey's children and young people.

Nick Wilson
Strategic Director for Children, Schools and Families
Surrey County Council

December 2012

This page is intentionally left blank

SURREY COUNTY COUNCIL**CABINET****DATE: 18 DECEMBER 2012****REPORT OF: MRS LINDA KEMENY, CABINET MEMBER FOR CHILDREN AND LEARNING****LEAD OFFICER: NICHOLAS WILSON, STRATEGIC DIRECTOR FOR CHILDREN'S, SCHOOLS AND FAMILIES****SUBJECT: 2012 PROVISIONAL EDUCATION PERFORMANCE OUTCOMES****SUMMARY OF ISSUE:**

This report presents an overview of the provisional educational outcomes of children and young people in early years, primary, secondary and special school phases for the academic year ending in the summer of 2012. The aim of this item is to share the provisional results with Cabinet.

Provisional results briefings containing results for Surrey and regional comparators for each key stage are available as annexes. Results are provisional and subject to change. These figures represent the latest available data and will not be the same as those presented in the Children's, Schools and Families directorate annual report.

RECOMMENDATIONS:

It is recommended that:

1. the provisional education outcomes be noted.
2. Cabinet note that schools and Babcock 4S are currently undertaking a full review of the School Improvement Strategy which will inform the annual school improvement plan for the local authority, to be finalised by 31st March 2013.
3. the Head of Education and Head of School Effectiveness, Babcock 4S to return to Cabinet in January 2013, with the Education and Achievement plan and an update on more recently published Ofsted inspection results and performance headlines.

REASON FOR RECOMMENDATIONS:

To ensure that Cabinet is fully informed of the latest provisional education outcomes and to be aware of the current policy context prior to receipt of the Education and Achievement plan in January 2013.

DETAILS:

4. Data included in the directorate annual report (item 7) reflects the final position for education data at the end of the 2010/11 academic year. This report introduces the provisional outcomes for the 2011/12 academic year.

5. The great majority of performance measures are above the national average. Surrey pupils continue to perform well at all key stages compared with their peers nationally.
6. Over the last five years, the proportion of pupils eligible for free schools meals has risen by nearly two percentage points (from 6.5% to 8.1%). The proportion of pupils classed as belonging to an ethnic minority group has also increased over the last five years; from 17% to 21% in the state-funded primary school population and from 14% to 18% in the state-funded secondary school population. The proportion of pupils with English as an additional language increased from 7.9% to 10.1% in the state-funded primary school population in the last five years and from 6.9% to 8.5% in the state-funded secondary school population. The Education and Achievement plan highlights that there is now greater ethnic diversity in Surrey than a decade ago with more than 190 languages spoken.
7. The Education and Achievement Plan will be brought to Cabinet in January 2013. This sets out the forward plan for the next five years.

Early Years: Strengths

8. The proportion of pupils achieving the early learning goals improved for the fifth consecutive year and also exceeded the locally set target for this year.
9. Results for Surrey exceeded the national average across all 13 assessment scales.

Early Years: Key Priorities

10. Despite continuous improvements and outperforming the national average, Surrey has fallen in the statistical neighbour rankings for both key measures this year; falling from 1st in 2010 to 2nd in 2011 and 3rd in 2012 (of 11 statistical neighbours) for the proportion of pupils achieving the early learning goals and dropping from 5th in 2010 to 6th in 2011 and now 8th in 2012 for the gap between the middle child and the mean of the bottom 20% of the cohort.

Key Stage 1: Strengths

11. Over 60% of Surrey pupils were judged to have reached the expected level in the new Year 1 Phonics screening test introduced this year. This is three percentage points above national.
12. Overall Surrey's performance compared to all authorities nationally and to statistical neighbours remains strong. Surrey's high positions in the national rankings improved or were maintained across all subjects at both the expected (level 2) and higher (level 2b+; level 3) thresholds. In particular, Surrey remains in the top ten out of 152 authorities nationally for reading, at all thresholds, and in the top five for mathematics.

Key Stage 1: Key Priorities

13. Improvements in performance in Surrey at the expected level 2 threshold have not been as great as those seen nationally; this has reduced the gap between national and Surrey performance.

14. The gender gap in writing, which was highlighted as an issue by National Strategies in 2009, has widened again this year in Surrey. Performance of girls achieving level 2 or more in writing is nine percentage points higher than boys.

Key Stage 2: Strengths

15. The proportion of pupils attaining level 4 and above in both English and mathematics increased at a faster rate than nationally this year and remains above national and above statistical neighbours.
16. Surrey is ranked 26th out of 152 local authorities and 4th out of 11 statistical neighbours for level 4 and above in both English and mathematics. These rankings are improvements on last year.
17. The proportion of pupils attaining the level 5 threshold in both English and mathematics is significantly higher than nationally and Surrey is ranked 12th out of 152 local authorities.
18. 143 schools (of 214 schools) improved their performance in level 4 and above in both English and mathematics.

Key Stage 2: Key Priorities

19. Despite an increase in the percentage of pupils making expected progress in both English and mathematics between key stage 1 and 2, Surrey remains below the national average for expected progress in both English and mathematics. Surrey is ranked 125th out of 152 local authorities for expected progress in English and 103rd in mathematics.
20. Despite a significant decrease in the number of schools where less than 60% of pupils attain a level 4 and above in both English and maths, there are still 15 schools that are below this level. This is likely to mean that a substantial number of these schools will be below the government's floor standards when school level data is published in December.

Key Stage 4

21. Issues with the grading of GCSE English assessments emerged in August 2012 and have since been widely publicised in the media. This has had a widespread impact on all measures that incorporate GCSE English, affecting a large number of pupils, schools and the majority of local authorities. Ofqual conducted an inquiry but concluded that the grades were valid. A legal challenge has been launched by a group of head teachers and local authorities to contest this decision but the outcome has yet to be determined.

Key Stage 4: Strengths

22. Surrey is ranked 21st out of 152 local authorities (an improvement from 2011) and 5th out of 11 statistical neighbours for the percentage of pupils achieving five or more GCSEs or equivalent at grades A* to C including English and mathematics.
23. Despite a small decrease in the proportion of pupils who achieved five or more GCSEs or equivalent at grades A* to C including English and

mathematics (62.9% compared to 63.5% in 2011) this remains above south east and national comparators.

24. Surrey is ranked 20th nationally for the proportion of pupils achieving the English Baccalaureate. 22.4% of Surrey pupils attained this measure compared with 16.1% nationally.
25. The percentage of Surrey pupils making expected progress in mathematics has increased 2.5 percentage points compared to 2011, maintaining fifth position in the statistical neighbour rankings.

Key Stage 4: Key Priorities

26. An implication of issues surrounding the grading of English GCSE has meant that the percentage of Surrey pupils making expected progress in English has fallen five percentage points compared to last year. However, Surrey is ranked 3rd out of 11 statistical neighbours. This is an improvement of 2 places compared to last year.
27. Two of Surrey's mainstream schools are below the government floor standards according to the provisional data. These schools have not reached specified thresholds for pupils achieving five or more GCSEs or equivalent at grades A* to C including English and mathematics nor for pupils making expected progress in English or in mathematics.

Key Stage 5: Strengths

28. For all post 16 providers in Surrey (schools, academies and colleges), Surrey remains above the national average for the three key measures at key stage 5 (points per candidate, points per entry and % achieving two or more A* to E grades).
29. Surrey (for all post 16 providers) has also risen in the national rankings in 2012 for all three key measures. Surrey is ranked 5th out of 11 statistical neighbours for both points per candidate and points per entry.
30. For school sixth forms only, Surrey was above the national average for all three key measures.

Key Stage 5: Key Priorities

31. Provisional results for all three key measures in Surrey dropped compared with 2011 (for both sixth forms and all post 16 providers). However, this was also reflected in national results and all measures typically rise on publication of the final data.
32. Across all post 16 providers, and across school sixth forms only, Surrey is placed in the third quartile nationally for the proportion of pupils attaining two or more A* to E grades.
33. For school sixth forms only, Surrey has fallen in the statistical neighbour rankings compared with the previous year for the points per entry and two or more A* to E grade measures.

Ofsted

34. In January 2012, Ofsted introduced a new inspection framework that “raised expectations of schools and required inspectors to focus more intensively on the quality of teaching and learning” (Ofsted Annual Report 2012). From September 2012, the previously used ‘satisfactory’ judgement was replaced with ‘requires improvement’.
35. It should be noted that the new inspection framework focuses on schools that are not yet good; outstanding schools are exempt from routine inspections.
36. Inspection results for all state funded schools within Surrey to the end of the 2011/12 academic year (31st July 2012) were as follows:

Outstanding	27.0%
Good	44.1%
Satisfactory	25.5%
Inadequate	3.3%

37. 71% of all Surrey’s state-funded schools were judged to be good or outstanding compared with 69% in the south-east region and 70% in England as a whole.
38. The proportion of good or outstanding schools has increased over the last four years in both the south-east region and in England. In comparison, the proportion of good or outstanding schools in Surrey has decreased from 75% in 2009 to 71% by the end of July 2012 (As of 24th October 2012, this has improved to 73%).
39. The proportion of schools judged to be outstanding is higher in Surrey than found nationally; 27% in Surrey compared with 21% nationally and 21% in the south east.
40. The proportion of schools judged to be inadequate has increased over the last four years in Surrey, the south east, the majority of Surrey’s statistical neighbours and in England. In most cases there was a marked increase between 2011 and 2012 following the introduction of the new inspection framework.

School Improvement

41. The school improvement strategy in Surrey continues to be committed to supporting all schools. It is based on differentiated support for all schools with a focus on lifting those below the government floor standard or in an Ofsted category of concern and enabling other schools that are causing concern to improve rapidly with sustained capacity.
42. All schools receive a core level of support. However, last year approximately 80 schools received a level of intensive support. This included 31 schools on the additional support and intervention programme (ASIP). A further 48 schools were supported from funding retained from the assimilated grant which is approved annually by the Schools’ Forum.
43. For both primary and secondary schools the majority of schools have improved, both in terms of pupils’ achievement and in other measures such as leadership and the quality of teaching.

44. Of the primary schools receiving a higher level of support through either the ASIP or the targeted support programme:
 - a. 70% increased the proportion of pupils attaining level 4+ in English
 - b. 78% increased the proportion of pupils attaining level 4+ in mathematics
 - c. Nearly 80% increased the proportion of pupils attaining level 4+ in both English and mathematics; 65% increased the proportion attaining this level by more than ten percentage points
 - d. Of the 16 inspected in the last year, 10 improved their overall effectiveness judgement by at least one grade.

45. Of the eleven secondary schools receiving a higher level of support through either the ASIP or the targeted support programme:
 - a. Ten improved the proportion of pupils that gained five or more A*-C GCSE or equivalent grades
 - b. Seven improved the proportion of pupils that gained five or more A*-C GCSE or equivalent grades including GCSE English and mathematics.

Next steps to meet Surrey's ambition that all children should attend a good school by 2017

46. Our current school improvement strategy has been successful in securing significant improvements for many schools. Where we have targeted our resources intensively on less successful schools the majority have improved.

47. However, since April 2011, when the National Strategies funding of £4M formerly paid to Local Authorities to support school improvement in the Primary and Secondary sectors was assimilated into the Dedicated Schools' Grant, the funding directly allocated by the local authority for school improvement has been significantly decreased. In 2011/12 and 2012/13 the total spend for school improvement has been £3M (£1.75M directly allocated from the local authority and £1.29M retained from the Dedicated School's Grant). Within this context, funding is spread too thinly to guarantee acceptable improvement in all schools.

48. We are currently undertaking a full review of the School Improvement Strategy with the view to making a number of significant reforms. In particular we will ensure that our support is targeted in a more effective and focused way on reviewing, supporting and developing the capacity of leadership and management. This is key to school improvement.

49. In addition, there is a need to engage earlier, in a more focused manner, with a greater number of schools. It is far less costly to work with schools before they significantly decline, leading to better value for money. In order to do this we propose to develop a more rigorous risk assessment to identify schools that are declining from 'Good'.

50. We recognise the need to ensure that we continue to build capacity in the local system. This will involve further development and management of school-to-school support including the use of Surrey's excellent Teaching Schools and National and Local Leaders of Education and our own sponsoring academies. We also aim to ensure better co-ordinated working between the Babcock 4S team and the Area Education Officers and their teams.
51. We acknowledge the need to achieve improvements in a more efficient and effective way. However, it is also important to recognise that these reforms and the aims of the Education and Achievement Plan over the next 5 years will not be met in full without an increase in the annual investment in school improvement.
52. A redesigned and, if possible, better-funded service would be well placed to support schools that are currently 'satisfactory' or 'requires improvement' to develop into good or outstanding schools. In time, this will reduce the need for intensive work to recover failing schools and ensure that Surrey's whole school community can deliver to an equally high standard.

CONSULTATION:

53. A formal consultation process was not required for this report. This report has been shared with Peter-John Wilkinson, Assistant Director for Schools & Learning, the CSF Directorate Leadership Team and with Education Select Committee on 29th November.

RISK MANAGEMENT AND IMPLICATIONS:

54. There are no risk management implications of the information contained in this report, it is for information only.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS:

55. Most of Surrey's children perform well at all key stages of education compared with their peers nationally. Our current school improvement strategy has secured nearly three quarters of schools as good or outstanding. Where we have targeted our resources on schools the majority have improved. However, despite overall improvement in performance across the county the introduction of the new Ofsted inspection framework has raised the bar, resulting in more schools vulnerable to receiving a 'requires improvement' judgement.
56. Increasing pressure on resources within the council in the medium to long term has reduced the resources available to support schools to raise standards. Our early preventative model relies on schools recognising the urgency and funding their own support. This has generally been successful for secondary schools; however, it is not a sustainable model for primary where there are over 300 schools. We know that changes of leadership, staffing and governance can have immediate impact on capacity to improve.
57. To meet our ambition to have all schools judged to be 'good schools' by 2017 we need to engage earlier, in a more focused manner, with a greater number of schools. It is significantly less costly to work with schools before they

significantly decline leading to better value for money. Paragraphs 49 to 55 identify the next steps to achieve this.

Section 151 Officer Commentary

58. The Section 151 Officer confirms that all material financial and business implications have been considered as part of this report and that investment into school improvement is being considered as part of the County Councils business planning process.

Legal Implications – Monitoring Officer

59. There are no legal implications of the information contained in this report; the report is for information only.

Equalities and Diversity

60. An EIA was not needed for this report as no proposals are being made; the report is for information only.

WHAT HAPPENS NEXT:

61. Babcock 4S are currently undertaking a full review of the School Improvement Strategy which will inform the annual school improvement plan for the local authority, to be finalised by 31st March 2013.
62. The Head of Education and Head of School Effectiveness, Babcock 4S to return to Cabinet in January 2013, with the Education and Achievement plan and an update on more recently published Ofsted inspection results and performance headlines.
63. Further papers will be presented to Education Select Committee in early 2013 to respond to their requests for further analysis on the finalised education outcomes.

Contact Officer:

Maria Dawes, Head of School Effectiveness, Babcock 4S, 01372 834 434
Dr Kathy Beresford, Performance & Knowledge Management Team, 0208 541 9689

Consulted:

Peter-John Wilkinson, Assistant Director for Schools & Learning, CSF
CSF Directorate Leadership Team
Education Select Committee

Annexes:

Annex 1: Education data glossary
Annex 2: Provisional education results briefings 2012

Background papers:

None

Education data glossary

Education phases, assessments and expected thresholds

Phase	Key Stage	Year Group	Age at end of year	Test / Teacher Assessment	Expected Thresholds
Nursery	Early Years Foundation Stage	Early Years	2		
			3		
			4		
Primary	1	R	5	EYFS Teacher Assessment	78+ points with 6+ points in PSED/CLL ¹ scales
		1	6	Teacher Assessment Year 1 Phonics	
	2	2	7	Key Stage 1 Teacher Assessments	Level 2+
		3	8		
		4	9	Teacher Assessment	
		5	10		
		6	11	Key Stage 2 SATs & Teacher Assessment	Level 4+ 2 levels of progress in English and in maths from KS1
Secondary	3	7	12	Teacher Assessment	
		8	13		
	4	9	14	Key Stage 3 Teacher Assessment	Level 5+
		10	15		
		11	16	GCSE & Equivalents	5+ A*-C including English & maths (Level 2) 3 levels of progress in English and in maths from KS2
Post 16 / FE	5 / Post 16	12	17		
		13	18	A-Level & Equivalents	2 or more A-level or equivalent at A*-E (Level 3)
HE	Higher Education	1 st	19		
		2 nd	20		
		Final	21	Degree Finals	

¹ See early years abbreviations on page 2

Education data glossary

Abbreviations Used in the Early Years Foundation Stage

Abbreviations are common for assessment scales and other aspects within the Early Years Foundation Stage; the table below shows most of the common terms.

