

CABINET

The following decisions were taken by the Cabinet on Tuesday, 25 March 2014 and will take effect on Thursday 3 April 2014 unless the call-in procedure has been triggered.

CALL-IN DEADLINE: 02/04/14.

The following represents a summary of the decisions taken by the Cabinet. It is not intended to represent the formal record of the meeting but to facilitate the call-in process. The formal minutes will be published in due course to replace this decision sheet.

County Members wishing to request a call-in on any of these matters, should contact the Senior Manager for Scrutiny or relevant Democratic Services Officer.

The Cabinet at its meeting on Tuesday, 25 March 2014 considered the following matters and resolved:

- **REPORTS FROM SELECT COMMITTEES, TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL** (Item 5)

Recommendations were received from the Council Overview and Scrutiny Committee in relation to the Budget Monitoring Report for January 2014. The response is attached as **Appendix 1 to these Minutes**.

- **MEDIUM TERM FINANCIAL PLAN 2014 - 2019** (Item 6)

1. That the proposals for Directorates' contributions to deliver the Corporate Strategy 2014-19, as set out in Annex 1 of the submitted report, be approved.
2. That the detailed service revenue and capital budgets for the years 2014/15 and indicative budgets for 2015-19, including amendments resulting from the Final Local Government Financial Settlement and other Government funding changes announced after the 2014/15 budget was approved in February 2014, as set out in Annex 2 of the submitted report, be approved.
3. That the publication of the service revenue and capital budgets as the 2014-19 Medium Term Financial Plan be approved.
4. That the fees & charges approved under delegated powers be endorsed and other fee and charge proposals, as set out in Annex 3 of the submitted report, be approved.
5. That the work underway to secure the savings allocated to Adults Social Care in each year of the MTFP period, as set out in paragraph 9 of the submitted report, be noted.
6. That the requirement to re-profile the Adult Social Care savings across the period, as set out in paragraph 9 of the submitted report, be noted and the use of unused provisions and reserves to support that requirement be approved:
 - the reduction of the council's potential loss on its investment in two Icelandic banks, leads to a reduction in the required reserve of £1.0m

(paragraph 12 of the submitted report)

- the settling of the council's Mutual Municipal Insurance liability in late February 2014 leads to the release of £3.3m from the Insurance Reserve (paragraph 13 of the submitted report)
 - the use of £5.4m from the Budget Equalisation Reserve (paragraph 14 of the submitted report)
 - the use of £4.3m from the Economic Downturn Reserve (paragraph 14 of the submitted report)
7. That a report be received in July 2014 on the detailed savings programme following a further review by the Chief Executive and Chief Financial Officer.
 8. That the Council will develop proposals to respond to damage to roads caused by flooding up to £10m, and that it is not the intention that this impacts on Project Horizon and also that it be noted that some funding is being made available from Central Government with any shortfall to be met by adjustments to the capital programme, and:
 9. That a report be received in July 2014 on the impact of the severe weather on services work programmes and the council's revenue and capital budgets.
 10. That the Leadership Risk Register, as set out in Annex 4 of the submitted report, be noted.
 11. That the Equality Impact Assessment of the savings proposals within the Directorate and service budgets, as set out in Annex 5 of the submitted report, be noted

Reasons for Decisions:

The 2014–19 MTFP is a five year budget that is aligned to the corporate strategy. It reflects assumptions about the current local and national financial, economic and political environment. Regular reporting through the year will enable progress to be effectively tracked and managed.

The Corporate Strategy 2014-19 sets out the council's key priorities, which are supported by contributions from each directorate to ensure the Council delivers great value to Surrey residents.

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

• **MONTHLY BUDGET MONITORING REPORT** (Item 7)

- (1) That the forecast revenue budget for 2013/14 to underspend by £6.4m, as set out in Annex 1, paragraph 1 of the submitted report be noted.
- (2) That the forecast ongoing efficiencies and service reductions achieved by year end is £62.1m, as set out in Annex 1, paragraph 85, be noted.
- (3) That the forecast capital expenditure and investment of £226.7m against a budget of £225.0m, as set out in Annex 1, paragraphs 90 to 96, be noted.

