

# Cabinet

**Date & time**

Tuesday, 25 June  
2013 at 2.00 pm

**Place**

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

**Contact**

Anne Gowing or James  
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**Chief Executive**

David McNulty

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**Cabinet Members:** Mr David Hodge (Chairman), Mr Peter Martin (Vice-Chairman), Mrs Mary Angell, Mrs Helyn Clack, Mr Mel Few, Mr John Furey, Mr Michael Gosling, Mrs Linda Kemeny, Ms Denise Le Gal and Mr Tony Samuels

**Cabinet Associates:** Mr Steve Cosser, Mrs Clare Curran, Mrs Kay Hammond and Miss Marisa Heath

**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 9938, 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](mailto:anne.gowing@surreycc.gov.uk) or [james.stanton@surreycc.gov.uk](mailto: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: 28 MAY 2013**

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**

- (i) The deadline for Member's questions is 12pm four working days before the meeting (*19 June 2013*).

### **4b Public Questions**

The deadline for public questions is seven days before the meeting (*18 June 2013*).

### **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 CONFIDENT IN OUR FUTURE: CORPORATE STRATEGY 2013 -18 AND SUPPORTING STRATEGIES**

(Pages 1  
- 28)

The Cabinet are asked to endorse *Confident in our future*, the Council's Corporate Strategy 2013-2018 and approve the supporting Directorate

Strategies and Communications and Engagement Strategy. Delivery of these strategies will help ensure that Surrey residents remain healthy, safe and confident about their future.

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

**6 BUDGET MONITORING FORECAST 2013/14 (PERIOD ENDING MAY 2013)** (Pages 29 - 32)

To note the year-end revenue and capital budget monitoring projections as at the end of May 2013.

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

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

**7 LEGAL FEES FOR ARRANGING ADULT SOCIAL CARE DEFERRED PAYMENT AGREEMENTS AND THE DISCHARGE OF LEGAL CHARGES** (Pages 33 - 40)

A previous Report to Cabinet dated 8 September 2009 detailed the operation of the Deferred Payment Scheme in relation to adults in residential care in Surrey. That report envisaged that the Council may in the future wish to recover the cost of the work it undertakes in relation to Deferred Payment Agreements. After a thorough review of the matter and after consultation with the Cabinet Member for Adult Social Care, officers are now proposing a charging regime. Authorisation is also sought to increase the legal fees for discharging Legal Charges (mortgages) placed on properties as security for payment of deferred care costs.

*[The decisions on this item may be called in by the Adult Social Care Select Committee]*

**8 AWARD OF CONTRACTS FOR THE DELIVERY OF POST 16 FURTHER EDUCATION SERVICES FOR YOUNG PEOPLE WITH SPECIAL EDUCATIONAL NEEDS AND DISABILITIES (SEND)** (Pages 41 - 46)

The Children and Families Bill is proposing a more integrated approach to provision for children and young people with Special Educational Needs and Disabilities (SEND) across the 0-25 age range.

As part of this change, funding of education and training for young people aged 16-25 is changing. Previously this funding was allocated to providers by a national body, The Education Funding Agency (part of the Department for Education). From 1 September 2013, funding will be passed to Local Authorities to fund the commissioning of provision for young people resident in their area. The commissioning duty passed to Local Authorities in April 2010, the change in the funding will now complete the shift to local commissioning arrangements.

This paper outlines these changes and seeks agreement to new contracts for the education and training provision for young people in 63

Independent Specialist Colleges (ISCs) for 2 years from 1 September 2013. In this period new future arrangements and contracts will be developed for 2015 onwards.

***Confidential information for this report is in the Part 2 annex (item 12)***

*[The decisions on this may be called in by the Children and Education Select Committee]*

**9 AMENDMENT TO WASTE CONTRACT BETWEEN SURREY COUNTY COUNCIL AND SITA SURREY (Pages 47 - 82)**

To receive updated information regarding technologies and to consider value for money and affordability factors; to approve technology; ask officers to continue to progress work to amend the Waste Contract with SITA Surrey and prepare a detailed report to present at the 23 July 2013 Cabinet meeting, which will include legal, financial, procurement and risk assessments.

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

**10 LEADER / DEPUTY LEADER / CABINET MEMBER DECISIONS TAKEN SINCE LAST CABINET MEETING (Pages 83 - 86)**

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

**11 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.

**P A R T T W O - I N P R I V A T E**

**12 AWARDS OF CONTRACTS FOR THE DELIVERY OF POST 16 FURTHER EDUCATION SERVICES TO YOUNG PEOPLE WITH SPECIAL EDUCATIONAL NEEDS AND DISABILITIES (SEND) (Pages 87 - 90)**

The information contained in this Annex relates to item 8 and may not be published or circulated beyond this report and will remain sensitive for the length of the Contracts.

**Exempt: Not for publication under paragraph 2**

Information which is likely to reveal the identity of an individual

*[The decision on this item can be called in either by the Council Overview and Scrutiny Committee or the Children and Education Select Committee]*

**13 SALFORDS FIRE STATION AND SECONDARY CONTROL FACILITY**

(Pages  
91 - 98)

To request the approval to acquire two industrial units to provide accommodation for a new fire station and a secondary control facility.

**Exempt: Not for publication under paragraph 3**

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

*[The decisions on this item can be called in by either the Council Overview and Scrutiny Committee or the Communities Select Committee]*

**14 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.

**David McNulty**  
**Chief Executive**  
Friday 14 June 2013

## QUESTIONS, PETITIONS AND PROCEDURAL MATTERS

The Health and Wellbeing Board 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 its terms of reference, in line with the procedures set out in Surrey County Council's Constitution.

**Please note:**

1. Members of the public can submit one written question to the meeting. Questions should relate to general policy and not to detail. Questions are asked and answered in public and so cannot relate to "confidential" or "exempt" matters (for example, personal or financial details of an individual – for further advice please contact the committee manager listed on the front page of this agenda).
2. 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.
3. Questions will be taken in the order in which they are received.
4. Questions will be asked and answered without discussion. The Chairman or Board Members may decline to answer a question, provide a written reply or nominate another Member to answer the question.
5. Following the initial reply, one supplementary question may be asked by the questioner. The Chairman or Board Members may decline to answer a supplementary question.

## MOBILE TECHNOLOGY – ACCEPTABLE USE

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 being caused to any PA or Induction Loop systems. The Chairman may ask for mobile devices to be switched off in these circumstances.

It is requested that all other mobile devices (mobile phones, BlackBerries, etc) be switched off or placed in silent mode during the meeting to prevent interruptions and interference with PA and Induction Loop systems.

*Thank you for your co-operation*

**SURREY COUNTY COUNCIL****CABINET****DATE: 25 JUNE 2013****REPORT OF: MR DAVID HODGE, LEADER OF THE COUNCIL****LEAD OFFICER: DAVID MCNULTY, CHIEF EXECUTIVE****SUBJECT: CONFIDENT IN OUR FUTURE, CORPORATE STRATEGY 2013-2018 AND SUPPORTING STRATEGIES****SUMMARY OF ISSUE:**

The Cabinet are asked to endorse *Confident in our future*, the Council's Corporate Strategy 2013-2018 and approve the supporting Directorate Strategies and Communications and Engagement Strategy. Delivery of these strategies will help ensure that Surrey residents remain healthy, safe and confident about their future.

**RECOMMENDATIONS:**

It is recommended that:

1. The Cabinet endorses *Confident in our future*, Corporate Strategy 2013-2018 and recommends that it be presented to the County Council meeting on 16 July 2013 for approval.
2. The Cabinet approves the Directorate Strategies 2013-2018 and the Communications and Engagement Strategy which will support delivery of the Corporate Strategy.

**REASON FOR RECOMMENDATIONS:**

The Council reviews and refreshes its Corporate Strategy each year. By confirming a long term vision for the county and setting priorities for the next year the Corporate Strategy provides a clear sense of direction for Council staff and signposts the Council's approach for residents, businesses and partner organisations. As part of the Council's Policy Framework (as set out in the Council's Constitution) the Corporate Strategy must be approved by the County Council.

The Directorate Strategies and the Communications and Engagement Strategy will support delivery of the priorities set out in the Corporate Strategy, ensuring the Council delivers great value to Surrey residents.

**DETAILS:****Background**

1. On 31 January 2012, the Cabinet endorsed *One County, One Team*, Corporate Strategy 2012-2017, which was subsequently approved by the County Council on 7 February 2012.

2. The Strategy has been reviewed following the election of a new Council. It retains the core themes of its predecessor, but also includes some new elements, reflecting the changing context in which the Council operates.

***Confident in our future, Corporate Strategy 2013–2018***

3. The *Confident in our future, Corporate Strategy 2013-2018* acknowledges the achievements of the last four years and the positive difference the Council makes to people's lives every day. It describes how the Council will navigate the significant challenges it faces and continue to improve services for residents within the resources it will have. It provides a clear sense of direction for Council staff and signposts the Council's approach for residents, businesses and partner organisations by setting out:

- **The Council's purpose:**

- We are the Council elected to ensure that Surrey residents remain healthy, safe and confident about their future.

- **The Council's vision for 2018:**

- To be delivering great value for Surrey's residents.

- **Six areas of focus** for the Council to achieve the vision:

- **Residents:** Individuals, families and communities will have more influence, control and responsibility;
- **Value:** We will create public value by improving outcomes for residents;
- **Partnerships:** We will work with our partners in the interests of Surrey;
- **Quality:** We will ensure high quality and encourage innovation;
- **People:** We will develop and equip our officers and Members to provide excellent service; and
- **Stewardship:** We will look after Surrey's resources responsibly.

- **The Council's Values**

- **Listen:** We actively listen to others;
- **Responsibility:** We take responsibility in all that we do;
- **Trust:** We work to inspire trust and we trust others; and
- **Respect:** We treat people with respect and are committed to learning from others.

4. Attached to this report is:

Annex 1      *Confident in our future, Corporate Strategy 2013–2018*



## Directorate Strategies 2013-2018

5. Each of the Council's Directorates has developed a one-side Directorate Strategy document. These set out the vision, objectives and priorities for the Directorates, demonstrating how they will support delivery of the *Confident in our future*, Corporate Strategy 2013–2018. As part of the Council's performance management arrangements, Strategic Directors and Cabinet Members will ensure that robust plans, personal objectives and tracking arrangements are in place to deliver the Strategies.
6. The Council formally assumed responsibility for Public Health services on 1 April 2013. The Public Health team is hosted within the Chief Executive's Office, therefore Public Health priorities and budget allocations are reflected in the Chief Executive's Office Directorate Strategy.
7. Attached to this report are the following Directorate Strategies 2013-18:
  - Annex 2a: Adult Social Care
  - Annex 2b: Children, Schools and Families
  - Annex 2c: Environment and Infrastructure
  - Annex 2d: Customers and Communities
  - Annex 2e: Business Services (formerly Change and Efficiency)
  - Annex 2f: Chief Executive's Office

## Communications and Engagement Strategy

8. Effective communications and engagement is integral to the delivery of the vision in the Corporate Strategy. The Council will focus on consistently proactive communications and engagement to raise awareness and understanding of Surrey, recruit and retain good staff and engage residents and communities in our services and how they are changing.
9. The Communications and Engagement Strategy has been developed in parallel with the refreshed Corporate Strategy. It includes five communications and engagement priorities:
  - **Improve our digital communications ability:** This will be achieved through, for example, improving interactivity of the Council's website and finding new ways of engaging people through digital and social media.
  - **Use data and insight to underpin and target communications and engagement to maximise impact:** Communications and engagement activity will be tailored to its audience groups to ensure key messages are getting across.
  - **Maintaining a strategic approach to our communications and engagement supported by action plans, measurement and evaluation:** There will be a relentless focus on communications and engagement activity related to the priorities in the Corporate Strategy, for example, highlighting apprenticeships and supporting economic growth.

- **Ensuring Surrey has an influential voice regionally and nationally:** The organisation's work on its priorities will be represented at regional and national levels.
- **Offering the best communications and engagement activity and advice by working as one team across the organisation:** Work will continue to build effective coordinated communications that is consistently high quality and provides value for money.

10. Attached to this report is:

Annex 3: Communications and Engagement Strategy 2013–2018

### **Making it happen**

11. There are a series of more detailed plans that link these high level strategies to the specific actions that teams and individuals within the Council will take to make it happen.
12. Delivery of the strategic goals will be supported by work already underway to strengthen the Council's capacity and capability to innovate. This includes developing the Council's approach to trading, mastering specific tools and techniques for innovation (e.g. service re-design, use of technology, rapid improvement events), and further developing commissioning and joint-commissioning arrangements.
13. As described in the Communications and Engagement Strategy 2013-2018 the Council will continue to engage with residents as it implements its strategies. Progress on delivering the goals in the strategies will be published quarterly on the Council's website.

### **CONSULTATION:**

14. The strategies have been developed through a range of discussions and events over recent months involving Members and officers from across the Council. These include the all Member seminars and induction workshops that took place through May.

### **RISK MANAGEMENT AND IMPLICATIONS:**

15. There are no direct risk management implications arising from this report.
16. The Leadership Risk Register and Strategic Director Risk Registers are being reviewed and updated alongside the annual refresh of the Corporate Strategy and Directorate Strategies. These will continue to be regularly monitored by the Corporate Leadership Team and Directorate Management / Leadership Teams.

### **FINANCIAL AND VALUE FOR MONEY IMPLICATIONS**

17. The Corporate Strategy and Directorate Strategies were developed in line with budget planning. They set out a refreshed strategic direction which will inform the review of the Medium Term Financial Plan (MTFP) 2013-18, the results of which are due to be presented to Cabinet on 23 July 2013.

### **SECTION 151 OFFICER COMMENTARY**

18. The Section 151 Officer reported to the Council on 12 February 2013 that the MTFP 2013-18 contained a number of risks. The Section 151 Officer therefore recommended that the assumptions and savings included within the MTFP 2013-18 be reviewed after quarter one of the new financial year, which is the end of June 2013.
19. The Corporate and Directorate Strategies have been developed within the context of this review and the budgets presented within them reflect the current MTFP.

### **LEGAL IMPLICATIONS – MONITORING OFFICER**

20. There are no legal implications/legislative requirements arising directly from this report.

### **EQUALITIES AND DIVERSITY**

21. There are no direct equalities implications arising from this report so it does not require a specific Equality Impact Assessment. Where appropriate Equality Impact Assessments will be completed for new plans developed to deliver the high level strategic priorities set out in the documents.
22. Addressing inequality by delivering excellent services that are accessible and responsive to all Surrey residents underpins the Council's vision to be delivering great value for residents. The Council's Fairness and Respect Strategy, which was endorsed by Cabinet on 27 March 2012, sets out the Council's approach in more detail.

### **OTHER IMPLICATIONS:**

23. The potential implications for the following council priorities and policy areas have been considered. There are no direct implications arising from this report but the priorities in the Corporate Strategy, Directorate Strategies and the Communications and Engagement Strategy ensure that the Council maintains a focus on each of these policy areas.

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	No direct implications arise from this report. The Council has a duty to act as an effective corporate parent. The Corporate Strategy and the Children, Schools and Families Directorate Strategy contain priorities to strengthen support for vulnerable children.
Public Health	The Council formally received responsibility for Public Health functions on 1 April 2013. The Corporate Strategy contains a stated objective to improve Surrey residents' health and wellbeing. The Chief Executive's Office Directorate Strategy contains Public Health priorities.

Climate change/carbon emissions	The Council attaches great importance to being environmentally aware and wishes to show leadership in cutting carbon emissions and tackling climate change. The Corporate Strategy contains a stewardship theme and a commitment to reduce dependency on carbon and other scarce resources. The Environment and Infrastructure Directorate Strategy contains a stated priority to invest in schemes to reduce carbon impact for the Council and Surrey residents and businesses.
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#### **WHAT HAPPENS NEXT:**

- *Confident in our future*, Corporate Strategy 2013–2018 is presented to the County Council meeting on 16 July 2013 for approval.
- Subject to approval at County Council the Corporate Strategy will be published on the '[Strategy Bookcase](#)' on the Council's website.
- Final formatting will be completed on the supporting strategies and they will also be published on the '[Strategy Bookcase](#)' on the Council's website.
- Progress against the Council's strategic and Directorate priorities will be published quarterly on the Council's website.
- The Chief Executive will submit six-monthly progress reports to the Council meetings in July and December 2013.
- Select Committees continue to scrutinise work programmes and performance.

#### **Lead Officer:**

David McNulty, Chief Executive, 020 8541 8018

#### **Consulted:**

Cabinet Members  
 Council Overview and Scrutiny Committee  
 All Member seminars and induction workshops  
 Corporate Board  
 Chief Finance Officer  
 Heads of Service  
 Senior managers and staff within Directorates

#### **Annexes:**

Annex 1: *Confident in our future*, Corporate Strategy 2013–2018  
 Annex 2a: Adult Social Care Directorate Strategy 2013–2018  
 Annex 2b: Children, Schools and Families Directorate Strategy 2013–2018  
 Annex 2c: Environment and Infrastructure Directorate Strategy 2013–2018  
 Annex 2d: Customers and Communities Directorate Strategy 2013–2018  
 Annex 2e: Business Services Directorate Strategy 2013–2018\*  
 Annex 2f: Chief Executive's Office Directorate Strategy 2013–2018  
 Annex 3: Communications and Engagement Strategy 2013–2018

\*formerly Change and Efficiency

**Sources/background papers:**

*One County One Team*, Corporate Strategy 2012-17, report to Council 7 February 2012

Medium Term Financial Plan 2013-18, report to Cabinet 26 March 2013

Strengthening the Council's approach to Innovation: Update on our Innovation Journey, report to Cabinet 26 March 2013

Strengthening the Council's approach to Innovation: Models of Delivery, report to Cabinet 26 March 2013

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## What difference will this make by 2018?

The changes and improvements we will make over the next five years are all designed to achieve better outcomes for Surrey and its residents. We are setting out the following ambitious goals for 2018:

- Surrey's economy is strong and competitive
- Surrey's residents know the county's roads are well maintained
- Surrey's children have a great start to life
- Surrey's children and young people contribute and achieve more than they thought possible
- Surrey's children and adults in need of support are protected and supported to lead an independent life
- Surrey residents' health and wellbeing is improved
- Surrey has strong and vibrant communities which are safe and protected from crime
- Surrey is a clean and litter free county

## Our priorities for 2013/14

There are some specific things we need to focus on in the next year to help us towards our goals for 2018. These reflect residents' priorities, current challenges, and areas where investment is needed now to realise future ambitions. The detailed measures and targets for the priorities below will be reported on through the year:

- Improve the county's roads
- Support young people and the local economy by creating 500 apprenticeships as part of a skills development and participation programme
- Provide 5,900 additional school places by September 2014
- Strengthen support for 30,000 vulnerable children and adults
- Support more vulnerable people to live independent lives
- Launch a campaign to reduce litter in our county
- Deliver savings of £68m in the 2013/14 financial year

## How will we make this happen?

There are a series of more detailed Strategies and plans that link this high level Corporate Strategy to the specific actions that teams and individuals will take to make it happen.