Assessment Scale		Learning Area
DA	Dispositions and Attitudes	Personal, social and emotional development
SD	Social Development	
ED	Emotional Development	
LCT	Language for Communication & Thinking	Communication, language and literacy
LSL	Linking Sounds & Letters	
R	Reading	
W	Writing	
NLC	Numbers as Labels and for Counting	Problem Solving, Reasoning & Numeracy
CA	Calculating	
SSM	Shape, Space & Measures	
KUW	Knowledge & Understanding of the World	
PD	Physical Development	
CD	Creative Development	

2012 Early Years Foundation Stage Provisional Results Briefing

Key Messages

- The proportion of Surrey pupils achieving the early learning goals continues to improve, increasing from 65.7% in 2011 to 70.4% in 2012 and exceeded the target for this year. This is the fifth successive year of improvement, the rate of improvement for 2011/12 is the same as England overall (improved by 5 percentage points). Among our statistical neighbours Surrey is third highest, but had the second lowest increase from last year.
- The gap between the score of the middle child in Surrey (median) and the mean of the bottom 20% of the cohort has reduced by 0.9 points. This has missed the target by a margin of 0.6 points.
- The proportion of Surrey pupils achieving 6 points or more has increased in all of the thirteen scales and exceeds levels of achievement in England.
- This year, boys have made a greater rate of improvement compared with girls in all areas except two, and have improved in all areas compared with last year. The gap between boys (at 62.9%) and girls (at 78.3%) has decreased by 2.4 to 15.4 percentage points.
- Both boys and girls have made large improvements in Writing, with boys up 4.9 and girls up 3.8 percentage points on last year.

2012 Key Stage 1 Provisional Results Briefing

Key Messages

- All subjects have improved or remained the same at Level 2+ with increases of over one percentage point at Level 2 in reading and writing. Nationally reading and writing have increased by two percentage points, therefore narrowing the gap between Surrey and national results.
- At Level 2B+ the level of increase is 2.6 percentage points in both subjects. This compares to similar rises nationally.
- Surrey's national ranking has increased in reading, maths and science at Level 2+ (2 places, 6 places and 5 places respectively). Ranking against statistical neighbours has also increased by two places in maths.
- The gender gap has remained at a similar level in reading and writing for Level 2+ but increased at Level 2B+. The gap has slightly decreased at Level 2+ in maths but increased by 0.9 percentage points at Level 2B+.
- The gap has increased at Level 3+ in reading and writing with girls outperforming boys. The gap at Level 3+ has decreased by 4.1 percentage points in maths as a result of a slight decline in boys' performance (down 0.7 percentage points) and an increase of 3.4 percentage points for girls.
- Girls have continued to improve in Reading and Writing. At Level 2B+ girls have improved 3.2 percentage points on last year. The percentage of girls reaching Level 3+ has increased in reading (1.4 pp) and writing (0.9 pp).
- Whilst the percentage of boys reaching Level 2B+ increased across the core reading, writing and maths (2 pp, 2.2 pp and 1 pp respectively) the level reaching Level 3+ declined (-0.1 pp, - 0.2 pp and -0.7 pp respectively)
- This year also saw the introduction of phonics testing for Year 1 pupils. 61.4 percent of pupils were judged to have reached the expected level, three percentage points above the national level.
- More girls than boys were working at the expected level (64.4 percent compared to 58.6). The national gap between boys and girls was 8 percentage points.

2012 Key Stage 2 Provisional Results Briefing

Key Messages

- Surrey's results remain above both national and South East attainment average. In terms of the progress measures, Surrey remains below the national average for both English and maths.
- 143 schools improved their performance in Level 4 and above in both English and mathematics
- In Surrey, the proportion of pupils attaining Level 4 and above in both English and mathematics increased this year (5 percentage points at L4+ and 7.2 percentage points at L5+). Similar increases were reported nationally (4 percentage points at L4+ and 6 percentage points at L5+)
- Surrey has regained 4th place in the Statistical Neighbour ranking position for level 4 or above in both English and maths (previously reached in 2009). Surrey has also reversed the downward trend in the rankings for English (back to 4th) and made further improvements in maths this year, rising back to fifth position (from seventh in 2010).
- Surrey is ranked 26th out of 152 local authorities for Level 4 and above in both English and maths (a rise of 9 places). In English alone Surrey is ranked 14th and in maths is ranked 25th (a rise of 21 places from 46th last year).
- The percentage of pupils making expected progress in English between Key Stage 1 and 2 has increased 6 percentage points to 87%. A similar increase has been recorded in maths which has increased 5 percentage points to 86%. Nationally the increase has been 5 percentage points and 4 percentage points respectively.
- Surrey is ranked 125th out of 152 local authorities for expected progress in English (two places higher than last year), and 103rd in maths (six places higher).
- Teacher Assessment results have improved in both English and maths at Level 4 and above and at Level 5 and above. Percentages for English and maths combined have also increase: 3.8 percentage points at Level 4+ and 3.9 at Level 5+
- Changes of +/- 1 percentage point are not necessarily indicative of a change in attainment. This is because the differences between these figures and the revised figures released alongside the Performance Tables later in the year are historically between ± 1 percentage points. However the increases in the headline results suggest a true increase in the levels of attainment.

2012 Key Stage 3 Provisional Results Briefing

Key Messages

- The proportion of pupils in Surrey achieving level 5 and above improved by 1 percentage point in English and mathematics compared to 2011 and there was no change in science compared with last year. Surrey is 3 percentage points above the national average for all three subjects at level 5 and above.
- The proportion of girls achieving level 5 and above in the key stage 3 teacher assessments has improved in English and mathematics, but remained the same in science; the proportion of boys achieving level 5 and above has improved in English but remained the same as 2011 in mathematics and science.
- Provisional results show improvements in all three core subjects at level 6 compared to last year, with the largest change in English (+ 4 percentage points). Nationally, the proportion of pupils achieving level 6 and above either remained constant or improved for both boys and girls in all subjects.
- Surrey has fallen in the national rankings for all subjects at level 5 and above and is placed 6th in the rankings compared to statistical neighbours for all subjects – this is a drop in position in both English and science but a rise in mathematics.
- At level 6 and above Surrey has gained two places in the rankings compared to statistical neighbours to fourth in both English and maths but has fallen one place in science to third. Surrey have climbed seven places in the national rankings for the percentage achieving level 6 and above in mathematics to 14th.

2012 Key Stage 4 Provisional Results Briefing

Key Messages

- The proportion of Surrey young people who achieved five or more GCSEs or equivalent at grades A* to C including English and mathematics decreased to 62.9% from 63.5% last year, although results remain above south east and national comparators.
- Surrey has improved two places in the national rankings compared to last year for the percentage achieving five or more GCSEs at grades A* to C including English and mathematics to 21st of 151 local authorities.
- Of Surrey's ten statistical neighbour authorities, nine showed a decrease in the percentage achieving five or more GCSEs at grades A* to C including English and mathematics, with only Bracknell Forest showing an improvement compared to 2011. Surrey is 5th in the rankings amongst its statistical neighbour group for this measure.
- There has been an improvement in the proportion of Surrey young people who achieved five or more GCSEs at grades A* to C. However, Surrey is below the national average for this measure for the second year in a row.
- The percentage of Surrey pupils making expected progress in English has fallen five percentage points compared to last year. Surrey is ranked 3rd (out of 11 statistical neighbor LAs) for pupils making expected progress between KS2 and KS4 in English, an improvement of 2 places compared to last year.
- The percentage of Surrey pupils making expected progress in mathematics has increased 2.5 percentage points compared to 2011, maintaining fifth position in the statistical neighbor rankings. Surrey are ranked 34th nationally for this measure, a drop of four places compared to 2011.
- Surrey is ranked 20th nationally for the proportion of pupils achieving the English Baccalaureate, with 22.4% of Surrey young people attaining this measure compared with 16.1% nationally. This shows a small increase compared with 2011.
- Two of Surrey's mainstream schools are below the government floor standards according to the provisional data. These schools have not reached specified thresholds for pupils achieving five or more GCSEs at grades A* to C including English and mathematics nor for pupils making expected progress in English or in mathematics.

2012 Key Stage 5 Provisional Results Briefing School sixth forms only

Key Messages

- In Surrey the average point score (APS) *per candidate* for students at the end of two years of post 16 study in 2012 decreased by 1.4 points to 784.3 points.
- The average point score per candidate is approximately equivalent to candidates achieving 3 A-levels at grade C and an AS level at grade D.
- In Surrey the APS per entry decreased by 1.2 points to 213.0 points in 2012.
- The average point score per entry is equivalent to an A Level grade C.
- In Surrey the percentage of pupils achieving two or more passes (A*-E grades) has dropped 0.4 percentage points to 97.9% this year and Surrey remain in the third quartile nationally.
- The percentage of girls achieving two or more passes in Surrey (99.1%) is higher than the percentage of boys achieving this level (96.7%). Compared to national results, Surrey is above the national average for girls and below the national average for boys.
- Compared to national results, Surrey is above the national average for points per entry, points per candidate and the percentage of pupils achieving two or more passes at A Level or equivalent.
- In terms of ranking against the group of statistical neighbours, compared to last year Surrey has remained 4th in points per candidate, fallen from 5th to 6th in points per entry and fallen from 5th to 9th in the percentage achieving 2+ passes at A level or equivalent.

2012 Key Stage 5 Provisional Results Briefing School sixth forms and FE-sector colleges

Key Messages

- In Surrey the average point score (APS) *per candidate* for students at the end of two years of post 16 study in 2012 decreased by 9.1 points to 718.3 points.
- The average point score per candidate is approximately equivalent to candidates achieving 3 A-levels at grade C and an AS level at grade D (average entries per candidate = 3.4).
- In Surrey the APS per entry decreased by 2.1 points to 212.8 points in 2012.
- The average point score per entry is equivalent to an A Level grade C.
- In Surrey the percentage of pupils achieving two or more passes (A*-E grades) has dropped 1.4 percentage points to 93.0% this year and Surrey remain in the third quartile nationally.
- The percentage of girls achieving two or more passes in Surrey is higher than the percentage of boys achieving this level, whereas nationally boys out-perform girls in this measure. This is the reverse of last year when boys outperformed girls in Surrey, but nationally girls outperformed boys.
- Compared to national results, Surrey is above the national average for points per entry and for the percentage of pupils achieving two or more passes at A Level or equivalent. The Surrey average points per candidate as above national levels, whereas last year Surrey was slightly below the national average.
- Surrey has risen in the national rankings for each of the three key measures compared to 2011.
- In terms of ranking against the group of statistical neighbours, compared to last year Surrey has risen from 7th to 5th in points per candidate, from 9th to 8th in percentage achieving 2+ passes at A level or equivalent and remained ranked 5th for points per entry.

This page is intentionally left blank

EDUCATION SELECT COMMITTEE

Item under consideration: Education Performance (2011/12) Headline Report

Date Considered: 29 November 2012

1.0 Introduction

- 1.1 At its meeting on 29 November 2012, the Education Select Committee considered provisional results for early years, primary, secondary and special school phases for the academic year ending in the summer of 2012.
- 1.2 In addition to giving the Committee an opportunity to scrutinise the provisional data, the report allowed Members to identify specific areas of interest so that further analysis could be made available when the validated data was brought back to the Committee in 2013.

2.0 Areas of interest identified

- 2.1 The Committee noted that education performance seemed to worsen as students got older, with each subsequent key stage performing worse than the one before it. It was noted that whilst the County Council had historically sought to address this disparity through investment in secondary education, it was possible that there was a need to invest more heavily in the lowest performing primary schools to ensure that students were prepared for the next step in their education. It was agreed that officers would provide a more detailed analysis of performance results for individual phases in subsequent reports to Committee.
- 2.2 The Committee asked that further analysis be conducted to see whether there was a variance in performance between students that attended combined primary schools and those that were educated in separate infant and junior schools. An initial view of the situation was shared with members in June 2012 but did not find a conclusive outcome. However, it was requested that this analysis be extended with the 2012 results and brought back to the Committee.
- 2.3 Members raised concern that since the introduction of the new Ofsted Inspection Framework in January 2012, 17%¹ of schools inspected in the first six months of the new framework had been judged to be inadequate. Whilst it was accepted that the new framework was more challenging and that the schools inspected were not a representative sample of education provision in Surrey, it was felt that the data would still cause concern for parents. It was therefore requested that any information published on Ofsted inspection results note and explain the changes to the inspection framework.
- 2.4 When presenting Ofsted inspection data, the Committee felt it would be beneficial for subsequent reports to include more detailed information on the quality of teaching in schools - one of the four key judgements school inspectors reported on.

¹ The latest available data indicates that of the 98 schools inspected between 1st January 2012 and 15th November 2012, 12% were judged to be inadequate.

- 2.5 The Committee agreed that there was an urgent need to review the way in which Surrey sought to raise standards in schools, particularly in light of budget pressures and the new Ofsted inspection framework. Members expressed concern that Surrey had historically been too content with its school improvement performance and that Babcock 4S had not done enough to challenge this status quo. As such, the Committee welcomed Babcock 4S' commitment to review its School Improvement activities to ensure that in the future it provided both better value for money and a more robust service. However, the Committee also acknowledged the need to consider whether additional resources might be required in order to achieve this given the County Council's aim for all children to attend a 'Good' school by 2017.

3.0 Recommendations

The Education Select Committee:

- (a) Noted the provisional education results for 2012;
- (b) Requested that the final validated data presented to Committee include:
 - i. Detailed analysis of performance results for individual phases;
 - ii. Analysis of performance between students attending combined primary schools and those educated in separate infant and junior schools;
 - iii. Greater clarity concerning the changes to the Ofsted inspection framework.
- (c) Welcomed Babcock 4S' review of its school improvement activities.

Denise Turner-Stewart
Chairman of the Education Select Committee

SURREY COUNTY COUNCIL

CABINET

DATE: 18 DECEMBER 2012

REPORT OF: MR JOHN FUREY, CABINET MEMBER FOR TRANSPORT AND ENVIRONMENT

LEAD OFFICER: TREVOR PUGH, STRATEGIC DIRECTOR, ENVIRONMENT AND INFRASTRUCTURE

SUBJECT: SURREY MINERALS AND WASTE PLANS - RECOMMENDATION TO COUNTY COUNCIL TO ADOPT THE AGGREGATES RECYCLING JOINT DEVELOPMENT PLAN DOCUMENT



SUMMARY OF ISSUE:

The adopted Surrey Minerals and Waste Plans provide the planning framework for the County Council in its roles as a mineral and as a waste planning authority. Minerals and waste development in Surrey includes aggregates recycling facilities for the recycling of construction, demolition and excavation waste. The Aggregates Recycling Joint Development Plan Document (DPD) sets out proposals for how the Surrey Minerals Plan's targets for the recycling of these types of waste can be met by 2016 and to 2026.

The DPD provides for an important element of overall aggregate supply in the county which also includes land-won sand and gravel from quarries. An increase in recycling will complement a near 50% reduction in the amount of land-won sand and gravel that Surrey County Council has had to plan for since 2009.

