

**MINUTES OF THE MEETING OF THE CABINET
HELD ON 23 JULY 2013 AT 2.00 PM
AT ASHCOMBE SUITE, COUNTY HALL, KINGSTON UPON THAMES,
SURREY KT1 2DN.**

These minutes are subject to confirmation by the Cabinet at its next meeting.

Members:

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

Cabinet Associates:

Mr Steve Cossar	*Mrs Kay Hammond
Mrs Clare Curran	*Miss Marissa Heath

* = Present

**PART ONE
IN PUBLIC**

The Chairman varied the running order of the meeting.

118/13 APOLOGIES FOR ABSENCE [Item 1]

Apologies for absence were received from Mr Michael Gosling and from Cabinet Associates Mr Steve Cossar and Mrs Clare Curran.

119/13 MINUTES OF PREVIOUS MEETING: 25 JUNE 2013 [Item 2]

The minutes of the meeting held on 25 June 2013 were confirmed and signed by the Chairman.

120/13 DECLARATIONS OF INTEREST [Item 3]

There were no declarations of interest.

121/13 PROCEDURAL MATTERS [Item 4]

(a) MEMBERS' QUESTIONS [Item 4a]

Three questions had been received from a Member. The questions and responses were tabled and are attached as **Appendix 1 to these Minutes**.

Mr Jonathan Essex (Redhill East) asked a supplementary question relating to the evidence base on which council officers had based their professional judgement on this matter. It was agreed that the Assistant Director, Environment would provide a response in writing, noting that any commercially sensitive information would not be included.

(b) PUBLIC QUESTIONS [Item 4b]

Six questions had been received for the meeting from members of the public. The questions and responses were tabled and are attached as **Appendix 2 to these Minutes**.

The following supplementary questions were asked:

- Mr Malcolm Robertson stated concerns about air pollution and potential risk of fire and asked that the plans for an Eco Park be abandoned. The Chairman advised that the points raised would be covered in the discussion on the Waste Contract item in the main part of the meeting.
- Mr John Seaman asked a supplementary question in relation to whether the proposals before the Cabinet would address the amount of waste going to landfill over the next 25 years and about the use of bottom ash from the Eco Park, noting that the London Eco Park used bottom ash as aggregate replacement material rather than sending it to landfill. The Cabinet Member for Transport, Highways and Environment noted that he had received a number of questions prior to the meeting, including in relation to bottom ash, and that these would receive written responses. The Waste Strategy addressed the 160,000 tonnes currently going to landfill, of which gasification would account for 45,000 tonnes. The council would continue to invest time and effort into reducing waste and increasing recycling, this would include looking at potential uses of bottom ash.
- Mr Peter Crews asked a supplementary question as to the value for money provided by Option 1 in the report to Cabinet on the Waste Contract and whether the Cabinet was satisfied with the assessment provided. The Chairman advised that the points would be covered in the discussion on the Waste Contract item in the main part of the meeting.
- Mr Ian Robinson had submitted a supplementary question in relation to the council's ability to evaluate best value and alternatives within the context of its current Waste Contract. The Chairman noted that a written response would be sent following the meeting.

(c) PETITIONS [Item 4c]

No petitions had been received.

(d) REPRESENTATIONS RECEIVED ON REPORTS TO BE CONSIDERED IN PRIVATE [Item 4d]

No representations had been received.

122/13 REPORTS FROM SELECT COMMITTEES, TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL [Item 5]

(a) ADULT SOCIAL CARE SELECT COMMITTEE - SOCIAL CAPITAL [Item 5a]

The recommendation of the Adult Social Care Select Committee had been circulated with the agenda. The response of the Cabinet Member for Adult Social Care was tabled at the meeting and is attached as **Appendix 3 to these Minutes**.

(b) COMMUNITIES SELECT COMMITTEE - MAGNA CARTA ANNIVERSARY [Item 5b]

The recommendations of the Communities Select Committee were tabled at the meeting. The Cabinet considered the recommendations under agenda item 12 and agreed that a written response would be provided after the meeting.

123/13 AMENDMENT TO WASTE CONTRACT TO DELIVER THE WASTE STRATEGY [Items 15 and 21]

The County Council, along with all Surrey waste authorities, had adopted a Joint Municipal Waste Management Strategy. The Strategy sets out a plan for managing household waste in Surrey until 2026, with a series of ambitious targets for Surrey's local authorities relating to reducing household waste, increasing recycling and diverting household waste from landfill. As part of the delivery of the strategy, and following extensive consultation, planning and waste site permissions had been granted for an Eco Park at Charlton Lane, Shepperton.

The Cabinet, having been updated on significant developments in the approach to waste and having previously been advised of the current status of the Eco Park and grant support from DEFRA to the waste contract, had agreed technology changes at its previous meeting on 25 June 2013. Council officers had also been instructed to continue to progress work to vary the Waste Contract between the Council and SITA Surrey to reflect the changes necessary to deliver the proposed waste solutions.

An assessment of the financial, legal, procurement and affordability aspects of the options supported an amendment to the Waste Contract with SITA Surrey to deliver the Waste Strategy including the Eco Park. Cabinet Members considered the value for money presented by the options, the points raised during public question time and heard representations from Mr Richard Walsh (Laleham and Shepperton) regarding value for money, pollution concerns and requesting that the matter be given further consideration. During the discussion on this item, the following points were made:

- The options before the Cabinet were felt to be full and fair. An enormous amount of work had been put into developing Waste Strategy proposals, including the employment of expert advice and consultation with thousands of households.
- Cabinet Members confirmed that the evidence provided, including the detailed financial information contained in the confidential annex circulated with Part 2 of the agenda, supported Option 1 as affordable and the best value for money for Surrey and UK taxpayers.

- The evidence showed Options 2, 3 and 4 to terminate the Waste Contract were less affordable, open to increased risk from changing market conditions or would not meet reductions in the amount to be sent to landfill leaving the Council risking an increasing landfill tax burden on Surrey residents.
- Option 1, including the delivery of an Eco Park, would provide multiple benefits including enabling 45,000 tonnes to be diverted from landfill, reducing carbon emissions by 20,000 tonnes and would generate power for 8,000 homes in the process.
- Surrey had taken enormous strides in reducing waste and had outperformed many authorities in this area. The Council took this duty seriously and officers would continue to examine ways of reducing both the amount of waste created and the amount sent to landfill. This would include examining markets for materials that might otherwise end up in landfill.
- The technological aspects of the proposals had been considered at the previous meeting. The Council had performed the necessary due diligence in relation to the environmental and safety aspects of the waste infrastructure and would continue to do so. Work had already taken place in securing the relevant planning and waste permissions and this would continue with any revised applications. The Council would also continue to look to DEFRA, the Environment Agency and other government agencies and regulators for the most rigorous safety assessments.
- Cabinet Members noted the conditions which had been set out in paragraphs 23 and 24 of the report and would need to be satisfied before the final commitment to the contract and the construction of the Eco Park. These included confirmation of financial, legal and contractual acceptability, variation to the existing planning permission, the fulfillment of outstanding conditions and amendment to the environmental permit.
- Cabinet Members were assured of the worldwide reputation of the Council's contractual partner and the quality of the parent company guarantee provided.
- It was noted that there were no equalities implications arising from the proposed variation of the Waste Contract. All planning and safety requirements for infrastructure would be complied with in full, including risk assessments and evacuation plans as necessary.