We will continue to engage with residents as we implement our Strategy. We will regularly review our progress and will publish updates against the goals we have set.

Please see our online Strategy Bookcase for more details.

# Confident in our future

**Surrey County Council is performing strongly. We are working as "one team" with our partners to ensure Surrey residents receive high quality and value for money services. We are making a positive difference to people's lives every day. Yet there is no complacency. Our job will continue to get tougher over the next five years.**

**We are confident about Surrey's future. By building on our strengths and working together with residents and partners, we will find solutions to meet the challenge we face.**

## The challenge ahead

The challenge facing us is stark. We cannot afford to continue delivering the services needed in the way we deliver them today. There are ever growing demands for our existing services. There are new responsibilities that we have to meet. At the same time our resources in real terms will continue to reduce.

We must find sustainable answers so we can continue to support those residents who need us most and play our part in working with others to secure strong economic growth in Surrey.

### Key actions

Over the next five years we will invest:

- £218m in improving roads and easing congestion
- £261m in providing over 15,000 additional school places
- £256m additional funds to ensure 30,000 vulnerable children and adults are supported

We will reduce our costs by more than £250m over the next five years

We will continue to involve service users in designing and delivering innovative and effective services

We will continue to develop effective partnerships to reduce costs and improve

## Staying strong: developing innovative solutions

Many councils will respond to the challenge ahead by reducing their capacity and capability. We will not. We will build on our strengths so we can achieve our priorities and long term goals for Surrey. We will do this by continuing to work together as one team with residents and partners, and investing in our staff so they can provide excellent service.

Staying strong won't mean standing still. We will focus on developing innovative solutions, adapting the way we work and seizing opportunities that will improve services and value for residents.

Everything we do will be focussed on ensuring all Surrey's residents remain healthy, safe and confident about their future.

This short document sets out our vision for 2018 and the steps we will take over the next five years to achieve it. We hope you understand our approach. If you have any comments please contact us at [david.hodge@surreycc.gov.uk](mailto:david.hodge@surreycc.gov.uk) or [david.mculty@surreycc.gov.uk](mailto:david.mculty@surreycc.gov.uk)

If you would like this information in large print, on tape, in easy-read, or in another language, please contact us on:

Tel: 03456 009 009 Minicom: 020 8541 9698

Fax: 020 8541 9575 Email: [contactcentre@surreycc.gov.uk](mailto:contactcentre@surreycc.gov.uk)

**Our purpose** – We are the Council elected to ensure that Surrey residents remain healthy, safe and confident about their future.

**Our vision for 2018** - To be delivering great value for Surrey residents

What we will focus on - This vision is ambitious. To achieve it there are six things we have to focus on and get right. These explain how we will transform the way we work with residents, businesses, partners and staff to tackle the issues facing Surrey and how we will navigate our way through the most difficult financial environment local government has faced for the last 80 years.

**Residents**

**Individuals, families and communities will have more influence, control and responsibility**

Individuals, families and communities across Surrey have different needs and aspirations. To meet these it is crucial we develop new approaches that increase their control over how services are designed and delivered. This move to greater localism will develop in different ways. We will stimulate changes by engaging with and listening to residents, moving some decision-making powers and funding to local levels, and being transparent about what we do and how much it costs. We will work with adults and children who need support to shape the sort of services they receive so they can lead more independent and fulfilled lives. In everything we do we will treat all residents fairly and with respect.

**Value**

**We will create public value by improving outcomes for residents**

In the way that a company seeks to maximise shareholder value, we will focus on generating increased value for residents. We have to reduce our spending by more than £250m over five years to 2018. This is a huge challenge. We will focus relentlessly on reducing our costs. We will deliver the things that are important for Surrey residents, maintain a rigorous focus on value for money, and find innovative solutions that can achieve more for less. This will include looking at different ways of delivering services such as joining up with partners and establishing arrangements to trade services.

**Partnerships**

**We will work with our partners in the interests of Surrey**

Putting residents' interests first means setting aside organisational boundaries and traditional roles. We will work with whoever is best placed to help improve outcomes for Surrey residents. This could range from co-designing specific services with residents to formal arrangements with social enterprises or partners such as other councils, the private sector and the voluntary, community and faith sector. Only by remaining a strong organisation will we have the strength to support others in the voluntary, community and faith sector to make their contribution to Surrey's wellbeing. And we will be able to play our part in working with business partners to improve Surrey's competitiveness as the world economy recovers.

**Quality**

**We will ensure high quality and encourage innovation**

However services change and whoever delivers them, we will pride ourselves on ensuring high quality at all times. This means working relentlessly with residents, businesses, partners and staff to find improvements and develop fresh approaches. We will focus on prevention; anticipating and avoiding problems before they arise. We will respond quickly to the changing demands - and seize the opportunities - that new technology can bring.

**People**

**We will develop and equip our officers and Members to provide excellent service**

One of our key assets is the quality and commitment of the people who work for Surrey. We will invest in the people who work for Surrey. We will make sure that they have the right equipment training and development to support their work. This investment will improve our productivity and the quality of the work we do for residents. It will also support a one team culture where all officers and Members take responsibility for providing excellent service and work together in creative ways for the benefit of residents.

**Stewardship**

**We will look after Surrey's resources responsibly**

When striving to fulfil our most pressing duties it is critical we use resources responsibly and safeguard them for future generations. We will continue to maintain rigorous financial and risk management so we have a sound basis for achieving current priorities and investing for future needs. We will focus on conserving Surrey's environment and will reduce our dependency on carbon and other scarce resources.

**Our values**

Making these changes will not be easy and we will face some tough choices. To succeed we will need to live up to our values. These are at the heart of our goal to make a difference for Surrey residents.

**Listen**

We actively listen to others

**Responsibility**

We take responsibility in all that we do

**Trust**

We work to inspire trust and we trust in others

**Respect**

We treat people with respect and are committed to learning from others



# COMMUNICATIONS AND ENGAGEMENT STRATEGY 2013- 2018

## Confident in our future

The council is committed to delivering great value for Surrey residents in all it does. The effectiveness of any team in delivering this is determined to a significant extent by the quality of its communications and engagement. This strategy outlines the approach we will take to ensure our communications and engagement activity is the best possible and helps to achieve our vision of delivering great value for Surrey residents.

The council is recognised as having good services, strong partnership working and empowered and motivated employees. We have built a strong platform and we are committed to do more for residents.

We look to the future with confidence and are ready to meet the financial challenges we face, along with the rest of the public sector, requiring potentially far-reaching changes to public services.

The plans for how we will achieve our vision of delivering great value are in our corporate strategy. Communications and engagement are integral to the success of this vision and our activity will focus on supporting the priorities in the strategy.

We will be consistently pro-active in our communications and engagement to raise awareness and understanding of Surrey, recruit and retain good staff and engage residents and communities in our services and how they are changing. To help us achieve this, we are putting an emphasis on innovative approaches and more effective ways of doing things in our communications and engagement.

**Our aim is to be clear and focused and involve residents and communities in our communications and engagement.**

# Doing the right thing

Doing the right thing for our residents now and in the longer term – and demonstrating this - is the driver for all communications and engagement activity. It supports the six tasks outlined in the corporate strategy that the county council has to focus on and get right:

<b>Residents</b>	Enable individuals, families and communities to have more influence, control and responsibility
<b>Value</b>	Create public value by improving outcomes for residents
<b>Partnerships</b>	Work with our partners in the interests of Surrey
<b>Quality</b>	Ensure the highest quality and encourage innovation
<b>People</b>	Develop and equip our officers and members to provide excellent service
<b>Stewardship</b>	Look after Surrey's resources responsibly

## Challenges

There are four communications and engagement challenges that we must meet to achieve these tasks.

1. **Be clear about the context** – The scale of financial savings required is unprecedented and sets the context for all our activity. This will mean that we will need to take decisions that could change what services we provide and how we provide them now and in the longer term. We will ensure that we are clear about options and explain the circumstances surrounding these options, the reasons for decisions and why we are responding in the way we are. We will provide opportunities for residents to offer their views and opinions.
2. **Responding to changing life choices** – The way people live their lives is changing, and many people have an expectation about how involved they are in the delivery of the services they use. Where they expect to be able to play a role in how services are designed and delivered, we will recognise and appreciate their involvement and will support and respond to these changing needs as our services change. Communications and engagement will be integral to this.
3. **Earn trust** – In the current context it is even more important than ever that all communications and engagement is honest and trustworthy.
4. **Enable involvement** – We will tailor our communications and engagement to the needs of different groups – residents, officers, members, businesses, communities and other partners - to enable deeper engagement.

# Who

We will continue to work hard to improve our communications and engagement with all the people we work with. As part of this, we will place a particular emphasis on getting things right for three audiences.

## Residents

Through new and more effective ways of communicating and engaging we will offer residents ways in which they can play a role in shaping services. This will build on the work currently carried out in many services, particularly adults' and children's services. We will strengthen our approach by improving how we feed back to residents.

We will use a variety of ways to reach people suited to their needs – for example, through digital and social media as well as paper-based communications. We will ensure that we reach as many people as possible by tailoring approaches for residents whom we have found it harder to engage with in the past or have particular needs.

As the ways in which services are provided change, we will make sure it is easy for residents to know who is providing their services and we will encourage people to help others understand services.

## Businesses

To support the council's priority of supporting strong economic growth for Surrey we will improve our communications and engagement with businesses.

To do this we will develop tailored communications and engagement activity by working with businesses and make it as easy as possible for them to engage with us.

## Officers and members

We will assist colleagues in services to improve the ways in which members are provided with up-to- date, local information.

Communications and engagement will work with members to improve ways in which they bring feedback and information into the organisation to help improve services. We will develop opportunities that make this easier. Two primary ways we will do this are through communications and engagement to support Shift in Surrey and the organisation-wide activity to build stronger teams.

We will also review and develop the channels we have, so that they better meet the needs of officers and members, better serve our corporate priorities and support a dialogue across the council.

We will also offer all members training in how to make the most of social media.

# How

## Improving our digital communications ability

- Improve our website homepage so it is more interactive, people can find information quickly and it is easy to engage with us.
- Being proactive in our use of social and digital media, supporting people to use these channels through clear guidelines and policies.
- Continue to look for new ways of engaging people using digital and social media to make it as easy as possible for them to share their views.
- Increase the take up of electronic version of Surrey Matters.

## Target communications and engagement to maximise impact

- Use data to reach people more effectively, including people who have been harder to engage in the past and who will benefit from tailored approaches to communications and engagement.

## Maintaining a strategic approach

- We will focus relentlessly on communications and engagement related to the difference we will make for Surrey residents in 2018 defined by the priorities in the corporate strategy. Clear action plans, measurement and evaluation will underpin all activity. For 2013/14 these include:
  - Improving our roads
  - Providing children with additional school places
  - Support young people and the local economy, highlighting apprenticeships and skills development
  - Strengthening support for vulnerable children and adults
  - Supporting more vulnerable people to live independent lives
  - Demonstrating how we are delivering savings
  - Campaign to reduce litter in our county

## **Ensuring Surrey has an influential voice regionally and nationally**

- We will support the organisation's work to represent Surrey's views nationally and regionally on our priorities.

## **Providing the best communications and engagement by working as one team**

- Maintain our work to build effective, co-ordinated communications and engagement that is consistently high quality and provides value for money.

## **Measuring our success**

We have clear measures to define our success, especially for residents, officers, members and businesses. These are a mix of qualitative and quantitative measures that will demonstrate the difference effective communications and engagement make year on year and cumulatively by 2018. We will regularly review our progress in implementing this strategy and will share updates with residents from September 2013.

## **What difference will this make by 2018?**

Communications and engagement will:

- Increase numbers of residents, officers, members and partners who feel engaged and know how they can, and do, play a role in public services in Surrey.
- Increase the number of businesses who are aware of our support for growing Surrey's economy and have a productive relationship with us.
- Improve the digital channels for communications and engagement.
- Ensure Surrey's residents and communities have a voice through improved engagement locally, regionally and nationally
- Increase understanding of our priorities and what we have done about them.

## Our priorities for 2013/14

- Provide opportunities for residents and communities to be more involved and offer views and opinions on services and issues. These will be tailored to the needs of different groups – residents, officers, members, businesses and other partners.
- Carry out communications and engagement to support and promote the priorities outlined in the corporate strategy:
  - Improving our roads
  - Providing children with additional school places
  - Support young people and the local economy, highlighting apprenticeships and skills development
  - Strengthening support for vulnerable children and adults
  - Supporting more vulnerable people to live independent lives
  - Demonstrating how we are delivering savings
  - Campaign to reduce litter in our county
- To address the communications and engagement challenges associated with the tasks identified in the corporate strategy.
- Increase our digital ability, this includes improving our web site and supporting officers and members to communicate with people via social and digital media.

The detailed measures and targets for the priorities will be tracked in our quarterly communications and engagement updates which will start in September 2013.

This document outlines our approach to communications and engagement. If you have any comments please contact Louise Footner, Head of Communications, at [louise.footner@surreycc.gov.uk](mailto:louise.footner@surreycc.gov.uk)

This strategy is supported by individual strategies and plans that give more detail of our approach for digital communications and engagement, media relations, internal communications and campaigns.

## Cabinet Members



Mel Few  
Adult Social Care



Steve Cosser,  
Cabinet Associate,  
Adult Social Care

## Strategic Director



Sarah Mitchell  
Strategic Director

## Leadership Team



Anne Butler, Assistant Director for Commissioning; Dave Sargeant, Assistant Director Personal Care and Support; John Woods, Assistant Director Policy and Strategy; Melanie Bussicott, Assistant Director for District and Borough Partnerships; Graham Wilkin, Interim Assistant Director Service Delivery

## What is our vision for 2018?

“Working with our partners to ensure people have choice and control, so they can maximise their wellbeing and independence in their local community and remain safe”



## What will we focus on?

To achieve our corporate vision, we must focus particularly on the following:

- Residents - individuals, families and communities will have more influence, control and responsibility
- Value – we will create public value by improving outcomes for residents
- Partnerships – we will work with our partners in the interests of Surrey
- Quality – we will ensure the highest quality and encourage innovation
- People – we will develop and equip our officers and Members to provide excellent service
- Stewardship – we will look after the county's resources responsibly

Listen - Responsible - Trust - Respect

Listen - Responsible - Trust - Respect

## What are our priorities for 2013/14?

Our focus will be on:

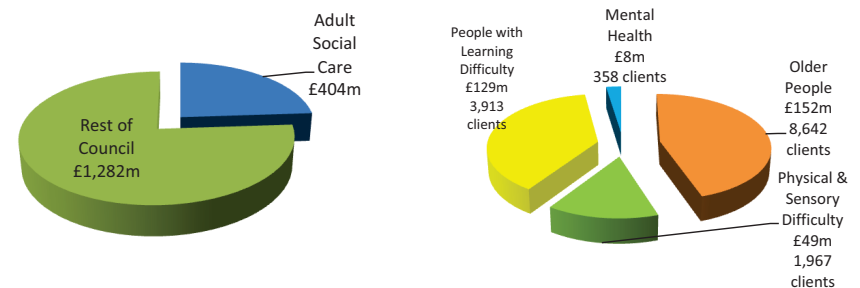
- Supporting people to live independent lives in our communities, safe from harm.
- Spreading our resources by building social capital and new models of delivery.
- Having a stable, well trained, innovative workforce.

To deliver this, we have 12 key priorities for 2013/14:

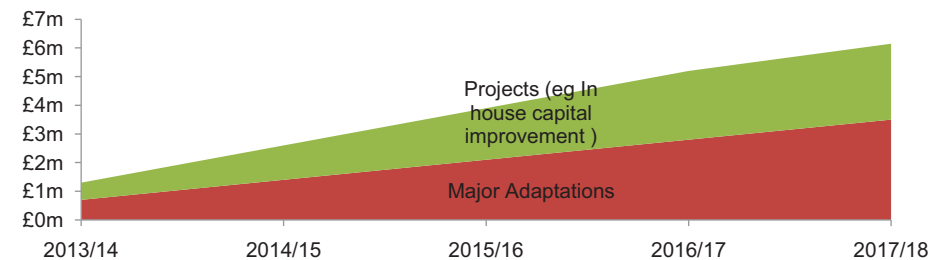
- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• Grow preventative services in partnership with borough and district councils</li> <li>• Help people regain skills at home, whilst recovering from a setback</li> <li>• Invest in joined up health and social care services which are local, universal and preventative</li> <li>• Maximise social capital in localities with effective care packages</li> <li>• Help people who fund their own care</li> <li>• Empower people and their carers to live independently</li> </ul> | <ul style="list-style-type: none"> <li>• Manage the SCC in-house residential homes efficiently</li> <li>• Co-ordinate the Surrey care market to deliver value for money</li> <li>• Deliver the Public Value Review of Learning Disabilities services</li> <li>• Develop a competent and courageous workforce</li> <li>• Operate efficient and effective partnership arrangements</li> <li>• Maximise productivity by simplified processes which enable front line staff to spend more time with residents</li> </ul> |
|--|--|

## What will we spend money on?

### Gross Revenue Expenditure 2013/14



### Cumulative Capital Expenditure 2013 - 2018



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# One County One Team: Surrey County Council – Children, Schools and Families 2013-18 Annex 2b

## Cabinet Members



Mary Angell,  
Children and  
Families

Linda Kemeny,  
Schools and  
Learning

Clare Curran,  
Cabinet  
Associate,  
Children and  
Families

## Strategic Director



Nick Wilson,  
Strategic Director

## What is our vision for 2018?

*“Every child and young person will be safe, healthy, creative, and have the personal confidence, skills and opportunities to contribute and achieve more than thought possible.”*

## What will we focus on?

To achieve our corporate vision, we must focus particularly on the following:

- Residents – individuals, families and communities will have more influence, control and responsibility
- Value – we will create public value by improving outcomes for residents
- Partnerships – we will work with our partners in the interests of Surrey
- Quality – we will ensure the highest quality and encourage innovation
- People – we will develop and equip our officers and Members to provide excellent service
- Stewardship – we will look after Surrey's resources responsibly

## What difference will we make by 2018?

Children, Schools and Families will aim to ensure that by 2018:

- Every Surrey child will be allocated a school place at a good school that supports them to reach their full potential.
- Services for children and families will be local and better co-ordinated.
- Children and families will be safer from harm and neglect.
- There will be full participation of young people in education, employment and training.
- Children in the care of the County Council will have better life opportunities while they are being cared for and after they leave their care services.