The Surrey Minerals and Waste Plans form part of the policy framework which is agreed by the County Council. The Cabinet is requested to recommend to the next meeting of the County Council that the DPD be adopted. The DPD contains modifications and amendments as recommended by the Inspector following independent public examination. The Inspector concluded that the DPD provides an appropriate basis for the planning of the county over the next 14 years.

RECOMMENDATIONS:

It is recommended that the Cabinet recommend to County Council that the Surrey Minerals and Waste Aggregates Recycling Joint Development Plan Document (incorporating the main modifications recommended by the Inspector and additional modifications and minor amendments) as attached as **Annex 2** be agreed.

REASON FOR RECOMMENDATIONS:

To secure completion of the final element of the Minerals and Waste Plan, fulfilling the associated legal requirements for Local Development Frameworks and comply with the adopted Minerals & Waste Development Scheme legal requirements.

DETAILS:

Background

1. The adopted Surrey Minerals and Waste Plans (Plans) provide the planning framework for the County Council in its roles as both a mineral and a waste planning authority. Minerals and waste development in Surrey includes aggregates recycling facilities for the recycling of construction, demolition and excavation (C, D & E) waste. The recently adopted Surrey Minerals Plan sets targets for the amount of C, D & E waste that should be recycled in Surrey by 2016 and to 2026. The Aggregates Recycling Joint Development Plan Document (DPD) sets out proposals for how the targets can be met.
2. On 26 November 2012, following independent public examination, the Inspector issued his report (**Annex 1**) on the DPD concluding that the submitted DPD is 'sound and legally compliant' subject to a number of modifications. There are three groups of modifications shown in **Annex 3**. They comprise:
 - main modifications to the DPD recommended by the Inspector which go to the soundness of the DPD (These are summarised in paragraph 9 of this report).
 - additional modifications to the DPD such as factual updates and for clarification.
 - minor amendments to the DPD put forward by the Council at the time of submission of the DPD to the Secretary of State, such as factual updates and for clarification.
3. The DPD incorporating all the changes is appended as **Annex 2**. The Inspector's recommendations must be incorporated into the DPD for it to be 'sound and legally compliant' if the County Council wish to adopt the DPD.
4. This report recommends the County Council to adopt the DPD with the Inspector's recommended main modifications, additional modifications and minor amendments.

Introduction

5. The adopted Minerals and Waste Plans (Plans) set the development framework for the County Council in its roles as both a mineral and a waste planning authority. The Plans identify specific sites and policy considerations for future mineral and waste development in Surrey and provides guidance to developers who wish to put forward proposals. The Aggregates Recycling Joint Development Plan Document (DPD) is the final element in the framework. It makes provision for recycling C, D & E waste into alternative aggregates in Surrey for the period up to 2026, and reduces the need for primary aggregate extraction. All of the allocated sites are either on existing or proposed mineral developments, or on sites identified for a waste use.
6. The County Council agreed on 19 July 2011 to publish the DPD for representations and subsequent submission to Government for public examination. Following the receipt of representations, Cabinet subsequently agreed on 14 December 2011 a schedule of proposed minor amendments to the DPD to accompany its submission to the Secretary of State on 16 December 2011.

Independent Examination

7. A pre-hearing meeting took place at County Hall on 21 February 2012. The public hearings commenced on Tuesday 20 March 2012 and took place on eight days ending on 29 June 2012. The Inspector made accompanied visits to all of the proposed sites in the DPD with additional visits made to Homefield Sandpit, Runfold and Lambs Brickworks, South Godstone following the promotion of these two sites for inclusion in the DPD by industry.
8. Members are advised to read the Inspector's Report (the Report) (**Annex 1**) for the DPD, which concludes that it is soundly based and appropriate for the planning of aggregates facilities within the county over the next 14 years. The Inspector has endorsed a number of main modifications (**Annex 3**) put forward by the Council during the public examination. These do not alter the thrust of the overall strategy but ensure that the DPD is sound and legally compliant.
9. The main modifications include:
 - inclusion of a policy presumption in favour of sustainable development (this is a requirement of the National Planning Policy Framework published in March 2012)
 - forecasts of future production are now based on sales recorded for the year 2010 (forecast sales were previously based on an average of three years sales which showed a lower outcome for future production)
 - not allocating the sites at Charlton Lane, Shepperton (the Inspector considered that the site would neither be suitable nor available)
 - not allocating sites at Whitehall Farm, Egham; Homers Farm, Bedfont and Watersplash Farm, Halliford (the operators have stated there is no intention to bring these sites forward)
 - increased estimates of the contribution towards recycled aggregate production on sites where the operators have indicated their firm intentions to bring forward proposals at Salfords Depot, Redhill; Penton Hook Marina, Chertsey and Milton Park Farm, Egham
10. Additional modifications and minor amendments (**Annex 3**) that update, clarify and improve the DPD are also proposed. They are minor changes which, taken together, do not materially affect the policies and strategy set out in the DPD.
11. The Main Modifications, Additional Modifications together with an updated Environmental Report (which comprised a sustainability appraisal of the Main and Additional Modifications) and an assessment of the compliance of the DPD with the National Planning Policy Framework were published for consultation in August 2012. A schedule (**Annex 4**) of the representations received was forwarded to the Inspector. The schedule was made available on the County Council website together with copies of the (redacted) representations. The Inspector has taken the responses into account in writing the Report.
12. The main findings of the Report are that the DPD is sound and legally compliant and the County Council has fulfilled its duty to co-operate with regard to its preparation. The recycling target figures of 0.8 mtpa by 2016 and 0.9 mtpa by 2026 are endorsed as being the best available and it would not be appropriate to revisit the figures. The Report finds that the DPD provides

an acceptable framework for maintaining this level of provision over its lifetime. The difficulty of seeking to promote an ideal distribution of sites is recognised, as is the need to allocate Green Belt sites owing largely to the lack of availability of alternative non Green Belt sites.

13. The proposal to allocate the Milton Park Farm, Egham as a potential aggregate recycling facility raised a significant number of representations opposing the identification of the site and was discussed at length at the Examination. The Report acknowledges that the development of the mineral working and an aggregate recycling facility together would not 'be devoid of any effect on local amenity'. The Inspector further states that 'I am not convinced that the introduction of an AR facility would significantly increase the likelihood of harm'. He concludes that 'I am satisfied that reliance on this site is justified'.
14. There were two sites promoted by industry for inclusion in the DPD, namely Homefield Sandpit, Runfold and Lambs Brickworks, South Godstone. However, the Inspector concluded that, 'The Plan makes adequate provision for recycling capacity for most of its term, with a reasonable expectation of meeting the targets for the end of the period. It is therefore sound without the need to allocate additional sites'. In the case of Homefield Sandpit, the Report states 'the site has the potential to contribute to the achievement of the targets as a windfall.....but it is not necessary in the interests of soundness for it to be specifically allocated under Policy AR1'. Regarding Lambs Brickworks, the Inspector concludes 'That is not to say that the site may not have potential to contribute to provision as a windfall under Policy AR2. However, this may be dependent on a scheme being drawn up that would not materially increase traffic generation from all of the non-business park activities'.

CONSULTATION:

15. Preparation of minerals and waste plan documents is subject to extensive consultation as required by the Town and Country Planning (Local Planning) (England) Regulations 2012.

RISK MANAGEMENT AND IMPLICATIONS:

16. As with many aspects of the planning system, adoption of the DPD carries the risk of a legal challenge. The timescale for a challenge is 6 weeks from the date of adoption of the document. (Full Council on 12 February 2013).

Financial and Value for Money Implications

17. There are potential costs associated with a legal challenge should one be made within the six week period following adoption (see para 16 above).
18. There are legal requirements associated with the adoption of the DPD. These include letter notification to individuals and organisations and printing and publication of documents for inspection. Notice of the adoption will also be necessary to be placed in Surrey local newspapers. The costs associated with the adoption of the DPD are approximately £8,000 and are covered in the budget for the year.

19. Adoption of the DPD provides a platform for determining planning applications for future aggregate recycling facilities in Surrey. It will direct development towards the most suitable areas and guard against ad hoc development proposals, which could prove more difficult to resist and costly for the Council to defend on appeal in the absence of an up to date policy framework.

Section 151 Officer Commentary

20. The Section 151 Officer confirms that all material, financial and business issues and risks have been considered in this report.

Legal Implications – Monitoring Officer

21. The Minerals and Waste Plan documents have been prepared in accord with the relevant legislation. The Planning Inspector concluded that the DPD had complied with legal requirements.

Equalities and Diversity

22. The Committee, in making this decision will need to take account of the public sector equality duties under the Equality Act 2010. These require that due regard should be given to the need to (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. These have been addressed in part through preparation of the Surrey Statement of Community Involvement, adopted in July 2006. This sets out how the Council will improve opportunities for the local community and organisations to be involved in planning decisions, including hard to reach groups including elderly people, young people and people who do not speak English.
23. Equality Impact Assessments (EIAs) have been carried out on the Minerals and Waste Plans and have not revealed any discernible discrimination against any people of the protected characteristics. These EIAs are listed as background documents to this report. The Minerals Plan EIA was refreshed in February 2010 to take account of the preparation of the Aggregates Recycling DPD and concludes that:
- a. “There is no evidence to suggest that the proposals and policies in the Minerals Plan are likely to impact on people in the equality and diversity groups any differently from the impact on the general Surrey population. It should be noted that no new mineral development takes place directly as a result of the Plan; before new mineral development takes place the Minerals Industry must submit planning applications to Surrey County Council as Mineral Planning Authority for assessment and determination. An Equality Impact Assessment has been carried out on the process of determining planning applications for mineral development which found that there was no discernible impact on the equality and diversity strands.”
24. There is nothing arising from the Examination and the Inspector’s report or from any other work done since the refresh of the Minerals Plan EIA to indicate that the position has changed.

25. In allocating sites, the Aggregates Recycling Joint DPD focuses on existing and proposed mineral extraction and waste management sites. The preparation of the Aggregates Recycling Joint DPD included public consultation with the local community and representative organisations including the full range of equality and diversity strands, in accordance with the Statement of Community Involvement. When planning applications are received there will be further engagement with the groups representing people of the protected characteristics and any potential impact on individuals with a protected characteristic can be looked at at this stage

Climate change/carbon emissions implications

26. The County Council attaches great importance to being environmentally aware and wishes to show leadership in cutting carbon emissions and tackling climate change.
27. The Planning and Compulsory Purchase Act 2004 (as amended) requires DPDs to include policies on mitigating and adapting to climate change. The parent document, the adopted Surrey Minerals Plan Core Strategy DPD, covers this issue. The Inspector did not raise the matter in the examination as a soundness issue.

WHAT HAPPENS NEXT:

28. The Council will consider the adoption of the DPD. If the Council agrees to adopt the Aggregates Recycling Joint DPD on 12 February 2013 an adoption statement will be advertised and sent to consultees. The DPD and other relevant documents will be deposited in inspection locations such as libraries and Surrey borough and district council offices as well as being made available on the County Council website.

Contact Officer:

Les Andrews

Minerals and Waste Planning Policy Manager - 020 8541 9523

Consulted:

Trevor Pugh, Strategic Director, Environment and Infrastructure

Email and letter notification of publication of Inspector's Report to Minerals Plan consultees.

Annexes:

Annex 1: Aggregates Recycling Joint DPD – Inspector's Report

Annex 2: Aggregates Recycling Joint DPD for adoption

Annex 3: Schedule of Main Modifications, Additional Modifications and Minor Amendments

Annex 4: Schedules of representations received regarding:

- Main Modifications,
- Additional Modifications,
- Updated Environmental Report
- Compliance with the National Planning Policy Framework

Annexes available in Members Reading Room and on Surrey County Council website ([www.surreycc.gov.uk/Your council/Councillors and committees/Committee papers/Name of committee/Cabinet/18 December 2012](http://www.surreycc.gov.uk/Your%20council/Councillors%20and%20committees/Committee%20papers/Name%20of%20committee/Cabinet/18%20December%202012))

Sources/background papers:

- Surrey Minerals Plan 2011 Core Strategy DPD
- Surrey Minerals Plan 2011 Primary Aggregates DPD
- Surrey Waste Plan 2008.
- Surrey Statement of Community Involvement 2006
- Minerals Plan Equalities Impact Assessment - Refreshed February 2010.
- Waste Plan Equalities Impact Assessment May 2008
- Environment and Regulation - Planning Development Control Equalities Impact Assessment March 2009

All above documents available on the Surrey County Council website

- National Planning Policy Framework (NPPF)
-

This page is intentionally left blank

SURREY COUNTY COUNCIL**CABINET****DATE: 18 DECEMBER 2012**

REPORT OF: MR MICHAEL GOSLING, CABINET MEMBER FOR ADULT SOCIAL CARE AND HEALTH
MS DENISE LE GAL, CABINET MEMBER FOR CHANGE AND EFFICIENCY

LEAD OFFICERS: ANNE BUTLER, ASSISTANT DIRECTOR, COMMISSIONING ADULT SOCIAL CARE
ANDREW FORZANI, HEAD OF PROCUREMENT AND COMMISSIONING

SUBJECT: PROVISION OF HOME BASED BREAKS SERVICES FOR CARERS: APPROVAL TO AWARD A CONTRACT

SUMMARY OF ISSUE:

To award a fixed price contract to the recommended tenderer for the provision of Home Based Breaks Services for Carers from February 2013. The report provides details of the procurement process and demonstrates why the recommended contract award delivers best value for money for carers and Surrey residents alike.

Due to the commercial sensitivity involved in the contract award process, the names and financial details of the potential suppliers have been circulated as a Part 2 Annex (item 17).

RECOMMENDATIONS:

It is recommended that:

1. the background information set out in this report be noted: and
2. the award of a contract be agreed following consideration of the results of the procurement process as set out in the Part 2 Annex (item 17).

REASON FOR RECOMMENDATIONS:

The existing contract supplied by Surrey Crossroads will expire on 5 February 2013. A full tender process, in compliance with the requirement of EU Procurement Regulations and the Council's Procurement Standing Orders has been undertaken. The recommendations arising out of the above processes provide best value for money for the Council following a thorough evaluation process.

DETAILS:

Background Details:

1. Improving support for carers is a key priority for Adult Social Care and Children's Services. The care provided by Carers in Surrey alone saves public funded authorities in Surrey an estimated £1.6 billion a year. There is, also a high emphasis from the government on the long term benefits of supporting carers, including increased provision of breaks.
2. A project group comprising representatives from ASC, Children's Services, NHS and Procurement took account of the National Carers Strategy (November 2010). This included identifying priorities to ensure the best possible outcomes for carers and those they support including the provision of more community based respite (short breaks). The need for more breaks for carers has been further emphasised in the recent White Paper "Caring for our future: reforming care and support".
3. The existing contract for the provision of Home Based Breaks Service for Carers will expire on 5 February 2013. A full tender process, compliant with the European Public Procurement Regulations and Procurement Standing Orders, has been carried out following the receipt of authority from Procurement Review Group (PRG) on 22 August 2012. This included advertising the contract opportunity on Surrey County Council (SCC) e-Sourcing portal (BravoSolution) on 13 September 2012.
4. This project was jointly undertaken by Adult Social Care (ASC) and Children's Social Care and also involved discussions with NHS Surrey and full support from SCC Procurement throughout. The Children's Service have already paid £76,882 into the existing contract. However, they also commissioned two separate but similar services with a significantly higher rate. In the spirit of one Council, Childrens and Adults Services agreed to run a joint tender for this service as a whole. This has allowed for the purchasing of the services on an economy of scale basis and will ensure that SCC achieves value for money in the delivery of these services.