The Leader noted that council officers would need to ensure that any changes to the contract did not affect the economic balance between the Council and SITA, including avoiding the Council taking on any new risk. The financial assessment from the S151 Finance Officer had been provided and this analysis would need to be updated following the completion of negotiations. Officers would also continue to work closely with the Department for Environment, Farming and Rural Affairs.

RESOLVED that:

1. The Waste Contract be varied to reflect the changes necessary to deliver our Waste Strategy including the Eco Park, subject to relevant conditions being met (as described in paragraphs 23 and 24 of the report submitted).

2. The Council enter into a Direct Agreement with SITA Holdings Ltd for the purpose of the Waste Contract and provides a Local Government (Contracts) Act Certificate in relation to the Direct Agreement.
3. The Strategic Director (Environment and Infrastructure) be authorised to agree any subsequent changes to the proposed variation to the Waste Contract to deliver the Waste Strategy including the Eco Park, in consultation with the Leader and the Cabinet Member for Transport, Highways and the Environment, and advised by the Head of Legal and Democratic Services and the Chief Finance Officer.

Reason for decisions

To provide proper authority to deliver the Waste Strategy, including the Eco Park which represents a corporate priority for the Council, enter into contractual commitments and provide assurance to contractual and funding partners to the Council.

124/13 MEDIUM TERM FINANCIAL PLAN 2013-18, QUARTER ONE 2013/14 REVIEW [Item 6]

The Chairman introduced the review of the Council's financial plan and accompanying reports on the agenda relating to the further development and implementation of the corporate strategy for the next five years. This followed on from the Chief Executive's 6 month report and discussion of the Corporate Strategy at the County Council meeting on 16 July 2013. These documents demonstrated the significant progress that had already been achieved and set out plans to ensure that the future of Surrey was secure. The Council's success had been based on three pillars – taking a long term approach to financial planning and service delivery, being innovative in facing difficult challenges and working as One Team with partners, businesses and residents. Taken together, the reports before Cabinet set out the financial conditions faced by the authority following the recent Government Spending Round and the way Surrey County Council proposed to build on its previous successes to address these challenges and deliver the Corporate Strategy.

The Council faced stark choices in the coming months with demand for its services rising continually. Surrey would receive £24m less in government grant this year, with a further £16m reduction predicted next year as a result of the Government Spending Round 2013. At the same time, the increasing birth rate and service demand meant that a further £93m was needed for school places and £113m for adult social care over the next four years. Savings would only meet part of this gap. One potential alternative would be to spend less, however this would mean difficult decisions on services for older people, the provisions of classrooms and improvements to roads, all of which residents valued and supported the local economy.

It was too early to set out what would be done in response, however officers would be instructed to develop realistic options for the budget planning process. The figures provided by the Government showed an expectation that council tax would need to rise. The Cabinet noted that the government figures did not align with central government requests for local tax freezes and that, in the circumstances, such a freeze would represent a reduction in the funding of services provided for the residents of Surrey.

Sir Merrick Cockell had noted that local government was by far the most efficient section of the public sector, however the further 10% cut in grant meant that it had again been the hardest hit. Surrey had consistently shown that it had the skills and ability to deliver public services efficiently and in accordance with local wishes, however it had to be realistic in the choices it now faced. Savings and reserves could only be spent once and had to be used sensibly.

The Cabinet noted key recent successes achieved by the Council. These included national recognition by the Employers Network in the area of equality and inclusion. Surrey employee Mr Abid Dhar had won the Equality Champion of the Year Award, ahead of competition from 300 national employers such as BT, EDF, IBM and the BBC. This had been a huge endorsement of the individual, the team and the council and showed the trust, leadership and commitment to equality displayed. The Council had also won a 'Libraries change lives' award, including work on tackling domestic abuse, and had also been recognised with awards in the economic arena. The Cabinet congratulated all staff on the achievements. The Chairman noted the key role played by Mrs Kay Hammond as the Cabinet lead on equality and diversity and thanked her for her work over recent years.

Cabinet Members provided updates on the pressures within their respective service areas and work being done both locally and in making the case to central government. It was noted that the demand led pressures in Surrey, for example in terms of social care, were not always appreciated by those outside the county and this lack of understanding always needed to be actively challenged.

The Chairman noted the limit to savings that could reasonably be made. A reduction of £280million out of £1.8billion of costs meant that tough decisions needed to be faced and the Government's figures pointed to more money being raised from business rates and council tax.

RESOLVED that:

1. The potential implications of Spending Round 2013 (SR2013) on the county council's budget position be noted.
2. The proposed MTFP 2013-18 budget assumption changes in light of new information available since February 2013 (paragraphs 13 to 22 of the report submitted) be noted
3. The MTFP 2013-18 be revised to:
 - a). amend the capital programme to include an additional £95m in relation to school basic need and short stay schools for 2013-18 and £0.7m provisional expenditure in relation to the 800th anniversary of the Magna Carta.
 - b). reflect additional revenue budget spend from 2014-18 for:
 - revenue costs of additional capital programme items (£7.4m)
 - unachievable savings targets included in existing MTFP of £0.8m and
 - additional Surrey Fire & Rescue Service spending pressures (£2.0m)

- the provisional contribution to celebrate the 800th anniversary of the Magna Carta (£0.3m in 2014/15 only)
- c). add the level of additional savings that services have identified, which can realistically be delivered for 2014-18 (£56.0m in 2014-18, £19.5m in 2014/15)
 - d). agree the predicted scale of currently unallocated savings required in 2014-18 if recommendations 3a-3c above are supported (£52.6m for 2014-18 and £25.6m for 2014/15).
 - e). recognise that the remaining currently unallocated savings (£52.6m in 2014-18, £25.6m in 2014/15) would need to be met through further savings and/or increased income to ensure a balanced and sustainable budget could be prepared for 2014/15 onwards.
4. That officers continue to work to identify realistic options for discussion with stakeholders and members during the next phase of the budget planning process for preparing a balanced and sustainable budget for 2014/15 onwards.