## Leadership Team



Caroline Budden, Deputy Director – Children, Schools and Families; Garath Symonds, Assistant Director for Young People; Peter-John Wilkinson, Assistant Director for Schools; Mark Bisson, Directorate Head of Resources; Sean Rafferty, Head of Family Services

## What are our priorities for 2013/14?

There are some specific things we need to focus on in the next year in addition to our day to day work to help us towards our goals for 2018. They reflect residents' priorities, current challenges, and areas where investment is needed now to realise future ambitions.

We will work with our partners to:

### Potential

- Meet the need to provide additional school places across the County.
- Support all schools to raise educational attainment.
- Support high quality early years services.
- Prepare children and young people with special educational needs and disabilities for independent living.

### Prevention

- Implement the Surrey Family Support Programme, supporting families with multiple and complex needs.
- Develop the early help offer, reducing the need for families to access high support services.
- Introduce the new single education, health and care plan for children with special education needs and disability.
- Empower families, through personalised budgets, to support children with a disability.

### Participation

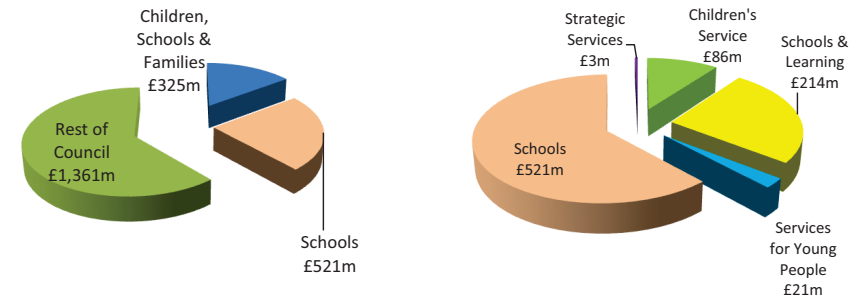
- Help all young people to participate in education, training and employment.
- Support young people to access apprenticeships.
- Empower young people to make a positive contribution in their communities

### Protection

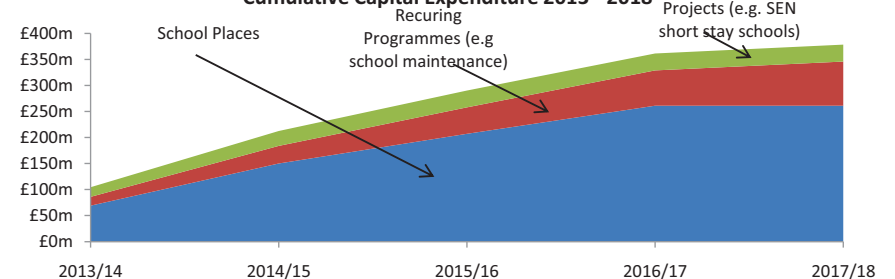
- Improve the health and education outcomes of children in care of the council and those leaving care.
- Reduce the time it takes for children's futures to be decided through the court proceedings.
- Better protect children by investing in a Surrey Social Work College to support newly qualified social workers

## What will we spend money on?

### Gross Revenue Expenditure 2013/14



### Cumulative Capital Expenditure 2013 - 2018



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# One County One Team: Surrey County Council – Environment and Infrastructure 2013-18 Annex 2c

## Cabinet Members



John Furey, Transport, Highways and Environment

Peter Martin, Deputy Leader

Tony Samuels, Assets and Regeneration

Marisa Heath, Cabinet Associate, Environmental Services

## Strategic Director



Trevor Pugh, Strategic Director

## What is our vision for 2018?

*“A leading economy and an attractive environment, with better roads and transport networks.”*

## What will we focus on?

To achieve our corporate vision, we must focus particularly on the following:

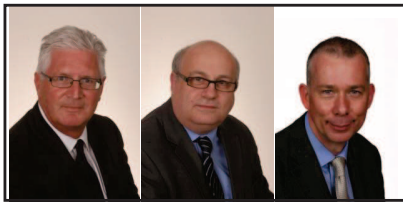
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- Partnerships – we will work with our partners in the interests of Surrey
- Quality – we will ensure the highest quality and encourage innovation
- People – we will develop and equip our officers and Members to provide excellent service
- Stewardship – we will look after the county's resources responsibly

## What difference will we make by 2018?

Environment and Infrastructure will aim to ensure that by 2018:

- Residents will know that Surrey's roads are well maintained, with clear priorities for asset investment.
- Surrey and the UK will benefit from economic growth in the county that does not damage our environment, and full employment based around our strong high skill industries.
- Surrey's towns will be more prosperous and attractive, having been improved by new investment.
- Surrey's natural environment will be more diverse, better protected, and managed sustainably.
- Residents' health and wellbeing will benefit from a choice of safe and sustainable travel options with predictable journey times.
- Less waste will be produced – products will be recycled or re-processed for economic benefit.

## Leadership Team



Ian Boast, Assistant Director Environment; Iain Reeve, Assistant Director Economy, Transport and Planning; Jason Russell, Assistant Director Highways

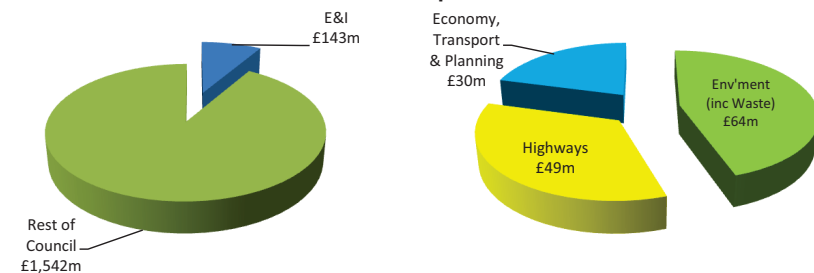
## What are our priorities for 2013/14?

There are some specific things we need to focus on in the next year in addition to our day to day work to help us towards our goals for 2018. They reflect residents' priorities, current challenges, and areas where investment is needed now to realise future ambitions:

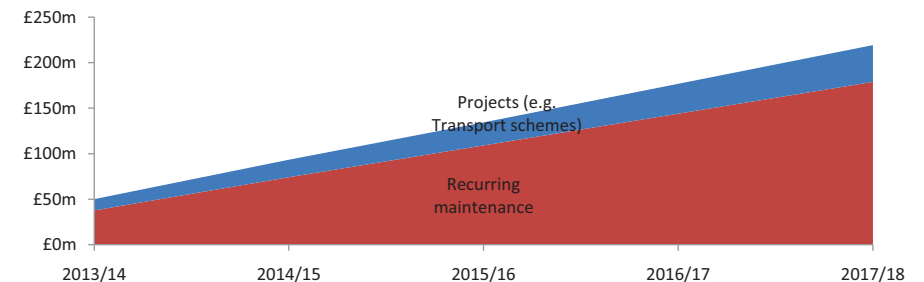
- Repair road defects and deliver maintenance schemes, including the five year programme to renew the 1000 worst roads in the county, within target timescales and budget.
- Deliver the Highways Service Improvement Plan.
- Support economic growth by working pro-actively with Surrey partners.
- Work with partners through the Surrey Future project to identify strategic transport infrastructure needs and secure external investment.
- Reduce road congestion through delivery of new schemes and initiatives.
- Deliver schemes in partnership to reduce energy costs and carbon impact benefitting Surrey residents, businesses and the Council.
- Have more Surrey residents cycling more safely.
- Improve recycling and landfill diversion by increasing the value from waste and working with districts, boroughs and other partners.
- Construct the Eco Park by 2015.
- Conserve and enhance Surrey's countryside together.

## What will we spend money on?

### Gross Revenue Expenditure 2013/14



### Cumulative Capital Expenditure 2013 - 2018



Listen - Responsible - Trust - Respect

Listen - Responsible - Trust - Respect

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## Cabinet Members



Helyn Clack, Community Services

Peter Martin, Deputy Leader

Kay Hammond, Cabinet Associate, Fire and Police Services

## Strategic Director



Yvonne Rees, Strategic Director



Susie Kemp, Assistant Chief Executive (Managing Cultural Services Until April 2014)



Sarah Mitchell, Director, Adult Social Care (Managing Fire & Rescue until April 2014)

## What is our vision for 2018?

*“To enhance quality of life through supporting healthier, safer and more vibrant communities.”*

## What will we focus on?

To achieve our corporate vision, we must focus particularly on the following:

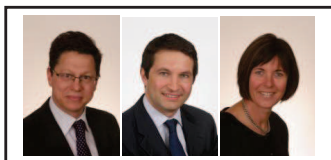
- Residents - individuals, families and communities will have more influence, control and responsibility
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- Quality – we will ensure the highest quality and encourage innovation
- People – we will develop and equip our officers and Members to provide excellent service
- Stewardship – we will look after the county’s resources responsibly

## What difference will we make by 2018?

Customer and Communities will aim to ensure that, by 2018, people in Surrey:

- Are involved in local decision-making, able to put their views forward on local issues and help shape future services.
- Are safe and protected from crime, including crime related to unsafe and illegal trading practices, through close working with the Police, the Police and Crime Commissioner, and other partners.
- Are protected by a modern and effective Fire and Rescue Service.
- Have opportunities and services that enrich their lives, and help them to make a positive contribution to their communities.
- Use the Council’s online services as their first choice for information and guidance about Council and other services in Surrey.

## Leadership Team



Steve Ruddy, Community Protection Manager (Trading Standards); Mark Irons, Interim Head of Customer Services and Directorate Support; Jane Last, Lead Manager for Community Safety and Partnership



Peter Milton, Head of Cultural Services (Libraries, Adult & Community Learning, Heritage Service, Surrey Arts, Registration & Nationality Service); Russell Pearson, Chief Fire Officer

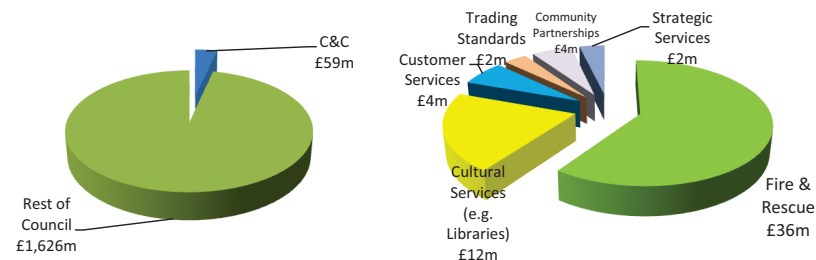
## What are our priorities for 2013/14?

There are some specific things that we need to focus on in the next year in addition to our day to day work to help us towards our goals for 2018. They reflect residents’ priorities, current challenges, and areas where investment is needed now to realise future ambitions.

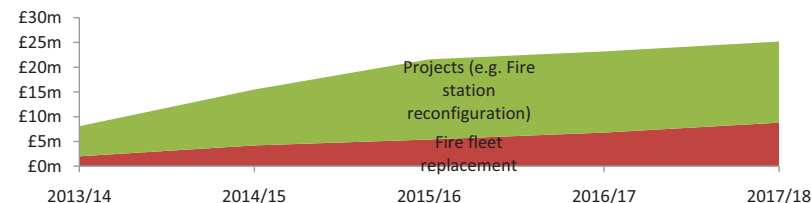
- Develop a Cultural Services Strategy for libraries, arts and learning services that supports economic growth and creates a strong identity that reflects Surrey as a place and drives innovation within the cultural sector.
- Keep libraries at the heart of the community
- Drive customer service excellence, improve learning from customer feedback and provide more opportunities for people to use on-line services (“Channel Shift”).
- Support councillors in their role as community leaders and champions, making best use of local committees and community funding, and increase the involvement of residents, local communities, businesses and partners.
- Protect people and communities by ensuring timely Fire and Rescue attendance at incidents; seek opportunities to continue to improve outcomes for residents through innovative solutions with partners; maximise our resources through relevant trading opportunities.
- Protect people and communities through partnership-based prevention and protection activity targeted on reducing the harmful effects of domestic abuse and anti-social behaviour.
- Enhance the health and wellbeing of residents and communities through the work of Trading Standards in protecting people from harmful food, products and services, enabling healthy choices and ensuring fair trading.

## What will we spend our money on?

Gross Revenue Expenditure 2013/14



Cumulative Capital Expenditure 2013 - 2018



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### Cabinet Members



Denise Le Gal, Business Services  
Tony Samuels, Assets and Regeneration Programmes

### Strategic Director



Julie Fisher, Strategic Director

### What is our vision for 2018?

*“To be a leading provider of business services.”*

### What will we focus on?

To achieve our corporate vision, we must focus particularly on the following:

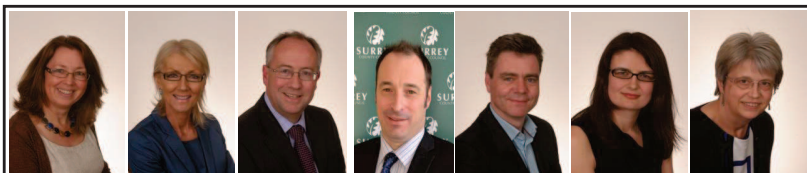
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- Quality – we will ensure the highest quality and encourage innovation
- People – we will develop and equip our officers and Members to provide excellent service
- Stewardship – we will look after Surrey's resources responsibly

### What difference will we make by 2018?

Business Services will aim to ensure that by 2018:

- We have developed more diverse and sustainable sources of funding that increase our resilience.
- We have a high performing asset portfolio that facilitates integration with partners to drive effective service delivery and supports economic growth in Surrey.
- We are delivering efficient, professional and customer focused business services across the public sector.
- We have a strong, resilient, innovative and effective workforce that have the right tools and environment to do their jobs.
- We will respond quickly to changing demands and the opportunities that investment in new technology can bring.
- We will have maintained strong financial health across the organisation.

### Leadership Team



Sheila Little, Deputy Director for Business Services and Head of Finance; Carmel Millar, HR and Organisational Development; Paul Brocklehurst, Information Management and Technology; John Stebbings, Property; Simon Pollock, Shared Services; Laura Langstaff, Procurement and Commissioning; Al Braithwaite, Business Improvement

### What are our priorities for 2013/14?

There are some specific things we need to focus on in the next year in addition to our day to day work to help us towards our goals for 2018. They reflect residents' priorities, current challenges, and areas where investment is needed now to realise future ambitions:

#### Strengthen the organisation through investment in our staff.

- Surrey attracts, recruits and retains the best, high-performing workforce.
- Ensure the workforce better reflects the population of Surrey.
- Ensure the workforce has the core skills to do their work effectively.

#### Support economic growth.

- Drive 60% of spend through local suppliers
- Support the delivery of 500 apprenticeships in Surrey
- Deliver and increase public sector usage of the UNICORN network.
- Identify and develop opportunities to maximise the use of assets to support regeneration projects and the economic growth agenda in partnership with external organisations for the benefit of Surrey residents.

#### Continue to drive efficiencies across the organisation, increasing productivity, and improving service delivery through process improvement and the deployment of enabling technology.

- Deliver £30m of procurement savings
- Deliver Business Services savings of £3.1m in 2013/14 and support the delivery of £68.3m efficiency savings across SCC in 2013/14
- Deliver 2,882 school places by September 2013 in line with published expansion plans

#### Ensure Business Services adopts an operational model that puts the customer at the heart of what we do.

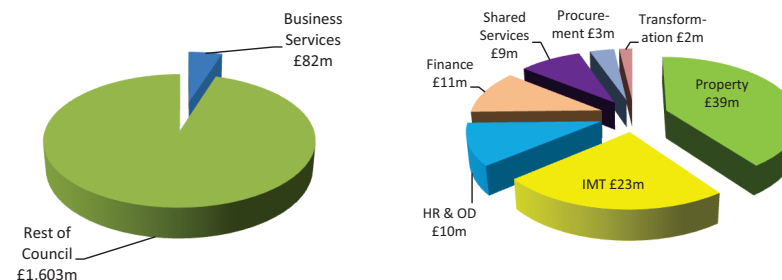
- Achieve 85% customer satisfaction.
- Deliver a modern business services model through continued process improvement.

#### Generate new sources of income through investment and trading

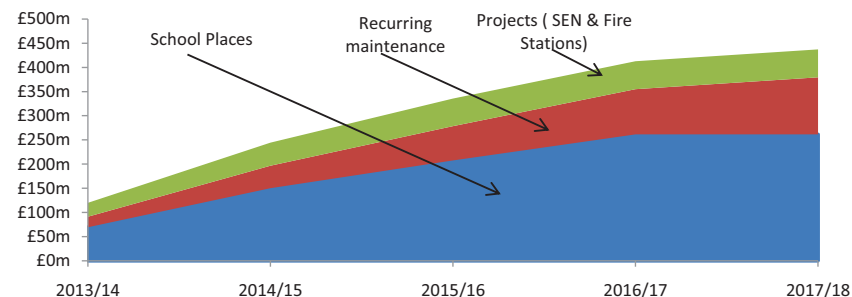
- Develop a sustainable governance and trading model for the organisation
- Support the organisation in reviewing its service delivery models.
- Create new opportunities and enhance current income streams.

### What will we spend money on?

#### Gross Revenue Expenditure



#### Cumulative Capital Expenditure 2013 - 2018



\*Formerly Change & Efficiency

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**Cabinet Members**



David Hodge, Leader; Peter Martin, Deputy Leader; Michael Gosling, Public Health and Health and Wellbeing Board; Denise Le Gal, Business Services; Helyn Clack, Community Services

**Assistant Chief Executive**



Susie Kemp, Assistant Chief Executive

**What is our vision for 2018?**

*"To have supported the Council to continue delivering great value to Surrey residents"*

**What will we focus on?**

To achieve our corporate vision, we must focus particularly on the following:

- Residents – individuals, families and communities will have more influence, control and responsibility
- Value – we will create public value by improving outcomes for residents
- Partnerships – we will work with our partners in the interests of Surrey
- Quality – we will ensure the highest quality and encourage innovation
- People – we will develop and equip our officers and Members to provide excellent service
- Stewardship – we will look after Surrey's resources responsibly

**What difference will we make by 2018?**

The Chief Executive's Office will aim to ensure that by 2018:

- People in Surrey are increasingly involved and engaged in local democracy, decision-making and policy development.
- People recognise their personal responsibility for safeguarding the Council's resources and ensuring the county is safe and resilient.
- Surrey residents' health and wellbeing is improved.
- Innovative ways of working and strong partnerships have supported Surrey's communities to grow and enabled a strong and thriving voluntary, community and faith sector.
- Policy and decision-making is based upon evidence and feedback from service users and residents.