Procurement strategy:

5. Several options were considered when completing the Strategic Procurement Plan (SPP) prior to commencing the procurement activity. These were use of existing Home Based Care (HBC) frameworks, extend the existing contract and run a universal (joint Adult and Children) tender versus a targeted tender (where the tender is broken down into different lots).
6. The recommended option was to run a universal tender (joint between Adult and Children). As part of the Multi Agency Surrey Carers Strategy, local carers strongly emphasised the need for consistency of services for carers through the co-design process. A universal tender will help ensure consistency and keep down administration costs.
7. Therefore, the provision of Home Based Breaks Services for Carers went through the full tender procedure. The purpose of tendering was the services to test the market jointly in spirit of one Council and ensure that best value for the residents of Surrey is obtained.

8. The objective of going out to tender was to derive the following benefits:
 - To test the market allowing us to establish whether we are achieving value for money.
 - To run a joint tender with Children's Services who are currently receiving similar services from the same provider. This was to allow for the purchasing of the Services on an economy of scale basis and ensure that SCC achieves value for money in the delivery of these services.

Use of e-Tendering and market management activities

9. Steps were taken to stimulate interest for this provision, which was introduced to the supply base through a provider event. Following the receipt of Expressions of Interest, all providers were invited to attend the event on 13 July 2012. The provider event included a joint presentation from Procurement and ASC Commissioner. The presentation also included detailed instructions on the use of SCC e-Sourcing portal (BravoSolution) and a questions and answers session.

Key Implications

10. By awarding a contract to the supplier recommended for the provision of Home Based Breaks Service for Carers to commence on 6 February 2013 the Council will be meeting its duties and ensure best possible outcomes for carers and those they support is achieved.
11. Performance will be monitored through a series of outcomes and performance measures as detailed in the contract and reviewed at quarterly meetings with the recommended supplier.
12. The management responsibility for the contract lies with the Senior Manager Carers Commissioning in partnership with the Service Manager for Children with Disabilities. The contract will be managed in line with the Contract Monitoring Standards and plan as laid out in the contract documentation which also provides for review of performance and volumes.

Competitive Tendering Process

13. Following the Pre-Qualification of suppliers, an invitation to tender was sent to five suppliers, who were given 33 days to complete and submit their tender. These tenders were then evaluated and one supplier was recommended.

CONSULTATION:

14. Internal – Procurement Review Group, Officers from Adult Social Care, Children, Schools and Families, Finance, Legal and Procurement.
15. External - Representatives from our partners NHS Surrey and the Joint Surrey Carers' Commissioning Group. The specification for the service was developed through a codesign process involving Action for Carers (Surrey) and other carers' organisations.

RISK MANAGEMENT AND IMPLICATIONS:

16. There is a high risk of increased costs if the current contract were not awarded to the recommended tenderer. There could also be severe reputational damage should the services provided to carers no longer be available with criticism likely from the NHS, carers organisations and ASC practitioners.
17. There is a potential risk of funding agreed by NHS Surrey for carer breaks being withdrawn by Clinical Commissioning Groups before the end of the Contract period. Therefore, to ensure that the service provided for carers by SCC is not discontinued, payment of NHS money through the Contract has been made conditional upon receipt of funding, with a mechanism designed to clearly distinguish between SCC and NHS funding.
18. Should the Carers Breaks services stop, this would have extremely serious reputational ramifications for the Council which could then be viewed as failing to deliver on the National Carers Strategy. It would also be likely that should the service cease care packages would have to be agreed in many cases resulting to a higher cost to the Council. Therefore, resources were allocated and project planned to ensure that this project is delivered on time. The service was also extended for a further month (from January 2013 to February 2013) to ensure that services are not stopped.
19. There is a high risk that there would otherwise be a price increase from the provider during the next four years. As SCC has a fixed budget for this provision, the prices have been fixed for the duration of the contract including the extension period.
20. To mitigate any shortcomings should these arise in delivering services to SCC Terms & Conditions of the Contract include standard provision for:
 - Recovery of monies on behalf of the council
 - Defaults
 - Dispute resolution

Financial and Value for Money Implications

21. Full details of the contract value and financial implications are set out in the **Part 2 Annex**.
22. The new contract will deliver a saving of 17% for Children's Services, who currently pay a higher rate than Adult Social Care. ASC will continue to receive a low rate very similar to the rate they have had in place for the past 20 months and this will be fixed for the duration of the contract (potentially four years).
23. Non-cashable benefits will include the creation of Apprenticeship placements as well as working with local communities in Surrey in order to support and develop social value as detailed in the contract.

Section 151 Officer Commentary

24. The S151 Officer confirms that all material financial and business issues and risks have been considered in this report.

Legal Implications – Monitoring Officer

25. Under section 149 of the Equality Act 2010 Cabinet must comply with the public sector equality duty, which requires it to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; (b) advance equality of opportunity between persons who share a relevant characteristic and a person who do not share it; (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
26. The Equalities Impact Assessment, attached as **Annex 1**, sets out the impacts of the recommendations on each of the protected group. A range of positive impact has been identified for all groups. However, Members will note the potential negative impacts for specific groups which is that carers from “hard to reach or marginalised groups could be unaware of the services”. In order to counteract this, the specification and the terms and condition of the Contract require the successful provider to work with the Council to warrant that the publicity and referrals systems help ensure that the service is fully accessible to all including those from “hard to reach groups”.

Equalities and Diversity

27. The Council has been mindful of its equalities duties in carrying out the tender and as a result, undertook an equalities impact assessment (attached as Annex 1).
28. The need for the service is identified in the co-designed Carers Commissioning Strategy which is also informed by the Joint Strategic Needs Assessment chapters on carers and young carers.
29. While there are no specific negative impacts identified there is seen to be a need to ensure a proactive approach to making the service genuinely accessible to all.
30. The service specification and contract will require the successful service provider to work with the Council to ensure that publicity and referrals systems help ensure that the service is fully accessible to all including those from “hard to reach groups”.

CORPORATE PARENTING/LOOKED AFTER CHILDREN IMPLICATIONS

31. The Carers Breaks Service includes support for parents and carers of disabled children and families where there are young carers involved in caring. In these cases this minimises the risks of family breakdown.

Safeguarding responsibilities for vulnerable children and adults implications

32. The terms and conditions of the Contract which the provider will sign stipulate that the provider will comply with the Council’s Safeguarding Adults and

Children’s Multi- Agency procedures, any legislative requirements, guidelines and good practices as recommended by the Council. This is monitored through contractual arrangements.

WHAT HAPPENS NEXT:

33. Subject to approval, the provider will be advised of the intention to award the contract. Following on from the Cabinet Callover period and 10 days standstill the contract will be issued to the recommended provider for signature and return to SCC to be sealed and stored in line with Procurement Standing Orders.

34. The timetable for implementation is as follows:

Action	Date
Cabinet decision to award (5 working days 'call in' period applies following publication of decision)	18 December 2012
10days Standstill Period	21 January 2013
Contract Signature	21 January 2013
Contract Commencement Date	6 February 2013

35. The Council has an obligation to allow unsuccessful suppliers the opportunity to challenge the proposed contract award. This period is referred to as the 10days standstill period.

36. Thereafter performance management will be undertaken with the provider, and a market stimulation and review exercise will be undertaken jointly by Procurement and Commissioning with a view to identifying options for 2015 and onwards.

Contact Officer:

Yasi Siamaki, Procurement (Procurement, CAE) – 0208 541 8543 / Jeremy Taylor, Senior Category Specialist (Procurement, CAE) - 0208 541 8544
 John Bangs – Senior Manager Carers Commissioning (Commissioning, ASC) – 01483 519145

Consulted:

Sarah Mitchell – Strategic Director for Adult Social Care
 Anne Butler – Assistant Director for Commissioning
 Christian George – Category Manager, Adults
 Ayo Owusuh – Legal Services
 Gabby Alford, NHS Surrey
 Joint Carers’ Commissioning Group
 Daryl Mogridge – Principal Accountant
 Paula Chowdhury – Senior Finance Manager, Children Schools and Families
 Sandy Thomas – Specialist Service Manager, Children’s and Safeguarding Service
 Paul Carey-Kent – Strategic Finance Manager – Adults
 Andrew Forzani – Head of Procurement and Commissioning

Annexes:

Annex 1 – Equality Impact Assessment
 Part 2 Annex (Contains exempt information - circulated to Cabinet Members)

Sources/background papers:

- National Carers Strategy (November 2010)
 - White Paper “Caring for our future: reforming care and support”.
-

This page is intentionally left blank

Equality Impact Assessment Guidance and Template



1. Topic of assessment

EIA title:	Home Based Breaks Service for Carers
-------------------	--------------------------------------

EIA author:	John Bangs – Senior Manager Carers Commissioning
--------------------	--

2. Approval

	Name	Date approved
Approved by	Anne Butler, Assistant Director, Commissioning, Adult Social Care	26 October 2012

3. Quality control

Version number		EIA completed	12 October 2012
Date saved		EIA published	Awaiting Publication

4. EIA team

Name	Job title (if applicable)	Organisation	Role
John Bangs	Senior Manager Carers Commissioning	Adult Social Care	Carers Lead
Debbie Hustings	Partnership Manager (Carers)	NHS Surrey	Member of Carers Commissioning Group (representing NHS Surrey)
Jane Thornton	Chief Executive Officer	Action for Carers (Surrey)	Chair of multi Agency Carers Commissioning Group

5. Explaining the matter being assessed

What policy, function or service is being introduced or reviewed?	<p>This was a joint project between Adult Social Care and Children & Young People and NHS Surrey developed through co-design. The resulting procurement process is designed to ensure the continuation of an existing independent home based breaks service.</p> <p>The care provided by Carers in Surrey alone saves public funded authorities in Surrey an estimated £1.6 Billion a year. Improving support for carers is a key priority for Adult Social Care. There is also more and more emphasis from Government on the long term benefits of supporting carers, including through increased provision of breaks.</p> <p>This project is in response to the National Carers Strategy</p>
--	--

EQUALITY IMPACT ASSESSMENT TEMPLATE

	<p>(November 2010) , which “identifies the actions that the Government will take over the next four years to support its priorities to ensure the best possible outcomes for carers and those they support .” More breaks for carers was further emphasised in the recent White Paper “Caring for our future: reforming care and support” on the need to invest further in support for carers.</p> <p>Moreover, the existing contract will expire in February 2013 and it is essential to maintain this service in order to continue to meet our commitments to enable carers to have a break This will also avoid putting SCC’s reputation at risk and incurring additional cost where many cases supported would require costed care packages instead.</p> <p>The service being commissioned includes the following:</p> <ul style="list-style-type: none"> ○ Direct provision of breaks services to Carers within the county of Surrey and provision of quality Home Based Care ○ Support accessing leisure activities in the community for the people receiving support so that their carers can have time to themselves. ○ Under taking an assessment of the Carer and Person Receiving Support in order to allocate the open access, preventative services and making referrals to other sources of help and information. ○ Signposting Carers to appropriate services for related conditions. ○ Quantitative and qualitative reporting to the commissioning bodies. ○ Engaging with Carers and where requested the people receiving support obtaining feedback and utilising feedback to improve the quality of service. <p>And excludes:</p> <ul style="list-style-type: none"> ○ Direct provision of Home Based Care services designed solely to meet the needs of the person receiving support and not directly connected to meeting the Carer’s needs. ○ Care Packages agreed as a result of a Community Care or Children Act Assessments undertaken by the County Council. <p>The service will operate in a flexible manner so that referrals for service can be received from SCC’s social care teams, GP Practices, other Carers organisations or from Carers themselves. The service provider will also work with the County Council to promote good practice in supporting carers through flexible home based care.</p>
<p>What proposals are you assessing?</p>	<p>There will not be any specific changes to the current service provision. None the less, this is a significant service for carers so it was considered to be good practice to undertake an Equality Impact Assessment to ensure an equitable approach to service delivery.</p>

EQUALITY IMPACT ASSESSMENT TEMPLATE

Who is affected by the proposals outlined above?	<ul style="list-style-type: none">○ Carers of all groups of Adults and disabled children○ People receiving care○ current provider
---	---

6. Sources of information

Engagement carried out
<p>The objective of providing an open access home based breaks service for carers is a key priority in the Codesigned multi agency Surrey Carers Commissioning and Service Development Strategy 2012/15.</p> <p>This has been a priority for over ten years but has been given greater emphasis as a result of feedback from carers during the refresh of the Commissioning Strategy. The bidding process sought to continue the delivery of existing priorities agreed with carers representatives including details of the codesigned “service specification”.</p> <p>Carers have been involved throughout the process and have not identified any concerns about the impact on carers or the people they look after.</p>
Data used
<ul style="list-style-type: none">• Data from the Carers Chapter of the Joint Strategic Needs Assessment• Data from the Young Carers Chapter of the Joint Strategic Needs Assessment• Background information from Surrey Carers Commissioning and Service Development Strategy 2012/15.• Background information from the multi agency Young Carers Strategy for Surrey 2011/14.

EQUALITY IMPACT ASSESSMENT TEMPLATE

7. Impact of the new/amended policy, service or function

7a. Impact of the proposals on residents and service users with protected characteristics

Protected characteristic	Potential positive impacts	Potential negative impacts	Evidence
<p style="text-align: center;">Age</p>	<p>This service is open to all age groups including Young Carers - defined as Carers under the age of 18.</p> <p>Active support to carers helps avoid a risk of any associative discrimination to family members of people with a “protected characteristic”</p>	<p>None identified as there is no change to the service being delivered.</p>	
<p style="text-align: center;">Disability</p>	<p>This service is open to everyone with different disability types.</p> <p>Active support to carers helps avoid a risk of any associative discrimination to family members of people with a “protected characteristic”</p>	<p>None identified as there is no change to the service being delivered.</p>	
<p style="text-align: center;">Gender reassignment</p>	<p>This service is open to all.</p>	<p>None identified but there is recognised to be a risk that carers from “hard to reach” or marginalised groups could be unaware of the service.</p>	<p>The service specification and contract will require the successful service provider to work with the Council to ensure that publicity and referrals systems help ensure that the service is fully accessible to all including those from “hard to reach groups”.</p>

EQUALITY IMPACT ASSESSMENT TEMPLATE

Pregnancy and maternity	This service is open to all.	None identified	
Race	This service is open to all races.	None identified but there is recognised to be a risk that carers from “hard to reach” or marginalised groups could be unaware of the service.	The service specification and contract will require the successful service provider to work with the Council to ensure that publicity and referrals systems help ensure that the service is fully accessible to all including those from “hard to reach groups”.
Religion and belief	This service is open to everyone with different religion and belief.	None identified but there is recognised to be a risk that carers from “hard to reach” or marginalised groups could be unaware of the service.	The service specification and contract will require the successful service provider to work with the Council to ensure that publicity and referrals systems help ensure that the service is fully accessible to all including those from “hard to reach groups”.
Sex	This service is open to all.	None identified but there is recognised to be a risk that carers from “hard to reach” or marginalised groups could be unaware of the service.	The service specification and contract will require the successful service provider to work with the Council to ensure that publicity and referrals systems help ensure that the service is fully accessible to all including those from “hard to reach groups”.
Sexual orientation	This service is open to all.	None identified but there is recognised to be a risk that carers from “hard to reach” or marginalised groups could be unaware of the service.	The service specification and contract will require the successful service provider to work with the Council to ensure that publicity and referrals systems help ensure that the service is fully accessible to all including those from “hard to reach groups”.
Marriage and civil partnerships	This service is open to all.	None identified	

EQUALITY IMPACT ASSESSMENT TEMPLATE

7b. Impact of the proposals on staff with protected characteristics

* There is no impact on County Council staff

Protected characteristic	Potential positive impacts	Potential negative impacts	Evidence
Age	N/A*		
Disability	N/A*		
Gender reassignment	N/A*		
Pregnancy and maternity	N/A*		
Race	N/A*		
Religion and belief	N/A*		
Sex	N/A*		
Sexual orientation	N/A*		
Marriage and civil partnerships	N/A*		

EQUALITY IMPACT ASSESSMENT TEMPLATE

8. Amendments to the proposals

Change	Reason for change
The service specification and contract will require the successful service provider to work with the Council to ensure that publicity and referrals systems help ensure that the service is fully accessible to all including those from “hard to reach groups”.	To ensure a proactive approach to making the service genuinely accessible to all.