Reason for decisions

In setting the MTFP 2013-18, the Cabinet agreed to undertake a review in the first quarter of 2013/14 to take account of the need to revise any of the budget assumptions in the light of progress with efficiencies and spending reductions, any impact of the revised Corporate and Directorate Strategies and implications of SR2013.

125/13 INVESTMENT STRATEGY [Item 7]

The Council is committed to the importance of innovation in the delivery of services in the interests of Surrey residents and businesses. The Investment Strategy would support the development of a portfolio of investments, covering investment in property and assets and in new models for service delivery. This would generate additional income to enhance financial resilience in the longer term and be used to support the council's functions and the delivery of services. In addition these arrangements would also allow for investment in schemes that would support economic growth in Surrey in accordance with the Investment Strategy.

The Cabinet noted the steps already taken to enhance income and change ways of working. The use of shared premises with other authorities had already created savings of £3.5m and it was important to ensure that every asset was similarly fully utilised. An Investment Advisory Board would advise Cabinet on implementation of the Investment Strategy and, subject to consideration of a full business case, a Property Investment Company could be established following future consideration by the Cabinet.

RESOLVED that:

1. The Investment Strategy including the proposed process that will determine which investment opportunities come forward for decision by Cabinet be approved.
2. The governance arrangements be approved and an Investment Advisory Board be established comprising four Cabinet Members

supported by appropriate officers (including the Monitoring Officer and the Chief Finance Officer) who will consider individual investment opportunities and provide advice to Cabinet on investment decisions.

3. The commencement of the procurement process for the appointment of an Investment Advisor or Advisors to provide advice to the Council be approved, with contract award being approved in line with the standard process.
4. A full business case for the establishment of a Property Investment Company to be wholly owned by the County Council be developed by the Strategic Director for Business Services and be presented for consideration at a future Cabinet meeting.

Reason for decisions

The Investment Strategy will provide a framework for investing in innovative solutions and opportunities that enable the council to maintain its financial resilience and increase income whilst providing effective services.

126/13 THE COUNCIL'S APPROACH TO INNOVATION: UPDATE REPORT [Item 8]

On 27 November 2012 the Cabinet approved the development of a strategic framework to achieve a strong "One Team" approach to innovation ("ideas into action to improve lives in Surrey"). This recognised that over the coming years the Council would need to continue to strengthen its capacity and capability to innovate in order to continue improving outcomes and value for money for Surrey's residents. A subsequent update on 26 March 2013 set out progress on establishing the overall strategic innovation framework, encompassing the leadership, culture, skills and tools required to support innovation over the long term.

The Cabinet considered the impact of an "innovation hub" approach (called "Shift"), designed to accelerate and systematise innovation capacity and capability within the Council. Key lessons had been learnt from the first six months of the initiative and Cabinet Members expressed their support for the continued implementation and development of this approach over the medium term. The Chairman noted the success of the Shift room in supporting innovative thinking and advised that the investment had proved to be great value.

RESOLVED that:

1. The good progress made so far to strengthen the Council's innovation capacity and capability, including the achievements and learning from the first six months of the Council's approach - called "Shift" - to accelerate and systematise innovation be acknowledged.
2. It be agreed to continue developing and implementing the "Shift" approach to innovation over the medium term planning period.
3. Following the review by the Investment Panel on 24 June 2013, the use of up to £0.3m from the Invest to Save Fund in 2013/14 and up to a maximum of £0.6m per year until 2016/17 to fund the "Shift" programme be approved.

4. The Strategic Director for Business Services, in consultation with the Leader and Cabinet Member for Business Services, continue to develop and implement the “Shift” approach using Invest to Save Funding as required to support this, reviewing progress and plans six monthly.

Reason for decisions

To further refine and strengthen the Council's approach to innovation over the medium term so it can exploit new opportunities, navigate significant challenges and achieve improved outcomes and value for money for Surrey's residents.

127/13 PUBLIC SERVICE TRANSFORMATION [Item 9]

The Council is working closely with partners to develop its plans for public service transformation in Surrey. This includes a shared expressed ambition to develop a community budget approach in Surrey. At the LGA Conference on 3 July 2013 the Secretary of State for Communities and Local Government announced that Surrey had been successful in being appointed as one of the areas to work intensively with the new Public Service Transformation Network on public service transformation. The Network will aim to disseminate the learning from the Government's whole place community budget pilots and encourage application of the principles to a larger number of areas.

The six strands of focus for Surrey's Public Service Transformation programme were:

- Emergency Services Collaboration - transforming the way the emergency services in Surrey work together
- The Surrey Family Support Programme - improving the effectiveness and efficiency of partnership working and early interventions with families, as Surrey's response to the Government's 'Troubled Families' initiative
- Dementia Friendly Communities - improving outcomes for people with dementia and reducing reliance on acute care, by providing a greater level of support for individuals, both within and by their communities
- Better Use of Public Sector Assets - giving additional impetus to existing work on rationalisation of the public estate in Surrey to reduce its overall size and cost,
- Increasing Youth Participation - building on the success in reducing the number of young people who are not in education, employment or training (NEETs) in the county
- Transforming Justice - focusing on more integrated working and case coordination to reduce offending and reoffending, reducing costs to the police and criminal justice system.

The Cabinet noted that the proposals were a way of both saving public money and making things work better for the benefit of all residents. Ministers and senior civil servants had been very impressed with what they had seen in Surrey and this had been represented in the success of the bid.

RESOLVED that:

1. The Secretary of State for Communities and Local Government's endorsement and recognition of Surrey's approach to public service

transformation be welcomed and support for the forward programme of work be confirmed.

2. Officers develop outline business cases for consideration at the October 2013 Cabinet meeting.

Reason for decisions

The Council is working closely with partners to develop its plans for public service transformation in Surrey. Public service transformation will significantly improve services and outcomes for Surrey residents and generate financial savings. By working as “one team” with partners, public service transformation will focus resources away from expensive, high cost responses towards prevention and earlier intervention.

128/13 ANNUAL GOVERNANCE STATEMENT 2012/13 [Item 10]

Surrey County Council has a statutory duty under the Accounts and Audit (England) Regulations 2011 to publish an Annual Governance Statement (AGS). The AGS provides a comprehensive assessment of governance arrangements and the internal control environment. Once signed by the Leader of the Council and the Chief Executive, the AGS is incorporated into the Statement of Accounts and the Annual Report.