**Leadership Team**



Ann Charlton, Head of Legal and Democratic Services; Louise Footner, Head of Communications; Liz Lawrence, Head of Policy and Performance; Helen Atkinson; Acting Director of Public Health; Rhian Boast, Programme Lead for Legacy and Magna Carta

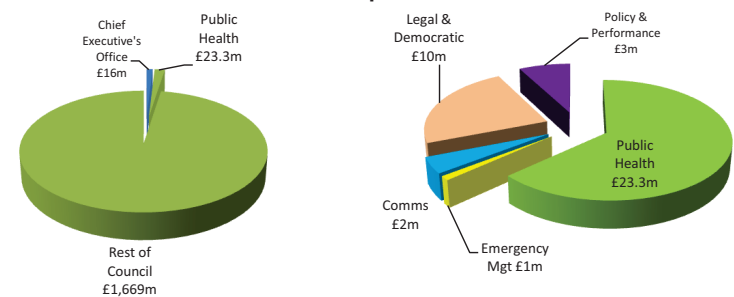
**What are our priorities for 2013/14?**

There are some specific things we need to focus on in the next year to help us towards our goals for 2018. They reflect residents' priorities, current challenges, and areas where investment is needed now to realise future ambitions:

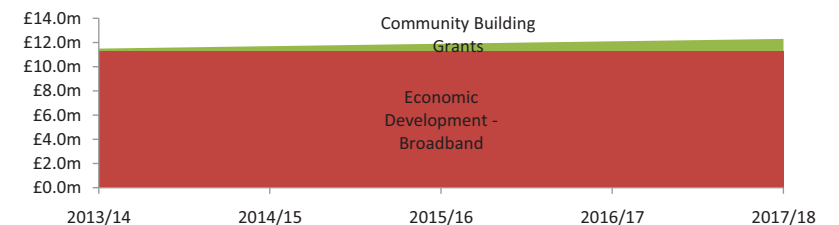
- Support Members through a comprehensive induction programme and an ongoing development programme
- Work with Services and partners to provide professional expertise, knowledge, support and challenge to help the Council deliver public value for Surrey residents.
- Deliver legal support to the Children, Schools and Families Directorate in the most cost effective and cost efficient way while aiming to meet the 26 week timetable for child protection cases
- Provide assurance:
  - on governance and control via delivery of the Internal Audit Plan and taking action to combat fraud; and
  - through ensuring that the Council meets its duties as required by the Civil Contingencies Act
- Complete the Communications review and realise the benefits of a strategic communications approach for residents
- Improve the health and wellbeing of Surrey residents through delivery of:
  - Surrey's Joint Health and Wellbeing Strategy
  - the new County Council public health responsibilities effectively as measured through the Public Health Outcomes Framework.
- Maximise tourism and the benefits provided by the legacy of the 2012 Olympics to support economic growth and improve Surrey residents' health and wellbeing (including delivery of Ride London-Surrey, and the development and delivery of the Magna Carta programme)
- Work with Voluntary, Community and Faith Sector infrastructure organisations and partners to implement and track the delivery of an outcomes-based commissioning framework
- Deploy fibre-based broadband in those parts of the county excluded by the commercial market

**What will we spend money on?**

Gross Revenue Expenditure 2013/14



Cumulative Capital Expenditure 2013 - 2018



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**SURREY COUNTY COUNCIL****CABINET****DATE: 25 JUNE 2013****REPORT OF: MR DAVID HODGE, LEADER OF THE COUNCIL****LEAD OFFICER: SHEILA LITTLE, CHIEF FINANCE OFFICER AND DEPUTY DIRECTOR FOR BUSINESS SERVICES****SUBJECT: BUDGET MONITORING FORECAST 2013/14 (PERIOD ENDING MAY 2013)****SUMMARY OF ISSUE:**

To note:

- the 2013/14 revenue and capital budget monitoring year-end projections as at the end of May 2013.

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 position; (Annex 1 – Section A) and the capital programme direction; (Section B)
2. confirms that government grant changes are reflected in directorate budgets; (Section C)
3. approves the in year virement of £757,661 from the Central HR Training Budget to most services that have service specific training budget allocations for 2013 /14 (as set out in paragraph 5).

**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 2013/14 financial year commenced on 1 April 2013. This is the first budget monitoring report of this financial year. The budget monitoring reports for this financial year will have greater focus on the material and significant issues, especially the tracking of the efficiency and reduction targets within the Medium Term Financial Plan. The reports will have a greater emphasis on proposed actions to be taken to resolve any issues and reporting service activity.

2. The Council has implemented a risk based approach to budget monitoring across all directorates and services. The risk based approach is to ensure we focus resources on monitoring those budgets assessed as high risk, due to their value or volatility.
3. There is a set of criteria to evaluate all budgets into high, medium and low risk. The criteria cover:
  - The size of a particular budget sits within the overall Council's budget hierarchy. The range is under £2m to over £10m
  - The budget complexity relates to the type of activities and data being monitored. The criterion is on the % of budget on staffing or fixed contracts: the greater the % the lower the complexity
  - The volatility is the relative rate at which either actual spend or projected spend move up and down. The greater % variance between last year's outturn or 4 or more times the project % exceed 10% the greater the volatility
  - The political sensitivity is about understanding how politically important the budget is and whether it has an impact on the council's reputation locally or nationally - greater the sensitivity the higher the risk
4. High risk areas report monthly, whereas low risk services areas report on an exception basis. This will be if the year to date budget and actual spend vary by more than 10%, or £50,000, whichever is lower.
5. There is one virement for the Cabinet to approve. The virement is an in year virement of £757,661 from the Central HR Training Budget to most services that have service specific training budget allocations for 2013/14. This virement allows services to co-ordinate their training needs at a service level. HR will continue to hold the budget and responsibility for providing generic Corporate Training and the Social Care Open programme. Annex 1 will provide further detail on this virement.
6. Annex 1 – Section A to this report sets out the council's revenue budget forecast year end outturn as at the end of May 2013. 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.
7. The report provides explanations for significant variations from the budget, staffing and efficiency reporting. To ensure these explanations are relevant, services have applied a judgment. As a guide, a forecast year end variance of greater than £1m is material and requires a commentary. For some services £1m may be too large or not reflect the service's political significance, so any variance over 2.5% may also be material.
8. Annex 1 – Section B to this report updates Cabinet on the Council's capital budget.
9. Annex 1 – Section C provides details of the revenue changes to government grants and other budget virements.

**Consultation:**

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

**Risk management and implications:**

- 11. 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**

- 12. The report considers financial and value for money implications throughout future budget monitoring reports will continue this focus. The Council continues to have a strong focus on its key objective of providing excellent value for money.

**Section 151 Officer commentary**

- 13. The Section 151 Officer confirms that all material, financial and business issues and risks are considered throughout the report.

**Legal implications – Monitoring Officer**

- 14. There are no legal issues and risks.

**Equalities and Diversity**

- 15. 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**

- 16. The County Council attaches great importance to being environmentally aware and wishes to show leadership in cutting carbon emissions and tackling climate change.
- 17. 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.

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**Contact Officer:**

Sheila Little, Chief Finance Officer and Deputy Director for Business Services  
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

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**SURREY COUNTY COUNCIL**

**CABINET**

**DATE: 25 JUNE 2013**

**REPORT OF: MR MEL FEW, CABINET MEMBER FOR ADULT SOCIAL CARE**

**LEAD OFFICER: ANN CHARLTON, HEAD OF LEGAL AND DEMOCRATIC SERVICES**

**SUBJECT: LEGAL FEES FOR ARRANGING ADULT SOCIAL CARE DEFERRED PAYMENT AGREEMENTS AND THE DISCHARGE OF LEGAL CHARGES**



7

#### **SUMMARY OF ISSUE:**

A previous Report to Cabinet dated 8 September 2009 detailed the operation of the Deferred Payment Scheme in relation to adults in residential care in Surrey. That report envisaged that the Council may in the future wish to recover the cost of the work it undertakes in relation to Deferred Payment Agreements. After a thorough review of the matter and after consultation with the Cabinet Member for Adult Social Care, officers are now proposing a charging regime. Authorisation is also sought to increase the legal fees for discharging Legal Charges (mortgages) placed on properties as security for payment of deferred care costs.

#### **RECOMMENDATIONS:**

It is recommended:

1. the Council charges £250 for any Deferred Payment Agreement, whether or not the matter proceeds to completion, plus the costs of any Land Registry fees it incurs on each transaction;
2. the Council recovers legal fees of £125 whenever it discharges a Legal Charge; and
3. the level of these charges will be reviewed annually and adjusted appropriately in line with general financial planning and budget setting.

#### **REASON FOR RECOMMENDATIONS:**

To ensure that the increased cost of servicing the continuing and growing demand for Deferred Payment Agreements is primarily met by those taking advantage of the scheme.

#### **DETAILS:**

##### **Background**

1. As part of the Council's responsibility for Adult Social Care in Surrey, the Council provides residential accommodation for persons aged eighteen or over who are in need of care and attention which is not otherwise available to them. This could be by reason of age, illness, disability or other circumstances. The duty on the

Council to do this comes from section 21 of the National Assistance Act 1948 (“the 1948 Act”).

2. At the time a resident enters such accommodation, the Council is also required to assess whether and how much (if anything) the resident should contribute financially to the cost of that accommodation. This assessment is made under the 1948 Act and in accordance with the Charging for Residential Accommodation Guide (‘CRAG’) issued by the Department for Health.
3. If a resident is required to contribute towards the cost of their accommodation (because they have sufficient assets available to them), they may need to sell their home or another property they own in order to meet their ongoing care fees. In these circumstances, the Council has the ability to agree with the resident to defer payment of their care fees until either:
  - a. the resident sells their main home, or
  - b. 56 days after the resident’s death,

whichever is the earlier. This is known as entering into a ‘Deferred Payment Agreement’ (“DPA”).

4. A previous Report to Cabinet on 8 September 2009 (“the 2009 report”) detailed the operation of the DPA scheme since it began in 2002. This report outlined the reasons for operating the scheme as follows:

“The aim of the scheme was to allow a person with property, but without sufficient income and other assets, to fund their chosen residential placement, whilst also enabling the person to either keep their home on admission to residential care or, to assist the person who intends to sell their home, but cannot do so quickly enough to cover the full cost of their care home fees.”

5. Once entered into, the Council cannot unilaterally terminate the DPA and no interest is charged on the outstanding sums. Interest will only be payable on the deferred sums from 56 days after the resident’s death or from the date the resident terminates the DPA.
6. The deferred payments are secured by a Legal Charge (mortgage) on the resident’s property with their agreement. This provides security for the Council that the outstanding sums will be paid eventually. If a resident has not entered into a DPA and will not voluntarily pay the charges as they fall due, the Council may be able to secure payment of the outstanding fees either by imposing a Legal Charge on the resident’s property in exercise of the power contained in section 22 of the Health and Social Services and Social Security Adjudication Act 1983 (“a section 22 Legal Charge”), or by undertaking legal action against the resident through the Courts. The latter is costly, where the Council is ultimately successful it can recover its legal costs, however this imposes a further financial burden on the resident.

### **Placing a Legal Charge**

7. Once a DPA has been agreed with the resident, Legal Services is required to undertake the following steps to effect the agreement:-
  - a. investigate title to the property,
  - b. complete identity checks (a Land Registry requirement),



- c. prepare the legal documents – both the Deferred Payment Agreement itself and the Legal Charge for the property,
  - d. ensure any necessary authorities are received from existing mortgage holders or those with power of attorney for the resident, and submit the approved documentation to the Land Registry.
8. Title investigations currently incur Land Registry fees of £10 and registration of the Legal Charge incurs a fee of £40, both currently payable by the Council.
  9. The legal work is undertaken by a Legal Charges Assistant under the supervision of the Principal Property Solicitor. A typical transaction takes up to 6 hours to complete. The resident or their representative is involved throughout the process. No two matters are the same and Legal Services is responsive to the difficulties facing the resident and their family at what is often a sensitive time
  10. Other local authorities generally now ask for a contribution to their legal fees on DPAs. Examples of current charges are shown in Annex A. On assessment of these and the cost to the Council of employing appropriate staff etc, officers are proposing that £250 plus applicable Land Registry fees is a reasonable charge to impose.

### **Discharging a Legal Charge**

11. A resident who has entered into a DPA, or who has had a section 22 Legal Charge imposed on their property may discharge it by paying the sums owed to the Council. This usually happens when the property is sold and so Legal Services is often only notified of the proposed discharge a few days before it is needed. The Financial Assessments & Benefits Team must create a redemption statement, accurate to that date, and forward this to Legal Services, which then deals with the resident's conveyancer to effect a smooth discharge. Legal Services approves the necessary documents and receives the payment due from the sale monies on behalf of the Council. At this stage, Legal Services also collects its fees for the discharge.
12. A discharge application usually takes up to 2.5 hours to complete. Legal Services currently charges its legal and administrative fees at £100 for the work involved in undertaking the discharge. A fee has been in place for discharges since 2010 and was considered reasonable upon a review of the work involved and the charges other mortgage holders imposed on discharges at that time. Examples of current charge rates by financial institutions include: Nationwide Building Society at £90 (the lowest charge); Barclays Bank at £275 (the highest charge); HSBC Bank charges nothing upon discharge (instead charging higher fees at the outset). Most lenders charge in excess of £125 and at present there are no Land Registry fees involved in a discharge process. Therefore, the proposal to charge £125 per discharge is considered reasonable and appropriate.

### **Other considerations**

13. It is anticipated that payment of the legal fees for placing a DPA Legal Charge will be requested upfront at the time the resident's application is approved. The relevant literature produced by the Council about DPAs would be updated to incorporate this. Both Legal Services and the Financial Assessments and Benefits Team sometimes encounter difficulties with a resident or their representatives being slow to cooperate with the process. It is expected that requiring an upfront payment will contribute to limiting insincere applications (as

this can be an issue) and hasten the process itself; reducing the period during which the Council is not receiving the payments due but does not have security for the debt.

14. Should a resident be legitimately unable to pay the legal fees upfront, this would not be a bar to the resident entering into a DPA. In such circumstances, it is proposed the fees would be added to the sums due upon the discharge of the Legal Charge. This approach would enable the resident to continue with their DPA application and still enable recovery of the legal fees in the longer term.
15. A new DPA scheme will be coming through from central government next year. The Care Bill, published on 10 May 2013, contains provisions for a new, universal deferred payment scheme. All local authorities will have a duty to offer deferred payments. The intention is to give people peace of mind, choice and control when they enter residential care and to ensure that no one has to sell their home in their lifetime to pay for care. The new scheme proposes consistent rules for the operation of DPAs and will include provision for local authorities to charge for administrative costs and interest on the deferred sums. The Department of Health intends to consult on the proposals later this year.
16. This new DPA scheme, with its aim of widening participation, and the aging population of Surrey is likely to lead to an increase in the number of DPAs. The legal fees recovered by these proposals would enable the Council to employ the necessary staff to deal with this increasing and demanding area of work.

#### **CONSULTATION:**

17. Mel Few, Cabinet Member for Adult Social Care; Sheila Little, Chief Finance Officer; Dave Sargeant, Assistant Strategic Director for Adult Social Care; and Toni Carney, Benefits and Charging Consultancy Team Manager have been consulted during the preparation of this report.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

18. The costs recovered should be fair and set at a level which does not deter residents from entering into Deferred Payment Agreements. Legal Services will continue to carefully record the time taken for these transactions and ensure the charges remain appropriate to the work involved.

#### **Financial and Value for Money Implications**

19. This is an ongoing and increasing area of work for Legal Services. It is anticipated that by recovering these charges, Legal Services will increase its income recovery total by approximately £34,000 per year.

#### **Section 151 Officer Commentary**

20. The section 151 officer confirms that the financial implications are as set out in the paper and that additional income will be reflected in the future budget of Legal Services.

## **Legal Implications – Monitoring Officer**

21. Deferred Payment Agreements are a discretionary service provided by the Council for the benefit of its residents. As such, the Council is able to charge for the provision of these services subject to some statutory limitations.
22. The relevant limitations are that the Council must ensure:
  - a. it is only seeking cost recovery and that it is not making a profit from these charges taking one financial year with another, and
  - b. those residents entering into these agreements are aware that there are charges involved and agree to pay these.
23. The Council's ability to charge for discharging a Legal Charge comes from its position as a mortgage provider (by virtue of either a Deferred Payment Agreement or a section 22 Legal Charge). The Council is not subject to the same statutory limitations as with Deferred Payment Agreements. However, as a general legal principle, the Council must not impose such charges as are unreasonable or prohibitive to residents having their legal charge discharged. Therefore, the Council must ensure what it charges for discharging a legal charge is reasonable and in alignment with other mortgage providers.

## **Equalities and Diversity**

24. An Equality Impact Assessment has not been undertaken in relation to this report.
25. Residents seeking to enter into a Deferred Payment Agreement are, by virtue of being in residential care, vulnerable adults. Despite this, in consultation with colleagues in Adult Social Care, it is considered that the protections already in place for dealing with Deferred Payment Agreement applications will sufficiently safeguard against any potential prejudicial impact caused by the imposition of the legal fees amounting to £250 plus the applicable Land Registry charges.
26. It is proposed that, should a situation of genuine financial hardship be identified, the legal fees would also be deferred until discharge of the legal charge. It is not anticipated that this situation would occur with any regularity. Residents or their representatives typically approach the Council to enter into a Deferred Payment Agreement once their remaining capital approaches the 'threshold' to be considered for such an Agreement (being £23,250). Should exceptional circumstances arise, the Financial Assessments and Benefits Team would be able to review the residents financial situation (having had all the resident's information provided to them as part of the application process) and make a reasonable decision about whether to defer the payment of the legal fees. The proposed legal fees will therefore not prevent a resident from pursuing a Deferred Payment Agreement.
27. This safeguard suitably protects residents from suffering any adverse impact at the time of their application for a Deferred Payment Agreement.

## **WHAT HAPPENS NEXT:**

28. Adult Social Care will amend the information it provides to residents when they are considering entering into a Deferred Payment Agreement. The proposed legal

fees will apply to all new Deferred Payment Agreement applications effective from 1 August 2013 onwards.

29. In relation to applications for the discharge of Legal Charges, the fee will be increased with immediate effect.

30. The level of these legal fees will be monitored and reviewed annually.

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**Contact Officer:**

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**Consulted:**

Mel Few, Cabinet Member for Adult Social Care

Sheila Little, Chief Finance Officer

Dave Sargeant, Assistant Strategic Director for Adult Social Care

Toni Carney, Benefits and Charging Consultancy Team Manager

**Annexes:**

Annex A -Table of legal fees charged by other councils.

**Sources/background papers:**

Annex A -Table of legal fees charged by other councils.

Report to Cabinet of Toni Carney dated 8 September 2009, Item 7 'Deferred Payment Scheme'.