- (4) That a virement of £0.9m from Schools & Learning's central risk budget to Services for Young People to meet the cost of learning difficulty and disability (LLDD) placements in 2013/14, as set out in Annex 1, paragraph 22 be approved.

Reasons for Decisions:

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

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

- **SURREY BETTER CARE FUND (Item 8)**

- (1) That the final draft of the Surrey Better Care Fund return on behalf of the County Council be noted. The return will proceed to the Surrey Health & Wellbeing Board for sign off and submission to NHS England by 4 April 2014 deadline.
- (2) That the Assistant Chief Executive and Interim Strategic Director Adult Social Care, in consultation with the Leader of the Council and the Cabinet Member for Public Health and Health & Wellbeing Board be delegated, to agree any amendments to the Surrey Better Care Fund return prior to submission.

Reasons for Decisions:

The Local Government Association (LGA) and NHS England guidance on the Better Care Fund states that the return should be agreed between the County Council and Clinical Commissioning Groups and that it has to be signed off by the Health and Wellbeing Board for final submission by 4 April 2014.

[The decisions on this item may be called in by either the Council Overview and Scrutiny Committee or the Adult Social Care Select Committee]

- **PROPOSED EXPANSION OF ST JOHN THE BAPTIST CATHOLIC SECONDARY SCHOOL (Item 9)**

- (1) A completed expansion of St John the Baptist Catholic Secondary School by two forms of entry in 2018, which would create an additional 400 places (including additional 6th form provision) be approved.
- (2) Delivery of the scheme in two phases be approved - Phase 1 to be delivered by September 2015 which would provide 3 additional classrooms, 2 studio spaces, office accommodation, changing rooms (as a result of converting the existing gymnasium) a new sports hall and Multi Use Games Area (MUGA).
- (3) Subject to a detailed curriculum analysis, Phase 2 to be delivered by 2018 which would comprise 12 additional classrooms to be provided through a mixture of new build and remodelling of existing spaces and additional 6th form rooms. Improved services and an allowance for fixtures and fittings will also be provided as part of the project. These approvals are subject to the detailed financial information for the school as set out in Part 2 of this agenda (item 14).

Reasons for Decisions:

The Local Authority has a statutory duty to ensure there are sufficient school places in the County. Woking is an area where the demand for school places has increased significantly. St John the Baptist is an Ofsted rated 'outstanding' secondary school and has been oversubscribed even at existing levels of demand for many years. With the recent expansions at St Dunstan's and the Marist Catholic Primary schools, which are both direct feeders to St John the Baptist, there is a very strong case to expand the school.

It is recommended to divide the project into two phases. The site is restricted and completing the project in two phases will minimise disruption to the operation of the school and the early delivery of Phase 1 will release existing accommodation for conversion under Phase 2 of the expansion. This will address the existing deficiency in sports facilities at the school as early as possible and avoids inflationary costs in later years.

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

- **SE BUSINESS SERVICES COMMERCIAL OPPORTUNITY (Item 11)**

That S.E. Business Services Ltd (a wholly owned company of the county council) provides Fire Services under a commercial contract arrangement be endorsed.

Reasons for Decisions:

The reasons are:

- The securing of an alternative source of income for the benefit of Surrey residents and the wider community.
- This opportunity demonstrates the County Council's intent and ability, through SE Business Services, to secure alternative commercial sources of revenue.
- The opportunity provides a sound platform for future Business Development and the pursuit of other value adding opportunities.
- The opportunity provides an excellent practical learning experience for development of commercial capabilities within a public service ethos. Placing Surrey County Council at the forefront of Public Service thinking.

[The decisions on this item may be called in by the Communities Select Committee]

AND IN PART 2

- **FIRE SERVICE COMMERCIAL OPPORTUNITY (Item 13)**

That S.E. Business Services Ltd (a wholly owned company of the county council) be endorsed to provide Fire Contingency Services to the company named in the submitted report, under a commercial contract.