9. Action plan

Potential impact (positive or negative)	Action needed to maximise positive impact or mitigate negative impact	By when	Owner
	The service specification and contract will require the successful service provider to work with the Council to ensure that publicity and referrals systems help ensure that the service is fully accessible to all including those from “hard to reach groups”.	As part of initiation of new contract (February/March 2013) and ongoing performance evaluation (six monthly throughout the life of the project)	John Bangs

10. Potential negative impacts that cannot be mitigated

Potential negative impact	Protected characteristic(s) that could be affected
None	None

11. Summary of key impacts and actions

Information and engagement underpinning equalities analysis	The need for the service is identified in the codesigned Carers Commissioning Strategy which is also informed by the Joint Strategic Needs Assessment chapters on carers and young carers
--	---

EQUALITY IMPACT ASSESSMENT TEMPLATE

Key impacts (positive and/or negative) on people with protected characteristics	<p>While there are no specific negative impacts identified there is seen to be a need to ensure a proactive approach to making the service genuinely accessible to all.</p>
Changes you have made to the proposal as a result of the EIA	<p>The service specification and contract will require the successful service provider to work with the Council to ensure that publicity and referrals systems help ensure that the service is fully accessible to all including those from “hard to reach groups”.</p>
Key mitigating actions planned to address any outstanding negative impacts	<p>N/A</p>
Potential negative impacts that cannot be mitigated	<p>None</p>

SURREY COUNTY COUNCIL**CABINET****DATE: 18 DECEMBER 2012****REPORT OF: MS DENISE LE GAL, CABINET MEMBER FOR CHANGE AND EFFICIENCY****LEAD OFFICER: ANDREW FORZANI – HEAD OF PROCUREMENT & COMMISIONING****JOHN STEBBINGS – CHIEF PROPERTY OFFICER****SUBJECT: CONTRACT AWARD FOR MECHANICAL, ELECTRICAL AND ROOFING MAINTENANCE FRAMEWORKS****SUMMARY OF ISSUE:**

The report seeks approval from Cabinet to award three Specialist Construction Framework agreements to the recommended tenderers for the provision of mid-sized planned roofing, mechanical and electrical engineering projects.

RECOMMENDATIONS:

It is recommended that the selected contractors be appointed onto Roofing, Mechanical and Electrical Works Frameworks, jointly procured with Hampshire County Council as detailed in the Part 2 Annex (item 16).

REASON FOR RECOMMENDATIONS:

The recommended contract award delivers best value for money for Surrey County Council.

DETAILS:

1. The Surrey and Hampshire Specialist Frameworks were jointly established by Surrey County Council and Hampshire County Council, on behalf of themselves and other public sector bodies in Surrey and Hampshire.
2. The overarching aim of the framework is the efficient delivery of medium-sized capital maintenance projects and programmes of work typically between £75,000 and £500,000.
3. It is a multi-authority collaborative framework which is jointly managed by Surrey and Hampshire County Councils. The Framework will operate from 2013 to 2017.
4. Minor planned maintenance works between £7,500 and £75,000 will be competitively tendered between SMEs in the Local Area. Maintenance works below £7,500 will be delivered by the Term Contractors as set out in the 27 March 2012 Cabinet report.

5. This report recommends that three Specialist Frameworks for the provision of Roofing, Mechanical and Electrical Works to commence in February 2013 are awarded to the contractors named in the Part 2 Annex (item 16). Together with the Part 2 Annex, this report demonstrates why the recommended contract award delivers best value for money for Surrey County Council.

Background

6. A strategy to improve Surrey County Council's (SCC) existing building maintenance provision was set out in the 27 March 2012 Cabinet report.
7. This was a response to existing arrangements (where the majority of work has been routed through a single supplier), which did not facilitate competition between contractors and limited the opportunity for local contractors to win work with the Council.
8. The new strategy proposed a range of Term Contracts and Framework Agreements to spread the workload across selected firms, so eliminating the risk of contractor failure and maintaining a greater level of competition for work.
9. The following contracts have already been approved by Cabinet this year:
 - a contract for responsive repairs and cyclical maintenance (approved on 27 March 2012) including emergency call outs, leaks, breakdowns and servicing.
 - a framework agreement for planned building maintenance works (approved on 29 May 2012) including extensions, alterations, new build and refurbishment building work.
10. This paper focuses on delivery of the last strand of this strategy – the implementation of planned roofing, mechanical and electrical engineering frameworks. It will capture project values typically between £75,000 and £500,000, with a total projected annual spend of £12m. Projects will include boiler replacements, central heating and lighting upgrades, and re-wiring.

The three Specialist Construction Frameworks

11. The new Frameworks, a joint procurement between SCC and Hampshire County Council (HCC), will commence on 1 Feb 2013 for a four year term. Their scope includes planned building maintenance projects or programmes of work. It will also be available to Districts and Boroughs.
12. The results of the procurement evaluation are summarised in the Confidential Part 2 Annex together with the list of recommended Contractors in each Framework. The Frameworks will ensure that work is actively competed amongst this group of Contractors.
13. The recommended Contractors will provide services within the geographical area of Surrey and Hampshire.
14. Joint Framework Steering Groups will be appointed by SCC and HCC to provide scrutiny of the governance and operational arrangements for the Frameworks.

Surrey Small Works Panel

15. Whilst the benefits of using a managing contractor are recognised for higher value/complex projects, such benefits are less evident for lower value jobs.
16. Small planned maintenance works projects between £7,500 and £75,000 will be delivered by specialist roofing, mechanical and electrical Surrey based SMEs under the Surrey Small Works Panel (approved by Cabinet on 29 May 2012).
17. Individual projects will be let competitively by seeking quotations from the local accredited bidders list.

'BuildSurrey' portal

18. In addition to the opportunity to bid for work directly with SCC, as part of the Small Works Panel, Surrey-based SMEs will have the opportunity to undertake projects at a sub-contractor level for SCC existing Main Framework Contractors via the 'BuildSurrey' networking portal.
19. The portal will be operational in January 2013 and will put local suppliers in contact with main contractors to support them in building local supply chains.
20. The specialist Contractors who are appointed to the Roofing, Mechanical and Electrical Frameworks will be invited to join the 'BuildSurrey' initiative to support the Framework target of exceeding 75% of project budget spent with SMEs in the Local Area.

CONSULTATION:

21. Members of Procurement, Property Services and Hampshire County Council have been involved in the procurements, feeding in their expert knowledge around the design of the specification and evaluating tenders and agreeing contract award. Legal Services have also been consulted to ensure what was being proposed was legally compliant

RISK MANAGEMENT AND IMPLICATIONS:

22. The Council does not guarantee the value or volume of instructions it may place with any of the contractors.
23. Purchase Orders may be terminated upon giving 7 days notice.
24. All contractors were required to successfully complete satisfactory financial checks as part of the pre-qualification stage.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

25. Value for money will be assured through the Specialist Frameworks via the following measures:
 - Overhead and Profit (OH&P) and Insurance rates have been established competitively for each contractor for typical projects during the procurement and are fixed for the life of the Framework. On average these are 2% less than existing arrangements.

- The use of project templates (requiring the bidders to cost against common project types) within the procurement exercise has provided the facility to benchmark actual future project costs.
 - A minimum savings target of 10%, which measures savings in project costs against benchmarked Framework project templates has been established. SCC will work with the successful contractors to drive out cost to meet or exceed this target
 - The majority of the total project costs reside with sub-contractors (analysis of an average sized project indicates this is in the region of 75%) and this is where the greatest opportunity exists to secure value for money. SCC staff will focus on working closely with the successful suppliers to identify supply chain opportunities, develop increased standardisation, bundle projects into programmes of work and encourage use of local SMEs.
26. Framework Contractors or Contracting Authorities do not pay any administration fees to the Framework Management team.

SECTION 151 OFFICER COMMENTARY

27. The Section 151 Officer confirms that there are no new financial implications as the result of the framework agreements being implemented as recommended. Works will be delivered under the agreed capital and revenue budgets, with responsibility for financial management residing with Property Services.

LEGAL IMPLICATIONS – MONITORING OFFICER

28. All compliant tenderers supplied a written confirmation that if successful they will accept the terms of the draft Framework Agreement agreed by Legal Services, without any material amendment.
29. The duty on the Cabinet is to have due regard to public authorities obligations as set out under the Equality Act 2010.
30. The risks which SCC exposes itself to under the framework, are the risk related to its own purchases.

EQUALITIES AND DIVERSITY

31. An Equalities Impact Assessment was not required for this award because Equality Impact Assessments will be undertaken for individual projects and underlying contracts if necessary.
32. The Council has been mindful of its equalities duties in carrying out the procurements relating to this paper. Under the Equality Act 2012 when considering this item, the Cabinet should have due regard to the need to (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do

not share it - the relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

33. The procurement process for the Framework agreements was undertaken through an EU Procurement procedure, which was advertised to allow contractors across the EU to express their interest. An electronic tendering platform was used through the Bravo E-sourcing Portal. The tender was also advertised on the HCC & SCC's websites so as to attract local businesses and SMEs.
34. A minimum target of 5 weeks training per each £100,000 streamlined through each Framework has been established. In accordance with projected workload of approx. £12m there is a potential for 12 full-time apprenticeships per annum across the three Frameworks.
35. The contract which the contractors will sign stipulates that the contractor will comply with all relevant equality and diversity legislation (including the Equality Act 2010) whilst performing the services. The contracts also require the contractor to adopt SCC's equal opportunities policy when recruiting and dealing with Safeguarding responsibilities for vulnerable children and adults implications
36. With regard to the Contractors' Personnel who potentially may participate in providing these services to school premises or which may otherwise involve contact with children or vulnerable adults, the Contracting Authority reserved the right to require the Contractor to supply Security Cleared or Vetted or CRB checked staff for individual projects. Contracting Authorities may require persons employed or otherwise engaged by Framework Providers to undertake other security checks in accordance with Contracting Authorities security procedures.

CLIMATE CHANGE/CARBON EMISSIONS IMPLICATIONS

37. The County Council attaches great importance to being environmentally aware and wishes to show leadership in cutting carbon emissions and tackling climate change.
38. The contractors shall institute and maintain, in relation to their performance of the Services, a system of quality assurance. This will cover improvement planning and operation and an environmental management system designed to ensure that the Services are carried out in accordance with the Specification.
39. The contractors will be required to look to achieve efficiencies, reduce CO² emissions and reduce running costs of their transport.

WHAT HAPPENS NEXT:

40. Property Services will implement and manage the contracts with commercial input from Procurement. Quantity Surveyors from within Property Services will manage the quotation requests/tenders for the Small Works Panel.
-

Contact Officer:

John Hesp (Procurement) 020 8541 7934

Artur Krzyzanski (Procurement) 020 8541 8080

Consulted:

Consultation has also been undertaken with senior representatives of Property Services, Legal Services, Hampshire CC and the Procurement Review Group. Hampshire County Council

Annexes:

Part 2 Annex – Scoring summary and list of recommended Contractors

Sources/background papers:

None

SURREY COUNTY COUNCIL**CABINET****DATE: 18 DECEMBER 2012****REPORT OF: MR DAVID HODGE, LEADER OF THE COUNCIL****LEAD OFFICER: SHEILA LITTLE, CHIEF FINANCE OFFICER AND DEPUTY DIRECTOR FOR CHANGE AND EFFICIENCY****SUBJECT: BUDGET MONITORING FORECAST 2012/13 (PERIOD ENDING NOVEMBER 2012)****SUMMARY OF ISSUE:**

To note the year-end revenue and capital budget monitoring projections as at the end of November 2012.

Please note that the Annex 1 to this report will be circulated separately prior to the Cabinet meeting.

RECOMMENDATIONS:

It is recommended that the Cabinet:

1. notes the projected revenue budget underspend; (Annex 1 – Section A) and the Capital programme direction; (Section B)
2. confirms that government grant changes are reflected in directorate budgets; (Section C)

REASON FOR RECOMMENDATIONS:

To comply with the agreed strategy of providing a monthly budget monitoring report to cabinet for approval and action as necessary.

DETAILS:

1. The council's 2012/13 financial year commenced on 1 April 2012 and this is the sixth financial report of this financial year.
2. The council has implemented a risk based approach to budget monitoring across all directorates and services. The risk based approach is to ensure that resources are focused on monitoring those budgets assessed high risk, due to their value or volatility. There is a set of criteria to evaluate all budgets into high, medium and low risk.
3. High risk areas report monthly, where as low risk services areas report on an exception basis. This is if the year to date budget and actual spend vary by more than 10%, or £50,000, whichever is lower.

4. Annex 1 – Section A to this report sets out the council’s revenue budget forecast year end outturn as at the end of November 2012. The forecast is based upon current year to date income and expenditure as well as projections using information available to the end of the month. The report provides explanations for significant variations from the budget.
5. Annex 1 – Section B to this report updates Cabinet on the council’s capital budget.
6. Annex 1 – Section C provides details of the revenue changes to government grants and other budget virements.

Consultation:

7. All Cabinet Members will have consulted their relevant Strategic Director on the financial positions of their portfolios.

Risk management and implications:

8. Risk implications are stated throughout the report and each Strategic Director has updated their strategic and or service risk registers accordingly. In addition, the Leadership risk register continues to reflect the increasing uncertainty of future funding likely to be allocated to the council.

Financial and value for money implications

9. The financial and value for money implications are considered throughout this report and will be further scrutinised in future budget monitoring reports. The council continues to have a strong focus on its key objective of providing excellent value for money.

Section 151 Officer commentary

10. The Section 151 officer confirms that all material, financial and business issues and risks are considered throughout the report.

Legal implications – Monitoring Officer

11. There are no legal issues and risks.

Equalities and Diversity

12. Any impacts of the budget monitoring actions will be evaluated by the individual services as they implement the management actions necessary.

Climate change/carbon emissions implications

13. The County Council attaches great importance to being environmentally aware and wishes to show leadership in cutting carbon emissions and tackling climate change.
14. Any impacts on climate change and carbon emissions to achieve the Council’s aim will be considered by the relevant service affected as they implement any actions agreed.

WHAT HAPPENS NEXT:

15. The relevant adjustments from the recommendations will be made to the council's accounts.

Contact Officer:

Sheila Little, Chief Finance Officer and Deputy Director for Change and Efficiency
020 8541 7012

Consulted:

Cabinet / Corporate Leadership Team

Annexes:

Annex 1 – Section A – Revenue Budget Summary
Annex 1 – Section B – Capital Budget Summary
Annex 1 – Section C – Revenue Budget movements

Sources/background papers:

None

This page is intentionally left blank

SURREY COUNTY COUNCIL

CABINET

DATE: 18 DECEMBER 2012

REPORT OF: MR DAVID HODGE, LEADER OF THE COUNCIL

LEAD OFFICER: SHEILA LITTLE, CHIEF FINANCE OFFICER AND DEPUTY DIRECTOR FOR CHANGE AND EFFICIENCY

SUBJECT: BUDGET MONITORING FORECAST 2012/13 (PERIOD ENDING NOVEMBER 2012)



SUMMARY OF ISSUE:

To note:

- the year-end revenue and capital budget monitoring projections as at the end of November 2012.

RECOMMENDATIONS:

It is recommended that the Cabinet:

1. notes the projected revenue budget underspend; (Annex 1 – Section A) and the Capital programme direction; (Section B)
2. confirms that government grant changes are reflected in directorate budgets; (Section C)

REASON FOR RECOMMENDATIONS:

To comply with the agreed strategy of providing a monthly budget monitoring report to cabinet for approval and action as necessary.

DETAILS:

1. The council's 2012/13 financial year commenced on 1 April 2012 and this is the sixth financial report of this financial year.
2. The council has implemented a risk based approach to budget monitoring across all directorates and services. The risk based approach is to ensure that resources are focused on monitoring those budgets assessed high risk, due to their value or volatility. There is a set of criteria to evaluate all budgets into high, medium and low risk.
3. High risk areas report monthly, where as low risk services areas report on an exception basis. This is if the year to date budget and actual spend vary by more than 10%, or £50,000, whichever is lower.