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<b>Deferred Payment Agreements – Charges by other local authorities</b>
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<b>Local Authority</b>	<b>Charges</b>
Bournemouth City Council	Charges £500 to cover all administration, legal and land registry costs
Hampshire County Council	You will be asked to pay towards legal costs and disbursements including placing, preparing to place or procuring the legal charge on the property. The maximum charge will be £300 plus either: in the case of registered land, £40 for the Land registry fee, or if unregistered land, you must instruct an independent solicitor to register your title and the legal charge.
Hertfordshire County Council	No specific figure given - "Legal and Land Registry fees" payable.
Lincolnshire County Council	Charges for Land Registry searches, property registration and similar legal expenses. To be paid upfront and not to be added to the loan. £250 one-off arrangement fee.
London Borough of Wandsworth	No specific figure given - Land Registry and any other legal costs. Must be paid up front.
Royal Borough of Kingston upon Thames	No specific figure given - you <i>may</i> be asked to pay for "any legal costs".
Southampton City Council	Charges £250 to cover administration costs
West Berkshire Council	Charges £200 + Land Registry (£50) + any searches (£4)
Warwickshire County Council	Charges £175 to include Land Registry fees, legal costs and registration fees

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**SURREY COUNTY COUNCIL****CABINET****DATE: 25 JUNE 2013****REPORT OF: LINDA KEMENY, CABINET MEMBER FOR SCHOOLS AND LEARNING****LEAD OFFICER: GARATH SYMONDS, ASSISTANT DIRECTOR FOR YOUNG PEOPLE****LAURA LANGSTAFF ACTING HEAD OF PROCUREMENT AND COMMISSIONING****SUBJECT: AWARD OF CONTRACTS FOR THE DELIVERY OF POST-16 FURTHER EDUCATION SERVICES TO YOUNG PEOPLE WITH SPECIAL EDUCATIONAL NEEDS AND DISABILITIES (SEND)****SUMMARY OF ISSUE:**

The Children and Families Bill is proposing a more integrated approach to provision for children and young people with Special Educational Needs and Disabilities (SEND) across the 0-25 age range.

As part of this change, funding of education and training for young people aged 16-25 is changing. Previously this funding was allocated to providers by a national body, The Education Funding Agency (part of the Department for Education – EFA). From 1 September 2013, an element of the funding will be passed to Local Authorities to fund the commissioning of provision for young people resident in their area. This funding is through the Dedicated Schools Grant – known as element 3. The EFA will continue to provide some direct funding to post 16 providers, and this is termed elements 1 and 2. All elements are based on 2012/13 student number statements provided by post 16 providers. The commissioning duty passed to Local Authorities in April 2010 and the change in the funding will now complete the shift to local commissioning arrangements.

This paper outlines these changes and seeks agreement to new contracts for the education and training provision for young people in 63 Independent Specialist Colleges (ISCs) for 2 years from 1 September 2013. In this period new future arrangements and contracts will be developed for 2015 onwards.

**RECOMMENDATIONS:**

It is recommended that the Cabinet authorises:

- (1) The Council to enter into contracts for 2 years from 1 September 2013 with 63 providers as named in item 12, the confidential Annex to this report, all of which are existing Independent Specialist College providers providing post-16 further educational services to young people with Special Educational Needs and Disabilities on terms to be agreed with Legal Services for both existing and new placements with these providers.

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- (2) The estimated value of these contracts over a two year period will not exceed £18.1m.

#### **REASON FOR RECOMMENDATIONS:**

The recommendation ensures continuity of provision for young people already in placements that will continue into the academic year 2013-14 and provides a contractual basis for new placements starting in September 2013.

The new contracts will ensure 2 academic years are contracted with providers and this encompasses the variations in provider college holiday periods. No service will be required from the providers in the period from 31 July 2013 to 30 August 2013.

The current value of these contracts is £9,048,947 for a full academic year.

#### **DETAILS:**

##### **Business Case**

1. Until September 2013 the provision of further education for young people and adults aged 16-25 with Special Educational Needs and/or Disabilities (SEND) at Independent Specialist Colleges (ISC), General Further Education Colleges (GFE) and Sixth Form Colleges (SFC) was directly funded and contracted by the Education Funding Agency (EFA). The element 3 funding will transfer to Surrey County Council on 1 September 2013. This corresponds to £9.048m for the full academic year as described at paragraph 21.
2. The current EFA contracts with the ISCs will expire in July 2013. Surrey will require new contracts with the existing 63 ISCs to continue to provide the education and training services for young people and adults aged 16-25 years. These contracts will be established for 2 years through to 31 July 2015. New commissioning arrangements and contracts will be developed for 1 September 2015 onwards. These new arrangements will be informed by the needs analysis, provision mapping and suppliers relationship management referred to at paragraph 10. There is likely also to be a reduction in the numbers of providers at that stage.
3. The scope of provision includes residential and non-residential further education in Surrey and other areas at Independent Specialist Colleges (ISCs), General Further Education Colleges (GFE) and Sixth Form Colleges (SFC) providing education, health and care of 16-25 year olds with Special Educational Needs and/or Disabilities (SEND) resident in Surrey.
4. Under the new arrangements, the council will commission places for young people at ISCs, GFEs and SFCs. EFA will provide element 1 and 2 funding at £10,977 pa per young person/adult directly to ISCs, GFEs and SFCs. In addition, where provision required to meet the learner's needs exceeds £10,977, the County Council will fund the additional costs from the element 3 funding included in DSG.
5. The objective is to ensure that the commissioning of further education for young people and adults with SEND is based on life outcomes, such as educational progress, independent living skills and employability. Commissioning arrangements also need to ensure value for money for the



council. All young people with SEND receive Learning Difficulty Assessments from Year 9 onwards which supports the drive for every young person to have a pathway for their education. Further, there is a particular focus this year on a smooth transition for all young people to mitigate the risk of any delays or young people not being placed as a result of the impact of the national changes.

6. The changes present the council with some opportunities, some significant risks and require immediate action to let contracts with the ISCs.
7. The area for immediate action is the need for new contracts for young people already in ISCs or about to start at an ISC in September 2013. The EFA contracts with the ISCs cannot be novated and all will expire on 31 July 2013 and terminate. Surrey therefore has to establish new contracts with new service specifications and contract with the existing providers for on-going provision to continue and for new commissioned provision from 2013/14. No service will be required from the providers in the period from 31 July 2013 to 31 August 2013.
8. Opportunities are presented through the more local approach to commissioning. This supports the development of stronger relationships with providers focused on achieving more flexible placements, with a stronger focus on outcomes and improved performance management. For example, packages can be developed with a greater focus on education and training to support employability and independent living. A closer working relationship with the County Transition Team also offers the opportunity to plan in a more holistic way with young people and their families.
9. There are significant risks, however, as there is a growth in the numbers of young people requiring specialised provision and an increasing complexity of need. This results from some children and young people with complex needs living longer as a result of health improvements. There are also increasing expectations from parents/carers. These are partly supported by national developments such as the expectations of provision to age 25 through the Green Paper 'Support and Aspiration: A New Approach to Special Educational Needs and Disabilities' and the subsequent Children and Families Bill. The Children and Families Bill also proposes the extension of the tribunal arrangements beyond school.
10. In readiness for the new responsibilities, the local authority is strengthening relationships with providers and seeking greater flexibility and reduced costs through a programme of Supplier Relationship Management (SRM). This involves a series of planned meetings with each provider, prioritised according to the values of each commission. Additionally, as part of the Surrey SEND strategy more local provision is being developed and assessments are being managed earlier and with stronger links between education, health and social care. The Council is also working on a comprehensive needs analysis and provision mapping to inform future commissioning, linked to the Public Value Programme in Children, Schools and Families.
11. The commissioning of all provision will be managed in consultation with Children's Services, Schools and Learning, Adult Social Care commissioning and Transition and Employability and with Health services. More integrated arrangements are being developed for the future as part of the Education,

Health and Care Plan. This will require joint commissioning and a full financial contribution for each element of the placement.

12. As part of preparation for these changes, Surrey County Council Cabinet agreed the strategy for Learners Difficulties and Disabilities on 30 November 2010. This set priorities for the development of more local provision, earlier assessment of need and more integrated approaches. Up to this point, placements in Independent Specialist Providers had been growing at 10-15% per annum. Since the implementation of the strategy, not only has further growth been avoided, but placements have reduced by 30%. The challenge now is to manage the forecast further growth in need and demand for provision. This work is being addressed across the 0-25 age range through the Children, Schools and Families Public Value Review.
13. More recently, a Peer Review has been conducted of Surrey's approach to preparation for Raising the Participation Age, with a particular focus on young people with SEND. This was led by a Director from a South East local authority and supported by senior managers from other local authorities. The report was positive in its recognition of work to date to reduce the volume of placements and the wider preparations for raising participation, whilst recognising future challenges.
14. The Council has been working closely with the South East Network, the EFA and its partners in SE7 regarding the reform changes. This has resulted in the agreement to use the revised National Schools and Colleges Contract (previously the National Schools Contract) and to help develop this contract. Due to the advanced work done by the Council we were able to contribute to these changes, in particular with regard to the ISC schedule section of the contract.

#### **CONSULTATION:**

15. Consulted: Denise Le Gal, Cabinet Member for Business Services; Mrs Linda Kemeny, Cabinet Member for Schools and Learning; Mrs Kay Hammond, formerly Cabinet Member for Community Safety; Mr Michael Gosling, formerly Cabinet Member for Adult Social Care and Health and Mary Angell, Cabinet Member for Children and Families.
16. The development of the new funding arrangements has involved The School and College 16-19 Funding Group, which includes representation of Surrey Schools, Colleges and Independent Specialist Colleges. This group is a sub-group of both the Surrey 14-19 Partnership and the 14+/Transition to Adulthood Working Group.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

17. There is a risk that if the contracts were not put in place, those young people and adults currently on agreed placements and those who require placements from 2013, would need to be found new provision. Surrey does not have the capacity or capability to deliver these services and therefore there is a risk that these young people and adults would have no educational provision available to meet their needs from September 2013.

## **Financial and Value for Money Implications**

18. The total estimated full year cost of the expected service provision with ISCs is £9,048,947. This is based on an assumption of 115 learners; known actual costs are used for 69 of the learners who were identified as either continuing (56) or new confirmed placements (13). For the remaining 46 an average unit cost was used based on historic data until further information is known on confirmed destination and costing at an average unit cost of £78,687. This unit cost is inclusive of the £10,977 direct funding (elements 1 & 2) from the EFA. Assumptions at this stage have had to be made in order to get the contracts in place in readiness for September 2013.
19. Benchmarking has been carried out to compare the cost with other providers and the initial value for money assessments have found that the costs are comparable with other providers and current industry standards.
20. The assumptions i.e. numbers of learners and unit costs need further analysis to determine their accuracy. This more detailed analysis will take place during September and October once the placements have been made in the first year. A cost baseline will be established and will form the basis of future financial modelling. This improved information will shape future commissioning decisions, business planning and budget setting.
21. As background it is useful to know that the current contracts that the council has for post 16 SEND services with the GFE colleges and the SFCs are estimated to cost around £2,943,250. This is based on an assumption of 193 learners at an estimated unit cost of £15,250. The average costs are not directly comparable to average costs for ISCs, as any comparison needs to consider the needs of the young people, which vary considerably. Again this unit cost is inclusive of the £10,977 direct funding from the EFA. These assumptions will also need further analysis and will inform forecast costings and budget setting. Post 16 provision is also provided in schools and is in addition to the ISC's, GFE and SFC provision, but is funded on the same basis.
22. The contract duration for the ISCs is for two years before revision and therefore the total estimated contract cost is £18,097,894 for this period.
23. The contracts will be subject to a programme of supplier relationship management (SRM) for the two year duration to drive best value from the providers and subject to review competitive bidding options will be considered.

## **Section 151 Officer Commentary**

24. The ISC contracts need to be commissioned in order to ensure continuity of service for the existing and new placements for 2013/14. The budget available to fund at the existing service levels is sufficient, but the s151 officer acknowledges that there is the potential for volumes and therefore costs to increase in future years in meeting the 0-25 year's national agenda. The numbers and costs underpinning these required contracts are based on the best information currently available.
25. A cost baseline for post 16 SEN will be established following September's admissions which will be monitored and used as the basis for financial

modelling, informing the budget allocation, future commissioning requirements and business planning. An additional £3m for these services has already been included in the current medium term financial plan to acknowledge the potential risks for increased costs in this area.

#### **Legal Implications – Monitoring Officer**

26. There is acknowledgement of the requirement to provide new contracts to replace the EFA contracts currently in place. It is anticipated that the contracts will be based on the existing National Schools Contract for independent and non-maintained schools with terms and conditions suitably revised and agreed by Legal Services to provide for post-16 provision and to be used for both existing and new placements from the 1 September 2013.

#### **Equalities and Diversity**

27. An equalities impact assessment has been completed and is published on the web. The changes have positive implications for equalities and diversity and they give greater local discretion to improve outcomes for young people with special educational needs and disabilities.

#### **Safeguarding responsibilities for vulnerable children and adults implications**

28. Under the EFA, safeguarding is the responsibility of the providers with overview by the Local Authority and this will continue with the new contracts.

#### **WHAT HAPPENS NEXT:**

29. The next steps are:

- 31 July 2013 EFA contracts expire and terminate
- 1 Sept 2013 Award of Surrey contracts to current providers
- 1 Sept 2013 – 31 Oct 2015 Supplier relationship programme
- 1 Sept 2015 New framework available

Approx. Mar/April 2014 approval to award a cost-framework

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#### **Contact Officer:**

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Frank Offer, Head of Commissioning and Development for Young People,  
020 8541 9507

#### **Consulted:**

Mary Angell, Cabinet Member for Children and Families; Denise Le Gal, Cabinet Member for Business Services; Mrs Linda Kemeny Cabinet Member for Schools and Learning; Mrs Kay Hammond, formerly Cabinet Member for Community Safety; Mr Michael Gosling, formerly Cabinet Member for Adult Social Care and Health.

#### **Annexes:**

Annex 1: Independent Specialist College Breakdown (part 2 report)

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**SURREY COUNTY COUNCIL**

**CABINET**

**DATE: 25 JUNE 2013**

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

**LEAD OFFICER: TREVOR PUGH, STRATEGIC DIRECTOR – ENVIRONMENT &  
INFRASTRUCTURE**

**SUBJECT: AMENDMENT TO WASTE CONTRACT BETWEEN SCC AND  
SITA SURREY**



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**SUMMARY OF ISSUE:**

To receive updated information regarding technologies and to consider value for money and affordability factors; to approve technology; to ask officers to continue to progress work to amend the Waste Contract with SITA Surrey and prepare a detailed report to present at the 23 July 2013 Cabinet meeting, which will include legal, financial, procurement and risk assessments.

**RECOMMENDATIONS:**

It is recommended that:

1. Having received an update on technology and been notified of the proposed contractors, Cabinet approves the technology changes.
2. Officers continue to progress work to vary the Waste Contract between SCC and SITA Surrey to reflect the changes necessary to deliver the proposed waste solutions and prepare a further detailed report for final approval (including value for money and affordability considerations) to present at the 23 July 2013 Cabinet meeting.
3. Cabinet approves the release of a Voluntary Transparency Notice announcing the Council's intention to enter into a contract variation.

**REASON FOR RECOMMENDATIONS:**

The recommendations are necessary to provide proper authority to:

1. Deliver the Eco Park which represents a corporate priority for the Council
2. Provide assurance to contractual and funding partners to the Council
3. Demonstrate commitment to use of best available most appropriate technologies in terms of efficiency and environmental impact

## **DETAILS:**

### **Reason for Report to Cabinet**

1. On 14 March 2011 the Cabinet delegated authority to amend the Waste Contract to deliver an updated Joint Municipal Waste Management Strategy ('the Waste Strategy'). Since then the technical solution has been developed; necessary permissions have been granted; and the financial and legal negotiations and assessments are now near completion. There have also been significant developments in the approach to waste, aimed at delivering savings through increasing the value of waste materials, and benefits of scale and efficiency. On 26 March 2013, an update report on the current status of the Eco Park and grant support from DEFRA to the waste contract was presented to Cabinet.
2. This report builds on the previous reports considered by Cabinet and provides Cabinet with technical information to support a proposal to enter into a contract variation to develop the Eco Park.
3. Given the corporate significance of the Waste Strategy and the fact that new issues have arisen, in particular changes to the proposed solution, the Cabinet Member for Transport, Highways and Environment felt it was prudent for the Cabinet to reconfirm its commitment, based on the most up to date information, prior to receiving a report detailing the costs and terms of a proposed contract variation.
4. Cabinet approval will therefore be sought in two stages, supported by a current and comprehensive business case, based on environmental criteria and financial terms.

### **The Drivers for Change**

5. Historically waste in the UK has been disposed of by landfill. Landfill is a waste of scarce resources and biodegradable waste in landfill is a significant producer of harmful greenhouse gases. The Waste Strategy is aimed at reducing levels of municipal waste and increasing the value of materials within the waste stream by reusing and recycling, producing renewable energy.
6. The cost of landfill has risen steeply and will continue to rise in the future. Landfill tax will reach £80 per tonne in 2014/15. If new solutions are not found this would cost the council approximately £13m a year by 2014/15.
7. Delivery of solutions based on the Waste Strategy, in partnership with District and Borough Councils and the South East, and including the Eco Park, are important to ensure that Surrey County Council is effective in delivering financial and environmental benefits to the Surrey taxpayer.
8. Full details of the need to deliver new solutions are provided in the 2 February 2010 and 14 March 2011 Cabinet reports. This report and the July 2013 report concentrate on the proposed technical solution and contractual method of delivering new solutions in the best interests of the taxpayer.

## Waste Management Progress

9. In June 2006, the County Council, along with all Surrey waste authorities, adopted a Joint Municipal Waste Management Strategy. This strategy set out a plan for managing household waste in Surrey until 2026. An updated version was produced called "A Plan for Waste Management" and was subsequently endorsed by SCC's Cabinet on 29 September 2010.
10. A Plan for Waste Management sets out a series of ambitious targets for Surrey's local authorities, relating to reducing household waste, increasing recycling and diverting household waste from landfill.
11. Surrey authorities have made significant performance improvements over the past five years, which have significant environmental and financial benefits for the Surrey taxpayer.
  - The amount of waste produced per head of population in Surrey reduced by 17% between 2007/08 and 2012/13.
  - The Surrey recycling rate has increased from 35.3% in 2007/8 to 52.4% in 2012/13.
  - The proportion of waste Surrey sends to landfill has so far reduced from over 60% to under 20%.
  - Recycling performance has been improved through changes in kerbside collection systems, including collection of a wider range of materials for recycling. Surrey is the first county in England where all districts and boroughs collect food separately.
12. A number of joint contracting and purchasing arrangements have been introduced including green waste processing and the purchase of fuel.
13. The Surrey Waste Partnership continues to develop. Work over the next few years is set to deliver further performance and efficiency improvements.
14. Surrey County Council is now looking to deliver further improvement by engaging with the 55 waste authorities in the SE7 area (covering Kent, Hampshire, Surrey, East and West Sussex, Brighton & Hove and Medway). A strategic blueprint is being developed to steer the SE7 authorities towards becoming a waste business that supplies commodities and fuel to the market and delivers substantial financial benefits for the SE7 taxpayer.