Reasons for Decisions:

The provision of the services under contract would secure an alternative source of income for the benefit of Surrey residents and provide a sound platform for future business development and the pursuit of other value adding opportunities.

[The decisions on this item may be called in by the Communities Select Committee]

- **PROPOSED EXPANSION OF ST JOHN THE BAPTIST CATHOLIC SECONDARY SCHOOL (Item 14)**

- (1) That a total budget for the expansion scheme, as set out in the Medium Term Financial Plan 2014-2019 inclusive of fees, inflation and all other associated costs be approved.
- (2) That the delivery of the scheme would be in two phases. Phase 1 to be delivered by September 2015 would provide 3 additional classrooms, 2 studio spaces, a small office, changing rooms (as a result of converting the existing gymnasium), a new sports hall and MUGA (Multi Use Games Area) at a total cost as set out in the submitted report.
- (3) Phase 2 to be delivered by 2018. This will include 12 additional classrooms provided through a mixture of new build and remodelling of existing spaces and additional 6th form rooms and includes improved services and fixtures and fittings. The remaining budget, as detailed in the submitted report will be allocated for Phase 2 to complete the expansion of the school by the due date.
- (4) That a letter of agreement be signed between the County Council and the Governing Body of St John the Baptist, setting out the roles and responsibilities of both parties in relation to the funding and management of the scheme prior to the commencement of any works.

Reasons for Decisions:

As set out in the part 1 report (item 9).

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

- **PROPERTY TRANSACTIONS (Item 15)**

- (1) That the freehold interest of retail and office premises in Staines upon Thames for a purchase price, together with ancillary costs of purchase (stamp duty, legal costs and surveyor's fees), as set out in the submitted report, be approved.
- (2) That Property Services reviews the opportunity for the conversion or redevelopment of the upper floor offices to residential use for key worker accommodation, and upon the formulation of a final business case, the final decision be delegated to the Strategic Director for Business Services in consultation with the Cabinet Member for Assets and Regeneration Programmes, the Cabinet Member for Business Services and the Leader of the Council.

Reasons for Decisions:

To purchase the property and undertake a conversion of the upper floors to residential use to provide key worker housing in the heart of Staines upon Thames town centre.

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

CABINET RESPONSE TO COUNCIL OVERVIEW AND SCRUTINY COMMITTEE

**BUDGET MONITORING REPORT FOR JANUARY 2014
(considered by COSC on 5 March 2014)**

SCRUTINY COMMITTEE RECOMMENDATIONS:

- (a) That, as a matter of urgency, the Cabinet considers how the Council will fund the cost of repairs required as a result of the recent flooding in the County, including the option to approve additional capital borrowing in 2014/2015, with the interest payments arising from the loan in 2014/2015 and future years to be met from within the Directorate's revenue budget.
- (b) That the Cabinet accelerate the Family, Friends and Community Support programme from April 2014 to increase capacity using an Invest to Save bid to review open cases.
- (c) That the effectiveness of voluntary sector grants be reviewed to ensure, where appropriate, these align with and support the objectives of the Family, Friends and Community Support programme.
- (d) That initiatives which have the potential to increase value for money be discussed with providers.
- (e) That efforts to recruit and retain qualified staff to unfilled social worker posts be redoubled.

RESPONSE

- (a) The report on MTFP 2014-19 includes at recommendation 8 that Cabinet:
"receives a report in July 2014 on the impact of the severe weather on services work programmes and the council's revenue and capital budgets"
The budget monitoring report for February 2014 also provides an update on the Council's responses to the recent flooding.
- (b) As reported in paragraph 18 of the budget monitoring report, Cabinet notes that the Chief Executive and Chief Finance Officer have begun careful consideration and challenge of the Adult Social Care budget. The initial proposed updates are included in the cabinet paper on the Medium Term Financial Plan.

Cabinet would welcome bids from the service, supported by robust business cases, for invest to save money.

Finally, Cabinet supports COSC's recommended actions, proposed in (c), (d) and (e) for the Adult Social Care directorate to take forward.

**David Hodge
Leader of the Council
25 March 2014**

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