4. Annex – Section A to this report sets out the council’s revenue budget forecast year end outturn as at the end of November 2012. The forecast is based upon current year to date income and expenditure as well as projections using information available to the end of the month. The report provides explanations for significant variations from the budget.
5. Annex – Section B to this report updates Cabinet on the council’s capital budget.
6. Annex – Section C provides details of the revenue changes to government grants and other budget virements.

Consultation:

7. All Cabinet Members will have consulted their relevant Strategic Director on the financial positions of their portfolios.

Risk management and implications:

8. Risk implications are stated throughout the report and each Strategic Director has updated their strategic and or service risk registers accordingly. In addition, the Leadership risk register continues to reflect the increasing uncertainty of future funding likely to be allocated to the council.

Financial and value for money implications

9. The financial and value for money implications are considered throughout this report and will be further scrutinised in future budget monitoring reports. The council continues to have a strong focus on its key objective of providing excellent value for money.

Section 151 Officer commentary

10. The Section 151 officer confirms that all material, financial and business issues and risks are considered throughout the report.

Legal implications – Monitoring Officer

11. There are no legal issues and risks.

Equalities and Diversity

12. Any impacts of the budget monitoring actions will be evaluated by the individual services as they implement the management actions necessary.

Climate change/carbon emissions implications

13. The County Council attaches great importance to being environmentally aware and wishes to show leadership in cutting carbon emissions and tackling climate change.

14. Any impacts on climate change and carbon emissions to achieve the Council's aim will be considered by the relevant service affected as they implement any actions agreed.

WHAT HAPPENS NEXT:

The relevant adjustments from the recommendations will be made to the council's accounts.

Contact Officer:

Sheila Little, Chief Finance Officer and Deputy Director for Change and Efficiency
020 8541 7012

Consulted:

Cabinet / Corporate Leadership Team

Annexes:

Annex 1 – Section A – Revenue Budget Summary
Annex 1 – Section B – Capital Budget Summary
Annex 1 – Section C – Revenue Budget movements

Sources/background papers:

None

This page is intentionally left blank

Budget Monitoring – November 2012

Summary - Revenue

As a part of its sound and robust financial planning process, the Council anticipated several risks and incorporated them and their treatment in its 2012/13 budget. This recognised that 2012/13 is a very tough budget and built in some contingencies to cover a number of eventualities. Some risks related to participation in the Olympics earlier this year and the budget included a £1.0m contingency as this was the first event on this scale the county had hosted. The event was extremely successful and we have not had to use the contingency.

Within its budget, the Council provided a £9.0m risk contingency against new pressures and not achieving savings. It has allocated £4.4m of this contingency against the costs of increased demand for services. Predominantly, Adults Social Care and Children's Services are incurring greater volume increases than predicted for 2012/13. These services continue to make every effort to deliver balanced budgets. However, there is a clear risk they will not achieve this. As a part of the Council's multi-year approach to financial management, we anticipate the remaining risk contingency of £4.6m will support the 2013/14 budget.

Despite facing growing demand and volume pressures, all other directorates (except Environment & Infrastructure) are meeting the challenging constraints and forecasting to underspend. The Council's total forecast under spending for 2012/13 is -£1.5m, or -0.1%. This is an increase in under spending of £0.4m from the position at the end of October and demonstrates services continue to apply stringent management actions to meet budget savings and efficiencies targets for 2012/13.

After applying the contingency, the net forecast under spending is -£5.9m, or -0.4% of the total budget.

The Council's Medium Term Financial Plan (MTFP) 2012-17 set a £71.1m target for savings and efficiencies for the 2012/13 financial year. At the end of quarter 2, we reviewed all efficiencies for: consistency, achievability and sustainability of the programmed savings. The Council forecasts it will achieve all of its savings in 2012/13. The review found about £5.0m of these savings are from one-off measures. This will be reflected in MTFP 2013-18.

Summary - Capital

MTFP 2012-17 set a £683m five year capital programme. The updated capital budget for 2012/13 is £146m. Capital programmes inherently include uncertainties on timing and cost and so are traditionally under spent. The current year's overall capital forecast outturn is a £4.6m under spend. This is due to receipt of £2.4m extra funding for schools' own capital schemes and the £2.1m Charlton Lane Waste site payment is now unlikely to proceed this year.

The small capital programme under spend is a significant achievement. The Council is substantially meeting the aspirations of the administration by delivering better infrastructure and boosting the Surrey economy.

Recommendations:

That Cabinet:

1. notes the projected revenue budget underspend; (Annex 1 – Section A) and the capital programme direction; (Section B)
2. confirms that government grant changes are reflected in directorate budgets; (Section C)

Revenue Budget - Month End Financial Position – October 2012

1. The updated revenue budget for the 2012/13 financial year is £1,545.0 million. Annex 1 Section C provides more details on this along with changes to government grants and inter-directorate virements. In setting the MTFP and also in managing the council's finances on a multi-year basis, the council planned to use reserves of £31.4m to fund the 2012/13 financial year.
2. Table A1 shows the updated net revenue budget for each directorate and also schools.

Table A1 – Directorate net revenue budgets, expenditure and forecasts

	Year to Date Budget £m	Year to Date Actual £m	Full Year Budget £m	Remaining Forecast Spend £m	Outturn Forecast £m	Forecast Variance £m
Adult Social Care	224.2	226.4	336.2	113.8	340.1	3.9
Children, Schools & Families	194.8	186.2	295.4	107.7	293.9	-1.5
Schools	353.2	338.9	529.7	190.8	529.7	
Customers & Communities	49.5	48.5	74.2	24.4	72.9	-1.3
Environment & Infrastructure	83.6	82.3	130.7	49.4	131.7	1.0
Change & Efficiency	57.5	55.7	87.7	30.4	86.1	-1.6
Chief Executive's Office	9.2	9.1	14.0	4.9	14.0	
Central Income & Expenditure	49.1	46.9	66.9	18.0	64.9	-2.0
Net Service Expenditure	1,021.0	993.9	1,543.9	539.5	1,540.1	-1.5
Risk contingency	0.0	0.0	9.0	4.6	4.6	-4.4
Net Revenue Expenditure	1,021.0	993.9	1,552.9	544.1	1,544.7	-5.9

3. The Council set aside a risk contingency of £9.0m and this will be earmarked to offset additional pressures. There is +£4.4m of earmarked additional pressures. Predominately, the demand and volume pressures within the Adult Social Care and Children's Services and the forecast overspend on £0.3m on road maintenance. Any remaining contingency would be used to support the 2013/14 budget. Based upon the current forecast, we would transfer £4.6m of the risk contingency to reserves at year end.
4. In addition to the above earmarked pressures, Environment & Infrastructure is predicting an overspend (+£1.0m). Offsetting this overspend are Children, Schools and Families (-£1.5m), Customers & Communities (-£1.3m), Change & Efficiency (-£1.6m) and Central Income & Expenditure (-£2.0m). This leads to a -£5.9m directorate underspend.

Adults Social Care: (Current Forecast: is an overspend of +£3.9m or +1.2%, no change from the previous month)

5. The directorate is predicting to be overspent by +£3.9m at year end. There remains some evidence that demand levels are still increasing. This and an update of progress with management actions will be taken fully into account in the December monitoring report.
6. The Older People Services forecast is +£3.4m overspend, People with Physical & Sensory Disabilities (PSD) predicts +£1.5m overspend, +£7.1m for People with Learning Disabilities (PLD) ; Mental Health +£0.1m overspend, offset by -£4.0m other expenditure and -£4.1m overachievement in income.
7. The Adults Social Care (ASC) budget is coming under considerable pressure, leading to the forecast that an overspend of around £3.9m (1.2% of the budget) is likely at year end. These pressures are summarised below.

- all of the £3.8m underspend carried forward from 2011/12 has now been used to fund new pressures,
 - there are growing demand pressures within the main client groups, including transition from children's services, and
 - staff recruitment difficulties and the need for complex partnership working have slowed delivery of some savings.
8. As part of the 2011/12 year end process £3.8m of unspent funds were carried forward into 2012/13 to help offset pressures forecast to occur in the current and future financial years. It is assumed these funds will be fully spent by year end.
9. The Whole Systems funding programme is continuing with an additional £10.2m allocation received in 2012/13. Joint plans have been agreed with NHS Surrey to spend this money on new projects which should help to reduce pressures on care budgets through preventative mechanisms such as telecare and telehealth. The funding will be retained on the balance sheet and drawn down to match expenditure as it is incurred. Due to growing demand pressures £0.8m of Whole Systems funds has been drawn down as a contribution to help offset these pressures.
10. In addition to the Whole Systems funding, £2.4m of Dept of Health funding allocated to the County Council via the PCT was received late in 2011/12 and so remained unspent at year-end. As a result of the reduction in this year's forecast savings £2m of this funding has been drawn down as a contribution towards ASC's wider budget pressures.
11. The pressures found and management actions required remain broadly as reported last month.

Children, Schools & Families: (Current Forecast: Underspent by -£1.5m or -0.5%, -£0.3m increase in underspend since October).

12. The projected year end revenue position for Children Schools and Families is for an underspend of -£1.5m against the county's budget. Of this - £0.5m relates to a delayed schools funded project and the remaining -£1.0m to council funded services.
13. In addition Children Schools and Families projects a £2.2m underspend related to Dedicated Schools Grant funded services which is determined by the Schools Forum. This is made up of underspends in Schools and Learning of -£2.6m offset by overspends in Children's Services of £0.4m).

Children's Services

14. The projected overspend has increased since last month by £0.6m to £2.5m. As previously reported the main reason for the overspend is an increase in the number of children receiving services despite the service largely meeting its efficiency targets. The main variations giving rise to the overspend and changes from last month are:
- Looked After Children and Children in Need, both staffing and care costs - these budgets remain under pressure due to the impact of increased referral rates (+£0.9m) and the need to cover statutory work with agency staff in vacant positions (+£0.9m). In particular staffing projections have increased again this month (+£0.3m), and there continues to be a significant pressure in this area although a focused recruitment and retention campaign is planned.

- Agency Placements - the projected overspend for both children with disabilities and care increased this month by +£0.5m to +£1.6m as a result of a small increase in the number of residential placements and following a thorough review of anticipated placement expenditure to year end.. This budget remains volatile despite management action to avoid high cost placements.
- Fostering and Adoption Allowances - There has been a small decrease in the anticipated overspend by -£0.1m to +£0.6m. The budget remains under pressure due to the increase in the number of children being placed.
- Safeguarding Services - the overspend remains broadly unchanged at +£0.4m representing an efficiency saving that will not be realised in full due to the increased number of children the service is seeing. Cabinet member approval is being sought to vire central budgets to put the budget for this service on a more realistic basis going forward.

15. Overall service pressures are being offset by deliberately underspending on some staffing budgets across the service (-£0.7m) and the central budget (-£1.1m).

Schools & Learning

16. The anticipated underspend for schools and learning has increased this month by -£0.6m to -£2.2m. The main reason being an underspend of -£0.4m on children's centres and further vacancies of £0.2m

Services for Young People

17. There has been no change in the projection this month which remains at a small underspend of -£0.1m.

Strategic and Central Resources

18. The main budget item under the Strategic Director's control is the residual balance of the carried forward underspend from 2011/12 not yet allocated. The total carry forward was £7.4m of which £3.6m was transferred to the Child Protection Reserve, £1m for ongoing funding of the CSF Change Programme and £0.4m for schools' broadband. Other items are expected to make further in-roads into the balance. The current estimate is that £1m, an increase of +£0.3m, will remain unspent offsetting overspends elsewhere in the directorate.

Customer & Communities (Current Forecast: -£1.3m underspend or -1.8%, no change from last month)

19. The directorate is currently projecting an underspend of -£1.3m against a budget of £74.2m. This is predominantly due to confirmation that there are no commitments against the Olympics contingency (£1.0m), increased income in Registration (£0.3m) and miscellaneous savings across the remaining services.

Environment & Infrastructure (Current forecast: +£1.0m overspend, no change from last month)

20. The directorate is forecasting a +£1.0m overspend: Highways are predicting an +£0.7m overspend and Economy, Planning and Transport are predicting an +£0.4m overspend. Offsetting these overspends is an -£0.1m underspend in other Directorate costs.

21. Highways capital recharges + £0.5m (overspend): A shortfall in the recharge of staff costs to capital schemes (e.g. for design).

22. Staffing - £0.5m (underspend): An underspend is expected following vacancies in the earlier part of the financial year. This allows for additional temporary staff employed to deliver projects across the Directorate.
23. Local bus services & concessionary fares + £0.5m (overspend): Local bus services are expected to overspend by +£0.3m, primarily due to the need to replace services previously operated by Countryliner. The Concessionary Fares scheme for reimbursement of travel costs for elderly and disabled passengers is currently expected to overspend by +£0.2m. The actual cost this year will depend on patronage which could be influenced by a number of factors, and this pressure will be recalculated as more data becomes available through the year.
24. Highways maintenance +£0.3m (overspend): An overspend is expected primarily due to additional road maintenance and street furniture repairs. These additional costs are offset by an anticipated underspend on drainage works due to delays following poor weather
25. Other variations – smaller variations across the Directorate (a net +£0.2m) include overspends in respect of waste disposal due to specialist advisors working on the contract variation, and a shortfall in highways streetworks income, which are offset by lower than expected costs associated with the Olympic torch relay (for which a carry forward from 2011/12 was approved).

Change & Efficiency (Current forecast: -£1.6m underspend or -1.8%, no change from the previous month)

26. Overall, the Change and Efficiency revenue budget is projected to underspend by -£1.6m for the year consisting of underspends in Property (-£0.7m), Human Resources (-£0.5m), Finance (-£0.2m) and other minor variations (-£0.3m).
27. The budget for the directorate includes efficiency savings of £7.9m, of which £7.8m will be delivered. The shortfall is in relation to partner contributions to the Data Centre. Partners are expected to begin to take space in the new financial year, following the implementation of the shared network (Unicorn), which will significantly reduce the implementation cost for participation.
28. Significant savings of £1.1m are expected on the Carbon Reduction Commitment budget. Data has now been submitted to the CRC commission and following a review of the quality of the data, the likelihood of fines has been significantly reduced. In addition, in view of the number of licences purchased last year together with reductions in energy consumption achieved, it is unlikely that the cost of allowances will reach the levels expected during budget setting.
29. There is expected to be a saving on the utilities budget of £0.6m. This is based on the estimated energy prices (from October) through the Laser contract. This saving is due to two key factors - procurement activity to deliver a reduction in electricity prices and a lower increase in gas prices than originally expected. It is also due to the capital investment made, including new boilers and smart metering which facilitate greater control over energy usage. The forecast is subject to weather conditions over the winter months, and further savings will be made if temperatures are fairly mild over the peak consumption period.

30. These savings within property are offset by an increase in responsive repairs and maintenance (+£0.4m) as a result of the heavy rainfall earlier in the year. Income from rents are expected to be below budget as a result of Countryliner going into administration (+£0.1m), and incorrect budget assumptions in respect of rents Mayford Business Centre and Gypsy sites (+£0.2m).
31. An underspend of £0.6m is expected within Human Resources and Finance on staffing costs as a result of the prudent holding of vacancies prior to restructure implementation in order to reduce redundancy costs. In both cases, recruitment to posts is underway however the majority of new starters are unlikely to be in place until the new (calendar) year. A further underspend of £0.1m is expected within Procurement as result of vacancies and the sharing of resources with East Sussex.
32. There will be an underspend in the Smarter Working team of £0.2m, which will be requested as a carry-forward in order to fund staff on secondment who are working with services to help maximise the benefits of the recent investment in mobile technology.

Chief Executive's Office (Current Forecast: balanced budget, no change from last month.)