## Eco Park Progress

15. Planning - Following extensive consultation, planning permissions have been granted for the Eco Park at Charlton Lane, Shepperton. In March 2011 a permanent permission for a waste site was granted, followed in March 2012 by a permission to develop the Eco Park on the same site. Both permissions are subject to a number of conditions that require the applicant (the Council's contractor SITA Surrey) to submit detailed technical schemes and plans. This will take into account changes to sub-contractors and technology providers where appropriate. The planning process is well

advanced although further submissions and detailed applications will be required.

16. Environmental Permit - On 8 October 2012 an environmental permit was issued by the Environment Agency. This permit is required before any waste facility can operate. It would require a variation to reflect the change of technology provider referred to later in the report.
17. Footpath diversion – One planning condition is a requirement to divert a footpath to enable the Eco Park to be built. Following objections by a number of local residents, the Planning Inspectorate held a public inquiry which took place between 3 and 5 April 2013. A proposed decision to confirm the diversion order with a few modifications is being advertised. Should no objections be made during the advertisement period the decision to confirm the diversion order can be expected by August 2013.
18. Delivery timetable (based on satisfactory outcomes of regulatory requirements without significant delay):
  - Late 2013 Commence Eco Park construction
  - September 2014 Recycling and bulking facility operational
  - End 2015 Eco Park fully operational.

#### **Explanation of current contractual position**

19. The County Council is the statutory Waste Disposal Authority for Surrey. The District and Borough Councils are the statutory Waste Collection Authorities.
20. In 1999 the Council entered into a long term (25 year) integrated waste management contract with Surrey Waste Management Ltd, now SITA Surrey (a wholly owned subsidiary of SITA UK). DEFRA supports this contract by providing Waste Infrastructure Grant. The Waste Contract provides for the treatment of residual waste delivered by Waste Collection Authorities and the operation of 15 Community Recycling Centres where the public can take waste to be recycled or for disposal.
21. The Council's Waste Contract was one of the first waste contracts of this kind. At that time the anticipated volume of residual waste requiring disposal was over 330,000 tonnes a year and the original intention was to dispose of this largely through two energy from waste plants, to be provided as part of the Waste Contract.
22. The first 10 years of the contract saw a rapidly changing landscape for waste. There were significant changes in the law and policy in relation to waste management at national, regional and local level, alongside a shift in public behaviour. Alternative technologies have also emerged.
23. In order to move forward, the Surrey Councils jointly developed a revised Waste Strategy in 2010, and the Cabinet now has to consider varying the Waste Contract within the mechanisms it provides.



## Proposed Amendments to the Waste Contract and their effect on the Council

24. The existing Waste Contract with SITA predates the Waste Strategy. It requires the contractor to fulfil statutory waste management obligations on behalf of the Waste Disposal Authority, in relation to disposal of all Surrey's residual municipal waste and operating community recycling centres.
25. In order to align the Waste Contract with the waste strategy, it would require updating to:
- the service specification and service delivery plan;
  - the financial model based on the delivery of new waste solutions, and adjustment to the contractual payments accordingly;
  - performance targets and timescales.
26. In addition it would be necessary to confirm the:
- contractual position relating to cost and risk resulting from the replacement of energy from waste incineration technology with new technologies (anaerobic digestion and gasification);
  - funding arrangements by which the contractor will provide finance for the infrastructure required, including the Eco Park.
27. This report concentrates on an explanation of the new technologies proposed for the Eco Park and the presents an initial assessment of value for money to the UK taxpayer. It is important to demonstrate clearly that:
- the technologies are safe and reliable and are developed and operated by competent and sound contractors;
  - a solution delivered through the Waste Contract provides value for money compared with the other options available to the Council.

## Assessment Process

28. A decision to make the changes needed to deliver the Eco Park requires careful consideration by Cabinet as it is a complex assessment involving many facets. Officers have taken advice from:
- Mott MacDonald                      technical advisers
  - Simmons and Simmons              legal advisers
  - Deloitte                                  financial advisers
  - EnviroS                                    planning advisers

29. The assessments of relevant Heads of Service are also provided on key areas:
- Head of Waste Service – technical and service
  - Head of Legal and Democratic Services – legal (contractual, procurement and local government)
  - Chief Finance Officer – affordability and value for money
  - Acting Head of Procurement and Commissioning – negotiation and contract strategy
30. This report summarises the key considerations, conclusions and recommendations of officers relating to technology, and presents an initial opinion of value for money. Further assessments will be provided in July 2013. As much information as possible will be made publicly available. However, the assessments may include matters of commercial sensitivity and legal privilege. Such information and advice is contained within confidential annexes and referenced where necessary.
31. Also, due to the volume and detail of information supporting the assessment, where appropriate, reference has been made to supporting documents which have not been reproduced but are available on request to members.
32. The assessment in this report provides:
- A technological and technical consideration of the waste treatment technologies available
  - A description of the proposed sub-contractors (including technology providers) appointed by SITA to build the Eco Park
  - The options available to the Council and the consequences of each option
  - An initial opinion of value for money based on assessment undertaken to date

### **Technological and technical changes**

33. Whenever amendment to the Waste Contract is considered, a technology assessment is undertaken by technical advisors, Mott McDonald, to ensure that Surrey benefits from the most modern and appropriate technologies. In March 2011 the technologies proposed for the Eco Park comprised anaerobic digestion for food waste and Batch Oxidation System (BOS) gasification technology for residual waste.
34. Since March 2011 the licence holder of the previously proposed BOS gasification technology has gone into administration, removing this option to SITA. Mott McDonald have therefore carried out an update of the gasification technology assessment. The updated assessment concluded

that there were now a number of potential suppliers within the gasification market.

35. In order to address this issue and demonstrate value for money SITA has conducted an additional procurement exercise. This has been to secure the most advantageous anaerobic digestion and gasification technologies within a sub-contract led by an engineering, procurement and construction (EPC) contractor who will be responsible for the overall delivery of the Eco Park, including design, appointment of the technology providers, procurement of materials and construction.
36. SITA commenced the tendering process to select the EPC contractor in June 2012. The procurement competitive bid exercise has now concluded and appointed contractors are described below. The tendering process was monitored by SCC waste and procurement officers and was considered appropriately robust and comprehensive.
37. Following the competitive tendering process, SITA have selected M+W Group as the EPC contractor for the Eco Park. M+W Group have selected Monsal as their partner for the anaerobic digestion plant and Outotec as the provider of the gasification technology. Profiles of the three subcontractors and proposed technologies are provided below.

### **Proposed sub-contractors to build the Eco Park**

#### **M+W Group: Engineering, procurement and construction (EPC) contractor**

38. M+W Group is a leading global engineering, construction and project management company in the fields of Advanced Technology Facilities, Life Science & Chemicals, Energy & Environment Technologies and High Tech Infrastructure. From concept development to turnkey services the company manages projects of all sizes.
39. Its expertise lies in linking process and automation technologies and complex facilities to integrated solutions whilst ensuring rapid realisation, high quality standards and cost-effective completion. M+W Group primarily focuses on leading companies in the fields of electronics, photovoltaics, life science, chemicals, energy, automotive, security, IT & Telecoms, as well as research institutes and universities.
40. M+W Group GmbH is a holding company with headquarters in Stuttgart, Germany. It has experience of constructing facilities in a wide variety of locations and cultures, and at times under very challenging circumstances. It has representation in over 30 countries and has existed for just over 100 years. In 2012 the company generated an order intake of 3.58 billion euros and revenues of 2.38 billion euros with 7,700 employees.
41. The M+W Group has earned numerous awards and recognitions all around the world for excellent project management, for outstanding engineering expertise or best environment, health and safety performance.

### Outotec: Gasification technology provider

42. Outotec is a large global company based in Finland working in the minerals and metals processing industry, water treatment and renewable energy. Over 80% of Outotec's business comes from the minerals and metals industry and the rest increasingly from the energy industry, chemical industry and industrial water treatment.
43. On 1 January 2012, Outotec acquired Energy Products of Idaho (EPI) an experienced US based provider of combustion and gasification technology. EPI has pioneered in the area of biomass and waste materials combustion and delivered over 100 energy solutions.
44. EPI technologies complement Outotec's fluidised bed technology platform. EPI's proprietary fuel thermal oxidation and gasification technologies recover energy from various biomass and wastes such as fresh and used wood, agricultural waste, demolition waste, manure, waste paper, paper sludge, oil sludge, municipal waste and many other materials.
45. EPI had nearly four decades of operating experience and more than 100 fluidised bed energy system installations.
46. Through EPI Outotec has pioneered, developed and commercialised fluidised bed combustion technology for biomass and waste materials for decades, leading the way for the disposal of waste materials and provision of efficient, economical and environmentally favourable biomass and waste to energy solutions.
47. Outotec operates globally with sales and service centers in 25 countries and deliveries to over 80 countries. At the end of 2012, Outotec had 4,805 employees. Outotec generated sales of approximately £2bn in 2012.
48. Outotec is 12th in the global top 100 sustainable companies index announced at the 2012 Davos economic conference.

### Monsal: Anaerobic Digestion Technology Provider

49. Monsal is a well established process and technology company operating in the environmental sector. Its core business is the treatment and conversion of waste - biosolids<sup>1</sup> and biowaste<sup>2</sup> - into renewable energy and a nutrient rich product. With experience of over 220 anaerobic digestion systems in the last 14 years Monsal is the UK's expert in anaerobic digestion and the UK's leading advanced digestion and integrated biogas to energy business.
50. The company delivers innovative turnkey solutions, process treatment technology and products. Monsal's background is in the water industry where anaerobic digestion has been used to process sewage sludge for many years. More recently however, Monsal have designed and built plants to deal specifically with food waste. This process knowledge is combined

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<sup>1</sup>Biosolids are nutrient rich organic materials derived from wastewater solids (sewage sludge)

<sup>2</sup>Biowaste (or biodegradable waste) is waste material capable of decomposing under anaerobic or aerobic conditions (e.g. manure, sawdust or food scraps)

with the team's expertise in mechanical and electrical engineering to produce effective engineering solutions for sludge and biowaste.

51. Monsal operates from their East Midlands base where they deliver projects all across the UK. They have the largest specialist technical team in the UK for advanced digestion, biowaste technology and biogas to energy projects.
52. Monsal is associated with the following professional bodies:
  - Founding Member of ADBA (Anaerobic Digestion and Biogas Association)
  - Member of REA (Renewable Energy Association)
  - Chartered Institution of Water and Environmental Management (CIWEM)
  - Water Environment Federation (WEF)
  - Chartered Institution of Wastes Management (CIWM)
53. Monsal is a subsidiary of Monsal Holdings Ltd owned by private investors, Mobeus Equity and Four Winds Capital Management. Four Winds Capital Management is a specialist in global commodities and natural resources. Mobeus Equity Partners is a leading equity investor in the UK lower mid-market.
54. Quality, health and safety and consideration for the environment are integral to the company's daily and long term activities. Monsal is accredited to ISO 9001:2000 (Quality Assurance); ISO 14001:2004 (Environmental); and BS OHSAS 18001: 2007 (Health & Safety).

## **Description of the Technological Changes**

### **- Description of the Gasification Process**

55. The proposed gasification process is designed to treat the waste that remains for residual waste (black bag) collections, after source segregation of recyclables has been undertaken.
56. The proposed gasification process is known as fluidised bed gasification:
  - Prior to gasification, waste will be mechanically sorted to remove recyclable materials, which have not previously been separated out, such as metals and items unsuitable for the process. The remaining waste will be shredded into pieces of a similar size to create a refuse derived fuel (RDF). This is known as pre-treatment and will remove additional materials, which will be sent for recycling or disposal.
  - This fuel is fed into a chamber with reduced oxygen levels where it is suspended in a bed of hot sand and heated to temperatures above 700 degrees but not set on fire, to produce a gas.

- This gas (known as synthesis gas or syngas) rises towards the upper part of the chamber.
- Here air is added and the gas is burnt at high temperatures to provide energy in a similar way to natural gas.
- The heat from the process is used to drive a steam turbine and electrical generator.
- The gases from the combustion of the syngas go through a multi stage clean-up process before being released into the atmosphere by a chimney.

#### **- Gasification Process - Due diligence**

57. Waste gasification is a relatively new technology in the UK and therefore both SITA and the County Council have conducted a robust due diligence assessment to ensure that the gasification process technology proposed by Outotec is appropriate for use within the Eco Park.
58. SITA's Parent Company Suez Environnement is proposing to make a significant capital investment in the Eco Park and therefore, like any bank making an investment, it is necessary for them to be completely satisfied that the proposed technology will operate effectively and safely in accordance with its design. SUEZ Environnement have extensive experience in waste to energy technologies and their experts have undertaken a significant amount of due diligence on the technologies, including visits to reference plants in the USA and Italy as well as discussions with Outotec's technical experts. Following this due diligence, Suez Environnement has confirmed their investment in the Eco Park and specifically the gasification technology that will be supplied by Outotec.
59. The County Council's technical advisors, Mott MacDonald have also undertaken an independent review of the Outotec gasification technology. This involved visits to a pre-treatment facility in Leeds and a fluidised bed combustion plant in Italy as well as discussions with both M&W and Outotec personnel.
60. Although the plant in Italy operates as a combustion plant, Mott MacDonald reported that the site visit was positive and provided comfort that the Outotec technology was able to process refuse derived from municipal waste. The plant has been in successful commercial operation for 8 years.
61. Mott MacDonald has advised that Outotec has experience of fluidised bed combustion with a variety of fuels including refuse derived fuel and it also has increasing experience of gasification plants using variable feedstock.
62. They note that the Outotec gasification and combustion plants are similar in that they both operate with a fluidised bed system. The difference between the plants is the size of the fluidised bed, in relation to the feedstock, and amount of primary and secondary air utilised.
63. They note that Outotec have cited over 100 reference plants using fluidised bed technology on a variety of feedstock, however only a small number of these plants operate in gasification configuration with majority being

combustion plant. They also note that there are currently no gasification plants operating on refuse derived fuel.

64. Mott McDonald consider that Outotec has extensive experience of fluidised bed combustion using a variety of fuels. The company also has a good level of understanding of the complexity of waste gasification and the requirements of the UK regulatory system and the ability to design a plant to operate using the waste feedstock in Surrey.

#### **- Description of the Anaerobic Digestion Process**

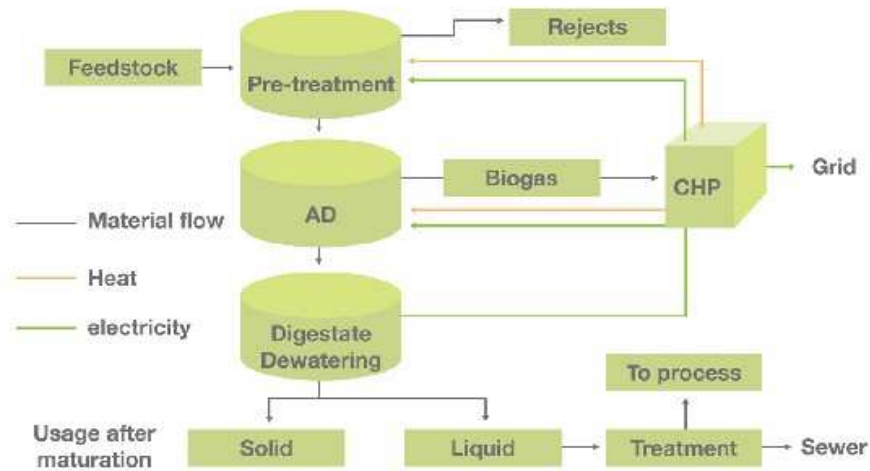
65. Anaerobic Digestion (AD) is an organic technology, which breaks down food waste in the absence of air to produce two by-products:

- a compost material, which can be used on agricultural land;
- and a biogas, which can be used to generate electricity, or to power vehicles.

66. The AD technology that will be provided by Monsal is a wet, one stage process.

- Food waste will be unloaded in the delivery building, which will be equipped with fast acting roller shutter doors and under negative pressure to ensure that any odours stay within the building.
- Food waste is then loaded into the waste shredder. The function of the waste shredder is to split open any bags and reduce the incoming waste to an acceptable size for the digestion process.
- Shredded material is transferred by closed conveyor to the waste turbo-dissolver to pulp the waste and separate out any contaminants such as plastics grit or metals. The contaminants are subsequently removed from the dissolver and the pulp is pumped into the buffer tank.
- It is within the digestion tank that micro-organisms break down the pulp into methane rich biogas. This biogas is captured and is used to power a gas engine and generator to produce heat and electricity.
- The solid material that remains after digestion (known as a digestate) is removed from the digester tank and dewatered using a screw press.

- The liquid digestate is cleaned up and discharged to sewer, whilst the solid digestate is removed from the site for use as a substitute fertiliser.



### - Anaerobic Digestion process Due diligence

67. Monsal were the original AD contractor for the Eco Park and their process remains unchanged. AD is considered by Mott McDonald to be a proven technology. Therefore no further due diligence is considered to be required as a result of the change to the EPC contractor.

### Sustainability assessment

68. The County Council’s Waste and Sustainability teams have carried out a sustainability assessment of the proposal to create an Eco Park and the assessment process fed into the scheme development.

69. The following aspects have been considered, in addition to the proposal’s inherent contribution to the sustainable use of resources and waste management as outlined earlier in this report:

- **Energy** - The site will provide an installed gross capacity of 5.58MW of decentralised energy generation capacity comprising a 1.78MW Anaerobic Digestion plant, a 3.65MW Gasifier plant and a 0.16MW solar PV array. The Government supports such clean technologies through the award of Renewable Obligations Certificates (ROCs) for every unit of power generated from renewable sources and this funding stream will be claimed for the site.
- The energy demands of the site will be fully met through the on-site energy generation including the pre-treatment equipment within the gasification building. Electricity generated by 3.82 MW of the plant will be exported to the national grid.
- The building design includes intelligent lighting systems and heated areas are highly insulated to reduce energy demand.