The Chairman advised that he and the Chief Executive had attended the Audit & Governance Committee to answer questions and that the Chairman and the Committee had been satisfied with the Annual Governance Statement. Council’s focus would always be on providing taxpayers with maximum value for money. Robust governance arrangements were important as the organisation looked to achieve further efficiencies through difficult decisions.

RESOLVED that:

1. The 2012/13 Annual Governance Statement (attached as Annex 1 to the report submitted) be approved and signed by the Leader and the Chief Executive for inclusion in the Statement of Accounts and Annual Report.
2. The Audit and Governance Committee continue to monitor the governance environment and report to Cabinet as appropriate.

Reason for decisions

To comply with the statutory duty to annually review and report on governance and meet best practice through a responsive approach to addressing governance and internal control issues identified.

129/13 CHILDREN, SCHOOLS AND FAMILIES DIRECTORATE ANNUAL REPORT [Item 11]

The Children, Schools and Families Directorate Annual Report summarised the key achievements and progress made over the past financial year. The report was themed under the four areas of priority, which are set out in the directorate’s children and young people’s strategy 2012-17: prevention, protection, participation and potential.

The Cabinet Members for Children and Families and Schools and Learning gave examples of how the directorate was working towards the vision that 'Every child and young person will be safe, healthy, creative, and have the personal confidence, skills and opportunities to contribute and achieve more than they thought possible'. The Council provided services to each of the 272,800 children and young people aged under 19 in the county. The Children, Schools and Families Directorate did this in a child focus way, striving to give each the very best start in life. The additional investment in school improvement had created increased parental choice in school admissions, with 95% being placed in one of their preferred primary schools and with an overall satisfaction rate of 97%.

The Cabinet Associate for Fire and Police Services highlighted the significant achievements with regard to the restorative justice approach to youth justice. This had led to a 90% reduction in first time entrants to the youth justice system in the last 5 years (the lowest per capita in England), only 15 young people receiving custodial sentences and a 43% reduction in youth crime over the past three years. The Youth Support service and successful apprenticeship scheme meant that young people were well served in the county. This was an achievement for both the young people and those who worked with them.

The Cabinet acknowledged the hard work of all staff and the leadership within the directorate which had contributed to the significant successes over the past year.

RESOLVED that:

1. The progress made in the Children, Schools and Families Directorate and achievements over the last year be noted.
2. The publication of the Children, Schools and Families Directorate annual report on the Surrey County Council website and s-net be approved.

Reason for decisions

The publication of the Children, Schools and Families Directorate annual report will demonstrate how the directorate is providing value for money for Surrey residents. It will show how the directorate has performed over the last year, and what has been achieved.

130/13 MAGNA CARTA ANNIVERSARY [Item 12]

In June 2015, the world will celebrate the 800th Anniversary of the sealing of the Magna Carta at Runnymede. Through clear strategic leadership, Surrey had been working with the Magna Carta 800th Committee, the Houses of Parliament and all other Charter Towns to provide a co-ordinated plan of activities across the nation and to promote the area to national and international visitors.

The Cabinet considered an outline of the plans for a Partnership Masterplan, which comprised a legacy and programme of events, and the wider benefits that would accrue to the area. The proposals for the Magna Carta Anniversary in Surrey would look to create a lasting legacy in terms of tourism and resources for the Runnymede area. Historic Egham would be promoted as

the gateway to “Magna Carta Country” giving it a clear cultural and tourism identity to attract visitors to the wider area. Significant work had taken place with local people, partners and organisations to develop both an exciting civic event in 2015 and a long term legacy in terms of investment for the area. This work would continue and would look to involve local people, particularly school children, in developing the celebrations.

The Communities Select Committee had considered this item at its meeting on 11 July 2013. The Select Committee’s recommendations had been circulated to Cabinet Members and were tabled at the meeting. The Cabinet Member for Community Services thanked the Communities Select Committee for their consideration of the progress which had been made and noted the comments and concerns which had been raised. The proposals before the Cabinet represented an outline masterplan about which greater detail would be developed as the project progressed. She advised that she had discussed the Select Committee’s concerns with the Select Committee Chairman and had agreed that a Members’ seminar would be held in the autumn to discuss how the masterplan would be developed and to obtain Members’ input on the proposals.

The Cabinet Member for Community Services noted that the decision before the Cabinet was to agree the outline of the partnership masterplan and funding from which further work would take place. It was important that this agreement be put in place to enable funding support to be sought, for example via a major matched funding bid to the Heritage Lottery Fund, and other funding and partnership opportunities explored. Cabinet Members expressed support for the proposals and the holding of Magna Carta celebratory events around Runnymede and Surrey.

It was noted that a bid for funding for work on the Runnymede roundabout was expected to be considered by the Department for Transport around the end of July 2013.

RESOLVED that:

1. The outline Partnership Masterplan be agreed as set out in paragraphs 10 to 19 of the report submitted.
2. Additional project funding support, comprising of £700,000 capital funding for the legacy programme and £300,000 revenue funding for the events programme, be factored into the refresh of the Medium Term Financial Plan.
3. A major bid be made to the Heritage Lottery Fund to contribute to the Magna Carta programme.
4. The financial oversight of the Partnership Masterplan be delegated to the Leader of the Council, with the Assistant Chief Executive to implement the Masterplan in consultation with the Leader of the Council and the Cabinet Member for Community Services.

Reason for decisions

To ensure that the significance of the 800th Anniversary is recognised and the benefits are maximised for the area in 2015 with lasting benefits beyond.

131/13 PROPOSED HOLDING OF A SHARE AND DIRECTORSHIP BY SURREY COUNTY COUNCIL IN SURREY HILLS ENTERPRISES [Item 13]

Surrey Hills Enterprises (SHE) was established with the support of the Surrey Hills Area of Outstanding Natural Beauty Board (AONB Board) to promote the Trademark for the Surrey Hills to businesses in the area, promote those businesses and to support projects to deliver the Surrey Hills AONB Management Plan.

Surrey County Council had agreed that SHE may sub-licence the Surrey Hills Trademark to generate an income for reinvestment in the community. A condition of the exercise of this license is that the AONB Board would have a share in SHE and a directorship on its board. The AONB Board was a Joint Committee and as such was unable to hold the directorship or own a share in its own right. The County Council would therefore hold these interests on its behalf.

RESOLVED that:

1. It be agreed that the County Council hold a single share worth £1 in Surrey Hills Enterprises on behalf of the Surrey Hills Area of Outstanding Natural Beauty Board.
2. A Member be appointed to sit as Director on the Surrey Hills Enterprises Board until May 2017 (length of the Council) and that this and future appointments be made by the Chief Executive in consultation with the Leader.

Reason for decisions

To promote the local businesses, the Surrey Hills brand and generate income for Surrey Hills Enterprises to be reinvested in its activities and the community. The aim is to distribute the profits as grants to projects that deliver the Surrey Hills Management Plan.

132/13 REVISION OF PROCUREMENT STANDING ORDERS [Item 14]

The Procurement Standing Orders (PSOs) set out how the Council governs spending by Officers on goods, works and services. The PSOs had been revised to take account of recent changes in the law and to ensure that they reflected best practice and Council priorities.

RESOLVED that the proposed changes to Procurement Standing Orders (PSOs) be noted and commended to full Council for final approval.

Reason for decision

To progress the adoption of revised Procurement Standing Orders including amendments to reflect changes in legislation and ensuring that the Council maintains a fit for purpose set of guidance and rules to govern the procurement process.

133/13 CONTRACT AWARD - SUBSTANCE MISUSE AND HOUSING SUPPORT SERVICE FOR ADULTS AND SUBSTANCE MISUSE SERVICE FOR CHILDREN AND YOUNG PEOPLE [Item 18]

The Cabinet considered the award of contracts for the provision of a Substance Misuse and Housing Support Service and the Substance Misuse Service for Children and Young People to continue from those due to expire on 30 September 2013 and 31 October 2013 respectively.

The services would be provided in accordance with guidance from Public Health England in order to improve the delivery of Substance Misuse Services to develop and sustain recovery among services users. The Adult Substance Misuse and Housing Support Service would provide housing support across Surrey's eleven Districts and Boroughs.

RESOLVED that the contracts be awarded to the Providers on the basis described in the Part 2 Annex (submitted as agenda item 20) to deliver the Adult Substance Misuse and Housing Support Service and the Children and Young Peoples Service.

Reason for decision

The contract awards deliver a saving of 21.5% per annum for the contract periods (3 years + 1 +1). The new services will deliver increased quality in service delivery through a strengthened and outcome focused service specification, ensure enhanced and clearly monitored contract delivery through an incentivised payment model and will provide apprenticeship opportunities to Surrey Young People with an element of the services being delivered through a local provider.

134/13 BUDGET MONITORING REPORT FOR JUNE 2013 AND QUARTER 1 2013/2014 [Item 16]

The Cabinet considered the budget monitoring report for the first quarter of the financial year 2013/14. The forecast end of year position for all services was for a small overspend of £1.7m. However, with the inclusion of the risk contingency, this represented a potential underspend of £11.3m.

A number of years ago the Leader had established the Severe Weather Reserve with £5m. This had been to ensure that the council had sufficient resources to respond to the impact of any very bad weather. The past winter had been especially severe and led to great damage to Surrey roads. This reserve would now be used in the interests of residents to meet the cost of repairing the roads.

The revenue budget required total efficiency savings of £68m in the current financial year. Demand for council services continued to grow and this created additional pressure on the achievement of efficiency targets. Despite these pressures, services were making good progress and had already achieved £11m of savings. Progress would continue to be monitored closely through the year.

The current forecast for the Council's capital programme was for an underspend of £0.5m on service capital budgets. Nearly £17m had been invested in projects that would deliver savings and enhance income in the longer term. Income of £1.5m was anticipated in the current year from such

projects. The capital financing costs would be met from the Revolving Infrastructure and Investment Fund established at the start of the year. The Council was also beating its 30 day target to collect non-care debt. Care debt had risen by 12%, in part due to new income billing and relatively high value retrospective bills. A Rapid Improvement Event would be held to revise systems to address this.

RESOLVED that:

1. The following be noted (as set out in the report submitted):
 - forecast revenue budget underspend for 2013/14 (Annex 1, paragraph 1);
 - forecast ongoing efficiencies & service reductions achieved by year end (Annex 1, paragraph 56);
 - forecast capital budget position for 2013/14 (Annex 1, paragraph 60)
 - management actions to mitigate overspends (throughout Annex 1);
 - quarter end balance sheet as at 30 June 2013 and movements in earmarked reserves and debt outstanding (Annex 1, page 18);

2. the following adjustments to the revenue budget be approved:
 - virement of £0.4m from Customer & Communities' Legacy team to Chief Executive's Office to realign budgets and service responsibilities (Annex 1, paragraph 6);
 - virement of £0.7m from Adult Social Care to Public Health to realign health and well-being budgets (Annex 1, paragraph 7);
 - virement of £0.14m from New Homes Bonus funding to Environment & Infrastructure to support planning applications associated with the schools building programme (Annex 1, paragraph 8);
 - virement of £5.0m from the Severe Weather Reserve to repair damage to roads caused during the last winter (Annex 1, paragraph 9);

3. the following adjustments to the capital budget be approved:
 - virement of -£0.4m grant reprofiling of Local Sustainable Travel Fund grant in Environment & Infrastructure (Annex 1, paragraph 60);
 - virement of -£0.5m reprofiling of external funding in Environment & Infrastructure (Annex 1, paragraph 60);
 - virement of £0.6m reprofiling of IT Replacement Reserve (Annex 1, paragraph 60);
 - virement of -£0.6m reprofiling of Adult Social Care Infrastructure grant (Annex 1, paragraph 60);
 - virement of the transfer of responsibility for Basingstoke Canal from Business Services (-£0.5m) to Environment & Infrastructure (£0.5m) (Annex 1, paragraph 60); and
 - virement of the addition of £1.8m for Redhill balanced network as a new scheme (Annex 1, paragraph 60).

Reason for decisions

To progress the actions identified as part of the agreed strategy of monthly budget monitoring reporting.

135/13 LEADER / DEPUTY LEADER / CABINET MEMBER DECISIONS TAKEN SINCE THE LAST CABINET MEETING [Item 17]

The Cabinet noted the decisions taken by Cabinet Members under delegation since the last meeting.

RESOLVED that the decisions taken by the Leader, Deputy Leader and Cabinet Members since the last meeting be noted.

Reason for decision

To note the decisions taken by Cabinet Members under delegated authority.

136/13 EXCLUSION OF THE PUBLIC [Item 19]

RESOLVED 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 paragraphs 3 and 5 of Part 1 of Schedule 12A of the Act.

137/13 CONTRACT AWARD - SUBSTANCE MISUSE AND HOUSING SUPPORT SERVICE FOR ADULTS AND SUBSTANCE MISUSE SERVICE FOR CHILDREN AND YOUNG PEOPLE [Item 20]

The Cabinet considered a Part 2 Annex to the report received under minute item 133/13. The Annex had been circulated in Part 2 of the agenda as it contained information exempt from Access to Information requirements by virtue of paragraph 3 – information relating to the financial or business affairs of any particular person (including commercially sensitive information to the bidding companies).

RESOLVED that the contracts be awarded as agreed under minute item 133/13 on the basis described in the Part 2 Annex submitted to deliver the Adult Substance Misuse and Housing Support Service and the Children and Young Peoples Service.

Reason for decision

The contracts will deliver improved service quality and reduce costs per annum.

138/13 PROPERTY TRANSACTION: ACQUISITION OF AN OFFICE PROPERTY IN EPSOM [Item 22]

The Cabinet considered the acquisition of an office property in Epsom. The report on this item had been circulated in Part 2 of the agenda as it contained information exempt from Access to Information requirements by virtue of paragraph 3 – information relating to the financial or business affairs of any particular person.

RESOLVED that:

1. Surrey County Council acquire the freehold interest in the property on the basis set out in the Part 2 report submitted.

2. The actions identified in recommendation 2 of the Part 2 report submitted be agreed.

Reason for decisions

The acquisition will provide the opportunity for the Council to consider the longer term needs of service delivery and office accommodation in the area.

139/13 TREASURY MANAGEMENT ISSUE (SPECIAL URGENCY) [Item 22a]

The Cabinet considered a matter relating to treasury management. This item was considered under the Special urgency procedure, having obtained the agreement of the Chairman of the Council Overview & Scrutiny Committee, as a decision could not reasonably be deferred. The report on this item had been circulated in Part 2 of the agenda as it contained information exempt from Access to Information requirements by virtue of paragraph 3 – information relating to the financial or business affairs of any particular person.

RESOLVED that:

1. The Local Government Association and its legal representatives be authorised to represent the Council in negotiations on the basis set out in the Part 2 report submitted with all options and prices to be considered when this information is made available to the Council.
2. Authority be delegated to the Chief Finance Officer, in consultation with the Leader, the Cabinet Member for Business Services and the Monitoring Officer, to make a final decision with regard to the selection of the interested third party and the terms of the deal that is constructed with that party.

Reason for decision

To enable the council to fully consider the available options and secure the best outcome.

140/13 PUBLICITY FOR PART 2 ITEMS [Item 23]

No further information on the items heard in Part 2 of the meeting could be released at this time.

Meeting closed at 4.45 pm

Chairman

CABINET – 23 JULY 2013

ITEM 4(a) - PROCEDURAL MATTERS

Members' Questions**Question (1) from Mr Jonathan Essex (Redhill East)**

Please confirm the evidence base for the statement, "exposes SCC to the risk of price increase as they seek to peg their prices to landfill increases (at least in the medium term)" in paragraph 10.

Reply:

This statement is based on the professional judgement of council officers and the council's technical and independent financial advisors and knowledge obtained through historic and current market prices for merchant energy from waste capacity for dealing with Surrey's waste.

Mr John Furey
Cabinet Member for Transport, Highways and Environment
23 July 2013

Question (2) from Mr Jonathan Essex (Redhill East)

Please confirm if the changes proposed impact upon the total tonnage of waste envisaged to be disposed of using EfW by SCC?

Reply:

The changes proposed do not impact on the total tonnage of waste envisaged to be disposed of by the Surrey County Council. After achieving levels of 70% recycling, there remains about 160,000 tonnes of residual waste to be disposed of and the Eco Park will deal with a proportion of this.

Mr John Furey
Cabinet Member for Transport, Highways and Environment
23 July 2013

Question (3) from Mr Jonathan Essex (Redhill East)

Please provide a breakdown of the CO2 emissions noted in paragraph 46 and energy generated noted in paragraph 47, and set out how this compares to the current approved Eco Park waste management process.

Reply:

Given the detailed numerical nature of the Mr Essex's question, my officers have produced a breakdown of the net reduction of greenhouse gas emissions and the energy generation projections that have been modelled (*circulated to Mr Essex at the meeting*). Furthermore, officers would be willing to brief Mr Essex in more detail if that would be helpful.

Mr John Furey
Cabinet Member for Transport, Highways and Environment
23 July 2013

CABINET – 23 JULY 2013

ITEM 4(b) - PROCEDURAL MATTERS

Public Questions**Question (1) from Ms Debbie Pullen, Epsom**

Are you aware of the fiasco regarding Wallace Fields Junior (WFJS) and Infants (WFIS) schools' admissions over the past four years (please refer to letter emailed from Marsha Mclean-Anderson) and that as a result of this several local children (for whom WFJS is their closest school and within 740m) are highly likely to be displaced to their 13th nearest school after they leave WFIS and will be forced to leave the supportive school community that they are a part of? Are these six and seven year olds just expected to pay the price of the mistakes of Surrey Local Authority by jeopardizing their education and well-being or can something be done to help them, for example a guaranteed place in WFJS or a financially supported increase in the pan of WFJS for September 2014?

Reply:

The determination by the Office of the Schools Adjudicator in 2012 related to admission arrangements for 2013.

For 2013, of the 59 children that we have registered at Wallace Fields Infant School, 52 have been allocated a place at Wallace Fields Junior School. Of the remaining 7 children, the following applies:

No application submitted for any school	1
Late application including WFJS	1
Did not apply to WFJS	1
Offered a higher preference school to WFJS	1
Offered a lower preference school to WFJS	1
Offered Danetree - not named as a preference	2

This demonstrates that only two children currently show as having been offered an alternative school that they did not apply for. While it is the case that for one of these families the school offered was the 13th in distance to their home address, only 4 of the schools that were closer admitted children at Year 3. For this family, Danetree was 3.2 km (2 miles) from the home address and this was still considered to be a reasonable distance.

The principles set out in the arrangements for 2013 apply to 2014 onwards and therefore the local authority has not re-visited the decision in order to propose any further changes. The Principal Manager for Admissions has explained the local authority's legal position fully in that regard in a letter to Mrs McLean Anderson.

Currently there are no plans to expand the junior school as the forecast data for school organisational planning indicates that there is no basic need requirement in the area overall. A group of parents have submitted an objection to the Schools Adjudicator regarding the admission arrangements at Wallace Fields Junior School, and we shall await the outcome of that objection.

Mrs Linda Kemeny
Cabinet Member for Schools and Learning
23 July 2013

Question (2) from Mr Chris Netherclift, Sunbury on Thames

We have always said that the Charlton Lane site is too small for an efficient thermal treatment plant. Despite the specification in SiTA's tender advertisements being for a 60,000 tonne per year gasifier the selected design and build company could not come up with a proposal that could match that specification. The site is therefore clearly not large enough to accommodate an efficient ATT plant.

- (i) How small would the throughput of an incinerator on the Charlton Lane site have to be before SCC admitted that they have chosen a site that is too small?
- (ii) Any arguments from such places as Wisley that pollution will harm the plants cannot be considered valid as SiTA contend that there is negligible pollution. Will SCC now re-examine their site selection process to ensure that a site is chosen that is of sufficient size to be able to handle a significant amount of waste on one site using an incinerator that can actually do its job efficiently whilst actually providing heat and power to the local infrastructure?
- (iii) Alternatively, are SCC determined to put an incinerator on the Charlton Lane site no matter how efficient it is?
- (iv) The 2010 JMWMS includes the following "Table 4.3.1 Key Strategic Policies Policy 5 We will adhere to the waste hierarchy, with residual waste treatment preferred to landfill. Recovery and disposal facilities will be delivered to ensure compliance with the Landfill Directive. We will restrict the use of landfill to 0% by 2013/14". How can this Key Strategic Policy fit with the current proposed incinerator which by design will send approximately 8,000 tonnes per year back to landfill?
- (v) If Mott MacDonald's concerns are correct and the incinerator cannot be classified as a gasifier will Surrey County Council accept that they have yet again selected the wrong incinerator for the wrong site?

Reply:

The Council's waste strategy identifies gasification as its preferred technology for dealing with residual waste. The gasification plant at Charlton Lane is sized appropriately to deal with the residual municipal waste that is produced within the local area and the Council's waste strategy does not advocate the use of a single plant to deal with all of Surrey's residual waste in one location. The site selection process was rigorously tested as part of the planning application and through the requirement of the applicant to produce an assessment which looked at the suitability of alternative sites for the development. The planning authority concluded that the Charlton Lane site was the most appropriate location for this development.

SITA has made an assumption that, initially at least, the ash from the gasifier and any non-combustible material that is separated at the fuel preparation stage may have to be sent to landfill. This is in line with ensuring that the risks are adequately dealt with in the financial analysis. However it would be both SITA's and the Council's intention to find or develop recycling markets for some or all of this material, for example in road construction.

The proposed plant at Charlton Lane is designed to operate as a gasification plant with the production of a syngas and its subsequent combustion. The Council's technical advisors Mott MacDonald concur that the plant has been designed to operate as a gasification plant but rightly point out that the contractor constructing the plant will need to demonstrate to Ofgem that the plant qualifies for Renewables Obligations Certificates by measuring the quality of the Syngas produced. Both the building contractor and SITA are confident that this is achievable.

Mr John Furey
Cabinet Member for Transport, Highways and Environment
23 July 2013

Question (3) from Mr Ian Robinson, Sunbury on Thames

Surrey County Council has admitted recently that the latest proposal for a continuous gasification system is more efficient than the earlier proposal for several batch gasification systems. This confirms my concerns that the optimal, proven system may not have been researched and identified yet. This, together with Cllr. Furey's regrettably misleading 24-page report and presentation to your meeting on 25 June 2013, leads me to ask the following Question:-

How can you be fully satisfied that all the many concerns expressed by local residents have been resolved adequately?

It is no good simply saying that your officers and consultants have investigated the scope for optimum solutions "within the SITA contract". For a project life of 25 years, with major implications for local residents, such as my wife and I who live two miles downwind of any toxic emissions from the plant, the investigations should "think outside the box" and include all safe options in the fast-developing "Energy from Waste" industry.

Reply:

The Council commissions regular reviews of advanced thermal treatment processes that are available in the market. The last such review was undertaken by its technical consultant, Mott MacDonald in August 2012 and identified that Outotec as a successful provider of an advanced thermal treatment process within the market.

All elements of the Eco Park, including the gasification plant will have to operate under the terms of an Environmental Permit issued by the Environment Agency. The Permit will control the operation of the plant and any emissions to land, air or water from the plant. The Environment Agency would not issue a permit unless they were satisfied that the plant posed no risk to the environment or to human health.

Mr John Furey
Cabinet Member for Transport, Highways and Environment
23 July 2013

Question (4) from Mr Malcolm Robertson, Charlton Lane Community Liaison Group Member

Contrary to information supplied previously to the Cabinet, the proposed new gasifier fails to accord with the Council's own Waste Strategy.

Public consultation and agreement with Surrey's 11 Boroughs and Districts produced a Waste Strategy specifying a 60,000 tonne capacity Batch Oxidation System gasifier.

What has now been proposed as a replacement is a 45,000 tonne net capacity continuous feed gasifier, which is totally different from the Batch system, has 25% less capacity, and lacks both the agreement of the Boroughs and any consultation with the public. (The gasifier has a gross capacity of 55,000 tonnes, but after removing recyclables and oversize items the capacity drops to 45,000 tonnes).

Surrey's own 'due diligence' mentions that stoppages may occur up to 6 times daily depending on the nature of the wastes being processed, but regrettably the document appears not to address the issue of 'tarring', a particular concern of DEFRA's, and the cause of the demise of the boiler of Surrey's reference plant in Dargavel, Dumfries, after just 4 months normal operation.

Furthermore the due diligence neglects to mention that both gasifiers in the UK burning municipal waste have required major re-engineering and on several occasions emitted

carcinogenic dioxins substantially in excess of National and International limits. Both plants were regulated, but nevertheless these breaches occurred.

Bearing in mind these deficiencies and the failure to comply with the County's own Waste Strategy, should it not be recognised by the County Council that a comprehensive due diligence must be completed first, and the consultation and agreement to a new Waste Strategy obtained before it embarks on colossal expenditure, and yet another adventure into gasification?

Reply:

The Surrey Joint Municipal Waste Management Strategy makes it clear that the detailed arrangements for dealing with residual waste are a matter for the Waste Disposal Authority as part of the Waste Disposal Authority's Action Plan. This plan is updated periodically in the same way as the action plans of the waste collection authorities. The Cabinet report of 25 June, sets out the changes to the Waste Disposal Authority's Action Plan with regard to the waste treatment technologies proposed for the Eco Park and was approved by the Council's Cabinet.

It is correct that the boilers that were initially installed at the Scotgen Dargavel gasification facility suffered from 'fouling'. This was due to the type of boiler which had been fitted to the original plant, which proved to be unsuitable for that particular operation. SITA were well aware of this and had proposed a different type of boiler for this type of gasification process, had it been built at Charlton Lane. There is no evidence that boiler fouling or tarring is a particular characteristic unique to gasification facilities, it can occur in any energy from waste plant if fitted with unsuitable boilers.

The waste management industry is one of the most highly regulated industries in the UK. Emissions are measured and reported and where breaches have occurred, the regulator takes action, including requiring immediate closure of the site. Of the two plants that Mr Robertson may have in mind, one is now operating successfully and the other is under the close scrutiny of the Scottish Environmental Protection Agency who also note that none of the breaches have had any demonstrable significant effect on the environment.

SITA, their parent company SUEZ Environment and the EPC contractor M&W are large, well established and experienced developers of waste facilities. Suez Environment, for its part, is investing significant amounts of its own capital into the development of the Eco Park and M&W are providing substantial guarantees to give comfort that the technology will operate as intended.

Mr John Furey
Cabinet Member for Transport, Highways and Environment
23 July 2013

Question (5) from Mr John Seaman

If residual waste is processed to make RDF (Refuse Derived Fuel) which is then combusted in a fluidised bed gasifier at the proposed Eco Park at Charlton Lane, Shepperton how much material in total will be sent to landfill each year? If the same amount of residual waste was burnt in an Energy from Waste incinerator how much material in total would be sent to landfill each year?

What does this mean for Surrey during the expected operational life of the Eco Park including Surrey County Council's "zero waste to landfill" policy, landfill gate fees, landfill tax, transport costs and continued availability of scarce landfill capacity?

Reply:

An initial assumption has been made that approximately 8000 tonnes per year of material, comprising ash and the inert rejects from the RDF production process, would be sent to landfill. However as discussed in my answer to a previous question, both SITA and the Council would look to find or develop markets for this material over time. The 8000 tonnes of residue amounts to about 15% of the input by weight. A typical energy from waste plant would produce between 25% and 30% bottom ash by weight, which would also be required to be sent to landfill if suitable markets could not be found.

The cost of dealing with all outputs from the gasification process has been considered within the overall cost of developing and operating the Eco Park.

Mr John Furey**Cabinet Member for Transport, Highways and Environment****23 July 2013****Question (6) from Mr Peter Crews, Sunbury**

If the Waste PFI Contract is cancelled, how can Surrey County Council deliver Option 3 (waste disposal using existing infrastructure) for £94M less than Option 2 (Surrey builds the plant proposed for Charlton Lane)? If Surrey can deliver Option 3 for £94M less than Option 2, what is to stop SITA delivering an option which is £94M cheaper than Option 1 (SITA builds the plant proposed for Charlton Lane)?

Reply:

Option 2 describes a scenario where the Council terminates its contract with SITA and tenders a contract for waste disposal services including the construction of the Eco Park. Option 3 describes a situation where the Council terminates its contract with SITA and tenders for a contract to operate its existing facilities and exports residual waste to merchant energy from waste facilities. Both options 2 & 3 expose the Council to additional business continuity and cost escalation risk, as it would move away from the relative certainty offered by the contract with SITA.

SITA's contract with the Council is for the provision of services and development of waste infrastructure. If the Council no longer wishes to develop waste infrastructure then from a procurement perspective it would be a different contract and the Council would have to terminate its contract with SITA and re procure a contract in the market place, which is the situation described in Option 3

MrJohn Furey**Cabinet Member for Transport, Highways and Environment****23 July 2013**

Questions to receive written answers

Question (7) from Mr Adrian Corti, Shepperton

Regarding the possible variation of the contract for waste between Sita and Surrey CC, have likely changes in plant throughput, EU legislation, UK Government subsidies e.g. ROCs, etc. been taken into account in the financial assessments, especially regarding the new proposed gasification incinerator?

Reply:

The options analysis has identified areas where the Council could be exposed to risk of price uncertainty over time, either through market or legislative changes. In these instances appropriate risk adjustments have been applied in consultation with the Council's independent financial and technical advisors.

Mr John Furey

Cabinet Member for Transport, Highways and Environment

23 July 2013

Question (8) from Mr Brian Catt

At June cabinet I asked if the proposed eco park options would be considered objectively and openly, and was assured they would - limited to within SITA's contract - but verbally that this restriction would not affect the choices, or the selection of best value options. The report now submitted is not consistent with the public data on MSW treatment costs I have sent to Cabinet members, and offers no like for like transparently costed comparison to support its conclusions.

Given Surrey planning officer's ex-ante preference to impose Option 1 stated at public meetings, and the hundreds of Millions of ratepayers money involved, will the comparable costings be made available for public inspection, and for detail verification by independent auditors with the data necessary to make a thorough like for like comparison of value to ratepayers?

Reply:

The assessment supporting the recommendation was designed precisely to ensure a consistent comparison between the options available to the Council, due to the significant and long-term nature of the decision before the Cabinet.

The detailed costings of the options are commercially confidential and therefore are not available for public inspection. However they have been produced in consultation with the Council's independent financial advisor, Deloitte and scrutinised by the Council's Chief Finance Officer who both confirm that option 1, including development of the Eco Park represents value for money to the UK taxpayer. The analysis will be made available for the Council's own external auditor if requested.

Mr John Furey

Cabinet Member for Transport, Highways and Environment

23 July 2013

CABINET RESPONSE TO ADULT SOCIAL CARE SELECT COMMITTEE

ASC BUDGET (considered by Select Committee on 20 June 2013)

SELECT COMMITTEE RECOMMENDATION:

That the Cabinet examine and evaluate the realistic potential for savings via “social capital.”

RESPONSE

It will be September before budget monitoring data can be expected to give a clear indication of how well, and how fast, the new policy is working. It is accepted, though, that the plan to achieve £15m savings through the use of social capital in 2013-14 is both unproven and very ambitious, and that is why it is rated high risk. It is understood that the scale of savings required for ASC (£46m, or 13.5% of the net budget) is such that ambition, innovation and risk are inevitable.

There is a profiled savings plan which will deliver to budget once the policy is fully operative. The current position is that we can afford to spend £19.7m per month on individually commissioned care, the key variable spend area, against an actual spend in April-May of £21.2m per month. It is expected that, as the use of Social Capital becomes more integrated within the service, the monthly expenditure rate will reflect the adoption of this strategy by the assessment teams. But there does remain a high level of risk; and as it has taken time to clarify the new approach and explain it to staff through a county-wide series of events, some slippage will occur, which will need to be covered from other savings.

Mr Mel Few
Cabinet Member for Adult Social Care
23 July 2013