33. The overall projection for the directorate is a balanced budget against a total revenue budget of £14.0m. The directorate is managing a large pressure within Legal through the careful management of staff vacancies and early achievement of efficiencies within Policy and Performance.
34. Legal and Democratic Services are forecasting an overspend of £0.3m due to the expected continuation of high levels of complex Child Protection cases in 2012/13. Management action is being taken to minimise the impact. Underspends in other departments, in particular within Policy, Performance & Audit due to current staff vacancies partially offset this pressure to result in the net predicted budget position.

Central Income & Expenditure (Current Forecast: -£2.0m underspend or -2.4%, no change from last month)

35. The full year forecast for the Central Income and Expenditure budget is an underspend of -£2.0m. The most significant reason is a lower than estimated provision of the repayment of debt (-£1.2m). This is because of the 2011/12 capital programme underspent and resulted in less capital expenditure being funded from borrowing than anticipated.
36. The budget for interest on short term investments is based on assumptions around available cash balances and interest rates. Although interest rates have not risen, cash balances are higher than forecast and it is expected that the council will receive interest income of £0.6m in excess of the budget. In addition, a provision is made in the budget for interest to be paid to schools on their balances. With continuing low interest rates this is unlikely to occur leading to an underspending of -£0.2m.
37. The interest payable budget included a provision for an increase in interest rates. This increase is now unlikely to occur, and even if it were to, would have a minimal impact on this year's budget. This saving will fund the commitment to contribute to the additional temporary staff to support more rapid progress with personalisation within Adult Social Care.

38. Expenditure on Redundancy and Compensation is currently in line with the budget, and there have been 104 new cases approved this year against 138 assumed in the budget. Expenditure on this budget going forward depends on the decisions and outcomes of service re-structures and also the possibility of some people being re-deployed. Therefore the number of cases may increase in future months so this budget will continue to be closely monitored.

Staffing Costs

39. The Council's total full year budget for staffing is £300.9m. Expenditure to the end of November 2012 is £196.6m.

40. The Council employs three categories of paid staff.

- Contracted staff are employed on a permanent or fixed term basis and are paid through the Council's payroll. These staff are contracted to work full time, or part time.
- Bank staff are contracted to the Council and paid through the payroll but have no guaranteed hours.
- Agency staff are employed through an agency with which the Council has a contract.

41. Bank and agency staff enable managers to manage short term variations in demand for services or vacancies for contracted staff.

42. A degree of flexibility in the staffing budget is good, as is some staff turnover, which allows new ideas and thinking into the workforce from other organisations. The Council aims to incur between 88% and 95% of its staffing costs from contracted staff, depending on the particular Directorate service needs. The current level of 92% has been stable for most of the current year.

43. Table A2 shows the staffing expenditure for the first eight months of the year against budget, analysed among the three staff categories.

Table A2 – Staffing costs to end of November 2012.

	Budget £m	Actual £m	Variance %	Variance £m
Contracted		180.3	92%	
Agency		9.7	5%	
Bank		6.7	3%	
Total Staffing Cost	203.5	196.6		-6.9

44. The favourable current variance of £6.9m is due to a combination of vacancies in the process of being filled, vacancies being held unfilled prior to restructures and a more economical mix of staffing grades being employed than budgeted.

45. In setting the budget, the Council based the staffing cost estimate on 7,700 full time equivalent (FTE) staff. Table A3 shows that there are 7,330 contracted FTEs in post at the end of November.

Table A3: Full Time Equivalent by directorate

Directorate	Nov FTE	Oct FTE
Adult Social Care	1,890	1,866
Children Schools & Families	2,524	2,491
Customer and Communities	1,468	1,474
Environment & Infrastructure	496	485
Change & Efficiency	773	774
Chief Executive Office	179	176
Total	7,330	7,266

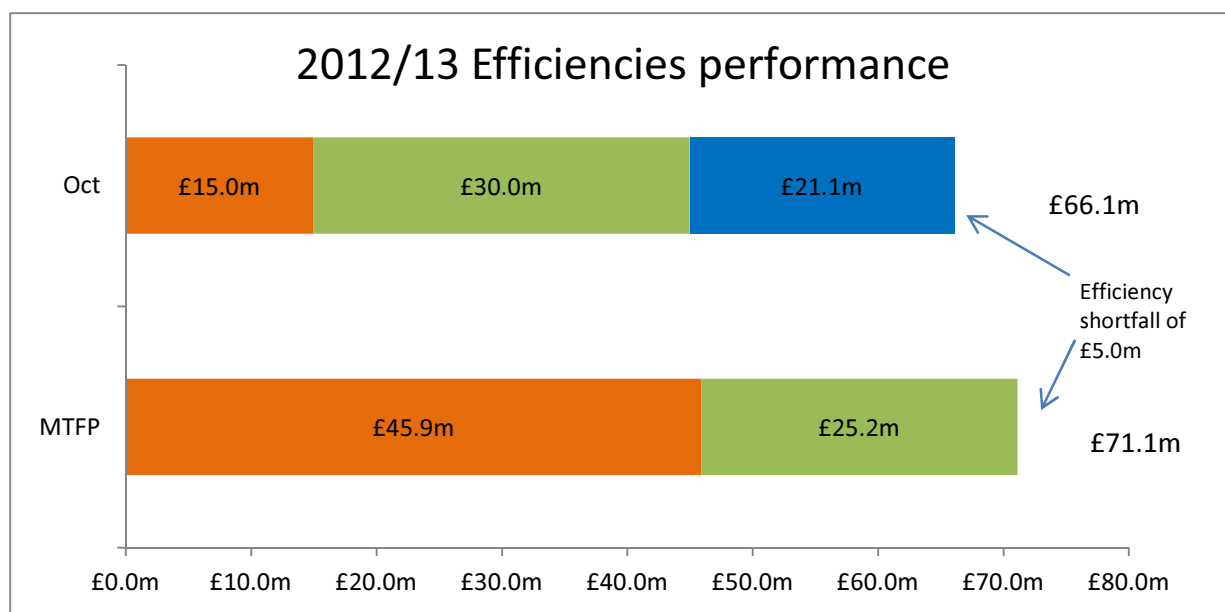
46. There are 204 “live” vacancies, for which active recruitment is currently taking place. The remaining vacancies are either filled by agency and bank staff on a short term basis or not being actively recruited to at present.

Table A4- full time equivalents in post and vacancies

	Nov FTE	Oct FTE
Budget	7,700	7,700
Occupied contracted FTE	7,330	7,266
“Live” vacancies (ie: actively recruiting)	204	225
Vacancies not occupied by contracted FTEs	196	209

Efficiencies

47. For the current year the Council has a savings target of £71.1m, which was set out in the MTFP. The current forecast is for £66.1m of these to be achieved.



48. Although there is a shortfall in achieving the efficiencies in the Medium Term Financial Plan, Strategic Directors are looking to deliver all of their £15.0m amber savings to add to the £30.0m green savings and £21.1m already delivered. The MTFP 2012/17 savings are long term savings but directorates are supporting long term saving shortfalls with one-off savings or expenditure under spends.

Adult Social Care

49. A comprehensive review of savings plans conducted in September led to the removal of some high risk savings from the previous month's projections and their replacement largely with temporary one-off measures (£8.4m) which will help to contain this year's overspend, but will leave a sustainable challenge in the following years. The need to replace these one-off measures is being flagged as part of the forward budget setting process.

Children Schools & Families

50. A number of challenging savings targets in 2012/13 are no longer possible. Savings through restructuring of Schools & Learning of £0.5m have not proved possible due to the need to create a structure to meet increasing demand from demographic growth. The £0.8m saving by outsourcing some preventative services is not being pursued as planned in 2012/13. Savings by managing transport contracts of £0.4m will not be achieved. Schools and Learning had set aside a contingency of £2.0m in order to meet any demographic growth pressures in year, £1.5m of which is effectively being used to meet these costs of managing demand. A virement has now been approved and actioned to realign budgets to reflect anticipated activity and costs.

Environment & Infrastructure

51. A comprehensive review of performance against efficiency targets is under way. At this stage a number of shortfalls are expected, primarily in respect of contract cost savings, recharge of staff costs to the Local Sustainable Transport Fund grant, and the cost of concessionary fares where increased patronage has impacted on costs. In future years, planned savings from parking income are not now expected to be made.

Central Income & Expenditure

52. The budget included a savings target of £0.2m on the Minimum Revenue Provision for the current year. However, following the final audit of the 2011/12 accounts, capital expenditure and borrowing was lower than forecast and this has led to an ongoing saving of £1.2m more than anticipated.

Capital Budget - Month End Financial Position – November 2012

53. In agreeing significant capital investment as part of the MTFP for 2012-17 in February 2012, the Council demonstrated its firm long term commitment to stimulating economic recovery in Surrey. The total capital programme is £683m over the 5 year MTFP (2012/17) period, with £148.5m planned in 2012/13. This is an increase of £2.5m on the budget reported in October, due to additional funding received for school funded capital projects.
54. While it is good to make long term plans, flexibility to changing circumstances is necessary to recognise that the current environment for all public services is complex and fast changing. This was recognised when the Cabinet approved £27.8m of the 2011/12 capital budget should be carried forward into the current capital programme (2012/17) to support this further capital investment.
55. On a scheme by scheme basis the budgets include the funding carried forward for projects continuing from 2011/12. With all large capital programmes there will inevitably be some in-year variation through changes to the timing of some spend and through successful delivery of efficiencies. Due to these risks, there is a corporate adjustment of £9.5m, leading to a forecast over-delivery this year on the capital budget.
56. Table B1 shows an overview of the current year's capital budget, spend and forecast by directorate.

Table B1- 2012/13 Capital budget

	Revised Full Year Budget £000s	YTD Actual £000s	Committed £000s	Apr –Nov YTD & Committed £000s	Dec - Mar Remaining Forecast £000s	Full Year Forecast £000s	Full Year Variance £000s
Adult Social Care	1,687	187	804	992	695	1,687	0
Children, Schools & Families	8,292	8,775	226	9001	-1,329	7,672	-620
Schools Basic Need	31,992	14,787	3,533	18,320	12,932	31,252	-740
Customers & Communities	5,410	1,691	111	1,802	1,158	2,960	-2,450
Environment & Infrastructure	52,741	24,042	19,953	43,995	6,312	50,307	-2,434
Change & Efficiency	47,761	17,979	9,045	27,025	22,962	47,886	125
Chief Executive's Office	10,173	23	0	23	2,150	2,173	-8,000
c.fwd adjustment	-9,525			0	0	0	9,525
Total	148,531	79,060	22,007	101,067	42,858	143,925	-4,606

Children, Schools & Families

57. The forecast under spend of -£0.6m is principally caused by additional £2.5m funding received for school funded capital projects.

School Basic Need

58. The Schools Basic Need programme is expected to be -£0.7m under budget; an improvement of £1.9m compared to last month's forecast. This is the result of bringing schemes forward and is net of procurement savings made on the demountables programme and reductions in the programme where schemes are no longer required.

Customer & Communities

59. The Fire & Rescue Service vehicle and equipment replacement and mobilising control schemes are currently underspent by £2.5m. These schemes are multi-year and require to be rephased over the scheme life. The service will request a reprofiling of this underspend in due course.

Environment & Infrastructure

60. The Directorate is forecasting a £2.5m underspend:

- **Walton bridge - £1.1m (underspend)** Overall the scheme remains broadly on target in terms of timing and cost. The projected underspend this year results from the Department for Transport reprofiling grant payments, with additional grant now available this year. As a result, SCC's expected contribution will not now be needed this year and will instead be reprofiled into future years.
- **Developer funded schemes - £1.0m (underspend)** This includes schemes funded from S106 developer contributions which form part of the Local Sustainable Transport Fund project. Following the re-profiling of grant agreed with the Department for Transport this will be spent in future years.
- **Pay and display - £0.3m (underspend)** Fewer schemes are expected to be progressed this year. The programme is under review to determine whether this underspend is required in future years.

Change & Efficiency

61. Delivery against the remaining CAE capital programme is expected to be £0.1m over budget.

62. Schools projects are expected to be under-spent by £2.2m. The tender process for the replacement of aged demountables has delivered a saving of £0.4m however work will not now start until the new financial year, creating an in-year underspend.

63. Non-schools projects will underspend by £4.0m. The overage payment of £2.1m in relation to the Waste site at Charlton Lane is now unlikely to proceed this financial year. Other variances are primarily as a result of planning issues particularly in relation to Gypsy sites and Cobham Library re-provision. The Fire Station reconfiguration project (of which £0.5m was expected to be incurred this year) has been delayed on request by the Fire Service.

64. There is a projected overspend on IT projects (£0.6m) funded by the Equipment Renewal Reserve in the current year. This is due to the significantly increased number of laptops that were purchased as part of the desktop refresh in order to facilitate more mobile and remote working. Additional contributions to the reserve have been made this year from the revenue budget to cover the expenditure. The Adult Social Care Infrastructure Grant (-£0.6m) needs to be carried forward to fund systems improvements in the future

65. The award of a contract to replace the SWAN network with a Surrey wide Public Sector network is proceeding following approval from Cabinet. In order for the network to be ready there will be a significant up-front investment of £3.8m. Options appraisal was completed which determined that the most cost effective methodology would be for the council to purchase equipment required rather than paying over the life of the contract. Savings of £0.5m will be achieved in future years' revenue expenditure.

Chief Executive Office

66. The Chief Executive Office has responsibility for delivering the superfast broadband initiative. The Cabinet has committed to ensuring that access to superfast broadband is available to all business and residential premises in Surrey. In addition to this the Surrey Public Sector Network project will focus on broadband access for Public Sector and third sector bodies.

67. Cabinet approved the preferred bidder in July and the contract was awarded in September. State aid approval has now been received, enabling the contract to start. Detailed planning has commenced, but not completed, with the contractor clarifying the likely profile of expenditure from 2012 to 2014. Currently the estimate is that £2.0m of expenditure is anticipated in 2012/13, with the remaining £18.0m spent over 2013/14 & 2014/15. Cabinet have approved the establishment of a Joint Operation Centre (JOC), based at County Hall, to implement the contract. It is anticipated that the costs of the JOC (approx. £0.6m for 2 years) will be funded from the £1.3m provided by BDUK.

Government grants and budget revenue budget virements

Updated Budget

68. The Council's 2012/13 revenue expenditure budget was initially approved at £1,512.7 million. Subsequently the Cabinet approved the use of reserves built up in 2011/12 to augment this. This approval increased the budget to £1,527.3m. In addition to grant changes in quarter 1, grant changes, DSG carry forwards and academy conversions and other minor movements in quarter 2, there have been a few minor movements in October. These changes are summarised in table C1.

Table C1: Movement of 2012/13 revenue expenditure budget

	Council Tax £m	Formula Grant £m	Government Grants £m	Reserves £m	Total £m
Original MTFP	580.0	148.6	767.3	16.8	1,512.7
<u>Previous changes</u>					
Q1 changes			0.9	14.6	15.5
Q2 changes		1.0	16.6	-1.0	16.6
October changes			0.2		0.2
Previous changes		1.0	17.7	30.4	32.3
<u>November changes</u>					
Minor changes			0.1		0.1
November changes		0.0	0.1	0.0	0.1
Updated budget – Nov 2012	580.0	149.6	785.1	30.4	1,545.1

69. When the Council agreed the 2012-2017 MTFP in February 2012, government departments had not determined the final amount for a number of grants. Services therefore made an estimate of the likely level of grant. The general principle agreed by Cabinet was that any changes in the final amounts, whether higher or lower, would be represented in the service's expenditure budget.

70. Government grant changes in November totalled £77,420.

- These were minor changes in Children, Schools & Families, Schools (£77,420).

71. The Cabinet is asked to note these grant changes and approve that they are allocated to the relevant services.

72. In controlling the budget during the year, budget managers are occasionally required to transfer, or vire, budgets from one area to another. In most cases these are administrative or technical in nature, or of a value that is approved by the Chief Finance Officer. Virements above £250,000 require the approval of the Cabinet Member. There were no virements over this value in November. Table C2 below shows the updated revenue budget that includes the changes in government grants and virements since the beginning of the year.