- Water – Clean roof water will be harvested through a 50m<sup>3</sup> storage tank, with the harvested rainwater being used as process water in the AD process, reducing the reliance on the local potable water supply from Thames Water. An engineered surface water drainage system has been developed to the latest Environment Agency guidance to meet green field run off rates. This means that water is discharged no faster than if the site were a green field to ensure there is no additional possibility of off-site flooding. The surface water drainage system will drain to an infiltration lagoon, which is located in an area of undug sand deposits in the field next to the Eco Park. This infiltration lagoon is sized to ensure it can cope with intense and severe storm rainfall events.
- Transport - The impact assessment has itemised that there will be a significant reduction in annual numbers of heavy goods vehicle movements and miles travelled by vehicles associated with the Eco Park, compared to the current situation. This would reduce the level of transport-related CO2 emissions. The change in the gasification system and the introduction of a pre-treatment process will result in slightly more weekday movements of vehicles and slightly fewer vehicle movements at weekends, compared to the consented levels. However, heavy goods vehicles (HGV) movement will still be reduced compared with current usage, with weekday HGV movements predicted to decrease by approximately 37% from current use patterns.

Biodiversity and character - The development will result in significant environmental improvements to the land to the north and east of the site to provide enhanced amenity and ecological value. The Landscape and Ecology Management Plan sets out the full detail of how the local biodiversity and landscape will be enhanced. Examples include the maintenance of existing mature vegetation to provide screening whilst improving its structural diversity, the protection of veteran willow trees during construction and the planting of 2.3ha of new woodland. A diversity of grassland habitats will also be developed, including a wet meadow in an area of the site anticipated to experience regular short periods of inundation with surface water during periods of high intensity rainfall. Purpose built pathways will be constructed to enable greater public access to this area, this will also include the proposed diversion to the Public Footpath.

- Local services and education – The Eco Park will continue to provide community recycling centre facilities for local residents and provide a reuse centre. Early improvements will be undertaken to the entrance to the centre. A survey carried out in 2008 found that 92.8% of the users surveyed rated the CRC facility as excellent and good. The Eco Park site will also incorporate a visitor centre where school parties and other groups can learn about sustainable living in practice and build on the County Council's school engagement work.
- Local economy - The Proposals will deliver local benefit through the creation of local employment opportunities during construction and operation. During construction, an anticipated maximum of 50 workers will be on site at anytime. It is anticipated that 60 staff will be based at the Eco Park site, an increase of 40 staff on current numbers on the Charlton Lane site.

70. Overall, the scheme represents a positive contribution to the County Council's commitment to sustainability; with the core aim of managing Surrey's waste sustainably and a wider set of positive environmental, economic and social outcomes.

### Financial implications

71. The report to Cabinet in July 2013 will include a detailed explanation of the financial impacts of proceeding with this proposal. There are two key elements to the financial business case for the waste contract variation:

- value for money - this has to take into account the overall effect on the public purse, i.e. it cannot take into account any reduced costs to the County Council through support from Government in the form of Waste Infrastructure Grant, which is a transfer of benefit from one arm of Government to another and does not affect the overall cost to the UK taxpayer.
- affordability - which is concerned with the impact on the County Council's finances, and as such does take Waste Infrastructure Grant into account.
- The outcome of the value for money and affordability assessments will be addressed in detail in the July 2013 report to Cabinet.

72. In order to assess value for money and affordability four options for future waste management in Surrey have been considered. The options assessments consider the entire contract as they impact on other services and infrastructure as well as the Eco Park.

73. The first two options deliver waste infrastructure. These are:

- Option 1: Amend the existing waste contract to deliver Waste Solutions
- Option 2: Terminate existing waste contract and re-procure to build and operate Waste Solutions

74. A further two options which do not rely on developing infrastructure have also been considered:

- Option 3: Terminate waste contract and achieve recycling and landfill diversion improvements without new infrastructure (i.e. secure alternative technology contracts)
- Option 4: Terminate waste contract and achieve recycling and landfill diversion improvements without new infrastructure (i.e. continue to landfill)

75. Each option is being considered in detail, and costs are being modelled by the Council's financial advisors, Deloitte. Costs are considered over 25 years, in line with the expected economic life of waste infrastructure. Affordability is also considered over the medium term, i.e. impact on the Medium Term Financial Plan (2013-18). A number of assumptions will be made in order to model expected costs, e.g. around future inflation, landfill tax and waste volumes. Risk and uncertainty will also be addressed, and

where possible quantified using an adjustment for optimism bias in line with HM Treasury guidance. Deloitte have confirmed their agreement with the financial assessment methodology, and that it follows HM Treasury guidance.

76. When considering affordability it is appropriate to take into account support provided by the Government in the form of Waste Infrastructure Grant. The Council expects to receive grant of £205m over the 25 year term of the waste PFI contract. Of this, £118m has been received leaving a balance of £87m remaining (approx. £8m per year until 2023/24). Earlier this year DEFRA reaffirmed its commitment to providing support to the waste PFI, including grant support, subject to re-profiling the grant to better align with the delivery of infrastructure. It is therefore assumed that in option 1 the full Waste Infrastructure Grant, £205m, will be received by the end of the agreed term (2023/24) after which the grant will cease. Two possibilities will be considered for the remaining options - retention of grant already paid (£118m) but loss of future payments (£87m), and loss of all grant payments (£205m). For the purposes of this assessment it will be assumed that any claw back of grant can be capitalised over 25 years.
77. At this point cost estimates have not been finalised and remain subject to further checks by both SITA and Deloitte, negotiations with SITA are also ongoing to secure the best possible commercial arrangement. The results of the financial assessment will therefore be reported in detail to Cabinet on 23 July 2013.
78. In terms of affordability, within the existing Medium Term Financial Plan (2013-18) some prudent financial planning assumptions have been made in terms of a possible reduction to the Waste Infrastructure Grant and the creation of a sinking fund to meet future waste costs. Only when the modelling of future costs has been completed can the impact of any proposed contract variation on the Council's Medium Term Financial Plan and longer term financial position will be understood and this will be reported to Cabinet on 23 July 2013.
79. Only when contractual negotiations and financial modelling are completed and appropriate due diligence has taken place, can an opinion on value for money be given. This will be included in the report to Cabinet in July 2013.

## Summary comparison of advantages and disadvantages of available options

<b>Option 1: Amend the Waste Contract to deliver Waste Solutions</b>	
<b>Description:</b> Negotiated solution with SITA	
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• Ability to proceed without delay</li> <li>• Business continuity of services</li> <li>• Comparative clarity of contractual cost and terms</li> </ul>	<ul style="list-style-type: none"> <li>• Negotiation with single party</li> <li>• Restrictions of existing contract</li> <li>• Treatment of residual 95,000 tonnes to be determined through contract</li> </ul>

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<b>Option 2: Terminate Waste Contract: re-procure to build and operate Waste Solutions</b>	
<b>Description:</b> Terminate waste contract, new construction and service contracts to deliver Eco Park	
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• Opportunity to test market for improved costs and terms</li> <li>• No contractual restrictions</li> </ul>	<ul style="list-style-type: none"> <li>• Delay</li> <li>• Uncertainty of outcome</li> <li>• Increased cost escalation risk</li> </ul>

<b>Option 3: Terminate Waste Contract: achieve recycling and landfill diversion improvements without new infrastructure (i.e. secure alternative technology contracts)</b>	
<b>Description:</b> Terminate waste contract, let new supply contracts based on energy from waste technologies	
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• No requirement to develop new facilities in Surrey</li> <li>• Opportunity to test market</li> <li>• No contractual restrictions</li> </ul>	<ul style="list-style-type: none"> <li>• Uncertain long term market capacity</li> <li>• Risk to business lose benefit of planning permission and permit continuity</li> <li>• Uncertainty of outcome</li> <li>• Increased cost escalation risk</li> </ul>

<b>Option 4: Terminate Waste Contract: achieve recycling improvements without new infrastructure (i.e. continue to landfill)</b>	
<b>Description:</b> Terminate waste contract, let new supply contracts based on landfill	
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• No requirement to develop new facilities in Surrey</li> <li>• Opportunity to test market</li> <li>• No contractual restrictions</li> <li>• Lower market capacity risk than option 3 (risk still exists)</li> </ul>	<ul style="list-style-type: none"> <li>• Uncertain long term market capacity</li> <li>• Risk to business lose benefit of planning permission and permit continuity</li> <li>• Uncertainty of outcome</li> <li>• Risk of EU/legal restrictions banning this option</li> <li>• Highest cost escalation risk</li> </ul>

## **Commentary on options by Acting Head of Procurement and Commissioning**

80. From a commercial perspective, the key consideration has been whether the Council could either (i) build the waste management facilities (option 2) or (ii) procure these services from the open market (options 3&4), both outside of the current Waste Contract at a lower overall cost.
81. In terms of option 1, SITA have undertaken a competitive process with two shortlisted tenderers and we have worked alongside them to clarify and challenge the bids. The tender process has been through a structured evaluation and provides assurance that value for money is comparable to that which would be achieved if the Council decided to procure the facility directly. Indeed there may be some additional benefits within option 1 as it will continue to allow SCC to benefit from SITA's access to landfill capacity that is likely to become scarcer in the future, as well as contracts for recycling and disposal.
82. There is a high level of uncertainty in options 3 and 4. Both centre around the procurement of waste disposal services from the commercial market and are heavily influenced by landfill tax. Potential large future increases will have a sizeable direct impact on the value for money of option 4 as the tax is a major component of the overall price. In addition, the use of Energy from Waste (EFW) providers as an alternative (option 3) also exposes SCC to the risk of prices increases as they seek to peg their prices to the landfill increases (at least in the medium term).
83. Forecast cost figures against each option will be reviewed and a final assessment made when the financial modelling, which takes into account these risks, is complete.

## **Commentary on options by Head of Waste Service**

84. From a service perspective amendment to the Waste Contract to deliver the Eco Park is the preferred option for two main reasons:
- It complies with the Council's waste strategy.
  - It represents the lowest risk to business continuity, as the cost and terms are being negotiated with the current contractor SITA, who would continue to provide services during the construction phase.

## **Outstanding approvals and conditions**

85. Contractual terms have been negotiated with SITA Surrey, the Council's contractor, and full contractual documentation is being produced to minimise uncertainty. The outstanding conditions and contractual approvals required by the Council and other parties are:

### Conditions

86. Government planning and regulatory approvals:
- Vary the planning permission to reflect replacement of Gasification technology provider at Eco Park

- Fulfil planning conditions
- Confirm or amend Environmental Permit to reflect replacement of Gasification technology provider at Eco Park
- Approval to divert a footpath to the north of the proposed Eco Park

#### Subcontract signature

87. All sub-contractors have been appointed by SITA Surrey through competitive or cost scrutiny processes and therefore costs have been provided, subject only to delay or change in requirements, e.g. from unexpected planning or permit conditions.

#### Approvals

88. Legal commitment to the proposed contractual variation by the Council's Contractor SITA Surrey.

89. DEFRA scrutiny team and legal department. This includes an assessment of the Council's business case (including legal advice), the decision making process, and confirmation that all parties (including SITA parent and technology providers) have committed to final terms.

90. The contract variation has to be in law consistent with European Public Procurement Regulations. It is considered prudent to issue a 'Voluntary Transparency Notice' which announces the Council's and SITA's intention to enter into a contract variation.

### **CONSULTATION:**

#### **A Plan for Waste Management**

91. The Joint Municipal Waste Management Strategy for Surrey was developed in 2006. The strategy was the subject of a three-month consultation process and was subsequently adopted by all 12 authorities in Surrey. The Joint Municipal Waste Management Strategy was revised in 2010, three years earlier than originally planned, to reflect:

- Significant reduction in waste volumes
- Significant improvements in recycling rates
- New national targets and policies

92. A formal three month public consultation was again carried out before waste authorities adopted the revised strategy in 2010. The consultation process identified very strong stakeholder support for the revised strategy as evidenced by the direct quote below:

"It is clear that there is strong support for the proposed revision to the Plan for Waste Management. ... The higher recycling rate is welcomed, with public members willing to recycle more if they have the capacity to do so."

93. In September 2010 the Surrey Waste Partnership approved the revised strategy. By January 2011 all Surrey authorities adopted 'A Plan for Waste Management' as their strategy for dealing with waste.

### **Development of Eco Park**

94. An extensive consultation and engagement process was carried out throughout 2010 to engage stakeholders about the Eco Park. A range of techniques was used to ensure that information was readily available across the Spelthorne borough and the county. The communications strategy was signed off by the heads of communications in SCC and SITA Surrey and managed by a joint communications group. This comprehensive approach meant that interested parties had every opportunity to contribute their viewpoints.
95. The stakeholder groups identified for the Eco Park are:
- Local residents including associations
  - Political representatives including local MP
  - Statutory consultees
96. Throughout the extensive consultation process, described below, over 30% of comments received from local residents have been positive.
- 1) Monthly Community Liaison Group meetings (in line with best practice planning guidance)
    - A group of local residents who put themselves forward to receive regular updates regarding aspects of the proposal and provide a voice back to the local community
    - First meeting held in June 2010 - 20 meetings to date  
2010 - June, August, September, October, November  
2011 - January, April, June, July, September, November  
2012 - January, March, May, June, September, October  
2013 - January, April, June
  - 2) Exhibitions in local area, 6 days in total
    - First exhibition in April 2010 to introduce the Eco Park concept (200 attendees)
    - Second exhibition in September 2010 to provide detailed messages and full update on the application (152 attendees)
    - Third exhibition in November 2010 to provide details of the planning application (74 attendees)
  - 3) Offer of presentations by Waste Disposal Authority and SITA Surrey to all Residents Associations. Attended three separate Residents Association meetings between March and October 2010.

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- 4) Comprehensive presentations at Spelthorne Local Committee at July and September 2010 meetings (39 attendees from the public)
  - 5) Regular engagement with and updates provided to the local MP (Kwasi Kwarteng)
  - 6) Seven newsletters sent to 10,000 households in March 2010, August 2010, October 2010, December 2010, June 2011, July 2011 and to 11,000 households in May 2013.
  - 7) Update Letter from Portfolio Holder and Head of Waste and Sustainability to all Councillors and Residents Associations in August and November 2010
  - 8) Website updated to contain additional information as it became available in the summer e.g. traffic assessment results
  - 9) Ongoing updates to Spelthorne Borough Council officers
  - 10) Two drop-in sessions held in Shepperton (7 and 8 June 2013) that gave the local community an opportunity to get an update on progress and technology changes and ask questions on these
  - 11) Technical meeting with members of the Committee Liaison Group on 12 June 2013
  - 12) Public meeting for the local community on 13 June 2013 with presentations on latest updates from Surrey County Council and chaired by the chairman of the Shepperton's Resident Association

#### **RISK MANAGEMENT AND IMPLICATIONS:**

97. The risk management implications of this report are significant. Any technology risks have been mitigated by selection criteria and strong due diligence and will be regulated by the Environment Agency through the issue of an environment permit. The commercial risks and a financial assessment will be addressed fundamentally in the July 2013 report to Cabinet.

#### **Financial and Value for Money Implications**

98. Formal value for money advice and affordability considerations will be provided by the Chief Finance Officer, supported by the work of the Council's financial advisers, Deloitte, prior to contractual commitment in the July 2013 Cabinet report.
99. The Value for Money assessment has to take into account the overall effect on the public purse, i.e. it cannot take into account the reduced costs to the council through support from government in the form of Waste Infrastructure Grant.
100. The affordability assessment will consider the implications of the support from Government in the form of Waste Infrastructure Grant on the council's Medium Term Financial Plan (2013-18).



### **Section 151 Officer Commentary**

101. All material financial and business issues and risks will be properly taken into account in the report to Cabinet in July 2013. That report will explain the Council's approach to modeling waste costs, key assumptions and risks, and will present the outcome of the value for money and affordability assessments including the financial implications to the Council over the Medium Term Financial Plan (2013-18) and in subsequent years.

### **Legal Implications – Monitoring Officer**

102. The action proposed by this report is the publication of a voluntary transparency notice. Whilst this signals the Council's intention to make permitted variations to its Waste Contract it does not bind the Council in any way.
103. Further legal advice will be provided by the Head of Legal and Democratic Service in the July 2013 report, prior to any contractual commitment on the part of the Council. .

### **Equalities and Diversity**

104. An Equality Impact Assessment (EIA) – stage 1: initial screening) was completed for the purposes of the contract variation and was reviewed and approved by the Environment & Infrastructure Directorate Equalities and Diversity Group. The summary of key impacts and actions is copied below and the EIA is attached as an annex to this report.
105. The main potential impact arises from residents use of the community recycling centre and in particular residents with reduced mobility. The decision to proceed with the Eco Park will not materially change how the community recycling centre is operated. The operation of the community recycling centre was subject to a previous EIA in March 2009. This EIA has been reviewed and remains valid. Continued monitoring of customer feedback has not identified any particular issue relating to service users with protected characteristics.
106. The screening stage concluded that it was not necessary to carry out a full EIA given the minor potential impacts and actions already in place as stated in the paragraph above.

### **Climate change/carbon emissions implications**

107. The County Council is committed to becoming a low carbon authority, through changes to operations within its direct control and wider sphere of influence as a community leader.
108. The Eco Park will contribute to the reduction in greenhouse gases, in a number of ways. Firstly, compared to the business as usual case, methane emissions will be reduced by less landfill. Furthermore there will be a reduction in carbon dioxide and nitrous oxide emissions. This arises from two areas of reduction in fossil fuel consumption; the export of energy generated on-site energy by AD, gasification and solar PV technologies, generates energy from sources with lower carbon emissions than the average for the national grid and furthermore the net reduction in transport

movements associated with the site will reduce consumption of petroleum fuels.

109. An in-depth carbon balance study was commissioned for the Eco Park before the proposed contract variation. This considered direct, indirect and avoided emissions from landfill, the plant, site facilities, transport impacts and water consumption. The study concluded that the scheme would result in a 79% net reduction of greenhouse gas emissions, compared to the business as usual case. The impact of the proposed variation to the gasification process is currently subject to a revised carbon balance study. The revised detailed figures will be made incorporated in the July 2013 Cabinet report although initial modelling results show that the change in gasification technology may result in up to a further 20% carbon saving compared to the previous technology. It is anticipated that the Eco Park will continue to make a positive and significant contribution towards making Surrey a low carbon authority.

**Other Implications:**

110. 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	No significant implications arising from this report
Safeguarding responsibilities for vulnerable children and adults	No significant implications arising from this report
Public Health	Public health implications are not considered significant for this report. These matters will be considered as part of the regulatory permissions related to the Eco Park.

**WHAT HAPPENS NEXT:**

111. The Council will issue a Voluntary Transparency Notice.
112. A subsequent report will be presented in July 2013 for Cabinet to make the decision to enter into contract based on the terms agreed with SITA and subcontractors. The report will include the value for money and affordability assessments and also provide Cabinet with evidence of DEFRA's approval.
113. Following approval, officers will ensure that other parties have approved the terms and conditions described in this report and, conditional on the following outstanding approvals, will complete the required variation to the Waste Contract. This is expected to take place within the current financial year.
114. Outstanding items:
- Satisfaction of remaining planning conditions
  - Amendment of Environmental permit

- Footpath diversion completed
- Confirmation of parent company guarantor, contractor and sub-contractor acceptance of final terms
- Confirmed affordability and value for money
- Detailed legal, financial and risk assessments
- Approval of stage 2 report (includes detailed design, detailed plans, final costs)
- Direct agreement signed

115. The Eco Park is planned to commence operations by December 2015.

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**Contact Officer:**

Ian Boast, Assistant Director for Environment. Tel: 020 8541 9479

**Consulted:**

Waste Disposal Authority consultation on Eco Park proposals prior to planning permission:

(Note: this does not relate to the County Planning Authority consultation as part of the planning application as this was a separate process.)

- Local MP
- All local Residents Associations (Charlton Lane RA; Shepperton RA)
- Spelthorne Local Committee, which includes local councillors and county councillors
- Spelthorne Borough Council relevant officers (e.g. Chief Executive, Deputy Chief Executive, Director for Environment)
- 10,000 local residents
- Elmbridge Borough Council
- Adjacent neighbours
- SCC Cabinet

Consulted on report to Cabinet:

- Leader
- Cabinet Member for Transport, Highways and Environment
- Chairman – Environment and Economy Select Committee
- Chief Executive
- Strategic Directors-
  - Environment and Infrastructure
  - Business Services
- Chief Finance Officer
- Monitoring Officer

**Informed:**

All relevant stakeholders informed.

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**Sources/background papers:**

- Cabinet Reports:– 2 February 2010 – 14 March 2011 – 26 March 2013
- A Plan for Waste Management: [www.surreywastepartnership.org.uk/theplan](http://www.surreywastepartnership.org.uk/theplan)
- Consultation details and analysis:  
[www.surreywastepartnership.org.uk/consultation](http://www.surreywastepartnership.org.uk/consultation)
- Mott MacDonald technical advisors report – Technology Review August 2012
- Mott MacDonald Technical Due Diligence – M&W proposal June 2013

**Annexes:**

- Equalities Impact Assessment for decision by Cabinet to proceed with a variation to the Waste Disposal Project Agreement to develop the Eco Park
-

## What equalities legislation is there?

The [Equality Act 2010](#) is a single legal framework that seeks to provide a clear basis upon which to tackle disadvantage and discrimination. Most of the provisions of the Act came into force in October 2010, replacing and consolidating nine pieces of legislation. The Act seeks to ensure people are not discriminated against because they **share certain ‘protected characteristics’**<sup>1</sup>, are **assumed to share** those characteristics or **associate with other people** that share a protected characteristic. It also aims to increase equality of opportunity and foster good relations between groups.

In the Act the Government created a [Public Sector Equality Duty](#). This Duty seeks to ensure public authorities play their part in making society fairer by requiring them to have ‘due regard’ to the need to:

- eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act;
- advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
- foster good relations between people who share a protected characteristic and those who do not share it.

The Act covers both direct and indirect discrimination<sup>2</sup>. The Act also extended protection to those experiencing associative discrimination. This occurs when a victim of discrimination does not have a protected characteristic but is discriminated against because of their association with someone who does e.g. the parent of a disabled child. It also extended the concept of discrimination by perception, where a victim of discrimination is presumed to have a protected characteristic, whether they do have it or not.

## What does ‘due regard’ mean?

Having ‘due regard’ means giving an appropriate level of consideration to equalities issues. The Equality Act 2010 explains that having due regard for advancing equality involves:

- Removing or minimising disadvantages suffered by people due to their protected characteristics.
- Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
- Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

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<sup>1</sup> The ‘protected characteristics’ defined in the Act are: age; disability; gender reassignment; pregnancy and maternity; race (including ethnic or national origins, colour or nationality); religion or belief (including lack of belief); sex and sexual orientation. Marriage and civil partnerships is also protected but only with regards to the need to eliminate discrimination.

<sup>2</sup> Equality Law provides [useful summaries](#) of different types of discrimination.

# EQUALITY IMPACT ASSESSMENT GUIDANCE

The Act also states that meeting different needs involves taking steps to take account of disabled people's disabilities. It also describes fostering good relations as tackling prejudice and promoting understanding between people from different groups. Further, it states that compliance with the duty may involve treating some people more favourably than others.

The issue of 'due regard' has been considered in a number of Court cases<sup>3</sup>. It has been emphasised that there are no "prescribed" steps that public bodies must take to demonstrate due regard. In addition there are no particular outcomes that authorities must achieve for those that share protected characteristics as a result of having had 'due regard'. Rather the test of whether an authority has given due regard is a test of substance not "of mere form or box ticking". The duty therefore must be performed "with rigour and with an open mind" and where it forms part of a decision to be made by Members it is important for officers to "be rigorous in enquiring and reporting to them".

**Surrey County Council demonstrates how it has applied 'due regard' to equalities by developing Equality Impact Assessments (EIAs) and incorporating the findings from these assessments into changes it makes to services, functions or policies.**

Surrey County Council has also made a wider commitment to fairness and respect, which underpins everything we do. Our [One Council One Team Fairness and Respect Strategy 2012-2017](#) sets out our equality objectives for the organisation. It also demonstrates our commitment to deliver these objectives in partnership with local organisations and public bodies that are best placed to improve services for Surrey's residents.

## What is this guidance and template for?

This guidance and template seeks to support staff when they are developing an EIA by:

- asking a series of questions that will ensure the equalities implications of any policy, function or service are considered in a robust fashion;
- ensuring that an action plan is produced to address any impacts that are identified; and
- ensuring that decision makers are provided with clear information about the potential impact of decisions on people with protected characteristics.

## Do I need to complete an Equality Impact Assessment?

As a first step you will need to determine whether you need to complete an EIA for the policy, function or service you are developing or changing. The key question is whether any aspect of a new policy, function or service, or changes to an existing one, will have an impact on residents or staff, particularly people sharing protected characteristics. If it will then it is likely that an EIA will need to be completed<sup>4</sup>. **Very few of our policies, functions or services will have no equalities implications for either our residents or our staff.**

<sup>3</sup> The Equality and Human Rights Commission has produced a summary of the implications of these cases in [The Public Sector Equality Duties and financial decisions](#).

<sup>4</sup> The Equality and Human Rights Commission publication [Meeting the equality duty in policy and decision-making](#) includes useful guidance on what should be assessed.

# EQUALITY IMPACT ASSESSMENT GUIDANCE

**However, the level of detail within the EIA should be proportionate to the issue being considered and the scale of the impact.** This means that the range of data used and the extent of community engagement undertaken should be proportionate to the issue being considered. For example, changes to an adult social care service that supports vulnerable elderly residents are likely to require a detailed EIA. However, changes to highway verge maintenance are likely to require either a light touch EIA or no EIA at all. **It is for Directorates to decide the level of detail required in their EIAs.**

**If you decide not to complete an EIA, you must make a record of this decision.** This might take the form of minutes of a meeting, an internal email or a record in a service plan. Most importantly, it must make clear **why you have concluded that an EIA is unnecessary**

## When should I complete an Equality Impact Assessment?

Consideration of equalities is an ongoing process. Your assessment should start early in the development of a new or amended policy, service or function. **It is vital that your consideration of equalities issues is not a one-off exercise undertaken at the end of a project.** You need only publish your final EIA. However, you should keep previous versions of your EIA as a record of how the proposals changed as a result of your analysis.

## What if I identify negative impacts that can't be mitigated?

The outcome of your equality analysis is only one factor in the overall decision making process. Other factors (such as financial issues or legal matters) may have equal or greater influence over the decision. Further, the new or amended policy, service or function may have to proceed even though not all of the negative equality impacts can be mitigated. The important thing is that decision makers are aware of the equalities implications of the new or amended policy, service or function when making their decision and these implications are considered alongside all other factors.

## How should I finalise my Equality Impact Assessment?

All EIAs should be approved by an appropriate level of management in accordance with equalities processes in your Directorate. This may include consideration of your EIA by your Directorate Equality Group, if you have one. Your Strategic Director, Leadership Team and/or Cabinet Member may also wish to approve your EIA.

**Once your EIA is approved, you should send it to the Chief Executive's Policy Team (Equality and Diversity/CEO/SCC) for publication on the Council's website.** It is important that we publish our EIAs as this is one of the ways that we demonstrate how we have paid 'due regard' to the equalities issues identified in the Equality Act.

# EQUALITY IMPACT ASSESSMENT TEMPLATE

## 1. Topic of assessment

<b>EIA title:</b>	Decision by Cabinet to proceed with a variation to the Waste Disposal Project Agreement to develop the Eco Park
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<b>EIA author:</b>	Richard Parkinson, Waste Group Manager, Surrey CC
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## 2. Approval

	Name	Date approved
<b>Approved by<sup>5</sup></b>	E&I Directorate Equalities Group	23 May 2013

## 3. Quality control

<b>Version number</b>	v.2	<b>EIA completed</b>	14 May 2013
<b>Date saved</b>	4 June 2013	<b>EIA published</b>	14 June 2013 (with related Cabinet report)

## 4. EIA team

Name	Job title (if applicable)	Organisation	Role
Richard Parkinson	Waste Group Manager	SCC	Wrote this EIA
Jason Russell Jan Haunton Andrew Stokes Les Andrews Lesley Harding Nick Hinds Louise Ivison Mike Dawson Geoff Turner David Greenwood Maureen Prescott	E&I Directorate Equalities Group	SCC	Reviewed, commented on and approved this EIA

## 5. Explaining the matter being assessed

<b>What policy, function or</b>	Surrey County Council is deciding whether to proceed with the development of an Eco Park at Charlton Lane, Shepperton. The Eco
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<sup>5</sup> Refer to earlier guidance for details on getting approval for your EIA.



# EQUALITY IMPACT ASSESSMENT TEMPLATE

<p><b>service is being introduced or reviewed?</b></p>	<p>Park will be developed on the site of an existing waste transfer station and community recycling centre and will comprise a gasification plant for residual waste, an anaerobic digestion plant for food waste, a materials bulking facility , a visitor centre and the retention of the existing community recycling centre with some modifications</p>
<p><b>What proposals are you assessing?</b></p>	<p>Planning consent for the development of the Eco Park was granted by the County Planning Authority in March 2012 and an Environmental Permit was issued by the Environment Agency in October 2012. The proposal being assessed is the decision to proceed with a variation to the Waste Disposal Project Agreement between SITA and Surrey County Council so as to enable the development of the Eco Park to proceed.</p>
<p><b>Who is affected by the proposals outlined above?</b></p>	<p>The community recycling centre and the visitor centre will be used by members of the public and the gasification plant, anaerobic digestion plant and the material bulking facility will only be used by staff and contractors or district /borough council drivers delivering or removing waste and recyclables or maintaining the plant. Surrey County council staff will also make periodic visits to the site</p>

# EQUALITY IMPACT ASSESSMENT TEMPLATE

## 6. Sources of information

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<b>Engagement carried out</b>
<p>Extensive public engagement was undertaken during the planning application process both by applicant SITA and by the County Planning Authority in accordance with the SCC Statement of Community Involvement as part of the planning determination process. In addition public consultation was undertaken by the Environment Agency as part of the environmental permit determination process.</p> <p>In December 2008 customer surveys were undertaken at all of the Surrey community recycling centres, including the site at Charlton Lane. The survey included feedback on the use of the site and the helpfulness of the site staff.</p> <p>SITA Surrey also record and monitor customer feedback as part of their contract performance monitoring.</p> <p>Every quarter the county council undertakes a Surrey resident survey to gauge the level of satisfaction with its services, including community recycling centres.</p>
<b>Data used</b>
<ul style="list-style-type: none"><li>• Planning application – Summary of feedback in planning committee report</li><li>• Surrey CC Customer survey, Charlton Lane CRC , December 2008</li><li>• User feedback/complaints compiled by SITA</li><li>• Surrey CC quarterly residents survey.</li></ul>

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

# EQUALITY IMPACT ASSESSMENT TEMPLATE

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

Protected characteristic <sup>6</sup>	Potential positive impacts	Potential negative impacts	Evidence
Age	None.	None	The decision to amend the Waste Disposal Project Agreement to deliver the Eco Park will not in itself have any direct impact on residents and service users with protected characteristics such as age. The main impacts on residents would arise from use of the community recycling centre. However there will be no material changes to the operation of the community recycling centre as a result of the Eco Park development. An EIA was undertaken on operation of community recycling centres in 2009. This has been reviewed and remains valid. The buildings on site, including the visitor centre have been designed to be fully compliant with the Disability Discrimination Act for example incorporating lift facilities and ambulant disabled staircases.
Disability	None	None	See above
Gender reassignment	None	None	See above
Pregnancy and maternity	None	None	See above
Race	None	None	See above In addition, signage at the CRC assists users of the CRC whose first language is not English. Site management staff are trained to be aware of the need to direct users where necessary.

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<sup>6</sup> More information on the definitions of these groups can be found [here](#).

## EQUALITY IMPACT ASSESSMENT TEMPLATE

<b>Religion and belief</b>	None	None	See above
<b>Sex</b>	None	None	See above
<b>Sexual orientation</b>	None	None	See above
<b>Marriage and civil partnerships</b>	None	None	See above

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

Protected characteristic	Potential positive impacts	Potential negative impacts	Evidence
Page 78 <b>Age</b>	New buildings will be designed to comply with the Disability Discrimination Act and therefore would be suitable for staff who may have reduced mobility through age related disability.	It is possible that some areas of the plant building may not be easily accessible due to the complex nature of the process equipment	Design and Access Statement submitted by SITA as part of the Planning application and in particular Section 10.5 dealing with Inclusive Access
<b>Disability</b>	New buildings will be designed to comply with the Disability Discrimination Act and therefore would be suitable for staff who may have reduced mobility	It is possible that some areas of the plant building may not be easily accessible due to the complex nature of the process equipment	Design and Access Statement submitted by SITA as part of the Planning application and in particular Section 10.5 dealing with Inclusive Access. SITA (The employer) have an equality and diversity policy in place and also provide awareness training to all staff. SITA regularly review its equality and diversity policy and its staff awareness training programme to ensure that they are effective and up to date.
<b>Gender reassignment</b>	None	None	SITA (The employer) have an equality and diversity policy in place and also provide awareness training to all staff. SITA regularly review its equality and

## EQUALITY IMPACT ASSESSMENT TEMPLATE

			diversity policy and its staff awareness training programme to ensure that they are effective and up to date.
<b>Pregnancy and maternity</b>	New buildings will be designed to comply with the Disability Discrimination Act and therefore would be suitable for staff who may have reduced mobility due to pregnancy or maternity	It is possible that some areas of the plant building may not be easily accessible due to the complex nature of the process equipment	Design and Access Statement submitted by SITA as part of the Planning application and in particular Section 10.5 dealing with Inclusive Access. SITA (The employer) have an equality and diversity policy in place and also provide awareness training to all staff. SITA regularly review its equality and diversity policy and its staff awareness training programme to ensure that they are effective and up to date.
<b>Race</b>	None	None	SITA (The employer) have an equality and diversity policy in place and also provide awareness training to all staff. SITA regularly review its equality and diversity policy and its staff awareness training programme to ensure that they are effective and up to date.
<b>Religion and belief</b>	None	None	SITA (The employer) have an equality and diversity policy in place and also provide awareness training to all staff. SITA regularly review its equality and diversity policy and its staff awareness training programme to ensure that they are effective and up to date.
<b>Sex</b>	None	None	SITA (The employer) have an equality and diversity policy in place and also provide awareness training to all staff. SITA regularly review its equality and diversity policy and its staff awareness training programme to ensure that they are effective and up to date.
<b>Sexual orientation</b>	None	None	SITA (The employer) have an equality and diversity policy in place and also provide awareness training to all staff. SITA regularly review its equality and diversity policy and its staff awareness training programme to ensure that they are effective and up to

## EQUALITY IMPACT ASSESSMENT TEMPLATE

			date.
<b>Marriage and civil partnerships</b>	None	None	SITA (The employer) have an equality and diversity policy in place and also provide awareness training to all staff. SITA regularly review its equality and diversity policy and its staff awareness training programme to ensure that they are effective and up to date.

# EQUALITY IMPACT ASSESSMENT TEMPLATE

## 8. Amendments to the proposals

Change	Reason for change
None required	N/A

## 9. Action plan

Potential impact (positive or negative)	Action needed to maximise positive impact or mitigate negative impact	By when	Owner
None	N/A		

## 10. Potential negative impacts that cannot be mitigated

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

## 11. Summary of key impacts and actions

<b>Information and engagement underpinning equalities analysis</b>	<p>The main potential impact arises from residents use of the community recycling centre and in particular residents with reduced mobility. The decision to proceed with the Eco Park will not materially change how the community recycling centre is operated. The operation of the community recycling centre was subject to a previous EIA in March 2009. This EIA has been reviewed and remains valid. Continued monitoring of customer feedback has not identified any particular issue relating to service users with protected characteristics.</p>
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# EQUALITY IMPACT ASSESSMENT TEMPLATE

<b>Key impacts (positive and/or negative) on people with protected characteristics</b>	None
<b>Changes you have made to the proposal as a result of the EIA</b>	None
<b>Key mitigating actions planned to address any outstanding negative impacts</b>	None
<b>Potential negative impacts that cannot be mitigated</b>	None



## SURREY COUNTY COUNCIL

## CABINET

DATE: 25 JUNE 2013

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 (to be tabled at the meeting)

**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** (to be tabled at the meeting) 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**

**JUNE 2013**

**(i) CONTRACT FOR THE SUPPLY OF HOME TO SCHOOL TAXI  
TRANSPORT FOR CHILDREN WITH SPECIAL EDUCATIONAL NEEDS**

**Details of decision**

That a one year contract be awarded to the current supplier.

**Reasons for decision**

Home-to-school transport is a statutory service provided by the Council. Whilst a strategic review is being conducted surrounding home-to-school transport, it is recommended that the County Council continue contracting with the current supplier for one year to ensure service delivery and disruption to pupils is minimised.

(Decision of Cabinet Member for Transport, Highways and Environment – 4 June 2013)

**(ii) WONERSH & SHAMLEY GREEN COFE INFANT SCHOOL CHANGE TO A  
PRIMARY SCHOOL**

**Details of decision**

(1) That Wonersh & Shamley Green CofE Infant School becomes a primary school with a Published Admission Number of 30, with effect from September 2013 and then extends its age range by 1 year each year until it has become an all-through primary school.

(2) That Wonersh & Shamley Green CofE Infant School receives guaranteed funding to implement this arrangement.

**Reasons for decision**

Additional junior places in the area are necessary. The expansion of Wonersh & Shamley Green CofE Infant School would increase parental certainty of progression for their children and provide effective long-term provision to meet the needs of local children, promoting high standards, ensuring fair access to educational opportunity, and promoting the fulfilment by every child of their educational potential.

(Decision of the Cabinet Member for Schools and Learning – 5 June 2013)

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