Table C2: 2012/13 updated revenue expenditure budget – November 2012

	Original MTFP Budget £m	2011/12 Carry Forwards £m	Gov't Grants £m	Virements £m	Full Year Updated Budget £m
Adult Social Care	331.5	3.8		0.9	336.2
Children, Schools and Families	289.3	3.9	3.5	-0.1	296.6
Schools	518.9		11.5	-0.6	529.8
Customers and Communities	70.6	1.8	0.9	1.0	74.3
Environment and Infrastructure	125.6	2.3	1.8	1.0	130.6
Change and Efficiency	84.7	2.3		0.7	87.7
Chief Executive's Office	13.7			0.3	14.0
Corporate Projects	1.5			-1.5	0.0
Central Income / Exp	68.1	0.4		-1.6	66.9
Service Revenue Expenditure	1,503.9	14.5	17.6	0.1	1,536.1
Risk Contingency	9.0				9.0
Total Revenue Expenditure	1,512.9	14.5	17.6	0.1	1,545.1

SURREY COUNTY COUNCIL**CABINET****DATE: 18 DECEMBER 2012****REPORT OF: MS DENISE LE GAL, CABINET MEMBER FOR CHANGE AND EFFICIENCY****LEAD OFFICER: JULIE FISHER, STRATEGIC DIRECTOR FOR CHANGE & EFFICIENCY****SUBJECT: SURREY COUNTY COUNCIL AND EAST SUSSEX COUNTY COUNCIL PARTNERSHIP – SHARED SERVICES****SUMMARY OF ISSUE:**

Surrey County Council, as with other public sector bodies, is faced with delivering services to the public in the context of reduced funding. One option to deliver better value for money is to work in collaboration with other councils to deliver services. The Council has entered into a number of discussions with other local authorities to explore collaboration opportunities under the SE7 initiative.

The Strategy to develop partnerships as key to delivering benefits to residents, ensuring resilience and achieving efficiencies was endorsed by Cabinet in November 2011. The report "Time for Leadership, Leading the Change Agenda" set out the strategy, benefits and framework for working in partnership and collaboration.

The Change & Efficiency directorate has been evaluating collaboration and partnership opportunities in the context of this strategy and has set out the vision "to be a leading public service provider of innovative business solutions and transformational change".

In line with this, it is proposed that Surrey County Council and East Sussex County Council enter into a partnership agreement, under which Surrey County Council will carry out transactional support activities and IT Hosting services on behalf of East Sussex County Council.

RECOMMENDATIONS:

It is recommended that:

1. Cabinet supports the establishment of a partnership agreement with East Sussex County Council for support services.
2. Cabinet delegates authority to the Leader and Cabinet Member for Change and Efficiency, in consultation with the Strategic Director for Change and Efficiency, to agree final terms of an arrangement under which East Sussex County Council will delegate the provision of transactional support and IT hosting services to Surrey County Council from 1 April 2013.
3. Cabinet delegates authority to the Leader and Cabinet Member for Change & Efficiency, in consultation with the Strategic Director for Change and Efficiency, to agree the terms for the short-term lease of the Uckfield premises.

-
4. Cabinet notes that the approval of the decision to establish a partnership agreement for the provision of transactional support and IT hosting services to East Sussex County Council will be considered by the full Council at its meeting in February 2013.

REASON FOR RECOMMENDATIONS:

This partnership will build upon the strength of Surrey County Council's shared services enabling both Surrey County Council and East Sussex County Council to make further efficiencies through economies of scale and build resilience in service delivery. Efficiencies will be delivered to the public sector from the joint procurement of IT technical support, utilisation of capacity within Surrey County Council's Data Centre and from shared management and reduced overheads. In the longer term, the partnership could consider further sharing of common systems and the use of common processes enabling further functions to be shared across the two organisations.

DETAILS:

1. Surrey County Council's Shared Services provide integrated business support to the organisation, to managers, employees, suppliers and residents. Shared Services has become integral to the business processes within the organisation and delivers-
 - Efficient transactional services
 - Improved accountability
 - Processes and technology that enable staff to focus on front-line services
 - Continuous process and business improvement
 - Improved management information to aid better decision-making.
2. The achievements of the Shared Services team have been recognised publicly with recent awards including the "Accounts Payable Team of the Year Award". The Government's Customer Service Excellence standard was awarded in recognition of delivering in areas of importance to customers, including customer insight, timeliness and quality of service, information and access and the organisation's delivery culture. The IMT team have recently been awarded the National Award for Innovation from the Society of Public Sector IT Management (SOCITM) for the delivery of the Modern Worker programme. In 2011 the IMT team received "Best Project Delivery" for the implementation of the Childrens' Social Care system by UK Public Sector Digital Awards.
3. East Sussex County Council and Surrey County Council are already working in collaboration by establishing a joint Head of Procurement and are working together to utilise combined buying power in order to deliver better contract value to both organisations in the future.
4. East Sussex County Council approached Surrey County Council to explore the potential for further collaboration in order to deliver benefit to both organisations and to explore the opportunity of sharing services currently outsourced under a contract due to expire in March 2013.

Background

5. East Sussex County Council currently outsources the provision of the following services to Serco PLC.
 - SAP support
 - SAP hosting
 - Transactional Services – Accounts Payable, Accounts Receivable (called Exchequer Services by East Sussex County Council), Payroll (including associated banking and credit control) and Pensions Administration. These services are provided by c.40 staff located in Uckfield, East Sussex.
6. The current contract with SERCO PLC will terminate in March 2013, and in preparation for this, East Sussex County Council has explored a number of possible options for the replacement provision. East Sussex County Council approached SCC in May of this year to explore the potential for further collaboration and to determine whether arranging for Surrey County Council to carry out these services on its behalf could provide an alternative value for money solution.
7. There are synergies between the two organisations - both use SAP as their main transactional system. Collaboration will enable the sharing of knowledge and will facilitate efficiencies on common processes. Surrey County Council's current SAP support contract with Cap Gemini is due to expire in March 2013 (but will be temporarily extended) and officers have determined and agreed that a joint procurement process will be followed to secure a replacement contract. This will be the subject of a separate report to Cabinet in April 2013. The remainder of this report focuses on the provision of SAP hosting and transactional services.

SAP Hosting

8. Surrey County Council's newly created primary Data Centre at Redhill has the facilities and capacity to provide replacement hosting services to East Sussex County Council for their SAP system. The shared location for the SAP hardware for both parties will further facilitate the joint procurement activity to source a technical support contract.
9. Discussions are taking place regarding East Sussex County Council's requirements for Disaster Recovery (DR) capability. The current contract with Serco provides minimal DR capability and officers are exploring different levels of support available by making use of the Surrey County Council's Disaster Recovery Data Centre in Guildford.
10. In the longer term, both councils will explore the business case for a single common system, which would deliver further financial benefits to the partnership through common processes enabling the full seamless sharing of back-office functions across the two organisations.
11. East Sussex County Council have stated that the initial service provision in relation to SAP hosting could lead to the use of Surrey County Council's Data

Centre for other IT systems in the future and could potentially facilitate the sharing of further common systems.

Transactional Services

12. The transactional services covered by the partnership agreement will include accounts payable, accounts receivable (called Exchequer Services by East Sussex County Council), Payroll (including associated banking and credit control) and Pensions Administration. The detailed specification and scope of the services have been set out in a Statement of Requirements produced by East Sussex County Council.
13. Cabinet delegates authority to the Leader and Cabinet Member for Change and Efficiency, in consultation with the Strategic Director for Change and Efficiency, to agree final terms of an arrangement under which East Sussex County Council will delegate the provision of transactional support and IT hosting services to Surrey County Council from 1st April 2013.
14. The proposal in relation to transactional services will be delivered in a phased approach. Initially Surrey County Council will provide a managed service operation at the current Uckfield site in Sussex. All staff at the site (40 employees) will by operation of TUPE transfer to Surrey County Council employment and Surrey County Council would manage the existing processes and systems on expiry of the contract with Serco.
15. Following a transition period, the partnership will consider the business case for creating centres of excellence, which may involve transferring the operation, in full or in part to Surrey County Council's offices. Both organisations would benefit from cost efficiencies from shared management and reduced overheads. In the longer term, subject to an appropriate business case to create a shared system, the partnership may further benefit from the adoption of standard common processes.

Preparation and Delivery

16. Significant engagement and preparation activity between the respective officers of Surrey County Council and East Sussex County Council have taken place over the last few months. Officers have established the scope of the delivery activities required with lead officers from each area meeting regularly to develop relationships, share information and to agree the resource requirements to deliver the Statement of Requirements prepared by East Sussex County Council.
17. The requirements have been costed and, whilst subject to final agreement by both parties, indicate that the proposed partnership is a viable option for both organisations in terms of delivering financial savings over the agreed contract period.
18. Continuous improvement activities will take place and will be a key focus to driving out further efficiencies and cost savings over the length of the agreement.
19. Appropriate governance arrangements will be established to ensure robust diligence throughout the partnership. A joint project team will be established to ensure that Surrey County Council is able to deliver the agreed support

services with effect from 1st April 2013. A joint “Exchequer Services and Technical Support Shared Services Board” will be established with East Sussex County Council to oversee the ongoing management of the partnership.

20. A report will be taken to East Sussex County Council’s Cabinet on 11th December 2012, which will approve the establishment of the partnership agreement with Surrey County Council and to formally delegate responsibility for the provision of transactional support and IT services.

CONSULTATION:

21. Consultation has taken place with Surrey’s leadership team and Section 151 Officer.
22. Within East Sussex County Council, consultation has taken place with the Leadership Team, the Section 151 Officer, the Director for Corporate Resources and the Cabinet Portfolio holder, Keith Glazier.

RISK MANAGEMENT AND IMPLICATIONS:

23. On commencement of the partnership agreement, the staff at the Uckfield site (40 employees) will by operation of TUPE transfer to Surrey County Council employment.
24. Detailed risk management analysis has been completed by both parties, which will be further expanded and robustly managed by the joint project management team during mobilisation.
25. Further risk management issues are covered in the Part Two report.

Financial and Value for Money Implications

26. The partnership will deliver efficiencies to both Surrey County Council and East Sussex County Council through economies of scale, joint procurement activity and will deliver improved value for money.
27. Further information is provided in the Part Two report (item 18)

Section 151 Officer Commentary

28. The Section 151 Officer has commented on the Part Two report (item 18)

Legal Implications – Monitoring Officer

29. Councils are able to make arrangements for another Council to discharge functions on their behalf by virtue of the Local Government 1972 Act, The support services proposed in this report are functions which fall within the executive powers of a Council and therefore must be delegated to Surrey County Council by East Sussex County Council’s Cabinet. A report is being presented to that Cabinet on 11 December 2012. However a decision as to whether to agree to accept those functions is one for the full Council, although once agreed the delegated functions will become the responsibility of Surrey County Council’s Cabinet. Final arrangements will therefore need approval at a future meeting of Council.

30. The transfer of these functions from East Sussex County Council's current external provider to Surrey County Council will trigger TUPE protection for staff currently engaged in providing these services. TUPE implications are being addressed and will be managed by the joint project team, which will ensure that appropriate HR support is provided to the employees concerned.
31. Further information is provided in the Part Two report (item 18)

Equalities and Diversity

An Equalities Impact Assessment on the joint working arrangements is being conducted and further EIAs will be conducted at key points throughout the development of the partnership agreement and mobilisation phase to ensure that any mitigating actions required are put in place. The EIA will be carried out in January 2013, in consultation with East Sussex County Council and Serco Plc.

WHAT HAPPENS NEXT:

- Officers from Surrey County Council and East Sussex County Council will develop and recommend appropriate partnership and joint working arrangements, including confirmation of appropriate governance structures.
- The joint project team, involving officers from Surrey County Council and East Sussex County Council complete all necessary actions required to ensure that services are delivered with effect from 1st April 2013.

Contact Officer:

Simon Pollock, Interim Head of Shared Services – 020 8541 7848

Consulted:

- Chief Executive Officer, Surrey County Council
- Chief Executive Officer, East Sussex County Council
- Director for Corporate Resources, East Sussex County Council

Sources/background papers:

- Cabinet Report November 2011: Time for Leadership, Time for Change
 - Cabinet Report July 2012 – Procurement Review and Partnership between Surrey County Council and East Sussex County Council.
-

SURREY COUNTY COUNCIL**CABINET****DATE: 18 DECEMBER 2012****REPORT OF: N/A****LEAD OFFICER: ANN CHARLTON, HEAD OF LEGAL AND DEMOCRATIC SERVICES****SUBJECT: LEADER/DEPUTY LEADER/CABINET MEMBER DECISIONS TAKEN SINCE THE LAST CABINET MEETING****SUMMARY OF ISSUE:**

To note any delegated decisions taken by the Leader, Deputy Leader and Cabinet Members since the last meeting of the Cabinet.

RECOMMENDATIONS:

It is recommended that the Cabinet note the decisions taken by the Leader, Deputy Leader and Cabinet Members since the last meeting as set out in Annex 1.

REASON FOR RECOMMENDATIONS:

To inform the Cabinet of decisions taken by Members under delegated authority.

DETAILS:

1. The Leader has delegated responsibility for certain executive functions to the Deputy Leader and individual Cabinet Members, and reserved some functions to himself. These are set out in Table 2 in the Council's Scheme of Delegation.
2. Delegated decisions are scheduled to be taken on a monthly basis and will be reported to the next available Cabinet meeting for information.
3. **Annex 1** lists the details of decisions taken by Cabinet Members by the time of the publication of the agenda for this meeting.

Contact Officer:

Anne Gowing, Cabinet Committee Manager, 020 8541 9938

Annexes:

Annex 1 – List of Cabinet Member Decisions

Sources/background papers:

- Agenda and decision sheets from the Cabinet Member, Deputy Leader and Leader meetings (available on the Council's website)

CABINET MEMBER DECISIONS

NOVEMBER / DECEMBER 2012

(i) COMMUNITY IMPROVEMENTS FUND - PANEL RECOMMENDATIONS

That the proposed grants funding set out in attached Annex be approved from the Community Improvements Fund Budget, and the position of the applicants agreed within the previous meeting, especially the Stroud Green Community Association shop redevelopment be noted.

Reasons for decision

This will enable the Community Partnerships Team to progress with facilitating the payments relating to the Fund.

(Decision of Leader of the Council– 28 November 2012)

ANNEX

Community Improvement Fund Panel Projects

NAME & DESCRIPTION	Amount Approved	Any Conditions on Suggested Approval
2nd Guildford Scouts To build a new scout hut	£23,400	Funding is for the base and will be made available when the remaining funding has been secured
Avenue Sucy Playground Demolition of garages and creation of ball games area	£30,000	Funding is for the surface of the playground
Cox Lane BMX / Skate Park Replace the basketball court with a bmx/skate facility	£40,000	No additional conditions
Dunsfold Community Shop Refurbishment and upgrade of premises	£25,000	Funding is for the capital expenditure in the bid
Guildford Institute To provide access for individuals with restricted mobility	£30,000	No additional conditions
Kings Church, Addlestone Church refurbishment and Outreach Project	£13,200	Funding for the toilets and access
Nursery Road Park Installation of outdoor gym, toddlers playground & landscaping	£23,500	Subject to supportive funding from other local fund raising
Stanwell Bike Ramps Provision of bike ramps and Long Lane Recreation Ground	£28,500	Subject to supportive funding from other sources
The People's Pool Provision of an all-weather swimming pool	£42,660	No additional conditions
Young Epilepsy Farm Redevelopment (inc. cabins, sensory walk & shelters)	£45,000	No additional conditions
Wrecclesham Community Centre Refurbishment and extension of building	£30,000	Funding for the replacement of the roof but will be retained until other funds are in place
Three Rivers Children's Centre To develop an outdoor space for the local community.	£25,000	Funding is for the equipment identified. The remaining funds to be raised within the local community

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank