

Cabinet

**Date & time**

Tuesday, 22 July
2014 at 2.00 pm

Place

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

Contact

Anne Gowing
Room 122, County Hall
Tel 020 8541 9938

Chief Executive

David McNulty

anne.gowing@surreycc.gov.uk

Cabinet Members: Mr David Hodge, Mr Peter Martin, Mrs Mary Angell, Mrs Helyn Clack, Mr Mel Few, Mr John Furey, Mr Mike Goodman, Mr Michael Gosling, Mrs Linda Kemeny and Ms Denise Le Gal

Cabinet Associates: Mr Steve Cosser, Mrs Clare Curran, Mrs Kay Hammond and Mr Tony Samuels

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 9122, 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.

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

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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: 24 JUNE 2014

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 (*16 July 2014*).

4b Public Questions

The deadline for public questions is seven days before the meeting (*15 July 2014*).

4c Petitions

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

4d Representations received on reports to be considered in private

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

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

6 LOCAL GOVERNMENT OMBUDSMAN REPORT WITH A FINDING OF MALADMINISTRATION (Pages 1 - 46)

This report concerns the Local Government Ombudsman's findings in response to a complaint concerning the service provided to the complainant and her child. The complaint was brought against both Surrey County Council and the NHS Trust and the Ombudsman has unusually provided a joint report. The Cabinet is asked:

- to consider the Ombudsman's report
- to satisfy itself that steps have been taken to address the findings and consider whether any other action should be taken
- to make arrangements for a response to this report and the Ombudsman report to be prepared and sent to the Ombudsman and all Members of the Council

7 FINANCE AND BUDGET MONITORING REPORT FOR JUNE 2014 (Pages 47 - 94)

The council takes a multiyear approach to its budget planning and monitoring, recognising that the two are inextricably linked. This report presents the council's financial position at the end of the first quarter of the 2014/15 financial year, including the council's balance sheet as this is the end of quarter 1. It also includes an up-date on the implications of the first quarter position for the future Medium Term Financial Plan, and the financial impact of the winter's severe weather on the council's revenue and capital budgets.

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]

8 ST PETER'S CATHOLIC PRIMARY SCHOOL, LEATHERHEAD (Pages 95 - 100)

To approve the Business Case for the expansion of St Peter's Catholic Primary School from a 1form of entry primary (210 places) to a 2 form of entry primary (420 places) creating 210 additional places in Leatherhead to help meet the basic need requirements in the Leatherhead area.

N.B. An annex containing exempt information is contained in Part 2 of the agenda (item 17)

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

9 HILLCROFT PRIMARY SCHOOL, CATERHAM (Pages 101 - 104)

To approve the Business Case for the expansion of Hillcroft Primary School from a 1.5 form of entry primary (315 places) to a 2 form of entry primary (420 places) creating 105 additional places in Caterham to help meet the basic need requirements in that area.

N.B. An annex containing exempt information is contained in Part 2 of the agenda (item 18).

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

10 HURST PARK PRIMARY SCHOOL, WEST MOLESEY (Pages 105 - 110)

To approve the Business Case to build a brand new 2 Form of Entry (420 places) primary school with a 26 place nursery on a new site, to replace the existing Hurst Park school and to enable the expansion of the school from its current 1 Form of Entry primary (210 places) and nursery to a 2 Form of Entry primary (420 places) creating 210 additional places in West Molesey, to help meet the basic need requirements in the Elmbridge area.

The provision of a new school requires additional direct funding and investment by the Council, in order to meet the higher costs associated with the provision of a completely new school.

N.B. An annex containing exempt information is contained in Part 2 of the agenda (item 19).

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

11 SURREY COUNTY COUNCIL HOME BASED CARE SUPPORT SERVICES (Pages 111 - 136)

Officers are seeking Cabinet approval to award a contract for the provision of Home Based Care support services to the providers listed in the Part 2 report (item 23) effective 1 October 2014.

In response to the changing requirements and demographics of Surrey as well as considering the impact of the implementation of the Care Act (2014), officers undertook a joint tendering exercise with the Surrey Downs Clinical Commissioning Group (CCG), who is the lead Commissioner for continuing healthcare, to identify the most appropriate way to deliver Home Based Care (HBC) in Surrey. This tendering exercise has secured suitable providers for the provision of home based services.

N.B. An annex containing exempt information is contained in Part 2 of the agenda (item 23)

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

12 LEGAL SERVICES FRAMEWORK (Pages 137 - 142)

This report seeks Cabinet approval to award contracts which will provide additional legal support to local authorities in the county, through a Framework agreement. It provides details of the procurement process, including the results of the evaluation process, and in conjunction with the Part 2 report (item 22), demonstrates why the recommended contracts offer best value for money.

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

13 BADGERS WOOD SURREY COUNTY COUNCIL RESIDENTIAL CARE HOME (Pages 143 - 150)

Badgers Wood is a Surrey County Council in-house residential care home for people with learning disabilities (PLD).

Factors outlined in this report signal that the future of the home needs to be explored in partnership with key stakeholders. Issues around the physical structure of the property, high vacancy rate and changes in service users' expectations of what services look like and deliver need to be addressed.

The report recommends that a consultation on the future of the home is undertaken, with the preferred option clearly indicated. The preferred option is that the home be closed and new services are sourced for the individuals supported by the home.

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

14 SERVICES TO SCHOOLS AND SCHOOLS IMPROVEMENT CONTRACT EXTENSION - BABCOCK 4S LTD (Pages 151 - 154)

To approve the extension of the Schools Support Services contract between Surrey County Council (SCC) and Babcock 4S Limited (B4S) for school improvement and back office support services to schools for a further 4 years from 1 April 2015 to 31 March 2019. As B4S is a joint venture partnership, and is governed by a shareholder agreement, this will be amended to reflect the outcome of agreeing the contract extension.

N.B. Exempt information is contained in Part 2 of the agenda (item 24).

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

15 LEADER / DEPUTY LEADER / CABINET MEMBER DECISIONS TAKEN SINCE THE LAST CABINET MEETING (Pages 155 - 168)

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

[Please note that Annex 1 will be tabled at the meeting]

16 EXCLUSION OF THE PUBLIC

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

PART TWO - IN PRIVATE

- 17 ST PETER'S CATHOLIC PRIMARY SCHOOL, LEATHERHEAD** (Pages 169 - 174)
- This is a part 2 annex relating to item 8.
- 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 Children and Education Select Committee]*
- 18 HILLCROFT PRIMARY SCHOOL, CATERHAM** (Pages 175 - 180)
- This is a part 2 annex relating to item 9.
- 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 Children and Education Select Committee]*
- 19 HURST PARK PRIMARY SCHOOL, WEST MOLESEY** (Pages 181 - 186)
- This is a part 2 annex relating to item 10.
- 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 Children and Education Select Committee]*
- 20 WOKING TOWN CENTRE REGENERATION** (Pages 187 - 192)
- Cabinet agreed in September 2012 that Surrey County Council (SCC) would participate in a Joint Venture Company, Bandstand Square Developments Ltd, with Woking Borough Council (WBC) and Moyallen Ltd to regenerate Woking Town Centre.
- Additional funds are required primarily as a result of increased land acquisition costs to provide the replacement Fire Station in the town.
- 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 the Council Overview and Scrutiny Committee]

- 21 ESTABLISHMENT OF A TRANSPORT RELATED LOCAL AUTHORITY TRADING COMPANY** (Pages 193 - 218)

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 Environment & Transport Select Committee]

- 22 LEGAL SERVICES FRAMEWORK** (Pages 219 - 224)

This is a part 2 annex relating to item 12.

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 the Council Overview and Scrutiny Committee]

- 23 SURREY COUNTY COUNCIL HOME BASED CARE SUPPORT SERVICES** (Pages 225 - 236)

This is a part 2 annex relating to item 11.

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 Adult Social Care Select Committee]

- 24 SERVICES TO SCHOOLS AND SCHOOLS IMPROVEMENT CONTRACT EXTENSION - BABCOCK 4S LTD** (Pages 237 - 240)

This is a Part 2 report relating to item 14.

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 Children and Education Select Committee]

25 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
Monday, 14 July 2014

QUESTIONS, PETITIONS AND PROCEDURAL MATTERS

The Cabinet will consider questions submitted by Members of the Council, members of the public who are electors of the Surrey County Council area and petitions containing 100 or more signatures relating to a matter within 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 Cabinet 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 Cabinet Members may decline to answer a supplementary question.

MOBILE TECHNOLOGY AND FILMING – ACCEPTABLE USE

Those attending for the purpose of reporting on the meeting may use social media or mobile devices in silent mode to send electronic messages about the progress of the public parts of the meeting. To support this, County Hall has wifi available for visitors – please ask at reception for details.

Anyone is permitted to film, record or take photographs at council meetings with the Chairman's consent. Please liaise with the council officer listed in the agenda prior to the start of the meeting so that the Chairman can grant permission and those attending the meeting can be made aware of any filming taking place.

Use of mobile devices, including for the purpose of recording or filming a meeting, is subject to no interruptions, distractions or interference being caused to the PA or Induction Loop systems, or any general disturbance to proceedings. The Chairman may ask for mobile devices to be switched off in these circumstances.

It is requested that if you are not using your mobile device for any of the activities outlined above, it 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

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SURREY COUNTY COUNCIL

CABINET

DATE: 22 JULY 2014

REPORT OF: ANN CHARLTON, MONITORING OFFICER

SUBJECT: LOCAL GOVERNMENT OMBUDSMAN REPORT WITH A FINDING OF MALADMINISTRATION



SUMMARY OF ISSUE:

This report concerns the Local Government Ombudsman's findings in response to a complaint concerning the service provided to the complainant and her child. The complaint was brought against both Surrey County Council and the NHS Trust and the Ombudsman has unusually provided a joint report. The Cabinet is asked:

- to consider the Ombudsman's report
- to satisfy itself that steps have been taken to address the findings and consider whether any other action should be taken
- to make arrangements for a response to this report and the Ombudsman report to be prepared and sent to the Ombudsman and all Members of the Council

The production of this Monitoring Officer report is a statutory requirement under Section 5A of the Local Government and Housing Act 1989. The Council's Monitoring Officer has to report to the Council's executive body when the Local Government Ombudsman has conducted an investigation into a complaint against the Council and has found that maladministration has occurred. The Act also states that the report should be sent to all Council members and this has been done.

The requirement for the Cabinet to consider and respond to the Ombudsman's report is also covered by provisions in the Local Government Act 1974. Within three months of the receipt of the report it has to have considered the report and notify the Ombudsman of any action the authority has taken or proposes to take.

RECOMMENDATIONS:

It is recommended that that Cabinet:

1. consider the Ombudsman's report.
2. satisfy itself that steps have been taken to address the findings and consider whether any other action should be taken.
3. delegate to the Assistant Directors for Children's and Safeguarding Services and Schools and Learning, in consultation with the Cabinet Member for Children and Families, the requirement to produce a response to this report and to the Ombudsman's report and ensure that this is sent to all Members and to the Ombudsman.

REASON FOR RECOMMENDATIONS:

There is a statutory requirement to respond to an Ombudsman report that identifies maladministration and a need for the Cabinet to consider what action needs to be taken as a result of the report.

DETAILS:

1. The Local Government Ombudsman has investigated a complaint made by Mrs D on behalf of herself and her son, C, that the services provided by both Surrey County Council and the NHS Trust between January 2007 and February 2011 were inadequate, uncoordinated and failed to meet their needs.

2. The Ombudsman found that there had been maladministration, on the part of both Surrey County Council and the NHS Trust, causing injustice. In relation to Surrey County Council the Ombudsman found that:

Education failed:

- to provide an appropriate amount of home tuition to help C prepare for GCSE examinations
- to consider continued provision of home tuition after July 2008.

Children's Services failed:

- to undertake a risk assessment with appropriate urgency
- to allocate a social worker for a significant period
- to complete the core assessment in a reasonable time
- to arrange the social activities for C recommended in the core assessment
- to refer C to the Transitions Team in accordance in accordance with statutory guidance
- to advise Mrs D of the availability of a carer's assessment and;
- to complete the carer's assessment within a reasonable time

3. The Ombudsman has decided that a compensation payment of £5000 would be appropriate to remedy the injustice caused to Mrs D and C, and the officers of Schools and Learning and Children's Services in consultation with the portfolio holder have agreed to this.

4. The Ombudsman has made other findings of maladministration in relation to the actions of the NHS Trust. Surrey's officers regret that these failings occurred and have agreed to send a joint apology with the NHS Trust to the complainant to acknowledge failings. The Council has also agreed to work with C and to develop action plans to address the failings identified.

The Ombudsman's Report

5. The Local Government Ombudsman investigates and reports on complaints from members of the public who claim to have sustained injustice as a result of maladministration. Maladministration can encompass a number of failings by an authority, including inattention, neglect and delay. Where the Ombudsman decides that injustice has been caused by an authority's

maladministration, the authority concerned must consider the Ombudsman's report. In this case the Ombudsman's final report was published on the 12 June 2014.

6. The Council has three months from the publication of the final report to notify the Ombudsman of the action which has been taken or will be taken in response to his report. The Assistant Directors of Children's and Safeguarding Services and Schools and Learning, following consultation with the portfolio holder, have already agreed to pay £5000 and to send a joint apology with the NHS Trust and acknowledge failings, as well to undertake the recommended work with C and develop action plans. The Cabinet will need to consider whether there are any further recommendations it wishes to make in response to the report.
7. The full Ombudsman's report of this case has been made available for public inspection as required by law. It is attached as Annex A.
8. Once Cabinet Members have considered the Ombudsman's report and the response from the services they should decide whether they are satisfied with the actions. A response to this report needs to be formulated by the Cabinet which must be sent to all Members of the Council. A formal response to the Ombudsman will need to be sent by 12 September 2014.

CONSULTATION:

9. The Chief Executive and Director of Finance have been consulted on this report in accordance with the statutory requirements. The Assistant Directors for Children's and Safeguarding Services and Schools and Learning and colleagues in the services have also been consulted. The Leader has been consulted and the Cabinet Member for Children and Families has been informed. A copy of this report will be sent to every Member of the Council.

RISK MANAGEMENT AND IMPLICATIONS:

10. The finding highlights the risk that if policies and procedures do not adequately ensure the Council meets its duties there is a risk of complaints, potential legal challenge, and adverse publicity.

Financial and Value for Money Implications

11. The Council has agreed to pay £5,000 to the complainants as recommended by the Ombudsman.

Section 151 Officer Commentary

12. All material, financial and business issues and risks have been considered and addressed.

Legal Implications – Monitoring Officer

13. The Local Government and Housing Act 1989 places a duty on the Monitoring Officer to report the Ombudsman's findings to the Cabinet and to send a copy of her report to each Member of the Council. The same Act places a duty on

the Cabinet to consider this report and as soon as practicable after it has concluded its consideration of the report to prepare its own report specifying:

- what action, if any, the Cabinet has taken in response to the report
 - what action, if any, the Cabinet proposes to take in response to the report and when it proposes to take that action
 - the reasons for taking the actions or, as the case may be, for taking no action.
14. A copy of that report must also be sent to each Member of the Authority. The Local Government Act 1974 also requires the Cabinet to consider and respond to any Ombudsman report making a finding of maladministration.
15. The Ombudsman's report itself is available for members of the public to inspect and a statutory notice relating to it has been published in the local press.
16. The Ombudsman's recommendations are not legally enforceable although it is extremely unusual for an authority not to accept them. If the Ombudsman is not satisfied with the action proposed she can publish a further report and can compel an Authority to publicise her views. In this instance officers have accepted the findings of the Ombudsman, agreed to pay the amounts recommended by the Ombudsman and have agreed to make an apology.

Equalities and Diversity

17. The Council has to have due regard to its equality duties under the Equality Act 2010 and will need therefore to consider the impact of these issues on individuals with protected characteristics. Particularly relevant here are the characteristics of disability and age (in so far as this concerns a disabled child). The duties relating to special educational needs are enshrined in law to ensure that such children get the support that they require to help them with their education. The sum of money identified here has been recommended by the Ombudsman as a proportionate response in recognition of the failure to provide the support in this case. Members will no doubt wish to consider whether there are any other lessons to learn to avoid any future similar adverse impact on children with disabilities and their families.

Corporate Parenting/Looked After Children implications

18. There are no implications for corporate parenting/looked after children arising from this report.

Safeguarding responsibilities for vulnerable children and adults implications

19. There are no implications for safeguarding responsibilities for vulnerable children and adults arising from this report.

Public Health implications

20. There are no implications for public health arising from this report.

Climate change/carbon emissions implications

21. There are no implications for climate change and carbon emissions arising from this report.

WHAT HAPPENS NEXT:

22. A report of the Cabinet's response to the Ombudsman's recommendations will be produced and sent to all Members and to the Ombudsman.
 23. The matter will be reported to the Council for it to note.
-

Contact Officer:

Ann Charlton, Monitoring Officer, Legal and Democratic Services
Tel: 020 8541 9001
Email: ann.charlton@surreycc.gov.uk

Consulted:

See paragraph 9 above

Informed:

See paragraph 9 above

Sources/background papers:

Report of the Local Government Ombudsman no 09 007 810

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**Investigation into a complaint against
Surrey County Council (09 007 810) &
Surrey & Borders Partnership NHS Foundation
Trust (JW-65060)**

June 2014

Investigation into complaint numbers JW-65060 and 09 007 810 against Surrey County Council & Surrey & Borders Partnership NHS Foundation Trust

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Key to names used

The Complainant	Mrs D
The Complainant’s son	C

Summary

1. Mrs D complains for herself and her son, C, that the services provided by the Council and the Trust between January 2007 and February 2011 were inadequate, unco-ordinated and failed to meet their needs. She says this had a devastating impact on the quality of their lives and adversely affected C's ability to achieve his full potential.
2. C was born in February 1992. His parents divorced after a long history of domestic violence and C stayed with his mother. In 2005, when he was 13 years old, the family's GP referred him to the Child and Adolescent Mental Health Services (CAMHS) because of his worrying behaviour at home and in school. The CAMHS psychiatrist initially diagnosed Obsessive Compulsive Disorder¹. In December 2007 psychiatrists at a Specialist Hospital confirmed a diagnosis of Asperger's Syndrome². C has received Disability Living Allowance (a central government benefit) since 2007.
3. C refused to return to school in January 2007 and he was out of school from then until May 2009 when he moved to a specialist boarding college. He returned to live at home during school holidays. After he stopped attending school in January 2007 Mrs D struggled to cope with his increasingly controlling and abusive behaviour. In September 2011 he moved to a supported living placement. Mrs D says that at home C was physically and mentally abusive, threatening and controlling.
4. Mrs D complains that from January 2007 to February 2011 there was a total lack of care and treatment for C and that the services provided to support them both were inadequate. C was academically very able but his education was severely disrupted. Mrs D believes the lack of support from the Trust and the Council meant he did not achieve his potential or go to university as he should have done. Their relationship was damaged and Mrs D found it extremely difficult to care for him properly. Her own physical and mental health suffered because of the lack of support and she was unable to continue working, so suffered financially and emotionally.
5. In pursuing these complaints Mrs D is seeking assurance that the failures in services for C and herself will never be repeated, as well as recognition of and compensation for the anxiety and distress both she and C have suffered as a result of those failures.

Decision

6. We found service failure by the Trust and maladministration by the Council and that as a consequence C and Mrs D suffered injustice. Therefore we uphold the complaint and make recommendations to remedy the injustice we have found.

¹ A psychiatric condition in which a person is dogged by persistent ideas that lead to repetitive, ritualised acts.

² A rare developmental disorder that is usually first recognised in childhood. Asperger's Syndrome is an autistic spectrum disorder.

How we consider complaints

7. When considering a complaint we begin by comparing what happened with what should have happened. We consider the general principles of good administration that we think all organisations should follow. We also consider the relevant law and policies that the organisation should have followed at the time.
8. If the organisation's actions, or lack of them, were not in line with what they should have been doing, we decide whether that was serious enough to be maladministration or service failure.
9. We then consider whether that maladministration or service failure has led to an injustice or hardship that has not been put right. If we find an injustice that has not been put right, we will recommend action.
10. This report has been produced following the examination of relevant files and documents and interviews with the complainant and relevant employees of the Council.
11. The complainant and the Council were given a confidential draft of this report and invited to comment. The comments received were taken into account before the report was finalised.

The general standard: The Ombudsman's Principles

12. The Ombudsman's Principles of Good Administration, Principles of Good Complaint Handling and Principles for Remedy³ are broad statements of what she considers public bodies should do to deliver good administration and customer service, and how to respond when things go wrong. The same six key Principles apply to each of the three documents.
13. These six Principles are:
 - Getting it right
 - Being customer focused
 - Being open and accountable
 - Acting fairly and proportionately
 - Putting things right, and
 - Seeking continuous improvement.
14. The Principle of Good Administration relevant to this complaint is 'Getting it right'. This includes:

'All public bodies must comply with the law and have regard for the rights of those concerned. They should act according to their statutory powers and duties and any other rules governing the service they provide ...'

³The Ombudsman's Principles is available at www.ombudsman.org.uk.

It also includes:

'Public bodies must act in accordance with recognised quality standards, established good practice or both, for example about clinical care.'

What we found

National standards

15. A number of different agencies from within the Trust and the Council were involved in events which are the subject of this complaint. Legislation and guidance relevant to those agencies is referred to in the body of the report where appropriate.
16. Advice on working between agencies is given in 'Working together to Safeguard Children' published in 2006 by the Department for Education and Skills. It says:

"Safeguarding and promoting the welfare of children ... depends on effective joint working between agencies and professionals that have different roles and expertise. Individual children, especially some of the most vulnerable children and those at greatest risk of social exclusion, will need coordinated help from health, education, children's social care and quite possibly the voluntary sector and other agencies including youth justice services."
17. Neither the Council nor the Trust were able to provide copies of relevant partnership agreements, protocols or procedures covering the period being investigated.
18. The Trust and Council agencies involved in this complaint addressed the requirements for partnership working primarily through network meetings attended by all the professionals working with C. Mrs D also attended. Network meetings were held roughly monthly from September 2007 until June 2008. This investigation has identified 33 different professionals involved with C and Mrs D over the period complained about. At one time there were social workers from CAMHS, the HOPE Service (HOPE - a multi-disciplinary service run by CAMHS for young people with mental health problems) and Children's Services working with C.
19. Asperger's Syndrome is a form of autism. An Autistic Spectrum Disorder (ASD) is a lifelong development disability. Its impact can vary widely and some people who have it can live relatively independently while others have high dependency needs requiring a lifetime of specialist care. In 2006 the Department of Health (DH) issued guidance: 'Better Services for People with an Autistic Spectrum Disorder – A Note Clarifying Current Government Policy and Describing Good Practice.' It says:

"To meet the needs of young people in transition health and social care commissioners should:

 - *ensure each young person and their family/carers are supported by a single trusted adult contact who will liaise with services.*

- *meet the statutory requirement to commence transition planning from the age of 14.*

Approved Social Workers, assertive outreach teams, challenging behaviour teams and psychiatrists will be more confident and deliver better solutions if they understand the impact of major transition, crisis and change on people with an autistic spectrum disorder.”

20. At the time of the events complained of there were no relevant guidelines in place about what services had to be made available for people with autism. However, the Autism Act 2009 required publication of an Autism Strategy. The government published 'Fulfilling and Rewarding Lives' in March 2010. It aims to:
- increase awareness and understanding of autism among frontline professionals;
 - develop a clear and consistent pathway for diagnosis;
 - improve access for adults with autism to the services and support they need to live independently in the community; and
 - help adults with autism into work.
21. National service frameworks are set up by the NHS to drive up standards and reduce unacceptable variations in health and social services. The National Service Framework for Mental Health - Modern Standards & Service Models (September 1999) sets out the evidence based national standards for mental health, what they aim to achieve, how they should be developed and delivered and how to measure performance in every part of the country. It states:

'Clinical responsibility for the mental health care of older adolescents can sometimes lead to disagreements between child and adolescent mental health services and adult services if working arrangements between the two services have not been addressed. Variations exist for the 'cut-off' point for referral to adolescent services, for example, 16, 18, 21 years or school leaving. Local arrangements should be agreed to avoid confusion and possible delays.'

Services provided for C

22. This investigation covers events from January 2007 when C refused to return to school after the Christmas holidays. He was almost 15 years old. C received services from a number of Trust and Council agencies and sections below provide more detail on each of these.
23. In January 2007 C was already under the care of the CAMHS and had a diagnosis of Obsessive Compulsive Disorder. This investigation has considered the reasonableness of the care and treatment CAMHS provided for C and the support provided for him and Mrs D from then until early 2011. It includes HOPE, which C attended from March 2007.
24. The Council's Inclusion Services (including the Alternative Education Team and the Out of School Team) were involved from January 2007. Initially it did not make provision for C because he was referred to the HOPE day service which included some educational provision along with therapeutic treatment. The Out of School Team arranged home tuition for C from November 2007 until July 2008. This investigation has considered whether the Out of School Team provided home tuition at the appropriate time and to a reasonable standard.
25. The Council's Children's Services were involved from June 2007 onwards. The substantial delay of over a year in carrying out the core assessment of C's needs has already been recognised through the Council's own complaints procedures. This investigation has considered the extent to which the delay affected services provided for C. C was not eligible for children's services following his 18th birthday in February 2010 and the investigation has covered the role of the Transitions Team in managing his transfer to adult social services.
26. The sections below also describe C's involvement with the Connexions service from January 2007 to 2011 and the Youth Justice Team, between June 2007 and September 2008.
27. In August 2007 CAMHS referred C to a specialist hospital which had an Autism Unit. This is not part of the Trust and the services it provided are not included in the matters investigated. In December 2007 the specialist hospital confirmed a diagnosis of Asperger's syndrome and recommended a residential educational placement for C, which required assessment by the Council's Special Educational Needs (SEN) Team. The specialist hospital continued to provide some support for C and his mother while this recommendation was pursued.
28. The Council's SEN services decided in January 2008 not to carry out an assessment of C's special educational needs. Mrs D appealed against that decision and an assessment started in June 2008. Mrs D also appealed the statement of C's special educational needs (the SEN statement) issued by the Council in September 2008. The Council agreed funding in May 2009 and C began a two year placement at a specialist

residential school. The process of requesting an assessment and the content of the SEN statement are outside the Ombudsman's jurisdiction and are not part of this investigation.

CAMHS

29. CAMHS is a multi-disciplinary service run by the Trust, providing help and treatment for children and young people experiencing emotional or behavioural difficulties or mental health problems, disorders or illnesses.
30. The family GP referred C, who was then 13 years old, to CAMHS because of his anti-social behaviour at school and obsessive-compulsive patterns of behaviour at home and school. He was offered appointments to see a psychiatrist, fortnightly from January 2006. C did not always attend his appointments. His psychiatrist diagnosed an obsessive-compulsive disorder. The psychiatrist noted features of an Autistic Spectrum Disorder (ASD) but there was not enough evidence to make a diagnosis at that time. In October 2006 the psychiatrist prescribed medication for depression and in May 2007 prescribed psychotropic (anti-psychotic) medication to control aggression. C was reluctant to take the medication prescribed. CAMHS allocated a community psychiatric nurse (CPN) and a social worker to support C.
31. In March 2007 (after C stopped attending school) CAMHS referred him to the HOPE community outreach service and to the Alternative Education Service (see paragraph 55 below).
32. In May 2007 the psychiatrist reported that C's prognosis was poor, his functioning was severely impaired and he needed care and supervision because of his age (he was then 15 years old) and severe mental illness. He noted that C could not look after himself and would be likely to live in squalor if his carer did not clear up after him. The psychiatrist noted that he discussed with Mrs D the possibility of C being admitted to hospital but she would not agree to this.
33. Mrs D says that, after C set fire to a wheelie bin on 26 June 2007 and caused considerable damage, he said he wanted to be admitted to hospital. Mrs D told CAMHS about this but they said he could not be admitted. There is a record of a telephone call to the psychiatrist on that day but it does not mention an admission request. There is no reference to a hospital admission in the notes of C's session with the psychiatrist two days later.
34. In June CAMHS referred C to the Council's social care Children's Services because the level of domestic violence (from C towards his mother) had increased significantly. In August 2007, because his behaviour had worsened and he was not responding to the programme of treatment, the CAMHS psychiatrist decided to refer C to a hospital which has a specialist centre for Autism. Authorisation had to be obtained for funding before the referral could be made, because the specialist hospital was part of a different health trust. C's first appointment at the specialist hospital was in

November 2007.

35. CAMHS arranged a series of multi-agency network meetings of the professionals involved in C's care, including CAMHS psychiatrists, C's CPN and HOPE keyworker, social workers from HOPE and the Council, and representatives of the Education Department, Connexions and Youth Justice Team. The first meeting took place in September 2007 and agreed the main focus should be C's mental health problems but that he needed some educational input in the meantime.
36. The psychiatrist C had been seeing left CAMHS about this time and was replaced by locum psychiatrists. Mrs D asked a locum psychiatrist for an urgent appointment in October 2007. The locum psychiatrist said it would not be helpful as he did not know C and he was still waiting for the assessment by the specialist hospital. His note of the conversation says he advised that as a locum he could not provide much continuity, that things "were in a mess" at the Trust, and he advised Mrs D to contact HOPE as they were providing a lot of support. Mrs D recalls the locum psychiatrist telling her she would have to seek help elsewhere.
37. The professionals at the network meetings in January and February 2008 discussed whether or not C had mental health problems and whether health or education should take the lead on his case. Although it is not recorded in the meeting notes, it appears from individual attendees' notes that by that time CAMHS had received the report from the specialist hospital and they were quite certain that C did not have mental health problems and so met the criteria to be signed off by CAMHS. There is no record that C was discharged by CAMHS.
38. C did not have regular appointments with CAMHS psychiatrists after September 2007. In March 2008 he saw a new psychiatrist. The psychiatrist noted the animosity C had shown his mother, a lack of respect and a "reversal of power". (Mrs D attended appointments with the psychiatrist by herself in January, May and November 2008.)
39. In December 2008 the Specialist Hospital advised CAMHS that it should arrange home based behavioural intervention with a psychologist involving C and Mrs D. CAMHS did not agree with this recommendation. The CAMHS psychologist said its psychology service did not have the resources for this type of intensive work. She expressed doubt about whether C's behaviour could be modified because it was very fixed in pattern and C did not see the need to change. She believed a boarding school placement would be more effective. In response to a subsequent complaint from Mrs D, the CAMHS psychologist said that there were concerns about working with C at home because of his violence. However there is no record that this concern was raised at the time or discussed with Mrs D.
40. In February and March 2009 Mrs D wrote to CAMHS asking for an appointment with the psychiatrist. After the GP chased the CAMHS team another psychiatrist (the fourth to have been involved in C's case) telephoned Mrs D on 9 April, apologising for lack of contact over the past few months. He said they were exploring the options for home based therapy as recommended by the Specialist Hospital if C did not get a residential

placement. The residential placement was approved in May 2009 and CAMHS did not provide the home based therapy.

41. In February 2010 when C turned 18, he was no longer eligible for CAMHS. We have seen no evidence that the Trust had any relevant protocols in place for the transition from children's to adult mental health services. No action was taken to facilitate his transition from children's services.
42. C's GP referred him to Adult Mental Health Services in October 2010. C's mental health needs were assessed but he did not meet the criteria for the provision of adult services. Following representations from C's GP the Trust's Out of Area Treatments Panel considered C's case in January 2011. It agreed that C could benefit from a statutory community care assessment and should be referred to the Council's Adult Care Services and the Adult Community Mental Health Team.

HOPE

43. HOPE is run by CAMHS. It provides services for young people (11- 18 years) who have complex mental health, social, emotional and behavioural difficulties. It has a multi-agency team of professionals aiming to prevent or shorten admissions to inpatient units and to prevent family breakdown. HOPE is a registered short stay school. The service is mainly therapeutic but also includes a day programme providing individually tailored education in small groups. The outreach service includes psychiatrists, therapists, social workers, psychologists and others providing support in the community.
44. Young people referred to the HOPE service are allocated a care co-ordinator. C attended the day programme at the HOPE centre from April 2007. He was then 15 years old and had been studying for his GCSEs while at school. Initially C attended the day programme at the HOPE centre four days a week but he experienced some difficulty working with the other children attending the HOPE centre. As a result within three weeks the service reduced his attendance to two days a week.
45. C was not following GCSE courses during his attendance at the HOPE centre but followed 'general' education. In addition to the educational programme C had weekly Art Therapy sessions and sessions covering drama, Personal Health and Social Education (PHSE), aromatherapy and gym. The objectives identified in his individually tailored programme were to:
 - control anger and raise awareness of anger triggers
 - alleviate symptoms and look at underlying issues
 - return to education.

At review meetings staff noted C's continual threats and referred C to a young person's domestic violence project.

46. C was still on roll at his school while he attended the HOPE centre. The centre wrote to his school in June 2007, noting it was unlikely C would be able to return to mainstream school. It asked the school to arrange a review meeting to discuss his educational plans for Year 11 (2007/08). In July 2007 the HOPE centre wrote to the Council's Out of School Team asking whether it would provide some home tuition for C. There is no evidence of a reply from the Out of School Team at that time.
47. The HOPE centre day programme for C ended in October 2007 because of his continuing difficulties with other service users. C continued to attend Art Therapy sessions and to receive support from the HOPE community outreach team, including home visits to him and his mother. This provision continued until May 2009 (when C was discharged from the HOPE Service pending his move to the specialist residential school). C benefited from the sustained relationship with the art therapist during this period.

The Specialist Hospital

48. The Specialist Hospital is not part of the Surrey and Borders Partnership NHS Foundation Trust and is not covered by this complaint. It is referred to only for clarification.
49. After the Trust approved funding for the Specialist Hospital referral, C had his first appointment in November 2007. The Specialist Hospital completed its assessment in December 2007. The specialist psychiatrist said it was clear C had Asperger's Syndrome and it was difficult to understand why this disorder was not picked up earlier.
50. In a letter to Mrs D in December 2007 the Specialist Hospital wrote:
- "It is our view that appropriate educational provision for [C] would be provided by a residential school specialising in Asperger's syndrome/high functioning Autism. It is important that [C] should receive 24 hour consistency of approach in order to give him the structure and predictability he needs. Without such provision it is unlikely that [C] will be able to progress academically and socially and to find a productive and fulfilling niche in the world as an adult."*
51. The responsibility for arranging and funding residential educational placements lies with the Council's SEN Team (see paragraph 89 below).
52. A specialist psychologist and her team provided six therapeutic sessions for C at the specialist hospital, the last on 23 April 2008. During 2008 the specialist hospital supported Mrs D with her application for a SEN statement for C.

Education's Out of School Team

53. The Education Act 1996 (S.19) says that if a child of compulsory school age (between 5 and 16 years old) cannot attend school for reasons of illness, exclusion from school or otherwise, the local authority must make arrangements to provide 'suitable education'. In September 2011, after the period covered by this investigation, this law

was amended so that the duty was then to provide full-time education.

54. 'Access to Education for Children and Young People with Medical Needs' was issued by the Department for Education and Skills in 2001. It sets out guidance on the minimum national standards for education of children who are unable to attend school because of medical needs. It advised that:
- pupils of compulsory school age are not at home without access to education for more than 15 working days
 - pupils who have an illness/diagnosis which indicates prolonged or recurring periods of absence from school, whether at home or in hospital, have access to education so far as possible, from day one
 - pupils receive an education of similar quality to that available in school, including a broad and balanced curriculum
 - pupils educated at home receive a minimum entitlement of five hours teaching per week; this is a minimum and should be increased where necessary to enable a pupil to keep up with their studies, particularly important when a pupil is approaching public examinations.
55. The Council's Education Department was involved through the Alternative Education Team in January 2007 when C was refusing to return to school. C began attending the HOPE centre in April where he was receiving an education programme so the Alternative Education Team did not make any provision for him at that time. The HOPE Centre wrote to the Council's Out of School Team in July 2007 and asked if it could provide some home tuition for C. There is no record of a reply to this letter and the Out of School Team did not make any provision at that time.
56. A representative from the Out of School Team attended the first network meeting held in September 2007. The Children's Services team representative advised the Out of School Team 'to put C's case on hold' pending a risk assessment. This risk assessment by Children's Services was completed six weeks later (November 2007) and concluded that C was unlikely to pose any risk to his tutor.
57. C's programme at the HOPE centre had ended in October 2007. From November 2007 the Out of School Team provided C with five hours per week of one-to-one tuition at his home. The Tutor prepared him for English Language and English Literature exams to be taken in June 2008. C could not sit the Maths GCSE exam because he could not complete enough course work in the time available. He did not take any other GCSE examinations at that time.
58. C achieved good grades in the exams he took. He did not miss any of the one-to-one sessions and was never late. His tutor said that he had a hunger for knowledge and would benefit from and appreciate further education.
59. The Council did not normally provide one-to-one tutoring after GCSE exams had been taken but the Council agreed to continue funding the sessions for C to the end of term

in July 2008. Children's Services agreed to fund an additional hour per week of one-to-one tutoring for C from May 2008 until the end of term.

60. C had his 16th birthday in February 2008 and so reached statutory school leaving age at the end of the spring term. At that time the Council had the power to provide education after compulsory school leaving age. The duty to do so was not introduced until the Education Act 2010. The Council did not consider making out-of-school provision after July 2008 as C had reached school leaving age and he received no education between July 2008 and May 2009 when his specialist boarding placement began.
61. The education officer told our investigators that five hours per week was the amount of one-to-one tuition usually provided. And that the Council did not normally provide one-to-one tuition past compulsory school leaving age. The initial referral of C in January 2007 from C's school gave the reason for referral as "will not attend school". A referral from CAMHS had noted "cannot attend school". C was on the roll with the Out of School Team from 7 November 2007 to 23 July 2008. Mrs D's correspondence with the school shows he had experienced bullying and this was the reason he would not attend.

Social Care

62. The Children's Act 1989 sets out councils' duties to safeguard children and provide for children in need. A child is 'in need' if he is unlikely to achieve or maintain a reasonable standard of health or development without the provision of services by the local authority or if he is disabled. A child is considered disabled if he or she suffers from a substantial and permanent physical or mental disorder.
63. Children's Services received the first referral for C in June 2007. The case was allocated to a social worker from the Child in Need team. The Council has explained that it did not refer C to the Children with Disabilities Team because that team dealt with children who had severe learning or physical disabilities.
64. The social worker visited C and Mrs D in July 2007 and should have begun a core assessment of C's needs but did not do so.
65. The multi-agency meeting in September 2007 agreed that a core assessment should be carried out jointly by Children's Services and the care co-ordinator from HOPE services. The case was re-allocated to a locum social worker who visited C and Mrs D but did not do the core assessment.
66. The locum social worker left the Council in early 2008 and C's case was not reallocated. At about the same time the HOPE social worker and the CAMHS psychiatrist also left. The Out of School Team leader noted "Mrs D is struggling to cope and C is clearly distressed". The Children's Team decided not to reallocate the case to a social worker after the Education Department was asked to begin the

statementing process in December 2007.

67. The Specialist Hospital made representations to the Children's Team about the lack of a social worker and C's case was allocated to another social worker in June 2008. He completed the core assessment in July 2008.
68. The core assessment report was sent to Mrs D in September 2008. In a lengthy report it described C's background and behavioural problems. In summing up it said:

"Consistent with his Asperger's Syndrome and suspected Obsessive Compulsive Disorder, [C's] behaviour towards his peers in school and his mother at home has been described as provocative, confrontational and aggressive. His challenging behaviours have made it difficult for social interaction. Without many age-appropriate friends, [C] seems socially isolated and he usually spends much time at home being idle, causing his mother to be at his mercy for longer periods. The resultant lack of structure and activities in his life has in turn increased his tendency to remain in the house ritualising and often persecuting his mother.

From mother's account it sounds as if [C's] father displayed mentally and physically abusive behaviours toward C and his mother. However [C] himself has been engaging in behaviours that, if they escalate, could represent significant risk to both people and property, including kicking his mother, pushing his grandmother and setting a fire. It is clear that his mother is very frightened of [C] and fears that he may resort to violence in the same way as his father. He is verbally abusive towards her and very vindictive ... His mother admitted that he "rules the household" and she is fearful to leave him alone for any length of time because of his risky behaviours. It is difficult to know how much of [C's] increasingly destructive and violent behaviour towards his mother relates to his intrinsic lack of empathy and social understanding and how much is based on the only male role model he has known. The situation at home is clearly fragile and places both [C] and his mother at serious risk if they remain unsupported.

Academically too [C] is in danger of falling so far behind his peers that, despite his high intellectual ability it will eventually be very difficult for him to catch up. Although [C] has recently been statemented to receive specialised education, his mother is concerned that he may refuse to attend a unit that caters for a wide range of disabilities because of his long standing negative attitudes towards disabilities. [C] is very verbally able and has, to some extent, learnt a degree of social interaction which much of the time disguises his intrinsic difficulties. This could be the reason why his Special Educational Needs were picked up late. As per the CAMHS assessment of [C], it is also evident that when he was younger and mixing with younger children his eccentricities were much better tolerated. However since transfer to secondary school the gap between him and his peers has clearly become much more evident and more distressing, this ultimately resulting in [C] falling out with his peers and refusing to attend school. His confrontational and obsessive behaviour was putting him at risk of being bullied and harmed by other peers at school and he ended being out of education."

69. Mrs D says the core assessment report totally understated the seriousness of C's problems. It did not reflect the extreme nature of his behaviour or its impact on her and on their home. For example:
- he would threaten her if she spoke to him about playing loud music in the early hours of the morning, used foul language, calling her offensive names, telling her she was pathetic, not worthy of living and worthless;
 - he would shout at her during the night or bounce on her bed if he wanted her to talk or to change his bed because he hadn't seen her wash her hands before she changed it earlier in the day;
 - he twisted her arm, stamped on her toe just to hurt her;
 - he shut her in rooms or out of the house altogether;
 - he spat, urinated and defecated around the house and soiled his clothes and carpets;
 - he had obsessions about washing and would not touch door handles without a paper towel which he would then discard on the floor;
 - he used excessive amounts of soap, shampoo and shower gel, sometimes flooding the bathroom, being in the shower for an hour at a time, sometimes three or four times a day; and
 - he left sodden towels and clothes lying around.
70. Mrs D said that the report misrepresented her situation as it did not make clear she had been unable, since 2007, to continue her job as a lunch time supervisor because of her extreme stress related illness.
71. Mrs D wrote to the social worker in October 2008 that the core assessment report was inaccurate and misrepresented the problems. He replied on 17 October 2008 explaining it was only a draft and had been sent to her so that she could comment on it. He asked her to make clear where she believed the report was inaccurate. The Council says Mrs D did not respond to this letter and the report was not amended. Mrs D returned her copy of the core assessment to the Council unsigned.
72. The core assessment recommended:
- an appropriate SEN placement for high-functioning pupils with Asperger's syndrome (it referred to a specific school recommended by CAMHS);
 - the level of risk from C's behaviour to be monitored by local social services and police until he began the SEN placement;
 - HOPE services to continue working with C pending his SEN placement;
 - Agencies to identify social activities for C to attend, to reduce his social isolation and idleness;
 - to consider a referral for C to a domestic violence group for young people;
 - when appropriate, Children's Services to monitor contact arrangements between C and his father;
 - the Connexions worker to continue working with C; and

- the out-of-school tutor to continue working with C two days a week until the end of the school term.
73. In October 2008 Children's Services allocated the case to a family support worker. Mrs D was unhappy the allocation was not to a social worker. The family support worker told our investigators she believed the case was given to her because it did not have sufficient priority for allocation to a social worker.
 74. The family support worker visited Mrs D on 19 January 2009. Because of her workload and only working two days a week she had not been able to visit earlier. During the visit she explained to Mrs D about the carer's assessment. Children's Services expected a maximum six month involvement by the family support worker.
 75. The family support worker told our investigators that she made referrals to a project for young people with Asperger's and to Crossroads (a carer support agency). She said that in February 2009 she made a telephone call to home care services to ask about support for Mrs D. There is no record on file of these referrals. Mrs D says they heard nothing about them and no services were provided as a result of referrals. The family support worker said she was not sure what happened but thinks C and Mrs D did not take up services offered. The Children's Services files hold no record of any reviews of the core assessment or the provision recommended.
 76. The family support worker left the Council in September 2009 and the case was not reallocated to any other worker.
 77. C began attending the specialist residential school in May 2009. Mrs D says that his behaviour improved as a result, but that when he returned home for the holidays the same problems recurred and she found it extremely difficult to cope. She says she asked Children's Services to provide activities for him while he was at home but nothing was done about this.

Connexions Service

78. The Council is responsible for the Connexions service which supports young people in career and personal development. It provides information, advice, counselling, personal development opportunities and referral to specialist services. Young people with learning difficulties and/or disabilities are a particular priority for Connexions who should work closely with the other agencies involved. Connexions appoint a personal adviser to work with each young person taking up its services.
79. C had his first appointment with a personal adviser in February 2006 when he was 14. The personal adviser drew up an action plan with him, which noted his interest in studying medicine or psychiatry or setting up his own business. C's personal adviser regularly communicated with education and social care and with Mrs D and made suggestions for finding work or activities during the holidays. She offered appointments to C to visit at her office. Connexions considered a referral for C to an

outdoor education and pursuits course but it was not suitable for him.

80. At an annual review in July 2008 the Connexions personal adviser agreed to ask Social Services about funding for a school placement that had been suggested to C. This placement would require a SEN statement.
81. After C began attending the specialist residential school the personal advisor contacted the Connexions service at the residential placement. They confirmed that C was doing well and exploring options for after school.
82. Connexions drew up C's 'moving on' plan in December 2010. It said C:
 - was a very motivated and determined person, enthusiastic about his studies with an excellent attendance record;
 - avoids social situations in which he feels uncomfortable and needed on-going help to develop confidence and self reliance to address this; and
 - had been developing good domestic task skills at the residential school and would need ongoing therapy to help develop strategies for adapting to a new environment.
83. In early 2011 C applied for a university place. At the request of the residential school the personal advisor contacted Mrs D to offer support with C's student finance application. She gave some initial advice as applications could only be made from April. She told Mrs D to call when she needed further help, which she did and support was provided.

Youth Justice Team

84. Youth Justice Teams are established to prevent offending by children and young people (aged 10-17 years). They are multi-agency teams including a probation officer, a police officer and representatives of health, education and social care services.
85. In June 2007 C set fire to a wheelie bin which badly damaged his home and a neighbouring property. The Out of School Team referred C to the Youth Justice Team in October 2007, because they believed C needed a strong male role model. The Youth Justice Team identified a low to medium risk of C offending. A youth justice officer met C for intervention sessions on 19 occasions over the following eight months.
86. At the end of 2007 the youth justice officer reported to the CAMHS psychiatrist that he was concerned about Mrs D's mental health. He said he planned to take C on 'social engagements'. The Youth Justice Team closed the case in September 2008 having completed the planned programme of work with C without significant improvement. The closing statement said:
 - C appeared to be bitter about not taking all his GCSEs and seemed to take it out on Mrs D;
 - the risk of vulnerability and serious harm to C and others was still there;

- because of C's Asperger's it was difficult to adhere to an intervention plan in a conventional way; and
- the main change C needed in his life was specialist education and care for his Asperger's.

Special Educational Needs

87. Part IV of the Education Act 1996 (the Act) makes provision for the education of children with special educational needs. A child has special educational needs if they have a learning difficulty which calls for special educational provision to be made for them. It requires councils to have regard to the Code of Practice on Special Educational Needs in carrying out assessments. The Act also defines the rights of parents to appeal against decisions not to undertake an assessment of special educational needs and on the content of a SEN statement. Appeals are to the Special Educational Needs and Disability Tribunal (SENDIST).
88. The Code in operation in 2008 said the Council must decide within six weeks of a referral whether or not to carry out an assessment. The time limit for carrying out the assessment from referral to issue of a SEN statement should normally be no more than 26 weeks. The Code specified that in carrying out the assessment the local education authority must seek parental, educational, medical, psychological and social services advice. They must also seek any other advice they consider appropriate.
89. Mrs D applied to the SEN Team requesting an Assessment of C's special educational needs following a network meeting in December 2007. The Council says that this was the first referral to the SEN Team for C. In accordance with standard procedure the request was referred to the SEN Panel (the Panel) which met on January 2008. The Panel decided it was not appropriate to assess C's special educational needs at that time. Mrs D appealed against that decision. The Tribunal heard the appeal in June 2008 and ordered the Council to undertake an assessment.
90. The Council carried out the Assessment in accordance with the Code and issued a SEN statement in September 2008. The SEN statement said C needed increased access to tutoring at home and a placement in an educational setting with planned integration into mainstream further education. It did not specify the school which C was to attend. Mrs D had wanted C to attend a specialist college and the Council agreed funding but the college was due to close in July 2009 so this placement was not pursued.
91. In October 2008 Mrs D appealed to SENDIST against the content of the SEN statement. The appeal was not heard by the Tribunal because in April 2009 the Council agreed funding for a placement at a specialist boarding school.
92. C attended the specialist boarding school until July 2011 and achieved two A-levels. He was offered a place at Oxford Brookes University. He did not take up the place because he did not feel able to cope and wanted to pursue therapy for the psychological disturbances he had been experiencing.

The Council's Transitions Team

93. Young people can cease to be eligible for services once they turn 18. Children's Services and Adult Services should plan for the transition to minimise the impact on the young person. The Council's Transitions Team supports the young person in working with other professionals to achieve this. Guidance makes clear that the Council should plan for transition from children's to adult's services from age 14.
94. Until recently it was the Council's normal procedure to refer children to the Transitions Team when they reached 18. In February 2010, when C turned 18, the Transitions Team wrote to Mrs D offering an assessment of C's needs. Mrs D was upset that the letter in places referred to C by the wrong name. She felt this echoed the lack of engagement with C's case from Children's Services. Children's Services wrote to Mrs D shortly after that they were closing C's case (because he had turned 18) and had referred the case to the Transitions Team.
95. Adult Social Care Services carried out a telephone assessment of C's needs which established that C was not eligible for services. His needs were assessed as moderate. At that time the Council was only funding clients with substantial or critical needs level.
96. In June 2010 Mrs D asked the Specialist Hospital to contact the Transitions Team. The Specialist Hospital sent a note addressed 'To whom it may concern'. The note described some of C's extreme behaviours and said that since attending the residential school C had become increasingly easier to accommodate during his visits home but that his behaviour could easily revert during a home visit. It recommended essential support for C during the summer holidays, to include support workers with experience and expertise in working with Asperger's. The Specialist Hospital also recommended support at home so that Mrs D could go out for 'desperately needed' respite as she felt unable to leave C at home alone even though he was 18 years old, because of his extreme behaviour.
97. Mrs D wrote to the Transitions Team in September. She had heard nothing further about an assessment by the Transitions Team begun in June 2010 and she had understood that support was to be provided for C for the holidays.
98. In October 2010 the Transitions Team wrote to C's GP that he was not eligible for services for people with learning disabilities. It noted the psychologist had said C has a tendency to sabotage his relationships and would need ongoing therapeutic support.

Developments after February 2011

99. Mrs D believes that if she and C had received better support from the agencies involved and if the recommended therapeutic support had been provided some of the problems experienced after C left the specialist school might have been avoided and C

would have adapted better to living independently in the community.

100. Mrs D appealed against the Council's decision that C was not eligible for adult services and in April 2011 he was re-assessed. He was found to be eligible for services and the Transitions Team was tasked with completing a comprehensive assessment. C was very anxious about leaving the residential school in July 2011 and sent his mother texts of suicidal thoughts. The School strongly recommended that he be referred to his GP for an assessment of his mental health.
101. Mrs D could not cope with C's behaviour or with caring for him so when C left college in July 2011, he did not return to live at home. He moved to a Council funded supported living placement. The accommodation was about 60 miles from the family home. Mrs D says it was an emergency and temporary solution as, despite her many requests, the social worker did not make any arrangements in advance.
102. In September 2011 C decided to defer going to university because he felt drained with the effort of taking two A-levels in one year and wanted to pursue therapy before moving to a new and uncertain environment. Mrs D says C's social worker said she would arrange a supported living placement at university if C could not cope with living in halls of residence. But when C asked for this to be arranged the social worker said it would not be possible.

Provision for Mrs D

103. Mrs D has received counselling through her GP surgery since 2006.
104. In 1997 Mrs D had begun to work part time as a school lunch time supervisor. She enjoyed this job and valued the sense of emotional well-being as well as the financial reward it gave her. She described it as her 'sanctuary'. After C refused to return to school in 2007 she found it increasingly difficult to look after him. She felt anxious about leaving him home alone because of his extreme behaviour. From June 2007 she could not work because she was suffering severe stress-related illnesses. She subsequently had to give up her job.
105. The HOPE outreach service made several home visits to Mrs D during the autumn of 2007.
106. In June 2007 the Council's social worker referred Mrs D to a service for women affected by Domestic Violence. She attended 10 sessions and found this helpful.
107. The CAMHS social worker suggested to Mrs D that she take up the next stage of counselling which had been offered by the counsellor who Mrs D had seen at the GP surgery. The CAMHS social worker reported at a network meeting in October 2007 that Mrs D said there was a long waiting list for this and she would think about it. In January 2008 the locum psychiatrist also suggested to Mrs D that she take up the

further counselling from the GP surgery. There is no evidence that Mrs D attended any such further counselling. During 2008 the third CAMHS Psychiatrist held five sessions with Mrs D which included counselling and advice on behavioural management, encouraging her to adopt a firmer approach to C.

108. The Carer's (Recognition and Services) Act 1995 says that if a carer requests an assessment the council must assess the carer's ability to continue caring before it makes a decision on whether the cared for person needs services. Social Services are legally obliged to let a carer know of their right to ask for an assessment.
109. Mrs D says that in April 2008 the specialist hospital asked social services to carry out a carer's assessment. The Council has no record of this request.
110. Mrs D was not advised of her right to ask for a carer's assessment until January 2009. At that time the family support worker explained the process and how carer vouchers were assessed. The Council's records show that a carer's assessment was completed in February 2009 but it has not been able to provide a copy of the assessment so we do not know what provision [if any] was recommended. The Council did not make any provision to support Mrs D in caring for C or to address the dangers identified in the core assessment completed in July 2008.

Complaints made by Mrs D

The Trust

111. During early 2009 Mrs D complained to CAMHS about the decision not to provide the home based therapy recommended by the specialist hospital. In April 2009 she complained that there had been no direct contact between CAMHS and C since June 2008 and that there had been no network meetings since his SEN statement had been issued in September 2008. She felt the network meetings had achieved very little except some education and that neither C nor herself were central to the case because the latest network meeting had been arranged without any consideration of whether they would be available.
112. The Trust responded in June 2009 acknowledging an unacceptable failure in communications with her, attributing this mainly to the number of key staff remaining who left their positions between 2007 and 2009. It offered unreserved apologies for this failure.
113. Mrs D was not satisfied and pursued the complaint through the Trust's formal complaints procedure. The Trust arranged an independent review of the care provided for C. Mrs D wrote to the Trust on 4 June 2009 detailing her concerns about lack of service provision since 2007 but this letter was not taken into account in the review. This review did not identify any failures in the care provided for C.

114. Mrs D submitted her complaint to the Health Service Ombudsman. The Trust offered compensation of £200 because of a serious failure during the investigation of her complaint, which had not taken account of her letter of 4 June 2009. The Health Service Ombudsman initially decided not to investigate her complaint. However, Mrs D did not consider the compensation offered adequate or that failures in service had been recognised. She made representations and the Health Service Ombudsman subsequently agreed to investigate the period January 2007 to February 2011, in conjunction with the investigation of the complaint against the Council.

The Council

115. In June 2008 Mrs D complained about the Council's Social Care Services. In accordance with the statutory complaints procedure the complaint was investigated by an independent investigator at Stage 2 of the procedure. The investigator's report stated that Mrs D wished to complain about the inadequacy of services provided for her son and herself from the time they were first requested in 2007. The report identified 13 specific heads of complaint. At Stage 3 of the complaint procedure in July 2009 the Council's response to the complaint was reviewed by an independent Panel. The Panel accepted much of the Council's response which upheld or partly upheld complaints that:

- C had had four different social workers since autumn of 2007;
- Mrs D found letters from the Social Care Team leader patronizing and offensive;
- the Social Care team had not acknowledged the impact of its failures on C and herself;
- the Social Care Team Leader had used the wrong name in a letter about her son;
- the Social Care Team Leader had misrepresented the request for a SEN statement for C, which Mrs D had requested herself;
- there was unacceptable delay in starting the core assessment of C's needs;
- the Social Care Team failed to inform Mrs D that it would be sharing the core assessment with the SEN Team preparing C's SEN statement;
- the social worker in June 2008 promised to arrange summer activities for C but failed to do so;
- CAMHS and the Specialist Hospital requested a carer's assessment in April 2008 but she did not receive the draft assessment until March 2009; and
- C's current social worker delayed sending details of a group for young people with Asperger's as she had promised.

116. The Panel was unable to reach a conclusion on the complaints that:

- social workers had frequently missed appointments or been very late in arriving; and
- the core assessment Mrs D received in September 2008 was inaccurate and misleading.

117. The Panel noted the Children's Team had offered to meet Mrs D with a view to discussing her concerns about the core assessment and encouraged Mrs D to accept the offer as soon as possible.

118. The Panel did not uphold a complaint that the Children's Team had not allocated a social worker despite written requests from CAMHS and the Specialist Hospital. The Panel said the central themes around the complaint were poor communication and poor record keeping which, together with rapid turnover of staff, compounded the negative impact on C and Mrs D. The Panel did not make a general finding about the adequacy or otherwise of the services provided for C and Mrs D.

119. In July 2009 the Panel recommended:

- a meeting be arranged for Mrs D with the family support worker and a representative from the SEN Team to discuss arrangements to support C's immediate and short term needs;
- the Children's Team and the Transitions Team undertake early discussions; and
- the Council carefully consider the award of compensation in respect of time, trouble and distress suffered by C and Mrs D in the light of the acknowledged failings of the service.

120. Mrs D considered the Council's offer of £750 unacceptable and that the impact of failures in service had still not been recognised. She pursued the complaint with the Local Government Ombudsman. The Council then agreed to offer compensation of £1,500 for the delay in completing the core assessment. Mrs D contacted the Local Government Ombudsman again, saying she believed the devastating consequences of the failings in the Council's service had been minimised by the Ombudsmen's decisions to investigate separately. The joint investigation was then agreed.

Clinical Advice

121. A full copy of the clinical advice we have relied on in making our findings about the Trust is attached as Annex A.

Changes to procedures

122. During the investigation changes have been made to the Council procedures:

- the Transitions Team now works with children from age fourteen and into adulthood;
- following a referral CAMHS and social services hold a consultation meeting;
- there are now formal links with joint commissioning, and health and social services are able to develop joint packages; and
- staff are trained in autism and an Autism Champion has been appointed.

Conclusions

123. In reaching our findings on Mrs D's complaints we have taken account of the Ombudsman's Principle of Good Administration – 'Getting it right' – which includes that public organisations must act in accordance with recognised quality standards, established good practice, or both, for example about clinical care. We have also taken account of the clinical advice received on established good practice (Annex A). In order to get it right the Trust and Council should have acted in line with the DH guidance on transition and the need for people with autism to have contact and support from a single 'trusted adult' (paragraph 19); and the transition guidance in the National Service Framework for Mental Health (paragraph 21).
124. Both the Trust and the Council have recognised and apologised for failings during their own consideration of Mrs D's complaints. Some compensation has been offered. However C and Mrs D continue to feel aggrieved and believe that the inadequacy of the services and support for them has not been recognised or addressed in any way. This investigation has considered particularly whether additional services and support should have been provided for them and whether any lack of services or support was the result of fault by the Council or service failure by the Trust.

Provision for C

CAMHS

125. The first matter we have considered is whether the services provided by the Trust were sufficient to meet C's behavioural and special health needs in the period January 2007 to February 2011.
126. Our Adviser said the first CAMHS Psychiatrist followed the applicable guidance in that he took a joined up approach to the management of C's needs that included medication, psychological and educational measures and referral to a tertiary service. He said that C's presentation was complex and it was reasonable for there to be a period of observation following the initial diagnosis. The Adviser said there was a reasonable period of time (18 months) for this observation and continued intensive support. He said the referral to the specialist hospital for further diagnosis and management in August 2007 was appropriate when it became clear that the management plan was not progressing sufficiently. As such, we conclude that the timing and decision to refer C to the specialist hospital was reasonable and in line with established good practice.
127. We now turn to the continuity and provision of care by CAMHS once the referral to the specialist hospital had been made. From the clinical advice received, it is clear that CAMHS should have had a continuing role in C's case. This should have included monitoring his psychotropic medication for its effectiveness and possible side effects; and co-ordinating the behavioural and educational interventions that were recommended for C.
128. The Adviser said that CAMHS appropriately supported the educational measures suggested for C, for example by attending (or providing reports for) the multi-agency

network meetings. However, he noted some significant gaps in the CAMHS psychiatry input - between October 2007 and February 2008 and again in early 2009 – during which time there was no monitoring of C’s medication as there should have been.

129. The Trust acknowledged a lack of communication with Mrs D and C, but there was also a failure to provide any continuity of contact with their service while C was being assessed at the specialist hospital. The Adviser said that personal continuity of care was an important aim when managing C’s care, particularly as he had an ASD. The Adviser said such contact could have been provided by a psychiatrist or by a key worker / care co-ordinator, who would assist Mrs D by guiding her through all the services and interventions on offer, and would be a single ‘trusted adult’ contact for C, as recommended by the DH guidance (paragraph 19).
130. The HOPE art therapist was a constant and helpful presence for C. By default she perhaps fulfilled the function of the single trusted adult, but it was not her role to co-ordinate the rest of C’s care. It seems that there was no one single contact for C and Mrs D. There was a large number of professionals involved in C’s care, and several of these individuals within CAMHS and HOPE, including social workers, were called care co-ordinators or key workers. So, while care co-ordination was a recognised aim, it is not clear how it was to be achieved in the circumstances. The main point of having one individual acting in that role is the continuity of contact and for that person to have an overall understanding of the different strands of care and input that need co-ordinating. This was especially important when there were frequent staff changes from September 2007 onwards.
131. CAMHS was the first agency involved with C in a substantial way. It should have maintained the lead in co-ordinating services unless and until a clear decision was made that another agency should take the lead. Although there was discussion at network meetings, in particular in January and February 2008, about whether C’s needs were primarily mental health, social or educational, no clear decision was made about which should be the lead agency. Network meetings were the primary method of co-ordinating the different agencies involved and should have recorded this important decision. CAMHS should have taken a lead on care co-ordination but failed to do so.
132. In December 2008 the specialist hospital recommended home based behavioural psychological therapy for C. The Trust said they did not have the resources to provide this. What national guidance there was on services for people with ASDs at that time (see paragraph 19) did not specify that certain types of intervention must be made available, and so there is nothing to say that it was mandatory for the Trust to provide this therapy. In the Trust’s review of Mrs D’s complaint in October 2010, it said there were concerns about the risks of such psychological therapy in C’s case. But our Adviser found no contemporaneous records to demonstrate that this concern was discussed among professionals or conveyed to Mrs D at the time. As our Adviser said, more timely communication of this decision may have been helpful. As it was, the CAMHS Psychologist appears to have had reservations about how effective such therapy would be for C (paragraph 39) and she suggested alternatives, such as the

HOPE Outreach service. CAMHS continued to support a placement at a residential school, and funding for this was approved by the Council in May 2009.

133. In line with the DH guidance (paragraph 19), from about the time when C was 14 there should have been plans being put in place for his transition from children's to adults' services, should they be required. The Trust should have had protocols for this, in accordance with the NSF standards (paragraph 21) and in line with the Royal College of Psychiatrists' recommendation as cited by our Adviser (Annex A). We have seen no evidence that the Trust had any such protocols, or that they acted to ensure that the transition process was effective for C. There was confusion about who was co-ordinating C's care, and the transition period was fragmented due to the frequent staff changes. In early 2008 there was also some debate between Council and Trust staff about who was leading in C's case: health or social services (paragraph 37). He was referred to the adult community mental health team in October 2010, when he was already too old to remain under CAMHS's care but did not meet the criteria for the adult mental health team. Our Adviser said this quite often happens despite patients having impaired everyday functioning.
134. In summary, the Trust got a lot of things right in providing care for C during the period in question. There was a reasonable period of time to evaluate the initial diagnosis and treatment plan before a referral to a tertiary provider for specialist assessment and further management was made. This referral was made within a reasonable timeframe. There was adequate and reasonable input into supporting C's ongoing educational requirements and valuable regular input by the HOPE service, particularly through the art therapy sessions. However, once the referral to the specialist hospital had been made, there was a failure by CAMHS to continue to provide support and co-ordination of C's care as they should have done in line with established good practice. This included failure to monitor C's psychotropic medication more regularly, failure to provide continuity of input through a keyworker, and failure to take the lead on care co-ordination. CAMHS also failed to communicate regularly with Mrs D about the course of C's ongoing management and failed to plan effectively for C's transition from children's services.
135. These failings, when taken together, fell so far below the applicable standards that they amounted to service failure.

Out of School provision

136. After C refused to return to school in January 2007 CAMHS took the lead in his care. The placement at the HOPE centre aimed primarily to address his behavioural problems and to aid his return to mainstream education. Therefore it was not unreasonable for the Education Department initially to leave it to the HOPE centre to make educational provision for C.
137. However, in July 2008 the HOPE centre advised the Out of School Team that some home tuition was required. In September 2007, when the first network meeting was held, it had been accepted that C would not be returning to mainstream education in

the near future. The provision of home tuition was initially delayed by the need to undertake a risk assessment. This was not unreasonable but, given the period of time for which C had been out of school, the six weeks taken by Children's Services to complete assessment was too long. C had been out of school since January 2007 and had not covered necessary GCSE coursework. The risk assessment should have been given higher priority so that home tuition could begin as soon as possible.

138. It had also been recognised that C had a high level of academic ability. Guidance issued in 2001 (see paragraph 54) makes clear that five hours home tuition per week was the minimum and should be increased to enable a pupil to keep up with studies, particularly where public examinations are approaching. C was due to sit GCSE examinations in July 2008. In those circumstances the Education Department should have considered providing more than the 'usual' five hours per week home tuition. C could not have made up all the ground lost since January 2007 in all his GCSE subjects. But he was capable of achieving more than was possible in the hours allocated and he wanted to do so. C was receiving other relevant support – from Connexions, from the Youth Justice Team and from his Art Therapy sessions. But the Council had a duty to provide 'suitable' education and, given C's recognised academic ability, the failure to consider additional provision for a wider range of academic work was maladministration.
139. At the relevant time the Council had the power, but not a duty, to provide post-16 education for children unable to attend school. However it did not consider whether to use its powers to provide post-16 home tuition for C after July 2008 when he reached the usual school leaving date. By then C was the subject of an SEN assessment and detailed consideration was being given to how to meet his continuing educational needs. It was clear that he was very capable academically and wanted to continue his education but he received no educational provision for almost nine months (September 2008-May 2009) when he could reasonably have expected to be in education. We cannot say that C was wrongly deprived of post-16 home tuition, because even if the Council had considered this option it might have decided quite legitimately that provision could not be funded. However, the failure to consider provision of post-16 home tuition pending the SEN placement was maladministration.
140. The time taken to arrange the specialist residential school placement for C was largely a function of the SEN procedures. As noted above, the decisions made by the Council during this process have not been part of this investigation because they were the subject of appeals to SENDIST. So we do not comment on them. We can say however that there was no undue delay by the Council in implementing the SEN procedures, as the timescales from the referral to the SEN Team and for the completion of the assessment to the issue of C's SEN statement complied with those set out in the Code of Practice.

Children's Services

141. When the locum social worker left in late 2007 Children's Services decided not to allocate C's case to another social worker. Children's Services believed C would be

supported through the SEN process, since in December 2007 Mrs D had requested an assessment of C's SEN. However, at that time the core assessment had not been completed, even though the first request was made in June 2007 and was repeated at the network meetings between September and December 2007. The HOPE social worker who had been supporting C left the service in early 2008 and Mrs D was experiencing substantial difficulties in coping with C's behaviour. It would have been evident that the SEN procedures would not produce any outcome for many months (even without the initial decision not to undertake an assessment). So Children's Services were at fault in deciding not to allocate the case to another social worker at that time. The decision was changed in June 2008, but C and Mrs D had experienced a lack of social work support, which they could reasonably have expected, for six months.

142. The Council has already recognised the unacceptable delay of over a year (June 2007-July 2008) by Children's Services in completing the core assessment of C's needs. There was also some delay (from July to September 2008) in sending the assessment report to Mrs D. The first recommendation in the core assessment was the provision of a specialist residential placement. The delay did not affect this provision since it was dictated by the SEN Team and was in the process of being considered from December 2007. However, the core assessment did recognise that "The situation at home is clearly fragile and places both [C] and his mother at serious risk if they remain unsupported." The situation at home was not significantly different in July 2007 when the core assessment should have been completed. At that time a specialist residential placement was not considered. It is probable therefore that a need for specific provision to assist Mrs D care for C at home would have been accepted. We cannot say now what that provision would have been but C and Mrs D reasonably believe that their lives would have been very much easier if they had received some specific support from mid-2007 until May 2009 when C moved to his residential placement.
143. Mrs D contends that not only was the core assessment delayed, but that it was inadequate and failed to recognise the severity of C's condition or the impact on them and their home. It did not describe all the extreme examples of C's obsessive and abusive behaviour which Mrs D felt very strongly were necessary for a proper understanding of their situation. The core assessment report did not mention that C had been in receipt of Disability Living Allowance, so had been recognised as suffering from a disability, since 2007.
144. The Council confirmed in October 2008 that the report could be amended if Mrs D explained where she felt it was inaccurate. Mrs D did not respond to the invitation to provide comments on the report. At that time she was dealing with the appeal against the SEN statement and had begun to pursue her complaint through the social services complaints procedures.
145. That said however, the core assessment report did recognise that both C and Mrs D were vulnerable. It clearly recognised that C and Mrs D faced severe problems because of his obsessive and abusive behaviour. The report did identify the principal issues and was not incorrect, and Mrs D was offered the opportunity to amend it. So

we do not find maladministration in the content of the core assessment report.

146. There were a number of recommendations made in the core assessment (see paragraph 72), most of which were implemented to some degree. However, the important recommendation for agencies to arrange social activities for C was not. Such services might have made a very real difference for C and Mrs D. While he was living at home and when he returned for holidays C did not have specific activities arranged outside the home and Mrs D had to cope with his behaviours without this respite. Her requests for activities to be arranged while he was home from school were not met which meant there was nothing in place to reinforce progress made at school. This was maladministration.

The Transitions Team

147. Guidance issued in 2006 (paragraph 19) was clear that councils should have arrangements in place for transition between children's and adult services from the age of 14. C was already 15 years old when Children's Services first agreed to carry out a core assessment in 2007. Involvement of the Transitions Team at that stage should have been considered. However the Council's procedures at that time did not follow the guidance so C was already 18 before the Team was involved. This was maladministration.
148. The Transitions Team began an assessment in June 2010 but had not completed this before September 2010 when Mrs D wrote to ask what was happening. This delay was also maladministration.
149. Adult Services decided that C's needs were not substantial or critical so that it could not make provision for him from resources available at that time. This was a decision the Council was entitled to make and we do not criticise it. The decision was confirmed to C's GP in October 2010. Following a review, in April 2011 Adult Services did find C eligible for Adult Service provision, but this does not mean the earlier decision was wrong on the evidence available at that time.
150. C was 18 in February 2010 but was not accepted as being eligible for Adult Services until April 2011. If he had been referred to the Transitions Team in accordance with the guidance the uncertainty about his eligibility could have been resolved before he ceased to be eligible for children's services and the gap in services could have been avoided. This might have ensured that C received specific provision during holidays when he was home from school and more advanced planning of what would happen to him after he finished school. C and Mrs D might not have endured the extended period of uncertainty until he was placed in supported living accommodation in September 2011. This might have enabled him to plan more effectively to take up the offer of a university place.

Provision for Mrs D

151. We have considered whether the services provided by the Trust were sufficient to meet Mrs D's needs and support her caring role in the period from January 2007 to February 2011.

CAMHS

152. The National Service Framework for Children, Young People and Maternity Services recognises the need to support parents and carers of young people with mental health needs or long-term conditions and direct them to appropriate local services.
153. The Adviser noted that when the domestic situation worsened in May 2007 Mrs D received input from various sources within the Trust. This included practical support and advice from CAMHS psychiatrists; meetings with them specifically to discuss her own mental health needs; some counselling sessions with the third CAMHS Psychiatrist; and outreach support from the CAMHS social worker. CAMHS also supported Mrs D's requests relating to C's educational needs. There is no evidence that Mrs D attended any further counselling from the GP surgery counsellor. On seeing the draft report Mrs D told us she would not have turned down any further counselling had it been offered. However, this was not something that was offered by CAMHS. Given the level of input outlined above, the Adviser said the support provided to Mrs D by CAMHS was reasonable.
154. Taking account of the advice received, we conclude that the Trust provided adequate services to meet Mrs D's needs and support her care role in the period January 2007 to February 2011. We have already commented on the adverse impact on Mrs D from the service failure identified in the Trust's provision of care for C. While it is clear that Mrs D was adversely affected by her son's behavioural problems, we are satisfied that the Trust provided reasonable input for her in as far as it was appropriate for a parent of a patient of their service. Therefore, we do not find service failure in this aspect of Mrs D's complaint.

Children's Services

155. The Council failed to inform Mrs D of her right to a carer's assessment when the core assessment was first proposed. The evidence is not clear on Mrs D's understanding that the Specialist Hospital requested a carer's assessment in April 2008. But the Council should have recognised from July 2007 when the core assessment for C was first requested, that a carer's assessment should have been offered. The failure to offer the carer's assessment until January 2009 was maladministration.
156. We have identified above the failure to allocate a social worker for C between January and June 2008 and the resulting lack of support for Mrs D. However, we have not seen specific evidence that the delay in completing the carer's assessment deprived Mrs D of services which she would have received but for the delay. Mrs D has not raised any specific concerns about the document. However, given the content of the

core assessment we consider it likely that some provision would have been agreed had a carer's assessment been completed in mid-2007 as it should have been.

157. The lack of a carer's assessment for an extended period contributed to the anxiety and distress Mrs D was suffering. She might have felt more reassured that her needs had been considered even if it was not possible to offer the level of support she hoped for.
158. Mrs D was unable to work from June 2007 onwards because of stress-related illness and because she was concerned about leaving C at home alone. The loss of her job was a cause of great distress to her but it was not the result of failures identified in this investigation. In June 2007 CAMHS was still working with C and offering therapeutic support through the HOPE service. The failures identified in this report largely occurred after that time. Given the seriousness of C's Asperger's and its impact on Mrs D, we could not conclude that, but for the failures identified, she would have been sufficiently stress-free to enable a return to work.

Summary of Findings

159. CAMHS got a lot right in the services they provided for C and Mrs D. However they failed:

- to monitor C's psychotropic medication regularly;
- to provide continuity of input through a keyworker;
- to take the lead on care co-ordination;
- to communicate regularly with Mrs D about the course of C's case management; and
- to plan effectively for C's transition from Children's Services.

160. Education failed:

- to provide an appropriate amount of home tuition to help C prepare for GCSE examinations; and
- to consider continued provision of home tuition after July 2008.

161. Children's Services failed:

- to undertake a risk assessment with appropriate urgency;
- to allocate a social worker for a significant period;
- to complete the core assessment in a reasonable time;
- to arrange the social activities for C recommended in the core assessment;
- to refer C to the Transitions Team in accordance in accordance with statutory guidance;
- to advise Mrs D of the availability of a carer's assessment; and
- to complete the carer's assessment within a reasonable time.

162. These failures resulted in injustice to C and Mrs D because:

- they both suffered avoidable anxiety and distress;
- C was unable to take as many GCSE examinations as he could have and was out of education altogether for an extended period;
- C did not benefit from social activities which had been identified as necessary in the core assessment or from other provision which might well have been recommended had the core assessment not been delayed;
- Mrs D did not benefit from respite afforded by social activities for C or from specific provision which might have been recommended had the carer's assessment not been delayed; and
- they will always feel that their circumstances would have been better if there had been no failures in services provided.

The injustice suffered

163. We have identified a number of failures in the services provided by the Trust and the Council for C and Mrs D. The evidence does not support a conclusion that C's mental health, development or general well being would now be better but for these failures. So we cannot say that there would have been a better outcome for C but for the failings by the Trust and the Council. Also we cannot say that C suffered any specific harm from the failure to monitor his psychotropic medication more regularly. Nor can we say that his relationship with his mother would be better or that he would have been equipped to live at home rather than in a supported placement. But their understandable feeling that things might have been better is in itself an injustice.
164. Better communication with Mrs D and better co-ordination of services with a single point of contact would have lessened the difficulty for Mrs D in pursuing services for her son and reduced anxiety and distress. This was particularly evident in early 2008 when key members of staff from CAMHS and the HOPE service were leaving and the Council had not allocated a social worker.
165. We cannot say that a single point of contact would have meant that more and better services were provided for C and Mrs D. But it might have reduced uncertainty and given Mrs D more confidence that their needs were being considered.
166. C fell a long way behind in his education while he was out of school. It was clearly very upsetting for him and for his mother that he did not obtain the number of GCSEs he was capable of achieving. For a lengthy period he did not benefit from the mental stimulation of education. This is a clear injustice. Fortunately the specialist residential placement enabled him to make up ground so that he achieved sufficiently good A-levels for a place at university.
167. With earlier planning the uncertainty about how to support C after leaving school and his eligibility for adult services would probably have been avoided. He might have achieved a smoother transition to living independently as an adult and felt more confident about the move to university.

Recommendations

168. When deciding on recommendations to the Trust and the Council we have taken account of the Principles for Remedy. Three of the principles are particularly relevant to this complaint:
- *Being customer focused* which includes apologising for and explaining the poor service;
 - *Putting things right* which includes compensating the complainant appropriately; and
 - *Seeking continuous improvement* which includes using the lessons learnt from complaints to ensure that poor service is not repeated.
169. To remedy the injustice suffered as a result of the maladministration and service failure identified we recommend that, within a month of the issue of the final report of this investigation, the Trust and the Council should write jointly to Mrs D to acknowledge the failings identified in this report and apologise for the impact of those failings on C and Mrs D.
170. The Trust has already offered compensation of £200 for the failure in its complaints procedure. In addition the Trust should pay C and Mrs D £500 each in recognition of the distress resulting from the failures we have identified.
171. The Council has already offered compensation of £1,500 for the delay in completing the core assessment. In addition the Council should pay C and Mrs D £2,500 each in recognition of the injustice listed in paragraphs 163-167.
172. The Council should offer to work with C, using resources from Connexions and the Autism Champion, to help him achieve his ambition of higher education.
173. The Trust and Council should also, within three months of the date of the final report develop action plans to address the failings we have identified. They should send a copy of the action plan to us and Mrs D, update us on progress periodically and tell us when the action plan has been implemented.

Final remarks

174. In this report we have set out our investigation, findings, conclusions and decision with regard to Mrs D's complaint.



Dr Jane Martin

Local Government Ombudsman



Dame Julie Mellor DBE

Parliamentary and Health Service Ombudsman

12 June 2014

Annex A

Clinical Advice

Decision to refer C to the specialist hospital

The first CAMHS Psychiatrist followed established good practice by taking a joined up approach involving medication, psychological and educational measures and referral to a tertiary service (the specialist hospital).

This was a complex case where features of several different mental disorders appear to have been present. The diagnostic process may involve a period of observation. After 18 months, when hospital admission was being considered and the management protocol based on the first diagnosis of OCD had not yielded sufficient progress, it was reasonable to reconsider the diagnosis and make a referral to the specialist hospital (for assessment and advice on further treatment).

It took a few months to arrange funding for the involvement of tertiary services. In November 2007 the specialist hospital diagnosed Asperger's syndrome and provided further management suggestions, particularly in relation to C's education.

The overall process from referral to secondary services (November 2005) up to the initial management recommendations by a tertiary service thus took about two years. This was not unduly long considering that intensive support was offered by the secondary services in the meantime and given that the last medication prescribed (Risperidone) is also used in patients with Asperger's syndrome.

Continuity and provision of care after referral to the specialist hospital

The severity of C's Asperger's syndrome and obsessive compulsive disorder was such that it required treatment with an antipsychotic drug, Risperidone, and assessment and intervention from the specialist hospital. In such circumstances, continued involvement of the local CAMHS would normally be required. Key tasks would be for a psychiatrist to monitor the psychotropic⁴ drug treatment for effectiveness and possible side effects; and for co-ordination of behavioural and educational interventions and specialist assessments.

In accordance with national guidelines, personal continuity in the care co-ordinator role should certainly be an aim for the care of patients with an ASD. The importance of this is highlighted by the DH document (paragraph 19) which specifically mentions a single 'trusted adult' contact.

There were two major gaps in direct contact with C.

⁴ Psychotropic drugs are used to treat or manage a psychiatric symptom or challenging behaviour. Some psychotropic medications fall into specific medication classes like antipsychotics (like Risperidone) or antidepressants. In other cases, the medications may be primarily used for other diseases but have been found effective in controlling behaviours thus making that specific use a psychotropic medication.

The first was from October 2007 to February 2008, during the locum appointment of the second CAMHS Psychiatrist, who said he would not see C in person because of the involvement of other professionals from the specialist hospital and the temporary nature of his appointment. However, these professionals were mainly psychologists, and it was important that a psychiatrist should have monitored C's psychotropic medication more regularly during this period.

In conversations with Mrs D, the second CAMHS Psychiatrist explicitly referred to the confused state of the service, which points to an organisational failure at the Trust at that time. The Trust acknowledged this.

In February 2008 the second CAMHS Psychiatrist (according to his documentation) raised concern about the limited benefit that might be derived from further involvement of his service. Given that C was receiving interventions at the specialist hospital, it was reasonable to withhold more intensive (eg psychological or behavioural) intervention until the conclusion of this process, which seems to have been in April 2008. However, as already mentioned, it was not reasonable not to monitor the psychotropic medication and not to provide personal contact with CAMHS.

It would also have been reasonable, during this time, for CAMHS to provide some continuity of personal contact, for example through a key worker.

The second gap was in early 2009 after the third CAMHS Psychiatrist's departure. At this time, the specialist Psychologist and her team had recommended intensive home-based behavioural intervention for C, and the Trust found that their psychology service could not provide this. A more timely communication of this might have been helpful. The Trust acknowledged this.

The frequency of the multi-agency network meetings was reasonable. A higher frequency was initially necessary to incorporate the feedback from the specialist hospital and instigate the educational assessment process. Further into 2008, the meetings monitored the progress of the educational provision and thus could reasonably be scheduled at a slightly lower frequency. Three of these meetings were attended by the HOPE social worker; the second CAMHS Psychiatrist attended one; and the third CAMHS Psychiatrist either attended or provided a report for another.

In sum, the involvement of CAMHS continued after the first CAMHS psychiatrist left in September 2007 but with difficulties caused by staff changes. During that time, C had a least one appointment with CAMHS on 13 March 2008 with the third CAMHS Psychiatrist; he was offered another for 7 May 2008 (though it is unclear from the paperwork whether he attended); and he missed an appointment in November 2008. There was also some level of personal continuity provided during the period in question through the HOPE service art therapy sessions. The locum consultant psychiatrists seem to have fulfilled their duty of care in

co-ordinating specialist assessments (from the specialist hospital), offering sessions with the psychiatrist and planning and assisting C's educational needs in conjunction with education authority representatives. However, given the clinical history and severity of C's ASD, he and

his mother could also reasonably have expected more direct contact with a CAMHS psychiatrist and there should have been more frequent monitoring of C's psychotropic medication (which then fell to the GP). It would also have been desirable to identify a clear contact point for the patient and his mother to act as a key worker, and for this person to co-ordinate the involvement of the different services and guide Mrs D through them, especially at a time when the psychiatrists were changing frequently. This role seems to have switched between CAMHS and social services. Mrs D was rightly concerned at times about not knowing who was co-ordinating her son's care.

Transition to adult services

It is usual practice to discharge patients from CAMHS when they turn 18 and, where mental health needs persist, refer them to the appropriate adult services. It is then not uncommon for patients to be found not to meet the criteria for any of the adult services, as in C's case, although they are clearly impaired in their everyday functioning. Thus the transition from adolescent to adult services is a recognised difficulty. Transition teams classically have the remit to fill this gap. The National Service Framework for Mental Health identifies the need for services that bridge this gap (paragraph 21). A paper by the Royal College of Psychiatrists in May 2008⁵ recommended that:

'... specific agreement is reached and protocols written regarding the transfer of care for young people who are in treatment with children's mental health services and are within the diagnostic groups listed ... [which includes Autistic Spectrum Disorder/ Asperger's Syndrome].'

In keeping with this recommendation the Trust should have protocols regarding transfer of care from CAMHS. Where these are not available, case conferences between CAMHS and the potential adult service providers are needed to discuss the continuation of input beyond a person's 18th birthday.

When C's transition from CAMHS to adult services had to be orchestrated, it was particularly important that there was personal continuity in the key worker / care co-ordinator arrangements.

The Trust's decision not to provide the psychological treatment recommended by the specialist hospital

There are no firm requirements for the types of interventions to be offered by secondary services. It is therefore impossible to construe a duty on the Trust to have provided such a service. In her letter of 14 January 2009 the CAMHS Psychologist made alternative suggestions, for example involvement of the HOPE service. In relation to the resource limitations of the clinical psychology service, I understand that the Trust was planning to raise

⁵ *Working at the CAMHS/Adult Interface: Good practice guidance for the provision of psychiatric services to adolescents/young adults* by the Interfaculty working group of the Child and Adolescent Faculty and the General and Community, Faculty of the Royal College of Psychiatrists.

unmet needs with the commissioners, but there is no documentation as to the outcome of those discussions.

The Trust's independent review in October 2010 stated that CAMHS apparently had concerns about a potential increase in risk of violence towards Mrs D arising from such an intervention. However, there was nothing further about this in the paperwork I have seen.

Support for Mrs D

When the domestic situation worsened, in May 2007, the first CAMHS Psychiatrist suggested hospitalisation for C, but Mrs D did not agree to this. At this time, the first CAMHS Psychiatrist had regular conversations with Mrs D both about practical matters (eg police involvement) and about her feelings and difficulty coping with her son's illness and behaviour. The second CAMHS Psychiatrist also had discussions with Mrs D about her own mental health, and offered several dedicated meetings with her alone to discuss support for her own needs. In addition to these direct support sessions both the first and second CAMHS Psychiatrists followed up on the progress of counselling sessions that Mrs D was having at the GP surgery. The third CAMHS Psychiatrist (according to her notes) saw Mrs D five times to provide counselling sessions and advice on behavioural management. The CAMHS social worker visited Mrs D a number of times in the autumn of 2007 to provide support for her as part of the outreach service.

Team members also attended multidisciplinary meetings and wrote letters supporting Mrs D's requests for educational assessments/ placements for C.

Therefore, the level of care and support provided to Mrs D appears reasonable.

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SURREY COUNTY COUNCIL**CABINET****DATE: 22 JULY 2014****REPORT OF: MR DAVID HODGE, LEADER OF THE COUNCIL****LEAD OFFICER: SHEILA LITTLE, DIRECTOR OF FINANCE****SUBJECT: FINANCE AND BUDGET MONITORING REPORT FOR JUNE 2014****SUMMARY OF ISSUE:**

The council takes a multiyear approach to its budget planning and monitoring, recognising that the two are inextricably linked. This report presents the council's financial position at the end of the first quarter of the 2014/15 financial year, including the council's balance sheet as this is the end of quarter 1. It also includes an up-date on the implications of the first quarter position for the future Medium Term Financial Plan, and the financial impact of the winter's severe weather on the council's revenue and capital budgets.

The details of this financial position are covered in the Annex to this report.

RECOMMENDATIONS:

Cabinet is asked to note the following:

1. the revenue budget to the end of June 2014 and the forecast outturn for 2014/15;
2. the forecast ongoing efficiencies and service reductions achieved by year end;
3. the capital budget position to the end of June 2014 and the forecast expenditure for 2014/15;
4. the first quarter balance sheet, reserves, debt and treasury management report;
5. debt written off during the first quarter under the Director of Finance's delegated authority;
6. the feedback of the Chief Executive's and Director of Finance's assessment of the council's savings programme.

The Cabinet is asked to approve the following:

7. the re-profiling of the council's capital programme for the years 2014 to 2019.

REASON FOR RECOMMENDATIONS:

This report is presented to comply with the agreed policy of providing a monthly budget monitoring report to Cabinet for approval and action as necessary. Additionally, there is an up-date on the wider Medium Term Financial Plan (MTFP 2014-19), in terms of the implications for savings delivery and the severe weather on the councils revenue and capital budgets. This up-date was requested when the MTFP was agreed in March 2014.

The Cabinet approved the carry forward of capital budget from 2013/14 at its meeting in May 2014. Since the setting of the capital budget, the schools basic need and property programmes have been reassessed. The recommendation of this report is to re-profile the council's capital programme to ensure that its objectives are delivered and value for money is achieved.

DETAILS:

1. The Council's 2014/15 financial year commenced on 1 April 2014. This report includes the second budget monitoring report of the financial year. As this is the end of the first quarter, the report also includes additional information from the council's balance sheet, in particularly the level of reserves, balances and debt.
2. The Council has a risk based approach to budget monitoring across all services. This approach is to ensure we focus resources on monitoring those higher risk budgets due to their value, volatility or reputational impact.
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 within the overall Council's budget hierarchy (the range is under £2m to over £10m);
 - budget complexity relates to the type of activities and data being monitored (the criterion is about the percentage of the budget spent on staffing or fixed contracts - the greater the percentage the lower the complexity);
 - volatility is the relative rate at which either actual spend or projected spend move up and down (volatility risk is considered high if either the current year's projected variance exceeds the previous year's outturn variance, or the projected variance has been greater than 10% on four or more occasions during this year)
 - 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 (the 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. The annex to this report sets out the Council's revenue budget forecast year end outturn as at the end of June 2014. 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.
6. The report provides explanations for significant variations from the budget, with a focus on staffing and efficiency targets. 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.

- 7. The annex also updates Cabinet on the Council's capital budget. This includes the progress on delivering the programme to the end of June, the forecast for this financial year, and the re-profiling of budgets following an assessment of projects and schemes within the programme.
- 8. As a part of the overall budget monitoring process, the report additionally provides a commentary on the wider implications on the MTFP of the progress and deliverability of savings and efficiencies within the MTFP, following the work undertaken by the Chief Executive and the Director of Finance.
- 9. The country, and the county of Surrey, in particular faced unusually severe weather during the course of the winter. This had a significant impact on residents, the council’s services and its physical infrastructure. As a response to this crisis the Government has made a number of sources of funding available for the response to and recovery from this severe weather.
- 10. The severe weather has had a significant impact on the council’s revenue and capital budgets as it coordinated the initial response and then recovery from the severe weather and flooding. As a consequence the council has applied for government funding that has been made available. The annex of this report details and costs and the funding that relate to severe winter weather.

Consultation:

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

Risk management and implications:

- 12. 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

- 13. The report considers financial and value for money implications throughout and 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

- 14. The Section 151 Officer confirms that the financial information presented in this report is consistent with the council’s general accounting ledger and that forecasts have been based on reasonable assumptions, taking into account all material, financial and business issues and risks.

Legal implications – Monitoring Officer

15. There are no legal issues and risks.

Equalities and Diversity

16. 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

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

WHAT HAPPENS NEXT:

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

Contact Officer:

Sheila Little, Director of Finance
020 8541 7012

Consulted:

Cabinet / Corporate Leadership Team

Annexes:

Annex 1 – the revenue and capital budget monitoring to the end of June 2014 and year end forecasts. As the end of the first quarter of the financial year, it also includes information on the council's balance sheet; up-date on the implications of the first quarter position for the future Medium Term Financial Plan, and the financial impact of the winter's severe weather on the council's revenue and capital budgets.

Sources/background papers:

None

SURREY COUNTY COUNCIL

CABINET

DATE: 22 JULY 2014

REPORT OF: MR DAVID HODGE, LEADER OF THE COUNCIL

LEAD OFFICER: SHEILA LITTLE, DIRECTOR OF FINANCE

SUBJECT: FINANCE AND BUDGET MONITORING REPORT FOR JUNE 2014



7

SUMMARY OF ISSUE:

The council takes a multiyear approach to its budget planning and monitoring, recognising that the two are inextricably linked. This report presents the council's financial position at the end of the first quarter of the 2014/15 financial year, including the council's balance sheet as this is the end of quarter 1. It also includes an up-date on the implications of the first quarter position for the future Medium Term Financial Plan, and the financial impact of the winter's severe weather on the council's revenue and capital budgets.

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3. the capital budget position to the end of June 2014 and the forecast expenditure for 2014/15;
4. the first quarter balance sheet, reserves, debt and treasury management report, including debt written off under the Director of Finance's delegated authority;
5. the Chief Executive's and Director of Finance's assessment of the council's efficiency savings programme.

The Cabinet is asked to approve the following:

6. request from Environment & Infrastructure for £0.3m additional funding to cover planning & development work on the schools expansion programme;
7. the re-profiling of the council's capital programme for the years 2014 to 2019;
8. use of £1.8m revenue and £1.2m of capital developer contributions to fund the costs of response and recovery from the severe weather and flooding;
9. use of £10m of the current capital budget to fund the capital costs incurred in 2014/15; and
10. Highways realigns the revenue budget to respond to service pressures including flood repairs.

REASON FOR RECOMMENDATIONS:

This report is presented to comply with the agreed policy of providing a monthly budget monitoring report to Cabinet for approval and action as necessary. Additionally, there is an up-date on the wider Medium Term Financial Plan (MTFP 2014-19), in terms of the implications for savings delivery and the severe weather on the councils revenue and capital budgets. This up-date was requested when the MTFP was agreed in March 2014.

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- 7. The annex also updates Cabinet on the Council's capital budget. This includes the progress on delivering the programme to the end of June, the forecast for this financial year, and the re-profiling of budgets following an assessment of projects and schemes within the programme.
- 8. As a part of the overall budget monitoring process, the report additionally provides a commentary on the wider implications on the MTFP of the progress and deliverability of savings and efficiencies within the MTFP, following the work undertaken by the Chief Executive and the Director of Finance.
- 9. The country, and the county of Surrey, in particular faced unusually severe weather during the course of the winter. This had a significant impact on residents, the council’s services and its physical infrastructure. As a response to this crisis the Government has made a number of sources of funding available for the response to and recovery from this severe weather.
- 10. The severe weather has had a significant impact on the council’s revenue and capital budgets as it coordinated the initial response and then recovery from the severe weather and flooding. As a consequence the council has applied for government funding that has been made available. The annex of this report details and costs and the funding that relate to severe winter weather.

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Legal implications – Monitoring Officer

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

WHAT HAPPENS NEXT:

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

Contact Officer:

Sheila Little, Director of Finance
Tel: 020 8541 7012

Consulted:

Cabinet / Corporate Leadership Team

Annexes:

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Sources/background papers:

None

Budget monitoring period 3: 2014/15 (June 2014)

Summary recommendations

Cabinet is asked to note the following.

- 1.1. The council forecasts a balanced revenue position for 2014/15 (paragraph 1).
- 1.2. Services forecast achieving ongoing efficiencies and service reductions by year end of £71.0m (paragraph 42).
- 1.3. Quarter end balance sheet as at 30 June 2014 and movements in earmarked reserves and debt outstanding (paragraphs 48 to 52).

Cabinet is asked to approve

- 1.4. Request from Environment & Infrastructure for £0.3m additional New Homes Bonus funding to cover planning & development work on the schools expansion programme.

Revenue summary

Surrey County Council set its gross expenditure budget for the 2014/15 financial year at £1,652m. In line with the council's multi year approach to financial management which aims to smooth resource fluctuations over five years, Cabinet approved the use of £20.1m from previous years' underspends, £5.8m from other reserves to support 2014/15, £14m to support the Adult Social Care budget in 2014/15 and £5.5m revenue carried forward from 2013/14 to fund committed expenditure.

The financial strategy has a number of long term drivers to ensure sound governance, managing the council's finances and compliance with best practice.

- Keep any additional call on the council taxpayer to a minimum, consistent with delivery of key services through continuously driving the efficiency agenda.
- Develop a funding strategy to reduce the council's reliance on council tax and government grant income. The council is heavily dependent on these sources of funding, which are being eroded.
- Balance the council's 2014/15 budget by maintaining a prudent level of general balances and applying reserves as appropriate.
- Continue to maximise our investment in Surrey.

Keep the additional call on the council tax payer to a minimum, consistent with delivery of key services

For the fourth year in succession, the council ended 2013/14 with a small underspend, demonstrating its tight grip on financial management. As at 30 June 2014, the council forecasts a balanced outturn for 2014/15. The council will seek over £72m further efficiency savings in 2014/15 in line with the corporate strategy of using our resources responsibly to plan for future years of financial uncertainty.

In setting the 2014-19 MTFP, Cabinet required the Chief Executive and Director of Finance to establish a mechanism to track and monitor progress on the further development and implementation of robust plans for achieving the efficiencies across the whole MTFP period. The Chief Executive and Director of Finance have conducted support sessions with strategic directors and heads of service focusing on those areas of the MTFP presenting the biggest risks. These sessions are making progress in gaining assurances about the robustness of services' savings plans and in managing the risks in the MTFP. The support sessions will continue to be on-going and are additional to the council's existing challenge and scrutiny processes.

The Chief Executive and Director of Finance have and will continue to report progress at the council's regular briefings to all members and will integrate outputs, in terms of robust planning and implementation of savings programmes, into the medium term financial planning process.

7

In response to the scale of the challenge facing local government in the current financial climate of Government reductions in funding, Cabinet has already been considering strategic financial planning options for 2015-20. The schedule is for Cabinet to reach some key budget conclusions before Christmas (subject to the local government financial settlement). In accordance with this, Cabinet will receive a progress report on the 2015-20 MTFP with the second quarter's budget monitoring report.

Continuously drive the efficiency agenda

A key objective of MTFP 2014-19 is to increase the council's overall financial resilience, including reducing reliance on government grants over the long term. The council plans to make efficiencies and reductions totalling £72.3m in 2014/15 (£253m for 2014-19). At the end of June 2014, services forecast to achieve £71.0m efficiencies by year end. Most services are on track to achieve their planned efficiencies. Services in Adult Social Care and Environment & Infrastructure are supporting their efficiencies programmes with further cost savings together totalling less than £1m.

Maintain a prudent level of general balances and apply reserves appropriately

In addition to meeting on-going demand and funding pressures, the council ensures it is prepared for emergencies, such as the recent severe weather and flooding. Part of this preparedness is having adequate balances and reserves. The council currently has £21m in general balances.

Capital summary

Maximising our investment in Surrey

A key element of Surrey County Council's corporate vision is to create public value by improving outcomes for Surrey's residents. This vision is at the heart of the capital programme and MTFP 2014-19 set a £760m five year capital programme.

Following the severe weather during the winter of 2013/14 and the carry forward of capital amounts from 2013/14, officers have re-examined the deliverability of the capital programme. Annex 2 recommends reprofiling the capital programme to accommodate capital funds carried forward from 2013/14.

The council also wants to reduce its reliance on government funding and the council tax payer. To this end, it invested £40.2m in long term capital investment assets in 2013/14 and a further £4.7m in the first three months of 2014/15.

As at 30 June 2014, the council forecasts +£6.6m overspend against the reprofiled capital budget for 2014/15. This includes +£6.7m overspend on long term capital investments.

Revenue budget

1. The updated 2014/15 revenue budget, is supported by £25.9m of reserves, £14m of earmarked reserves to support Adult Social Care for one year and £5.5m revenue carried forward from 2013/14 to fund committed expenditure. Services' net revenue budget forecast is balanced.
2. In line with the council's multi year approach to financial management which aims to smooth resource fluctuations over five years, Cabinet approved the use of £20.1m from the Budget Equalisation Reserve (including £13m contribution from 2013/14's unused risk contingency) plus £5.8m from other reserves to support 2014/15, £14m to support the Adult Social Care budget in 2014/15 and £5.5m revenue carried forward from 2013/14 to fund committed expenditure.
3. The budget variance at the end of June is -£5.1m underspent mainly due to:
 - Business Services -£1.0m mainly because HR transferred training budgets to services in June and Property will re-profile the maintenance budget;
 - Children, Schools & Families -£1.9m due to underspends on Schools & Learning's demographics and inflation budget partly offset by reduced income;
 - Environment & Infrastructure -£1.6m largely due to Highways' response to 2013/14's flooding, which it expects to fund through a combination of existing budgets and government grants.
 - Central Income and Expenditure - £1.0 is due to timing of the contribution to interest payable from the investment properties.
4. Table 1 shows the year to date and forecast year end net revenue position for services and the council overall. Net revenue position for services is gross expenditure less income from specific grants plus fees, charges and reimbursements.

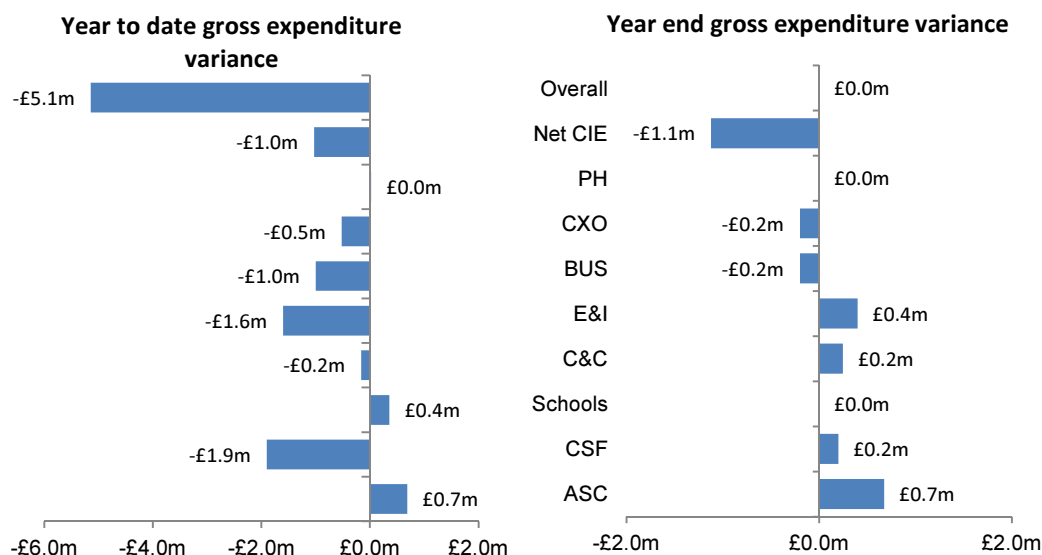
Table 1: 2014/15 Revenue budget - net positions

May Forecast variance £m	YTD budget £m	YTD actual £m	YTD variance £m	Full year (revised) budget £m	Jul – Mar remaining forecast £m	Full year forecast £m	Full year variance £m
	77.6	78.3	0.7	340.7	263.0	341.4	0.7
-0.2	47.0	45.1	-1.9	186.5	141.6	186.7	0.2
	0.0	0.4	0.4	0.0	-0.4	0.0	0.0
-0.6	12.3	12.1	-0.2	47.5	35.6	47.7	0.2
0.1	31.5	29.9	-1.6	130.5	101.0	130.9	0.4
	19.6	18.6	-1.0	83.9	65.1	83.7	-0.2
0.3	7.3	6.8	-0.5	25.6	18.6	25.4	-0.2
-1	-156.8	-157.8	-1.0	-172.9	-16.2	-174.0	-1.1
-1.5	38.5	33.4	-5.0	641.8	608.3	641.7	0.0
	-184.4	-184.4	0.0	-615.8	-431.4	-615.8	0.0
		-0.1	-0.1		0.1		0.0
-1.5	-145.9	-151.1	-5.1	25.9	177.0	25.9	0.0

Note: All numbers have been rounded - which might cause a casting error

5. Schools' funding is determined by an agreed formula under statute and expenditure decisions are the responsibility of each school's governing body.
6. Both the year to date and forecast revenue budget positions are shown in the graphs below. Table App 3 in the appendix shows the overall income and expenditure for the year to date and year end forecast positions.
7. The balanced forecast year end underspend on services is a result of additional costs due to the following: pressures in Children's Services, Planning & Development for the schools expansion programme, local bus contracts, Emergency Management's response to flooding; offset by underspends in Schools & Learning, Cultural Services' additional income, and additional grant income for Special Educational Needs Reform and Education Services.
8. Figure 2 shows services' gross expenditure variances for year to date and forecast year end positions.

Figure 2: Year to date and forecast year end expenditure variance



9. Below, services summarise their year to date and forecast year end income and expenditure positions and financial information. These explain the variances, their impact and services' actions to mitigate adverse variances. The appendix gives the updated budget with explanations of budget movements.

Adult Social Care

Table 2: Summary of the revenue position Adult Social Care services

	YTD Budget £m	YTD Actual £m	YTD Variance £m	Full Year Revised Budget £m	Jul-Mar Forecast £m	Full Year Projection £m	Full Year Variance £m
Income	-16	-15.1	0.9	-72.4	-57.1	-72.2	0.1
Expenditure	93.6	93.4	-0.2	413.0	320.2	413.6	0.6
Net position	77.6	78.3	0.7	340.7	263.0	341.4	0.7
Service summary							
Income	-16.0	-15.1	0.9	-72.4	-57.1	-72.2	-1.1
Older People	38.6	39.1	0.5	170.4	130.3	169.4	-1.0
Physical Disabilities	11.1	10.7	-0.4	48.5	37.1	47.8	0.7
Learning Disabilities	28.9	29.2	0.3	132.9	104.4	133.6	0.7
Mental Health	3.2	2.8	-0.4	13.9	11.1	13.9	0.0
Other Expenditure	11.8	11.6	-0.2	47.3	37.3	48.9	1.6
Total by service	77.6	78.3	0.7	340.7	263.0	341.4	0.7

Note: All numbers have been rounded - which might cause a casting error

10. The June projected outturn for Adult Social Care (ASC) is an overspend of £0.7m.
11. This was highlighted as a challenging year in the 2014/15 budget planning process with a significant savings target of £42m plus additional income of £4m to be generated. ASC has made good progress in many of the savings actions and judges that £16m of efficiency savings have either been achieved or will be achieved without needing further management action.
12. The current year end projection relies on ASC implementing management actions to secure £25.6m efficiency savings. Table 3 outlines the management actions included in the June projections.
13. The most significant element of ASC's efficiency savings plans in 2014/15 is the Family, Friends and Community (FFC) support strategy. That is currently at the mobilisation stage, and some delays have occurred such that there is a need to accelerate and broaden the action taken in the remaining nine months. There were two key measures through which the service planned to achieve the FFC savings. Firstly through an improved assessment process for individuals requiring new care packages, supported by a recalibration of the Resource Allocation System (RAS) which was implemented in mid-May. The second element is a programme of re-assessments of existing packages to ensure that FFC is fully incorporated into their personalised support plans. Locality Teams have been working to draw up local project plans for the delivery of the re-assessments. As plans are finalised it has also become clear that one effect will be to reduce the likelihood of underspends occurring against Direct Payments: the two savings streams are effectively connected. Putting them together makes for a relevant MTFP target of £13m. At this stage, given that mobilisation has taken slightly longer than anticipated, there has been some slippage in the timing of the reassessments. This has reduced the in-year savings forecast against the original plans to £9.6m, incorporating the impact of DP reclaims (with £1.2m being achieved to date and a further £1.7m forecast to year end). An Acting Assistant Director has recently been allocated full time to lead on implementing FFC, and by looking at these areas of efficiency savings in a joined-up way it is hoped to

cover an additional £3m through new actions. Accordingly, the position is reported on the basis of delivering £12.7m of the £13m target.

14. Uncertainties remain in three other significant areas of planned efficiency savings: the renegotiation of block contract arrangements (the relevant negotiations are taking longer than was expected), the correct application of Continuing Health Care arrangements (discussions regarding the approach are ongoing with CCGs) and the derivation of social care benefit from the Whole Systems Funds (discussions continue as part of the local planning processes jointly with CCGs which feed into that aim). Furthermore, a prudent approach has been taken to the original aim of finding £2.6m of additional as-yet-unidentified efficiency savings, reducing the expectation to £1.7m in view of the no plans yet having been put in place, pending the outcome of partnership discussions as outlined above.

Table 3: Summary of Adult Social Care management actions to achieve efficiency savings

	£m	£m
MTFP efficiency savings target		-42.0
Total efficiency savings achieved (or needing no further management action) to date		-15.7
Efficiency savings forecast for the rest of the year through use of FFC	-9.6	
FFC applied to DP reclaims	-1.8	
Other efficiency savings for the rest of the year needing management actions	-14.2	-25.6
Total efficiency savings forecast in remainder of year		-41.3
Under/(over) performance against MTFP target		0.7

Note: All numbers have been rounded - which might cause a casting error

Children, Schools & Families

Table 4: Summary of the revenue position for Children, Schools & Families services

	YTD budget £m	YTD actual £m	YTD variance £m	Full year (revised) budget £m	Jul- Mar forecast £m	Full year projection £m	Full year variance £m
Income	-36.7	-35.1	1.6	-150.8	-116.3	-151.4	-0.6
Expenditure	83.7	80.2	-3.5	337.3	257.9	338.1	0.8
Net position	47.0	46.1	-1.9	186.5	141.6	186.7	0.2
Service summary							
Income	-36.7	-35.1	1.6	-150.8	-116.3	-151.4	-0.6
Strategic Services	0.8	1.1	0.3	3.2	2.0	3.1	-0.1
Children's Services	22.9	22.5	-0.4	91.8	72.3	94.8	3.0
Schools and Learning	53.1	49.4	-3.7	214.7	162.8	212.2	-2.5
Services for Young People	6.9	7.2	0.3	27.6	20.8	28.0	0.4
Total by service	47.0	45.1	-1.9	186.5	141.6	186.7	0.2

Note: All numbers have been rounded - which might cause a casting error

15. Children, Schools & Families (CSF) has a -£1.9m year to date underspend (most of this is attributable to Dedicated Schools Grant services and is unavailable for general county council services) and forecasts a broadly balanced year end position.

16. Children's Services forecasts a +£3.0m year end overspend (less -£0.4m additional income). This forecast overspend includes:
- +£1.6m on care of looked after children (agency placements, fostering and adoption allowances, and leaving care and asylum seekers); and
 - +£0.6m on care packages for children with disabilities.
17. Schools & Learning forecasts -£2.5m year end underspend on county funded services. The main underspend is on the demographics and inflation budget, offset by an overspend on transport, mainly for children with SEN.

Table 5: Summary of the revenue position for the delegated schools budget

	YTD Budget £m	YTD Actual £m	YTD Variance £m	Full Year (Revised) Budget £m	Jul-Mar Forecast £m	Full Year Projection £m	Full Year Variance £m
Income	-115.0	-119.9	-4.9	-468.2	-348.3	-468.2	0.0
Expenditure	115.0	120.3	5.2	468.2	348.0	468.2	0.0
Net position	0.0	0.4	0.4	0.0	-0.4	0.0	0.0

Note: All numbers have been rounded - which might cause a casting error

18. The year end forecast is for a balanced position. The year to date variance is due to the lag on reporting expenditure by schools that passes through local bank accounts.

Customer & Communities

Table 6: Summary of the revenue position for Customer & Communities services

	YTD budget £m	YTD actual £m	YTD variance £m	Full year (revised) budget £m	Jul- Mar forecast £m	Full year projection £m	Full year variance £m
Income	-3.1	-3.4	-0.3	-12.2	-8.9	-12.3	-0.1
Expenditure	15.4	15.5	0.1	59.7	44.5	60.0	0.3
Net position	12.3	12.1	-0.2	47.5	35.6	47.7	0.2
Service summary							
Fire & Rescue	9.3	9.4	0.1	35.6	26.5	35.9	0.3
Customer Services	0.8	0.7	-0.1	3.3	2.6	3.3	0.0
Trading Standards	0.5	0.5	0.0	2.1	1.6	2.1	0.0
Community Partner & Safety	1.0	0.9	-0.1	3.7	2.8	3.7	0.0
C&C Directorate Support	0.4	0.3	-0.1	1.6	1.2	1.5	-0.1
County Coroner	0.3	0.3	0.0	1.2	0.9	1.2	0.0
Total by service	12.3	12.1	-0.2	47.5	35.6	47.7	0.2

Note: All numbers have been rounded - which might cause a casting error

19. Customer & Communities (C&C) has a balanced year to date position and forecasts a small overspend at year end. This forecast is mainly due to a shortfall in Fire Service income.
20. Cultural Services' £10.6m budget is now part of Chief Executive's Office in line with changes in management responsibilities.

Environment & Infrastructure

Table 7: Summary of the revenue position for Environment & Infrastructure services

	YTD budget £m	YTD actual £m	YTD variance £m	Full year revised budget £m	Jul- Mar forecast £m	Full year projection £m	Full year variance £m
Income	-4.5	-3.4	1.1	-17.9	-14.4	-17.8	0.1
Expenditure	36.0	33.3	-2.7	148.4	115.4	148.7	0.3
Net position	31.5	29.9	-1.6	130.5	101.0	130.9	0.4
Service summary							
Environment	20.5	19.2	-1.3	82.1	62.8	82.0	-0.1
Highways	10.5	10.0	-0.5	46.4	36.7	46.7	0.3
Other directorate costs	0.5	0.7	0.2	20.	1.5	2.2	0.2
Total by service	31.5	29.9	-1.6	130.5	101.0	130.9	0.4

Note: All numbers have been rounded - which might cause a casting error

21. Environment & Infrastructure (E&I) has a -£1.5m year to date underspend and forecasts a small overspend at year end.
22. E&I services face additional costs including:
 - +£6m to repair highways damaged in last year's flooding, which the service expects to fund from existing budgets and government grant; and
 - +£0.3m planning & development work on the schools expansion programme, for which the service requests New Homes Bonus funding

Business Services

Table 8: Summary of the revenue position for Business Services

	YTD budget £m	YTD actual £m	YTD variance £m	Full year revised budget £m	Jul- Mar forecast £m	Full year projection £m	Full year variance £m
Income	-3.7	-4.1	-0.4	-15.4	-11.3	-15.4	0.0
Expenditure	23.3	22.7	-0.6	99.3	76.4	99.1	-0.2
Net	19.6	18.6	-1.0	83.9	65.1	83.7	-0.2
Service summary							
Property	7.1	6.8	-0.3	33.2	26.4	33.2	0.0
Information Management & Technology	6.1	6.0	-0.1	25.2	19.2	25.2	0.0
Human Resources & OD	2.3	1.7	-0.6	9.2	7.3	9.0	-0.2
Finance	2.2	2.2	0.0	8.9	6.7	8.9	0.0
Shared Services	1.1	1.0	-0.1	4.0	3.0	4.0	0.0
Procurement & Commissioning	0.8	0.9	0.1	3.4	2.5	3.4	0.0
Total by service	19.6	18.6	-1.0	83.9	65.1	83.7	-0.2

Note: All numbers have been rounded - which might cause a casting error

23. Business Services has a -£1m year to date underspend and forecasts a small underspend at year end.
24. -£0.6m of the year to date underspend is in HR, including -£0.15m apprenticeships and -£0.15m leadership development. The full year effect of the apprenticeships

underspend is -£0.2m, which the service would like to carry forward. HR expects leadership development volumes to rise later in the year to spend the budget fully.

Chief Executive's Office

Table 9: Summary of the revenue position for Chief Executive's Office services

	YTD budget £m	YTD actual £m	YTD variance £m	Full year revised budget £m	Jul- Mar forecast £m	Full year projection £m	Full year variance £m
Income	-9.2	-5.6	3.6	42.6	-37.5	-43.1	-0.5
Expenditure	16.5	12.4	-4.1	68.2	56.1	68.5	0.3
Net	7.3	6.8	-0.5	25.6	18.6	25.4	-0.2
Summary by service							
Strategic Leadership	0.1	0.1	0.0	0.4	0.3	0.4	0.0
Magna Carta	0.1	0.0	-0.1	0.3	0.3	0.3	0.0
Emergency Management	0.1	0.2	0.1	0.5	0.6	0.8	0.3
Communications	0.4	0.4	0.0	1.7	1.3	1.7	0.0
Legal & Democratic Services	2.1	1.8	-0.3	8.6	6.7	8.5	-0.1
Policy & Performance	0.8	0.8	0.0	3.2	2.4	3.2	0.0
Cultural services	2.5	2.3	-0.2	10.6	7.9	10.2	-0.4
Public Health	1.1	1.2	0.0	0.3	-0.8	0.3	0.0
Total by service	7.3	6.8	-0.5	25.6	18.6	25.4	-0.2
Public Health – income	-5.6	-1.7	3.9	-28.9	-27.3	-28.9	-0.1
Public Health - expenditure	6.7	2.8	-3.9	29.2	26.4	29.2	0.1
Public Health - net expenditure	1.1	1.2	0.0	0.3	-0.8	0.3	0.0

Note: All numbers have been rounded - which might cause a casting error

25. Chief Executive's Office (CEO) has a small year to date underspend and forecasts a small underspend at year end.
26. The CEO budget has increased by £10.7m, including £10.6m for the transfer in of Cultural Services.
27. Following robust negotiations Public Health (PH) has now had agreement to invoice the Clinical Commissioning Groups (CCGs) for the £3.3 million genitourinary medicine (GUM) funding which was misallocated from the government grant. Work is now underway to ensure that the GUM funding is in the base budget for 2015/16.
28. The £0.3m difference between the full year income and expenditure budgets is for the SADAS contract (drug and alcohol support). This is funded jointly by ASC and PH. As the lead service, PH holds the expenditure budgets, ASC funds the difference.
29. Public Health has identified £0.5m efficiency savings in 2014/15 by using grant to fund the following activities.

Description	Value	Service	Public Health area
New HENRY programme (Health, Exercise and Nutrition for the Really Young)	£32,000	CSF services	Obesity
Healthy Schools - Babcock 4s	£88,000	CSF services	Children 5-19
Eat Out Eat Well scheme	£24,379	Trading Standards	Obesity
CAMHS (Children and Adolescents Mental Health Service) school nursing	£100,000	CSF services	Children 5-19
Substance misuse adults	£255,621	ASC services	Substance misuse
	£500,000		

Central Income & Expenditure

Table 10: Summary revenue position

Central Income & Expenditure	YTD budget £m	YTD actual £m	YTD variance £m	Full year revised budget £m	Jul- Mar forecast £m	Full year projection £m	Full year variance £m
Income	-159.1	-159.3	-0.2	-229.9	-71.6	-230.9	-1.0
Expenditure	2.3	1.5	-0.8	57.0	55.4	56.9	-0.1
Net	-156.8	-157.8	-1.0	-172.9	-16.2	-174.0	-1.1
Local Taxation	-184.4	-184.4	0.0	-615.8	-431.4	-615.8	0.0
Total net	-341.2	-342.2	-1.0	-788.7	-447.6	-789.8	-1.1

Note: All numbers have been rounded - which might cause a casting error

30. Central Income & Expenditure (CIE) has a -£1.0m year to date underspend and forecasts a -£1.1m year end underspend.
31. The year to date underspend is due to the net interest receivable from the long-term capital strategy investment properties, which have needed no external borrowing.
32. The forecast -£1.1m full year underspend is due to additional government grant income not known when setting the Medium Term Financial Plan. These include:
 - -£0.8m Special Educational Needs (SEN) Reform Grant
 - -£0.3m Education Services Grant (ESG) this depends on the number of schools transferring to academy status during the year.

Revolving Infrastructure & Investment Fund

Table 11: Summary revenue and capital expenditure positions

Revenue expenditure summary	YTD actual £m	Full year forecast £m
Income	-0.8	-3.3
Expenditure	0.1	0.2
Net income before funding	-0.7	-3.1
Funding	0.6	2.5
Net income after funding	-0.1	-0.6
Capital expenditure	4.7	6.7

Note: All numbers have been rounded - which might cause a casting error

33. The Revolving Infrastructure & Investment Fund (RIIF) forecasts -£0.6m net income for the year, comprising -£3.1m income and +£2.5m for the opportunity cost of internal capital resources credited to CIE.
34. Year to date capital expenditure is £3.8m to purchase 61 High Street, Staines and £0.9m loans to Woking Bandstand Joint Venture company. The £6.7m forecast year end position included £0.4m works at the Staines property and further loans to the Joint Venture company.

Staffing costs

35. The council employs three categories of staff.
- Contracted staff are employed on a permanent or fixed term basis and paid through the council's payroll. These staff are contracted to work full time, or part time.
 - Bank staff are contracted to the council and paid through the payroll but have no guaranteed hours.
 - Agency staff are employed through an agency with which the council has a contract.
36. Bank and agency staff enable managers to manage short term variations in service demand, or contracted staff vacancies. This is particularly the case in social care.
37. A sensible degree of flexibility in the staffing budget is good, as it allows the council to keep a portion of establishment costs variable. The current level is approximately 92% of costs are due to contracted staff.
38. The council sets its staffing budget based upon the estimated labour required to deliver its services. This is expressed as budgeted full time equivalent staff (FTEs) and converted to a monetary amount for the budget. This budget includes spending on all three categories of staff and is the key control in managing staffing expenditure.
39. The council's total full year budget for staffing is £310.7m based on 8,081 budgeted FTEs. The year to date budget for the end of June 2014 is £77.5m and the expenditure incurred is £76.8m. At the end of June 2014, the council employed 7,324 FTE contracted staff.
40. Table 12 shows the staffing expenditure and FTEs for the period to June against budget, analysed among the three staff categories for services. The table includes staff costs and FTEs that are recharged to other public services for example: other councils, NHS Trusts, outsourced to South East of England Councils or capital funded (super fast broadband). The funding for the recharges is within other income.

Table 12: Staffing costs and FTEs to end of June 2014

	Staffing budget to June 2014 £m	Staffing spend by category					Variance £m	Budget FTE	2014 occupied contracted FTE
		Contracted £m	Agency £m	Bank & casual £m	Total £m				
Adult Social Care	17.9	16.2	0.8	0.6	17.6	0.3	2,145	1,875	
Children Schools & Families	26.6	23.6	1.1	0.9	25.7	-0.9	2,828	2,491	
Customer and Communities	9.3	8.8	0.2	0.4	9.3	0.0	1,454	1,381	
Environment & Infrastructure	5.3	5.6	0.2	0.0	5.8	0.5	501	508	
Business Services and Central Income & Expenditure	10.4	9.7	0.8	0.0	10.6	0.2	900	827	
Chief Executive's Office	7.9	6.8	0.1	0.9	7.8	-0.1	253	242	
Total	77.5	70.8	3.2	2.8	76.8	-0.7	8,081	7,324	

Note: All numbers have been rounded - which might cause a casting error

41. Table 13 shows there are 713 "live" vacancies, for which active recruitment is currently taking place, with 569 of these in social care. Many vacancies are covered

on a temporary basis by either agency or bank staff, the costs of which are shown in Table 12. The number of temporary staff does not translate easily into an FTE number as these may be for a few hours only, part time etc. The easiest way to measure this is to look at the actual expenditure as shown in Table 12 (agency staff and bank & casual staff)

Table 13: full time equivalents in post and vacancies

	<u>June FTE</u>
Budget	8,081
Occupied contracted FTE	7,324
“Live” vacancies (i.e. actively recruiting)	713
Vacancies not occupied by contracted FTEs	44

The increase in the live vacancies this month is due to a large adult social care campaign.

Efficiencies

42. As reported for May, the council's overall efficiencies target is £72.3m. Against this, the council forecasts achieving £71.0m by year end, an under achievement of -£1.3m. This includes £0.9m of unplanned efficiencies.
43. The appendix to this annex includes services' efficiencies and a brief commentary on progress. Services have evaluated efficiencies on the following risk rating basis:
- RED – significant or high risk of saving not being achieved, as there are barriers preventing the necessary actions to achieve the saving taking place;
 - AMBER - a risk of saving not being achieved as there are potential barriers preventing the necessary actions to achieve the saving taking place;
 - GREEN – Plans in place to take the actions to achieve the saving;
 - BLUE – the action has been taken to achieve the saving;
 - and
 - PURPLE – unplanned one off savings found during the year to support the programme, but are not sustainable in subsequent years.

Figure 3: 2014/15 overall risk rated efficiencies



44. Figure 3 and Table 14 below show most services are on track for achieving their planned efficiencies. ASC services and E&I services are supporting their programmes with further efficiencies. The appendix to this annex gives further details.

Table 14: 2014/15 Efficiency programme forecasts

	MTFP £m	Forecast £m	Unplanned £m	Variance £m
Adult Social Care	45.8	44.8	0.3	-0.7
Children, Schools & Families	9.6	9.6	0.0	0.0
Customer & Communities	1.9	1.6	0.0	-0.3
Environment & Infrastructure	4.0	3.2	0.5	-0.3
Business Services	2.2	2.2	0.0	0.0
Chief Executive's Office	1.2	1.2	0.0	0.0
Central Income & Expenditure	7.6	7.6	0.0	0.0
Total	72.3	70.2	0.8	-1.3

Capital

45. By planning significant capital investment as part of MTFP 2014-19, the council demonstrated its firm long term commitment to stimulating economic recovery in Surrey.
46. Table 15 shows current forecast expenditure for the service capital programme and long term investments of £185.4m against a budget of £195.8m. The most significant variance is the overspend on long term investments (£6.7m)

Table 15: 2014/15 Capital expenditure position

	Revised full year budget	Apr - Jun actual	Jul - Mar projection	Full year forecast	Full year variance
	£m	£m	£m	£m	£m
2014/15 Monitoring					
Adult Social Care	1.3	0.2	1.0	1.2	-0.1
Children, Schools & Families	4.3	1.1	3.3	4.3	0.0
Customer & Communities	5.6	0.4	5.2	5.6	0.0
Environment & Infrastructure	70.7	30.4	40.3	70.7	0.0
School Basic Need	54.3	24.1	30.1	54.3	0.0
Business Services	47.1	9.5	37.6	47.1	0.0
Chief Executive Office	12.3	4.3	8.0	12.3	0.0
Service programme	195.6	70.0	125.5	195.5	-0.1
Long term investments	0.0	4.7	2.0	6.7	6.7
Overall programme	195.6	74.7	127.5	202.2	6.6

Note: All numbers have been rounded - which might cause a casting error

47. The council initially approved the 2014/15 capital expenditure budget at £216.8m. Annex 2 contains further details on the capital programme reprofiling summarised in Table 16.

Table 16: Capital programme reprofiling

	2014/15	2015/16	2016/17	2017/18	2018/19	Total
	£m	£m	£m	£m	£m	£m
MTFP	217	164	150	122	106	759
Carry forward	14	13	8	-3	1	33
Re-profile	-34	15	3	0	18	2
Grant changes	-2	-3	-3	-3	-3	-14
Reprofiled MTFP capital programme	195	189	158	116	122	780

Balance sheet

48. The council's balance sheet as at 30 June 2014 shows an increase in net assets of £168m. This is mainly due to an increase in cash & cash equivalents from the receipt of the majority of the annual Revenue Support Grant in quarter 1. Table App 6 shows details of the balance sheet at 30 June 2013.

Reserves

49. The council's earmarked reserves have reduced in the quarter to 30 June 2014. This was mainly due to drawing down reserves as planned in the MTFP. Table App 7 shows details of the council's earmarked reserves as at 30 September 2013.

Debt

50. During the quarter to June 2014, the council raised invoices totalling £44.1m.
51. The council's total debt outstanding at 30 June 2014 is £32.6m, split evenly between care related debt and non-care related debt. Table App 6 shows details. The average number of debtor days for the period 1 April to 30 June 2014 was 29 days.
52. Between 1 April and 30 June 2014 the Director of Finance has written off 123 debts under delegated authority with a total value of £172,156, comprising £118,403 care related and £53,753 non care related debt.

Appendix to Annex

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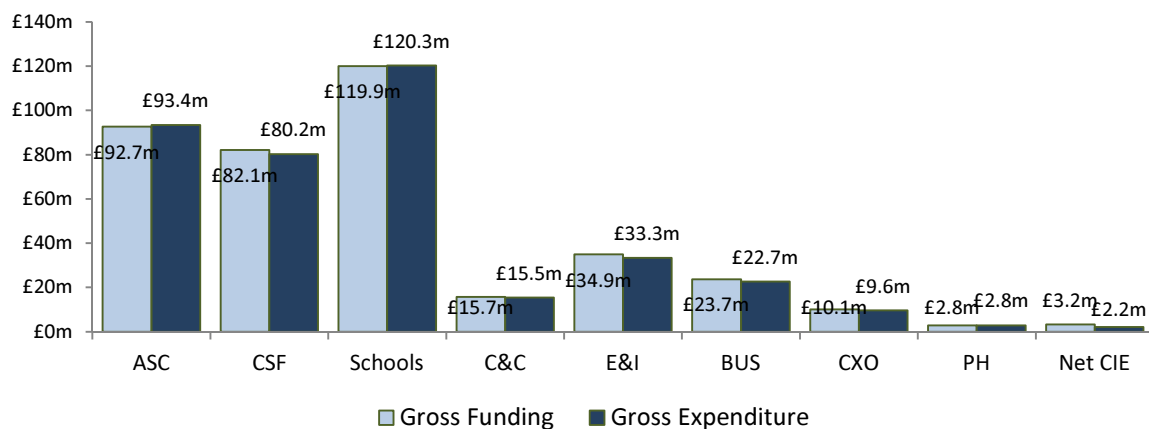


Corporate performance scorecard – finance

App 1. Figure App 1 shows the gross funding and expenditure for the council for the year to date (as included in the quarterly corporate performance scorecard). Gross funding for a service is its receivable income plus its budgeted share of funding from the council's overall resources. The difference between gross funding and gross expenditure is the net budgetary variance. The amounts relate to the June month end position. Net CIE comprises Central Income & Expenditure, local taxation and the Revolving Infrastructure & Investment Fund.

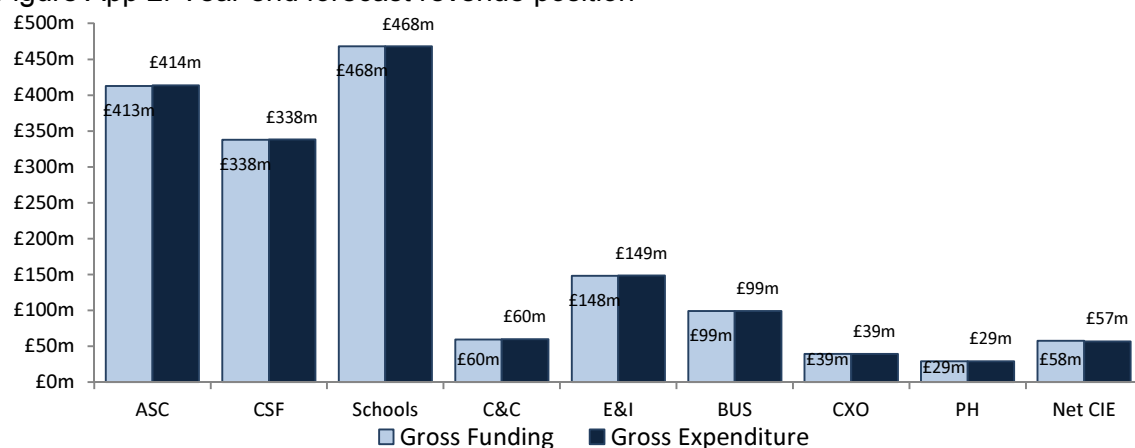
App 2. The corporate performance scorecard also includes the year end forecast revenue position shown above in the main annex in Figure 1.

Figure App 1: Year to date revenue position



App 3. Figure App 2 shows the balanced services forecast position. This excludes -£0.1m net income on the Revolving Infrastructure & Investment Fund.

Figure App 2: Year end forecast revenue position

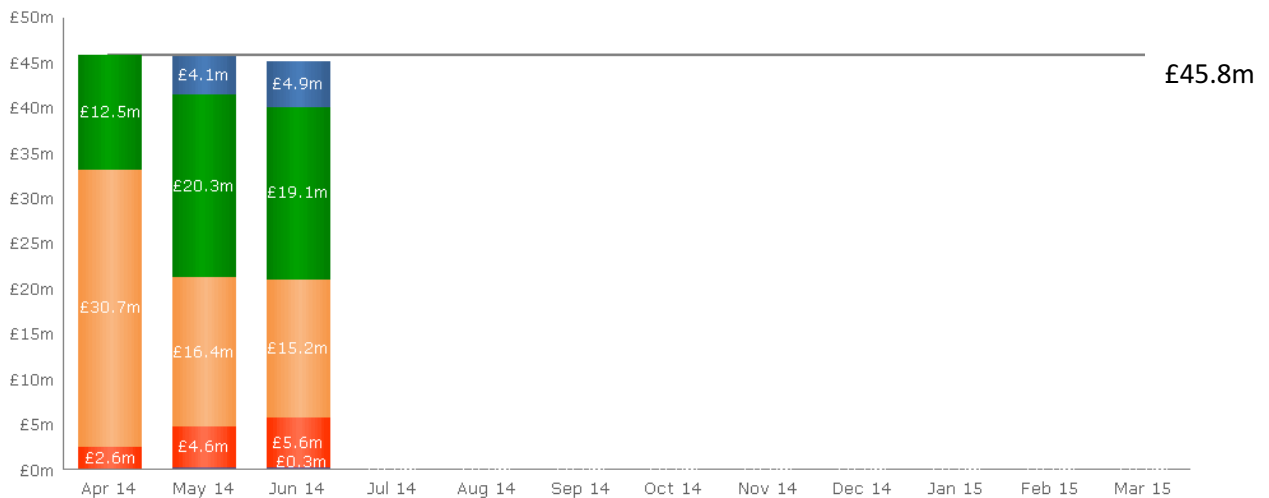


Efficiencies and service reductions

App 4. The graphs below track progress against MTFP 2014-19's ragged expenditure efficiencies and service reductions.

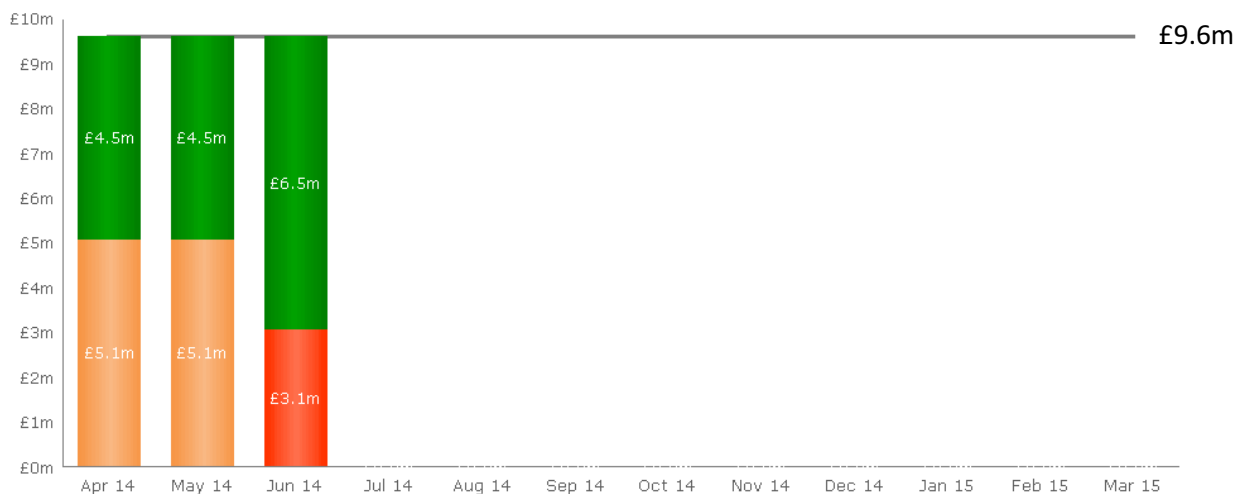
App 5. All the graphs use the same legend:
 Red – At risk, Amber – Some issues, Green – Progressing, Blue – Achieved.
 Purple - additional one-off savings projects to those planned in the MTFP
 Each graph is based on the appropriate scale and so they are not directly comparable one against another.

Adult Social Care



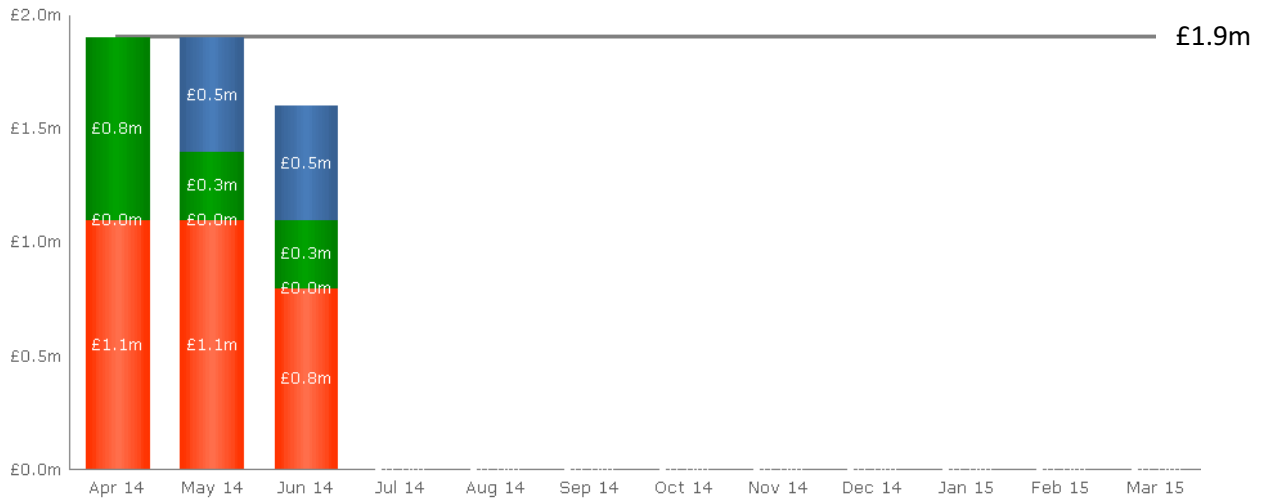
App 6. ASC forecasts a shortfall of £0.7m against its £45.8m efficiency target. It has already achieved savings of £4.9m this year and is on target to achieve a further £19.1m by year-end. Issues remain with £15.2m of efficiencies and £5.6m is at risk.

Children, Schools & Families



App 7. About one third of CSF efficiencies in are at risk as Children’s Services has not been able to contain spending within its planned budget.

Customer & Communities



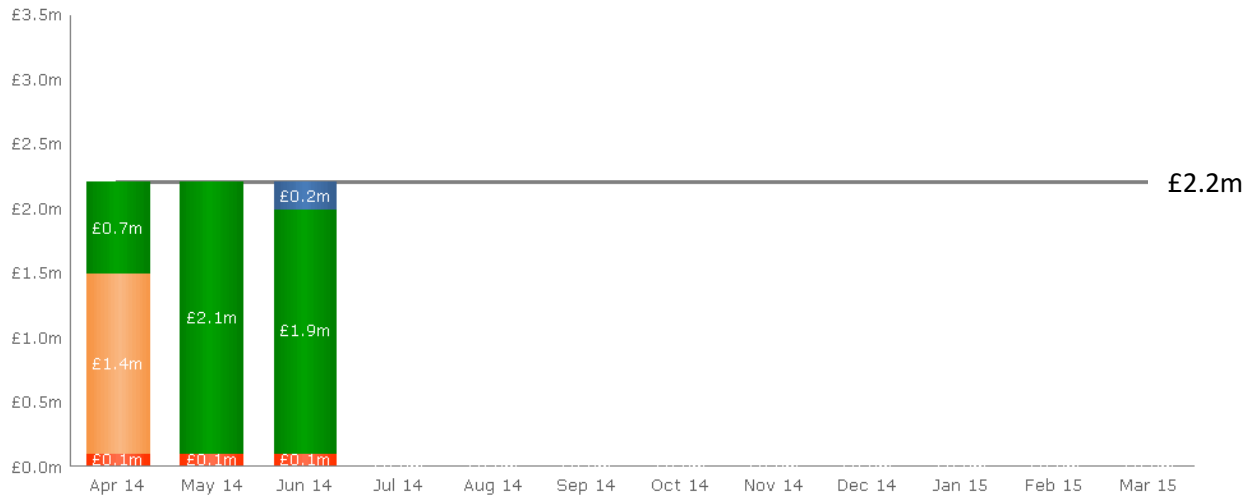
App 8. The efficiencies summary shows a shortfall of -£0.3m. Fire has plans to achieve part of its increased income target which leaves an estimated -£0.3m shortfall for 2014/15. The service is pursuing several schemes to make good this shortfall. Fire is also pursuing options to achieve the station reconfiguration efficiency. However, there is a risk this may not be fully achieved. The service will report a more accurate position once it knows the outcome. C&C expects to achieve all its other efficiencies.

Environment & Infrastructure



App 9. E&I has established a Savings and Efficiency Panel to oversee the delivery of its efficiency savings. The panel is scrutinising plans to deliver savings to ensure they are robust and stretching. At this stage it is examining several risks. At the end of June, after taking into account compensating savings, E&I expects a shortfall of -£0.3m against its efficiency savings target. The panel will continue to investigate this and the potential for other offsetting savings.

Business Services



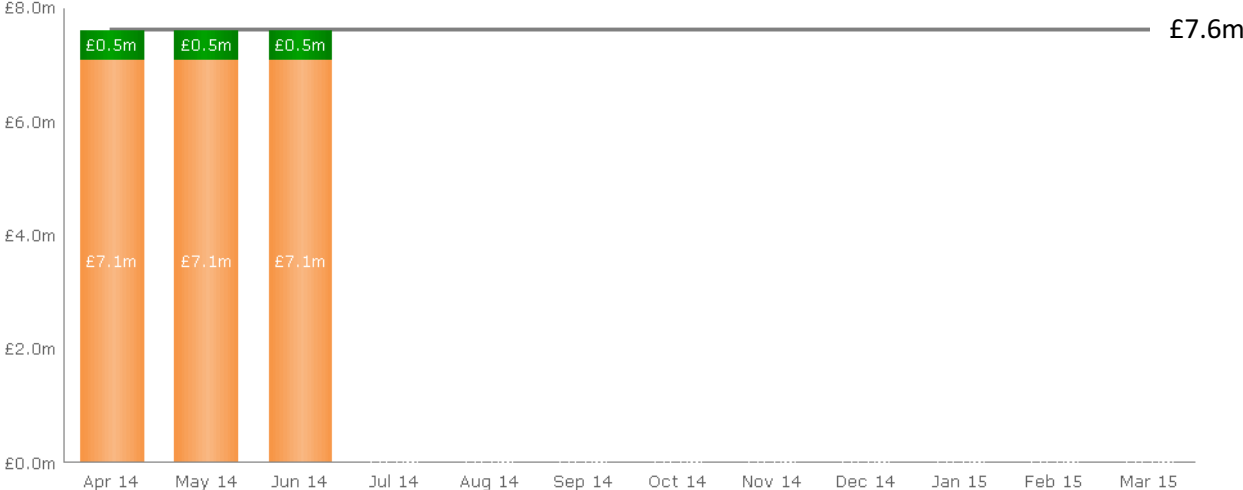
App 10. Business Services' is on target to achieve £2.1m of its £2.2m efficiency savings. It is monitoring the £0.1m efficiency at risk, from the managed print service closely. All efforts are being made with the supplier to get implementation back on track.

Chief Executive's Office



App 11. CEO is on target to achieve its planned 2014/15 efficiencies.

Central Income & Expenditure



App 12. CIE is on target to achieve its planned 2014/15 efficiencies.

Updated budget - revenue

App 13. The council's 2014/15 revenue expenditure budget was initially approved at £1,651.8m. Adding virement changes in quarter one decreased the expenditure budget at the end of June to £1,651.6m. Table App 1 summarises these changes.

Table App 1: Movements in 2014/15 revenue expenditure budget

	Income £m	Expenditure £m	Earmarked reserves £m	General balances £m	Total £m	Number of Virements
Original MTFP	-1,625.9	1,651.8	0.0	0.0	25.9	
Quarter 1 changes						
Post budget changes by IMT Leadership team	0.2	-0.2			0.0	1
Budget upload correction	-0.2	0.2				1
Transfer of income and expenditure	0.2	-0.2			0.0	92
Quarter 1 changes	0.2	-0.2	0.0	0.0	0.0	94
Updated budget - June 2014	-1,625.7	1,651.6	0.0	0.0	25.9	94

Note: All numbers have been rounded - which might cause a casting error

App 14. When Council agreed the MTFP in February 2013, some government departments had not determined the final amount for some grants. Services therefore estimated their likely grant. The general principle agreed by Cabinet was that any changes in the final amounts, whether higher or lower, would be represented in the service's income and expenditure budget.

App 15. In controlling the budget during the year, budget managers occasionally need to transfer, or vire, budgets from one area to another. In most cases these are administrative or technical in nature, or of a value approved by the Director of Finance.

App 16. Virements above £250,000 require the approval of the relevant Cabinet Member. There were two virements above £250,000 in June:

- a net figure of £10,621,500 transferred from Customers & Communities to Chief Executive Office for the movement of Cultural Services to the Chief Executive's Office,
- £739,500 transferred from Business Services to services' specific training budgets.

Table App 2: 2014/15 updated revenue budget – June 2014

	Income £m	Expenditure £m	Net budget £m
Adult Social Care	-72.4	413.0	340.7
Children, Schools & Families	-150.8	337.3	186.5
Schools	-468.2	468.2	0.0
Customers and Communities	-12.2	59.7	47.5
Environment & Infrastructure	-17.9	148.4	130.5
Business Services	-15.4	99.3	83.9
Chief Executive's Office	-42.6	68.2	25.6
Central Income & Expenditure	-845.7	57.0	-788.7
Service total	-1,625.3	1,651.2	25.9

Note: All numbers have been rounded - which might cause a casting error

App 17. Table App 3 shows the year to date and forecast year end gross revenue position supported by general balances.

Table App 3: 2014/15 Revenue budget forecast position as at end of June 2014

	YTD budget £m	YTD actual £m	YTD variance £m	Full year budget £m	Remaining forecast spend £m	Outturn forecast £m	Forecast variance £m
Income:							
Local taxation	-184.4	-184.4	0.0	-615.8	-431.4	-615.8	0.0
Government grants	-312.8	-312.8	0.0	-856.2	-544.6	-857.4	-1.2
Other income	-34.4	-33.8	0.6	-153.2	-120.1	-153.9	-0.7
Income	-531.7	-531.1	0.6	-1,625.3	-1,096.1	-1,627.2	-1.9
Expenditure:							
Staffing	77.5	76.8	-0.7	310.7	234.1	310.9	0.2
Service provision	193.2	182.9	-10.3	872.3	691.0	873.9	1.6
Non schools sub-total	270.7	259.7	-11.0	1,183.0	925.1	1,184.8	1.8
Schools expenditure	115.0	120.3	5.2	468.2	348.0	468.2	0.0
Total expenditure	385.7	380.0	-5.8	1,651.2	1,273.1	1,653.0	1.8
Movement in balances	-145.9	-151.1	-5.1	25.9	177.0	25.9	0.0

Note: All numbers have been rounded - which might cause a casting error

Balance sheet

Table App 4: Balance sheet

As at 31 Mar 2013 £m	As at 31 Mar 2014 £m		As at 30 Jun 2014 £m
1,280.0	1,318.6	Property, plant & equipment	1,339.0
0.7	0.7	Heritage assets	0.7
	29.2	Investment property	29.2
5.9	4.3	Intangible assets	4.2
0.2	0.3	Long term investments	0.3
8.8	10.6	Long term debtors	11.6
1,295.6	1,363.7	LONG TERM ASSETS	1,384.9
104.1	74.0	Short term investments	88.7
0.1	0.0	Intangible Assets	0.0
15.3	6.1	Assets held for sale	6.1
1.3	1.1	Inventories	0.8
141.5	123.7	Short term debtors	135.1
114.1	7.4	Cash & cash equivalents	106.2
376.4	212.3	CURRENT ASSETS	336.9
-82.1	-51.3	Short term borrowing	-27.7
-234.3	-212.4	Creditors	-217.3
-3.3	-4.7	Provisions	-4.2
-0.2	-0.1	Revenue grants receipts in advance	0.0
-0.6	-1.0	Capital grants receipts in advance	0.0
-3.2	-6.1	Other short term liabilities	0.0
-323.7	-275.6	CURRENT LIABILITIES	-249.1
-7.2	-9.4	Provisions	-7.7
-238.1	-237.9	Long term borrowing	-237.9
-1,142.2	-1,295.6	Other long term liabilities	-1,301.6
-1,387.5	-1,542.9	LONG TERM LIABILITIES	-1,547.2
-39.2	-242.5	NET ASSETS / (-) LIABILITIES	-74.4
-288.4	-278.6	Usable reserves	-470.3
327.6	521.0	Unusable reserves	544.7
39.2	242.5		74.4

Earmarked reserves

Table App 5: Earmarked revenue reserves

	Opening balance 1 Apr 2014 £m	Balance at 30 Jun 2014 £m	Forecast 31 Mar 2015 £m
Investment Renewals Reserve	13.0	12.8	10.7
Equipment Replacement Reserve	3.4	3.8	3.6
Vehicle Replacement Reserve	5.4	6.1	3.0
Waste Site Contingency Reserve	0.3	0.3	0.0
Budget Equalisation Reserve	33.6	20.9	0.9
Financial Investment Reserve	1.6	0.6	0.6
Street lighting PFI Reserve	6.2	5.8	5.8
Insurance Reserve	8.8	8.8	8.8
Eco Park Sinking Fund	14.6	14.6	14.6
Revolving Infrastructure & Investment Fund	20.2	20.2	20.8
Child Protection Reserve	3.1	1.9	0.4
Interest Rate Reserve	4.7	4.7	1.0
Economic Downturn Reserve	6.0	4.2	1.7
General Capital Reserve	7.7	7.7	6.7
Pension Stabilisation Reserve	0.0	1.1	1.1
Rates Appeals Reserve	0.0	1.3	1.3
Total earmarked revenue reserves	128.6	114.8	81.0

Debt

App 18. During the first quarter of 2014/15, the Accounts Payable team raised invoices totalling £44.1m.

Table App 6: Age profile of the council's debts

Account group	<1 month £m	2-12 months £m	1-2 years £m	+2 years £m	Total £m	Overdue debt £m
Care debt - unsecured	3.7	2.5	1.3	2.7	10.3	6.5
Care debt - secured	0.2	1.6	1.7	2.7	6.1	
Total care debt	3.9	4.1	3.0	5.4	16.4	6.5
Schools, colleges and nurseries	7.7	0.1	0.0	0.0	7.8	0.1
Clinical commissioning groups	1.0	2.6	0.1	0.0	3.7	2.7
Other local authorities	0.6	0.8	0.0	0.0	1.4	0.8
General debt	2.7	0.5	0.1	0.0	3.3	0.6
Total non-care debt	12.0	4.0	0.2	0.0	16.2	4.2
Total debt	15.9	8.1	3.2	5.4	32.6	10.7

Note: All numbers have been rounded - which might cause a casting error

App 19. The amount outstanding on these invoices was £32.6m of gross debt at 30 June 2014. The gross debt is adjusted to take into account those balances not immediately due (i.e. less than 30 days old), or collectable (i.e. secured on property). This produces the figures for net debt, shown in Table App 7.

Table App 7: Overdue debt summary as at 30 June 2014

	2014/15 Q1 £m	2013/14 Q4 £m	2013/14 Q1 £m	2012/13 Q4 £m	2011/12 Q4 £m	2010/11 Q4 £m
Care related debt	6.5	6.5	7.4	7.6	6.1	6.8
Non care related debt	4.2	3.1	3.1	3.8	3.0	3.9
Total	10.7	9.6	10.5	11.4	9.1	10.7

53. The council's debt policy includes a target of 30 days to collect non-care debt. The average number of debtor days for the period 1 April to 30 June 2014 was 29 days.
54. The Director of Finance has delegated authority to write off irrecoverable debts in line with financial regulations. This quarter (Q1 2014/15) 123 such debts have been written off with a total value of £172,156, of which £118,403 is care related and £53,753 is non care related debt.

Treasury management

Borrowing

App 20. The council borrows money to finance the amount of our capital spending that exceeds receipts from grants, third party contributions, capital receipts and reserves. The council must also demonstrate that the costs of borrowing are affordable, prudent and sustainable under the Prudential Code.

Table App 8: Long-term borrowing

	£m
Debt outstanding as at 1 April 2014	237.2
Loans raised	0.0
Loans repaid	0.0
Current balance as at 30 June 2014	237.2

App 21. The council is able to undertake temporary borrowing for cash flow purposes. The council also manages cash on behalf of Surrey Police Authority (£28m as at 30 June 2014) which is classed as temporary borrowing.

Authorised limit and operational boundary

App 22. The following prudential indicators control the overall level of borrowing:

- The authorised limit represents the limit beyond which borrowing is prohibited. The limit reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable. It is the expected maximum borrowing needed with headroom for unexpected cash flow. This is a statutory limit determined under section 3(1) of the Local Government Act 2003.
- The operational boundary is based on the probable external debt during the course of the year; it is not a limit and actual borrowing could vary around this boundary for short times during the year. It acts as an indicator to ensure the authorised limit is not breached.

Table App 9: Borrowing against the authorised limit and operational boundary

	Authorised limit	Operational boundary
	£m	£m
Gross borrowing	237	237
Limit / boundary	797	719
Headroom	560	482

Capital Financing Requirement

App 23. The Capital Financing Requirement (CFR) represents the council's underlying need to borrow for a capital purpose. The council must ensure that, in any one year, net external borrowing does not, except in the short-term exceed the estimated CFR for the next three years. The council's position against the estimated CFR, as reported to the County Council in March 2014 is shown in Table App 10. The current borrowing position shows a net position of £75m more in borrowing than we hold in short term deposits.

Table App 10: The council's position against the estimated CFR

Capital Financing Requirement			Net borrowing
2014/15	2015/16	2016/17	£m
£659m	£770m	£808m	75

Maturity profile

App 24. The council has reduced its exposure to large fixed rate loans falling due for refinancing in any one year by setting gross limits for its maturity structure of borrowing in accordance with the Prudential Code, as shown in Table App 11. This excludes balances invested on behalf of Surrey Police Authority.

Table App 11: Maturity structure of the council's borrowing

	Upper limit	Lower limit	Actual
Repayable in 1 year*	50%	0%	0%
Repayable in 1-2 years	50%	0%	0%
Repayable in 2-5 years	50%	0%	0%
Repayable in 5-10 years	75%	0%	4%
Repayable in 10-15 years	75%	0%	0%
Repayable in 15-25 years	75%	0%	3%
Repayable in 25-50 years	100%	25%	93%

Early debt repayment and rescheduling

App 25. There has been no early repayment or rescheduling in 2014/15.

Investments

App 26. The council had an average daily level of investments of £282.2m throughout 2013/14, with a projection of £86m expected for 2014/15. The balance of funds managed on behalf of schools within this figure stood at £42m at the end of June.

App 27. Cash is invested on the money markets through one of the council's five brokers, or directly with counterparties through the use of call accounts, money market funds or direct deal facilities. A breakdown of activity during the year to 30 June 2014 is given in Table App 12.

Table App 12: Borrowing activity up to 30 June 2014

Timed deposits	Number	Average value £m
Deals using a broker	7	6.9
Direct deal facilities	3	4.6
Deals with DMO	3	13.9
		Limits
Instant access		£m
- Active call accounts	2	120.0
- Active money market funds	5	100.0

App 28. The weighted average return on all investments received to the end of the first quarter in 2014/15 is 0.38%. This compares favourably to the average 7-day London Interbank Bid rate (LIBID) of 0.34% for the equivalent period. The comparison is shown in Table App13.

Table App 13: Weighted average return on investments compared to 7-day LIBID

	Average 7-day LIBID	Weighted return on investments
Quarter 1	0.34%	0.38%
2014/15 total	0.34%	0.38%
2013/14 total	0.36%	0.41%

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Annex 2 Update and re-profiling of the 2014 – 2019 Capital Programme

Summary recommendations:

The Cabinet recommends that:

- 2.1. £10m of the current capital budget is used to fund the capital highway costs associated with flooding in 2014/15,
- 2.2. The council's capital programme, including the carry forward of budget from 2013/14 is re-profiled to total £195m in 2014/15 and £780m over the period 2014-19.

Summary

1. The Medium Term Financial Plan (MTFP) which was approved in March 2014, set out a five year capital programme totalling £560m. A significant element of this was the provision of school places, through the schools basic need programme, and the recurring programmes for transportation and highways maintenance.
2. In May 2014, Cabinet considered the budget outturn report for the 2013/14 financial year. This included approval to carry forward £32m of capital budget to the 2014/15 financial year in respect of projects and schemes that had not been completed by the 31 March 2014 deadline for the closing of accounts.
3. Table 1 sets out the capital budget included in the MTFP 2014 19 by expenditure type and also by directorate. The MTFP provides further details by capital scheme. The budget was funded from government grants, third party contributions, the council's reserves and borrowing.

Table 1 – Summary capital programme 2014 – 2019 (MTFP)

Expenditure group	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Total £m
School Basic Need	105	69	72	49	32	327
Recurring programmes	74	63	60	62	67	326
Projects	38	32	18	11	8	107
Total capital schemes	217	164	150	122	107	760

Service group	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Total £m
Adult Social Care	1	1	1	1	1	5
Children, Schools & Families	3	3	3	3	3	15
Customer & Communities	3	4	2	2	2	13
Environment & Infrastructure	48	34	37	37	42	198
School Basic Need	105	69	72	49	32	327
Business Services	46	53	35	30	27	191
Chief Executive Office	11	0	0	0	0	11
Total service programme	217	164	150	122	107	760

4. The impact of the severe weather on the county's infrastructure, and potentially the council's capital programme, along with the carry forward of capital budget from the previous financial year has led to a review of all schemes within the capital programme. A significant element of this is the capital budget for school places.

5. Officers have undertaken a thorough review of the Schools Basic Need programme. This involved re-prioritising and re-profiling the timing of the expenditure considering the delays that can occur with major projects. The revised programme is for 13,000 new school places to be delivered over the next five years when required. The review has also identified some alternative options for school place provision that does not require the purchase of new land.
6. The overall impact of the review is that the capital budget for Schools Basic Need required in 2014/15 is £54m, and the total over the five years is £313m
7. The MTFP included assumptions about the level government grant funding for schools' carbon reduction schemes and capitalised maintenance of £54m over the five year period. The review of the capital programme has led to this assumption reducing by £15m in line with changes in the grant. The expenditure budget has been reduced by an equivalent amount.
8. The severe weather and flooding over the winter months has had a significant impact on the council's highways and bridges. This is described in more detail in Annex 3. The estimated additional cost for 2014/15 to recover from the impact of the winter's weather is £17m. Road repairs are forecast to cost £13m, bridges and structures a further £2m and £2m on drainage works.
9. The government have responded to the severe weather by allocating highways authorities additional grants through the Additional Highways funding announced in March and the Pothole Fund in April. Surrey County Council has received a total of £5.8m from these funds. Officers have identified £1.2m of developer contributions that can legitimately be used to fund these highways works. The remaining £10m will need to be found from the council's own resources. The overall reduction in the required expenditure on the Schools Basic Need programme will allow the additional £10m for funding highways to be met within the existing capital budget.
10. The following table summarises the updated capital budget, taking in to account the changes described above. This is shown in detail by scheme in Appendix 2.

Table 2 – Summary capital programme 2014 – 2019 (Re-profiled)

	2014/15	2015/16	2016/17	2017/18	2018/19	Total
	£m	£m	£m	£m	£m	£m
Adult Social Care	1	1	1	1	1	5
Children, Schools & Families	4	4	3	3	3	17
Customer & Communities	6	4	1	2	2	15
Environment & Infrastructure	71	34	37	37	42	221
School Basic Need	54	84	75	50	50	313
Business Services	47	62	41	23	24	197
Chief Executive Office	12	0	0	0	0	12
Total service programme	195	189	158	116	122	780

	2014/15	2015/16	2016/17	2017/18	2018/19	Total
Expenditure type	£m	£m	£m	£m	£m	£m
School Basic Need	54	84	75	50	50	313
Recurring programmes	92	62	59	59	64	336
Projects	49	43	24	7	8	131
Total capital schemes	195	189	158	116	122	780

Reprofiled capital programme 2014/19

Scheme	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	2018/19 £000s	Total £000s
Adult Social Care						
Major Adaptations	800	800	800	800	800	4,000
In-house capital improvement schemes	325	250	250	250	250	1,325
D&B developments - wellbeing centres	160	0	0	0	0	160
User led organisational hubs	100	100	100	0	0	300
Adult Social Care	1,385	1,150	1,150	1,050	1,050	5,785
Children, School & Families						
Schools devolved formula capital	2,231	2,231	2,231	2,231	2,231	11,155
Foster carer grants	300	300	300	300	300	1,500
Adaptations for children with disabilities	299	299	299	299	299	1,495
Harnessing ICT	440					440
SYP IMT Transformation	60	0	0	0	0	60
Extended schools	18	0	0	0	0	18
School Kitchens	983	982	0	0	0	1,965
Children, School & Families	4,331	3,812	2,830	2,830	2,830	16,633
Customer & Communities						
Fire-Vehicle & Equipment Replacement	4,262	3,698	1,104	1,408	1,820	12,292
Local Committee Allocations	425	385	385	385	385	1,965
Fire mobilising Control	972	0	0	0	0	972
Customer & Communities	5,659	4,083	1,489	1,793	2,205	15,229
Environment & Infrastructure						
Highways						
Highway maintenance	44,292	21,018	21,018	21,018	26,018	133,364
Local transport schemes	4,372	4,000	4,000	4,000	4,000	20,372
Bridge strengthening	3,486	1,956	1,956	1,956	1,956	11,310
Flooding & drainage	2,718	776	776	776	776	5,822
Traffic signals replacement	550	550	550	550	550	2,750
Safety barriers	256	256	256	256	256	1,280
Highways Vehicle Replacement	200	200	200	200	200	1,000
External funding	2,057	1,700	1,700	1,700	1,700	8,857
Walton Bridge (DFT grant funded)	1,275	0	0	0	0	1,275
Highways contract mobilisation	51	0	0	0	0	51
Asset Planning Group	81	0	0	0	0	81
Highways sub-total	59,338	30,456	30,456	30,456	35,456	186,162
Environment						
Maintenance at closed landfill sites	390	100	100	100	100	790
Rights of way and byways	159	85	85	85	85	499
Basingstoke Canal Remedial Works	459	500	500	0	0	1,459
Safe Cycling Bid	1,342	0	0	0	0	1,342
Rights of way structures	66	0	0	0	0	66
Vehicles & equipment for food waste	55	0	0	0	0	55
Environment sub-total	2,471	685	685	185	185	4,211

Scheme	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	2018/19 £000s	Total £000s
Economy, strategy & transport						
Economic regeneration	2,000	1,000	1,000	1,000	1,000	6,000
Road safety schemes	157	200	200	200	200	957
LSTF grant - large bid	3,580	0	0	0	0	3,580
External Funding	378	2,002	4,576	5,354	5,479	17,789
LSTF grant - key component	515	0	0	0	0	515
LSTF - developer funded schemes	1,433	0	0	0	0	1,433
Redhill Balanced Network	690	0	0	0	0	690
Passenger transport - developer funded schemes	101	0	0	0	0	101
Mobisoft transport software	21	0	0	0	0	21
Economy, strategy & transport sub-total	8,875	3,202	5,776	6,554	6,679	31,086
Environment & Infrastructure						
Recurring programmes	70,684	34,343	36,917	37,195	42,320	221,459
Carbon reduction - Schools 1	2,832	2,221	1,500	1,500	1,500	9,553
Schools - Disability Discrimination Act	342	466	477	487	497	2,269
Schools capital maintenance, inc.childrens centres 1	9,351	9,223	9,223	9,223	9,223	46,243
Carbon reduction - Corporate	1,754	1,212	1,239	1,264	1,289	6,758
Fire risk assessments/minor works/DDA	571	555	668	580	592	2,966
Non schools structural maintenance	6,600	6,893	5,683	5,797	5,911	30,884
IT Project Investment	1,265	1,116	2,031	1,459	955	6,826
IT Equipment Replacement Reserve	2,000	2,500	2,500	2,500	2,500	12,000
Total recurring programmes	24,715	24,186	23,321	22,810	22,467	117,499
Projects						
Portesbury SEN School	7,000	7,633	210			14,843
Gypsy Sites	1,729	2,353				4,082
Cultural Services	294	1,250				1,544
Fire Station reconfiguration	2,250	5,750	2,583			10,583
Guildford Fire Station	3,412	0				3,412
Merstham Library & Youth	400	1,900				2,300
Fire training tower replacement	30	485				515
Replace aged demountables	720	1,950				2,670
SEN strategy	450	2,550	7,044			10,044
Woking Magistrates Court	709	0				709
Youth Transformation	156	0				156
Joint Public Sector Property Projects	100	760	1,140			2,000
Land acquisition for waste	1,000	3,000	3,122			7,122
Projects to enhance income	531	876	600			2,007
Projects to reprovision and deliver capital receipts	950	1,930	1,720			4,600
Adults Social Care Infrastructure Grants (IT)	304	304				608
Telephones Unicorn Network (BT)	105	85	95	105	732	1,122
Reigate Priory School	434	500	500			1,434
Trumps Farm Solar Panels	0	3,800				3,800
Short Stay Schools	500	2,468				2,968
Data Centre	238	230		56	169	693
Other	1,047					1,047
Total projects	22,359	37,824	17,014	161	901	78,259

Scheme	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	2018/19 £000s	Total £000s
Business Services	47,074	62,010	40,335	22,971	23,368	195,758
Schools Basic Need	54,273	83,728	75,236	49,595	49,990	312,822
Chief Executive Office						
Community Buildings Grant scheme	150	150	150	150	150	750
Economic Development (Broadband)	11,497	0	0	0	0	11,497
Magna Carta 800th Anniversary	700	0	0	0	0	700
Chief Executive Office	12,347	150	150	150	150	12,947
Overall	195,553	189,076	158,107	115,584	121,913	780,233

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Update on the severe winter weather 2013/14

Summary recommendations:

Cabinet recommends that:

- 3.1. developer contributions of £1.8m revenue and £1.2m of capital are used to fund the costs of response and recovery from the severe weather and flooding; and
- 3.2. £10m of the current capital budget is used to fund the capital costs incurred in 2014/15.
- 3.3. Highways realigns the revenue budget to respond to service pressures including flood repairs

Summary

1. The county of Surrey's population was the most affected of any part of the country by the severe weather and flooding in the winter of 2013/14. The county also incurred significant impairment to its infrastructure.
2. Council officers across services responded immediately to help residents, working with partners in boroughs and districts, police and the armed forces. The council has led on the recovery phase of the operation, taking on its responsibility as the Lead Local Flood Authority. The response and recovery from the severe weather will be the subject of a report by a member task group.
3. The aim of this section of the budget monitoring report is to:
 - set out the costs incurred by the county council,
 - how it intends fully to fund these and
 - explain the scope of government funding schemes.

Expenditure incurred and funding

4. The council has incurred or forecasts to incur £27.1m on the response to and recovery from the severe weather and flooding over the winter of 2013/14. The total funding received or bid from central government departments amounts to £11.7m, leaving a gap of £15.4m to find.
5. Table 1 below summarises the costs and potential sources of funding associated with the severe weather.

Table 1 – Costs and potential funding of severe weather

	Bellwin eligible expenditure £000	Other revenue expenditure £000	Capital expenditure £000	Total £000
Highways and Structures	2,460	6,000	17,000	25,460
Fire & Rescue service	942			942
Emergency Planning	343	22		365
Property Services	180	14		194
Children's, Schools & Families	25			25
Adults Social Care	137			137
Total costs	4,087	6,036	17,000	27,123
Sources of funding				
Bellwin Scheme	-2,473			-2,473
Severe weather recovery scheme		-3,400		-3,400
Additional highways funding - DfT			-1,900	-1,900
DfT pothole fund			-3,900	-3,900
Total external funding	-2,473	-3,400	-5,800	-11,673
Funding gap	1,614	2,636	11,200	15,450

6. Capital expenditure amounts to an estimated £17m and relates to capital repairs and improvements to roads, bridges and drainage. The Department for Transport (DfT) provided £104m nationally in March, of which it allocated £1.9m to the council. This is in line with the proportion the council would usually receive from a national allocation. Since then, DfT has announced a £170m national pothole fund for which highways authorities can bid. The application for the bid covered: assets (length of road etc), the authority's approach to repairs, innovation, efficiency and asset management, rather than for an amount of funding. DfT has awarded the council £3.9m, which is greater than a normal allocation. However, this still leaves a funding gap of £11.2m.
7. Officers have identified £1.2m of developer contributions that can legitimately be used to fund these highways works. The remaining £10m will need to be found from the council's own resources, either by: increasing the capital programme and fund it by borrowing, or reducing other capital schemes.
8. Elsewhere in this report, the Schools Basic Need programme is to be re-profiled, with an overall reduction in cost. This will allow the additional £10m for funding highways to be met within the existing capital programme.
9. The total revenue cost to the council of response and recovery is £10.1m, of which £4.1m has been claimed under the Bellwin Scheme. This scheme is to assist local authorities meet the costs of emergencies and disasters above a threshold level. For Surrey County Council this threshold was reduced to £1.6m in March, from its previous level of £2.8m
10. The Bellwin Scheme does not permit the reclaim of road repairs or capital expenditure – even if it is for emergencies. The Environment & Infrastructure directorate incurred costs up to 31 March 2014 of £2.5m that is claimable under the scheme. These costs include the emergency repairs to bridges and embankments; the costs associated with filling, deployment and disposing of sandbags, drainage;

and the emergency maintenance of trees and verges. Table 1 shows the council incurred other costs, bringing the total claimable under the scheme to £4.1m .

11. The council made its claim under the Bellwin Scheme in May 2014, in accordance with the guidance. To date, it has not received any funds.
12. Other revenue costs incurred or being incurred that were not admissible under the Bellwin Scheme total £6m, nearly all for highways. These include the costs of surface patching, investigations and gully and ditch clearance. The council received £3.4m revenue funding under the DfT's Severe Weather Recovery Scheme at the end of 2013/14. The council can apply this funding to the revenue costs of the severe weather that are not eligible under the Bellwin Scheme. However, a funding gap of £2.6m remains.
13. Officers have identified £1.8m of developer contributions the council can legitimately use to fund these revenue highways works and a further £0.8m within the current highways revenue budget.

Government assistance to residents and businesses

14. In the immediate aftermath of the flooding that affected many parts of south and south west England, the Prime Minister stated that "Money is no object in this relief effort. Whatever money is needed for, it will be spent" to end the misery caused by flooding. Over the following weeks government departments announced a series of measures and funding streams to assist households and business affected by flooding.
15. **Council tax relief** is a £4m nationwide scheme, announced by the Prime Minister to support councils in providing council tax discounts for homes with internal flooding. Initially this was for a three month period, but was subsequently extended by the Department for Communities and Local Government (DCLG). Each billing authority (the boroughs and districts in Surrey) has developed its own scheme to offer a discount on council tax, although most of the elements of these are the same. The cost of the discount will be borne by the billing authority's collection fund, which will also receive the government grant. There have been 1,383 applications for council tax relief across the county and it is not expected that this level will lead to a loss of income for the county council.
16. **Business rate relief** is a 100 per cent business rate relief for 3-months for flood affected businesses. The scheme is implemented and administered by the billing authority. The business property must have a rateable value of less than £10m, been flooded as a result of adverse weather conditions and this must have adversely affected business. The government will fully refund the billing authority for loss of business rates, so there should be no impact on the county council. There have been 162 applications for the relief across the county.
17. **Business Support Scheme** is a £10 million nationwide scheme to provide hardship funding for Small and Medium Enterprises (SME) businesses affected by flooding since 1 December 2013. Again, this scheme is administered by billing authorities, who determine the eligible expenditure. This could include: non-recoverable insurance excesses for repair or replacement of buildings, equipment and stock, removal of debris, additional business accommodation or extra staff costs, structural surveys or security measures. The average claim is around £2,500 and there have been 235 applications across the county.

18. **Repair and Renew grants** is a scheme providing up to £5,000 per flood affected home or business that have been flooded since 1 December 2013 to fund additional flood resilience or resistance measures for homes and businesses. This is funded by the Department for Environment, Farming and Rural Affairs. In Surrey the county council administers the scheme on behalf of most of the districts and boroughs to gain economies of scale. Woking BC is administering its own scheme. The council has applied for funds from DCLG to cover administration costs.
19. Table 2 below summarises the number of applications for each of the schemes by billing authority.

Table 2 – Numbers of funding applications by billing authority

	Council tax relief	Business rates	Business support scheme	Repair & renew
Elmbridge	20	7	17	3
Epsom & Ewell	0	0	0	0
Guildford	76	26	23	5
Mole Valley	195	20	10	9
Reigate & Banstead	11	2	0	6
Runnymede	684	40	88	10
Spelthorne	238	47	79	16
Surrey Heath	0	0	0	0
Tandridge	56	6	13	11
Waverley	63	12	3	3
Woking	40	2	2	38
Total	1,383	162	235	101

Revenue implications

20. Highway maintenance revenue budgets have been reviewed & reprioritised in order to respond to service pressures including flood repairs. Savings have been identified, primarily from street lighting and signs & lines, in order to respond to pressures against the road repair and drainage budgets.
21. The Highways service requests to realign its policy revenue budgets as follows:

Policy line	Current budget £'000s	Proposed budget £'000s	Movement £'000s
Bridges and structures	1,068	961	-107
Drainage	2,942	3,077	135
Environmental maintenance	2,868	2,868	0
Local schemes	3,248	3,148	-100
Parking	184	125	-59
Roads	4,507	5,599	1,092
Signs and lines	1,237	975	-262
Staffing and other costs	7,091	6,991	-100
Street lights and furniture	16,119	15,597	-522
Traffic signals	769	769	0
Winter maintenance and safety barriers	2,899	2,823	-76
Strategy	2,409	2,409	0
Total Highways budget	45,342	45,342	0

SURREY COUNTY COUNCIL

CABINET

DATE: 22 JULY 2014

REPORT OF: MRS LINDA KEMENY, CABINET MEMBER FOR SCHOOLS AND LEARNING

MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS SERVICES

LEAD OFFICER: JOHN STEBBINGS, CHIEF PROPERTY OFFICER

PETER- JOHN WILKINSON, ASSISTANT DIRECTOR FOR SCHOOLS AND LEARNING

SUBJECT: ST PETER'S CATHOLIC PRIMARY SCHOOL, LEATHERHEAD



SUMMARY OF ISSUE:

To approve the Business Case for the expansion of St Peter's Catholic Primary School from a 1 Form of Entry primary (210 places) to a 2 Form of Entry primary (420 places) creating 210 additional places in Leatherhead to help meet the basic need requirements in the Leatherhead area.

RECOMMENDATIONS:

It is recommended that, subject to the agreement of the detailed financial information for the expansion as set out in agenda item 17 in Part 2 of this agenda, the business case for the provision of an additional 1 form of entry (210 places) primary places in Leatherhead be approved.

REASON FOR RECOMMENDATIONS:

The proposal supports the Authority's statutory obligation to provide sufficient school places to meet the needs of the population in the Leatherhead area.

DETAILS:

Background

1. The provision of additional school places within the Leatherhead area is vital in order to ensure that the Local Authority fulfils its statutory duty of providing sufficient school places and meet the demands of a significantly rising population. The provision of additional places at St Peter's Catholic School is also vital in providing specific faith based school places to retain and enhance a diversity of provision in the School estate and to meet the specific demands of a rising catholic population as evidenced by increased baptisms.
2. The Governing Body of St Peter's Catholic Primary School, in co-operation with the Diocese of Arundel and Brighton and Surrey County Council, has proposed to:

- Enlarge the premises of St Peter's Catholic Primary School to allow for a roll of 420, comprising 180 Key Stage 1 pupils (6 classes of 30 pupils with two in each year group) and 240 Key Stage 2 pupils (8 classes of 30 pupils with two in each year group), by the school admitting up to 60 Reception pupils per year.
- Build additional permanent classrooms and ancillary space to facilitate this.

The expansion would be effective from 1 September 2015.

3. Numbers of children starting school in the Ashtead and Leatherhead area have been increasing for some years. This has been caused by an increase in births, families moving into existing housing in the borough, and families moving into new housing and the numbers of children needing a school place in the area are projected to continue to increase.
4. The number of pupils requiring a reception places in 2007/8, 230, has risen consistently and for entry in September 2012 was 56 students higher at 286 a rise of 24.3%. The intake in September 2013 was 27 pupils in excess of the combined Published Admission Number (PAN) of the schools within Ashtead and Leatherhead. As a result, the Council has provided additional school places in temporary classrooms. In 2012 two temporary classes were provided, one at The Greville Primary School and one at West Ashtead Primary School. In 2013, one temporary class was provided at The Greville Primary School and a further one is planned for 2014 as part of a permanent expansion at that school. This approach in the long term is unsustainable and it is necessary that Council provide additional places in permanent solutions.
5. Demand for school places as measured by parental preference has also increased during this period. For 2008/9 there were 229 first preference applications made for reception places. For entry in 2013/14 this figure had increased to 269 an increase of 40 applications, a rise of 17.5%.
6. For the purposes of projecting future demand, the County Council groups schools into planning areas. St Peter's Catholic Primary School is within the Ashtead planning area but immediately abuts the Leatherhead Planning area. For the purposes of this forecasting demand these areas have been combined and include the following schools: Barnett Wood Infant School, St Giles Infant School, Leatherhead Trinity Primary School, The Greville Primary School, West Ashtead Primary School and St Peter's Catholic Primary School.
7. Ashtead and Leatherhead births were in 2012 about 19.75% higher than the low point around 2001. This will increase the number of children needing a primary school place 4 years later each year in the future.
8. The Education and Inspections Act 2006 places a duty on Surrey County Council to expand successful schools and to consider representations from parents about school provision. Furthermore, Surrey County Council has a duty to provide sufficient diversity of places. There is good evidence to suggest that there are currently insufficient Catholic places available in the area to meet demand. Catholic schools in the Epsom deanery currently offer 180 Reception year places while the current average number of baptisms across the deanery is 220.

9. The shortage of Catholic places is particularly acute in the Ashtead/Leatherhead area. This is demonstrated in the number of baptisms, illustrated in the table below, in the parishes St Peter's serves.

	2007	2008	2009	2010	2011	2012	2013
Ashtead	16	17	19	25	33	27	32
Leatherhead	15	22	11	21	22	17	29
Effingham & Fetcham	11	20	14	18	7	12	9
Total	42	59	44	64	62	56	70

10. The increase in Catholic baptisms across the parishes served by St Peter's School between 2007 and 2013 was 66.67%. The number of Catholic Baptisms, at 70 in 2013 and consistently above 45, is significantly above the 30 reception places available at St Peters Catholic School, the only Catholic Primary School serving this area.
11. The school has a strong reputation and is oversubscribed for school places. It was judged as being a 'Good' school by Ofsted at its last full inspection in April 2012. For September 2012 the school received 33 first preference, 22 second preference, and 20 third preference applications for 30 planned places. For entry in 2013, these figures were 36, 24 and 14, and for 2014 were 49, 25 and 16. As a result, the school has been unable to offer places to all Catholic applicants.
12. The Cabinet is asked to approve the business case for the expansion of the school. Financial details have been circulated as agenda item 17 in Part 2 of the agenda. Subject to approval, the works will be tendered and a contract awarded. The project will be delivered by Autumn 2015 to provide a total of 210 additional primary school places to meet the demand within Leatherhead.

CONSULTATION:

13. As a Voluntary Aided school the proposal is the responsibility of the School's Governing Body. The Governors supported by Surrey County Council and the Diocese of Arundel and Brighton carried out a public consultation between 28 April and 30 May 2014. A consultation document was produced and circulated to all stakeholders and the local member was informed. In addition a public meeting was held at the school on 13 May 2014. Responses to the consultation indicated a good level of support for the expansion programme.
14. The Governing Body of the school has agreed to the issuing of Statutory Notices on their behalf. Statutory Notices will be displayed during July and these will be locally determined in October 2014.
15. On 3 April 2014 the school held an open presentation meeting for stakeholders to view the draft plans for the design of the new school. A number of residents and parents attended the meeting. Some concerns were raised around parking and access elements of the potential expansion. These are being addressed through the planning application.
16. The scope of the works will include the construction of a single storey extension comprising six classrooms, amenities, plant room and additional hard standing and play area.

RISK MANAGEMENT AND IMPLICATIONS:

17. The planning application is anticipated to be considered by the Planning Committee at its meeting in September 2014.
18. There are risks associated with the project and a project risk register has been compiled and is regularly updated. A contingency allowance appropriate to the scheme has been included within the project budget to mitigate for potential identified risks.

Financial and Value for Money Implications

19. The project will be subject to robust cost challenge and scrutiny to drive optimum value as they progress. Further financial details are set out in the report circulated as item 17 in Part 2 of the agenda. These details have been circulated separately to ensure commercial sensitivity in the interests of securing best value.

Section 151 Officer Commentary

20. Section 151 Officer confirms that this scheme is included in the 2014/19 Medium Term Financial Plan.

Legal Implications – Monitoring Officer

21. Section 13 of the Education Act 1996 places a duty on a Local Authority (with responsibility for education) to ensure sufficient primary and secondary education provision is available to meet the needs of the population in its area.

Equalities and Diversity

22. The expansion of the school will not create any issues, which would require the production of an Equality Impact Assessment.
23. The new school building will comply with Disabilities Discrimination Act (DDA) regulations. The expanded school will provide employment opportunities in the area.
24. The school will be for children in the community served by the school. The Admissions arrangements will give the highest priority to Looked After Children and pupils on the Special Educational Needs (SEN) register and/or those who would benefit from a statement of educational need, thus supporting provision for our most vulnerable children. Children with siblings will receive the next priority, followed by those children living closest to the school. There is no proposal to amend the admissions criteria which is fully compliant with the Schools Admissions Code.
25. The school will be expected to contribute towards community cohesion and will be expected to provide the normal range of before and after schools clubs as are provided in a typical Surrey County Council school.

Corporate Parenting/Looked After Children implications

26. This proposal would provide increased provision for Catholic places in the area, which would be of benefit to the community served by the school. This means it

would therefore also be of benefit to any looked after children who will attend the school.

Climate change/carbon emissions implications

27. The design philosophy is to create buildings that will support low energy consumption, reduce solar gain and promote natural ventilation. The school will be built to the local planning authorities adopted core planning strategy.

WHAT HAPPENS NEXT:

If approved, to proceed to complete tenders and subsequent contract award through delegated decision.

Contact Officer:

Keith Brown, Schools and Programme Manager – tel: 020 8541 8651
Nicholas Smith, School Commissioning Officer – tel: 020 8541 8902

Consulted:

Tony Samuels, Cabinet Associate Member for Assets and Regeneration Programmes
Chris Townsend, SCC Local Member, Ashted
Tim Hall, SCC Local Member, Leatherhead and Fetcham East
Julie Fisher, Strategic Director for Business Services
Paula Chowdhury, Strategic Finance Manager – Business Services

Annexes:

None - Part 2 report with financial details attached to agenda as item 17

Sources/background papers:

- The Education Act 1996
- The School Standards Framework Act 1998
- The Education Act 2002
- The Education and Inspections Act 2006
- Report to Cabinet: Schools Capital Budget Allocations Service update based on latest or most appropriate report year and version

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SURREY COUNTY COUNCIL

CABINET

DATE: 22 JULY 2014

REPORT OF: MRS LINDA KEMENY, CABINET MEMBER FOR SCHOOLS AND LEARNING

MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS SERVICES

LEAD OFFICER:

JOHN STEBBINGS, CHIEF PROPERTY OFFICER

PETER- JOHN WILKINSON, ASSISTANT DIRECTOR FOR SCHOOLS AND LEARNING

SUBJECT: HILLCROFT PRIMARY SCHOOL, CATERHAM



9

SUMMARY OF ISSUE:

To approve the Business Case for the expansion of Hillcroft Primary School from a 1.5 Form of Entry primary (315 places) to a 2 Form of Entry primary (420 places) creating 105 additional places in Caterham to help meet the basic need requirements in that area.

RECOMMENDATIONS:

It is recommended that, subject to the agreement of the detailed financial information for the expansion as set out in agenda item 18 in Part 2 of this agenda, the business case for the provision of an additional 0.5 form of entry (105 places) primary places in Caterham be approved.

REASON FOR RECOMMENDATIONS:

The proposal supports the Authority's statutory obligation to provide sufficient school places to meet the needs of the population in the Caterham area.

DETAILS:

Background

1. The provision of additional school places within the Caterham area is vital in order to ensure that the Local Authority fulfils its statutory duty of providing sufficient school places and meet the demands of a rising population.
2. To meet the demographic need Surrey County Council has proposed to:
 - Increase the intake of Hillcroft Primary School to allow for a roll of 420, comprising 180 Key Stage 1 pupils (6 classes of 30 pupils with two in each year group) and 240 Key Stage 2 pupils (8 classes of 30 pupils with two in each year group), by the school admitting up to 60 Reception pupils per year.

- Build additional permanent classrooms and ancillary space to facilitate this.

3. Hillcroft Primary School is situated in North West Tandridge. For school planning purposes the district is divided into planning areas. Hillcroft Primary School is included in the planning area that incorporates Caterham and Chaldon and comprises the following schools:

Audley Primary School, offering 30 places per year
 Marden Lodge Primary School, offering 30 places per year
 St Johns CE VA Primary School, offering 60 places per year
 St Francis' Catholic VA Primary School offering 36 places per year expanding to 60 places per year
 St Peter and St Paul CE VA Infant School offering 30 places per year.

Hillcroft Primary School now offers 60 places per year having previously having a published admission number of 45 up to 2010.

4. Demand for school places in the area has increased over the last four years. This is reflective of an increase in the birth rate and other demographic changes. Births within Tandridge have increased from 862 in 2005 to 966 in 2012, an increase in excess of 12%. Additionally the area has seen inward migration and additional housing further adding to potential demand. We anticipate that we will need to provide for this additional demand over the long term.
5. First preference applications for Hillcroft Primary School have consistently increased from 37 for entry in September 2010 to 62 for entry in September 2014. It was judged as being a 'Good' school by Ofsted at its last full inspection in January 2013. The number of pupils admitted in the reception year within the planning area has increased from 211 for entry in September 2009 to 267 pupils admitted in September 2014. This is an increase equivalent 26.7%.
6. For entry in 2011 Hillcroft Primary School was required to admit 73 children and St Francis Primary School was required to admit 54 children. This ensured that all local Surrey applicants were offered a school place.
7. In 2012 demand continued to rise and it was necessary for Hillcroft Primary School to admit 60 students and St Francis Primary School to admit 48 students, again to provide all local Surrey applicants with an offer of a School place.
8. For entry in 2013 the school again admitted 60 reception pupils. These temporary increases at the school have been enabled through the provision of a demountable classroom at the school site. For the school to continue to admit 60 pupils further permanent accommodation is required.
9. The Cabinet is asked to approve the business case for the expansion of the school. Financial details have been circulated as agenda item 18 in Part 2 of the agenda. Subject to approval, the works will be tendered and a contract awarded. The project will be delivered by autumn 2015 to provide a total of 105 additional primary school places to meet the demand within Caterham.

CONSULTATION:

10. The increase in admission number has been confirmed through School Admissions arrangements consultation. The consultation was conducted from 25 November 2013 to 20 January 2014 and was widely distributed to schools, admissions authorities and the Surrey Schools Admissions forum. The admission number of 60 was confirmed by Cabinet on 25 February 2014 and the full admission arrangements were determined by full Council on 18 March 2014.
11. The scope of the works include a new extension comprising three classrooms, plant room and disabled amenities, refurbishment of other internal spaces and minor external alterations and demolitions.
12. The SCC Local Member has been consulted on the proposal.

RISK MANAGEMENT AND IMPLICATIONS:

13. The planning application will be considered by the Planning Committee at a future meeting.
14. There are risks associated with the project and project risk register has been compiled and is regularly updated. A contingency allowance appropriate to the scheme has been included within the project budget to mitigate for potential identified risks.

Financial and Value for Money Implications

15. The project will be subject to robust cost challenge and scrutiny to drive optimum value as it progresses. Further financial details are set out in the report circulated as item 18 in Part 2 of the agenda. These details have been circulated separately to ensure commercial sensitivity in the interests of securing best value.

Section 151 Officer Commentary

16. Section 151 Officer confirms that this scheme is included in the 2014/19 Medium Term Financial Plan.

Legal Implications – Monitoring Officer

17. Section 13 of the Education Act 1996 places a duty on a Local Authority (with responsibility for education) to ensure sufficient primary and secondary education provision is available to meet the needs of the population in its area.

Equalities and Diversity

18. The expansion of the school will not create any issues, which would require the production of an Equality Impact Assessment.
19. The new school building will comply with Disabilities Discrimination Act (DDA) regulations. The expanded school will provide employment opportunities in the area.
20. The school will be for children in the community served by the school. The Admissions arrangements will give the highest priority to Looked After Children

and pupils on the Special Educational Needs (SEN) register and/or those who would benefit from a statement of educational need, thus supporting provision for our most vulnerable children. Children with siblings will receive the next priority, followed by those children living closest to the school. There is no proposal to amend the admissions criteria which is fully compliant with the Schools Admissions Code.

21. The school will be expected to contribute towards community cohesion and will be expected to provide the normal range of before and after schools clubs as are provided in a typical Surrey County Council school.

Corporate Parenting/Looked After Children implications

22. This proposal would provide increased provision for school places in the area, which would be of benefit to the community served by the school. This means it would therefore also be of benefit to any looked after children who will attend the school.

Climate change/carbon emissions implications

23. The design philosophy is to create buildings that will support low energy consumption, reduce solar gain and promote natural ventilation. The school will be built to the local planning authorities adopted core planning strategy.

WHAT HAPPENS NEXT:

If approved, to proceed to complete tenders and subsequent contract award through delegated decision.

Contact Officer:

Keith Brown, Schools and Programme Manager – tel: 020 8541 8651
Nicholas Smith, School Commissioning Officer – tel: 020 8541 8902

Consulted:

Tony Samuels, Cabinet Associate Member for Assets and Regeneration Programmes

John Orrick, SCC Local Member, Caterham Hill

Julie Fisher, Strategic Director for Business Services

Paula Chowdhury, Strategic Finance Manager – Business Services

Annexes:

None - Part 2 report with financial details attached to agenda as item 18

Sources/background papers:

- The Education Act 1996
- The School Standards Framework Act 1998
- The Education Act 2002
- The Education and Inspections Act 2006
- Report to Cabinet: Schools Capital Budget Allocations Service update based on latest or most appropriate report year and version

SURREY COUNTY COUNCIL

CABINET

DATE: 22 JULY 2014

REPORT OF: MRS LINDA KEMENY, CABINET MEMBER FOR SCHOOLS AND LEARNING

MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS SERVICES

LEAD OFFICER:

JOHN STEBBINGS, CHIEF PROPERTY OFFICER

PETER- JOHN WILKINSON, ASSISTANT DIRECTOR FOR SCHOOLS AND LEARNING

SUBJECT: HURST PARK PRIMARY SCHOOL, WEST MOLESEY.



10

SUMMARY OF ISSUE:

To approve the Business Case to build a brand new 2 Form of Entry (420 places) primary school with a 26 place nursery on a new site, to replace the existing Hurst Park school and to enable the expansion of the school from its current 1 Form of Entry primary (210 places) and nursery to a 2 Form of Entry primary (420 places) creating 210 additional places in West Molesey, to help meet the basic need requirements in the Elmbridge area.

The provision of a new school requires additional direct funding and investment by the Council, in order to meet the higher costs associated with the provision of a completely new school.

RECOMMENDATIONS:

It is recommended that, subject to the agreement of the detailed financial information for the expansion as set out in agenda item 19 in Part 2 of this agenda, the business case for the provision of a new 420 place school and 26 place nursery on a new site providing an additional 1 Form of Entry (210 places) primary places in West Molesey be approved.

REASON FOR RECOMMENDATIONS:

The proposal supports the Authority's statutory obligation to provide sufficient school places to meet the needs of the population in the Elmbridge area.

DETAILS:

Background

1. School rolls have been rising steadily across Elmbridge Borough since 2002 and there is an immediate requirement for additional places in the Moleseys Primary Planning area. To ensure sufficient provision of primary school places in West

Molesey, Surrey County Council is proposing the expansion of Hurst Park Primary School to two Forms of Entry (2FE) with effect from 1 September 2015.

2. This proposal also recommends that we rebuild the school on a new site, given the limited capacity of the current school site both to expand further to meet forecast needs for school places and with its associated highways and access issues.
3. Based on the most recent forecast of pupil numbers, which projects the requirement for school places up to 2020 and beyond, two additional forms of entry in this planning area would meet the basic need. Expansion of existing schools is the logical and most financially prudent response to this issue.
4. Hurst Park Primary School is a popular and successful school which delivers a high quality education. It was judged as being a 'Good' school by Ofsted at its last full inspection (May 2013). The provision of additional places at Hurst Park Primary therefore meets the Government's policy position to expand successful and popular schools in order to provide quality places and meet parental preferences.
5. There is a clear need for additional primary school places in The Moleseys planning area. This area is served by five schools: Chandlers Field Primary, St Alban's Catholic Primary School (which has also recently secured agreement to expand by 1 FE in order to meet the needs of catholic residents in the wider deanery); Orchard Infant, St Lawrence Junior (due to be rebuilt under the Government's Priority Schools Building Programme) and Hurst Park.
6. Hurst Park Primary School has previously expanded temporarily by taking additional reception 'bulge' classes in 2012, 2013 and will do so again in 2014 to help relieve the pressure for places in the area. Therefore by September 2014, it will already have 90 pupils in the Reception, Year 1 and Year 2 classes.
7. Hurst Park Primary School is willing to permanently expand in the longer term and is keen to do so with the expectation of new accommodation which is designed to enhance the quality of the educational opportunities on offer. The staff and governors have been working closely with Surrey County Council to agree a design for the new school on the former John Nightingale school site. The governing body is also keen to improve the access to the school for pedestrians and vehicles in response to parents' and residents' concerns about the volume of traffic and safety on Hurst Road. The property, schools and highways officers are working together to develop traffic mitigation measures and advice has been taken from Surrey County Council's Highways Department in this regard and a full traffic survey has been undertaken and measures incorporated into the new scheme.
8. A number of residents living adjacent to the proposed new school site have raised concerns about the location of the new school's main entrance and the impact this will have on residents due to parental parking at key times. Advice on traffic calming measures and parking arrangements have been incorporated into the planning application.
9. The local authority has a statutory duty to provide sufficient school places and it is not currently possible to expand one of the other local schools in the immediate planning area or to increase the size of Hurst Park on its present site. Building a new school on land already owned by the council seems to be the best option

and affords the best educational opportunity, since the new school will benefit from the existing leadership and expertise of a Head teacher and staff with a proven track record for success.

10. Based on the most recent pupil projections, the County Council is forecasting a need for two additional forms of entry in The Moleseys in the immediate future. This proposal therefore forms one part of a wider area strategy with a further form of entry planned for St Alban's.
11. The Cabinet is asked to approve the business case for the expansion of the school on a new site. Financial details have been circulated as agenda item 19 in Part 2 of the agenda. Subject to approval, the works will be tendered and a contract awarded. The project will be delivered by autumn 2015 to provide a total of 210 additional primary school places to meet the demand within West Molesey.

CONSULTATION:

12. A public consultation was carried out between 2 December 2013 and 6 January 2014. A consultation document was produced and circulated to all parents and other stakeholders and interested parties. In addition, two meetings were held at the school on 3 December 2013; these were attended by approximately sixty parents and residents. On 27 November 2013, the school held an open presentation meeting for stakeholders to view the draft plans for the design of the new school. This was also well attended. The consultation document was also published on the Surrey County Council website and the local borough and county councillors were sent copies.
13. The council had received 33 written responses in total by the close of the consultation; 5 responses arrived soon after the deadline and so have been included in this analysis. A summary of all the consultation response forms is given in the table below. It should be noted that some residents are also parents of pupils on roll at Hurst Park so will be counted in both categories, therefore the numbers in the individual columns will not always total 38:

Respondent	Number of Forms /emails received	Against	For	Don't Know/undecided
Total Responses received	38	5	22	12
Employee of the school	0	0	0	0
HP School governor	1	0	1	0
Parents of children on roll	(5)	0	5	0
Other parents or reps of other schools	0	0	0	0
Residents	37	5	20	12

14. The governing body plus twenty-two respondents are in agreement with the proposal. Twelve people state that they do not know whether or not they are in favour, with a number stating that they want more information about the building development before deciding. Five respondents who sent in forms or emailed comments are against the proposal.

- 10
15. The main concerns raised by respondents is the anticipation of parking problems associated with the entrance to the new school building being located on the design plans on Freeman Road, within the Bishop Fox estate. They would prefer this to be on the main Hurst Road served by reinstating the old slip road that existed when the John Nightingale Special School was on this site.
 16. The residents on the estate point out that the roads are too narrow to accommodate the volume of traffic and pedestrians a school may bring. Some residents also object to the potential noise, litter and intrusions to their properties from pupils at the school.
 17. Unfortunately the postal delivery informing residents of the Bishop Fox estate of these proposals did not arrive until after the public consultation meetings at the school. Although the primary purpose of these two meetings was to inform parents about the educational impact of this proposal, and was not to discuss the design or planning issues, some residents who were not parents of children currently on roll at Hurst Park Primary contacted the local authority expressing their dissatisfaction at not being able to attend a meeting and hear about the proposal first hand. The Governing Body and the School Commissioning Officer therefore convened a further meeting for the residents on 20 March 2014. Verbal comments were noted and residents were informed that they could still submit a representation to the Surrey County Council Planning Officer prior to the application being considered by the committee.
 18. A number of residents supported the proposal to rebuild on the John Nightingale site but many shared the concerns about traffic and road safety issues on Hurst Road.
 19. Those people in support of the proposal recognised the need for more places and welcomed the opportunity to provide these at a purpose built primary school with more space for pupils to play. However, even some of these people expressed reservations about the pedestrian entrance being on Freeman Drive. Some people qualified their support for expansion on the understanding that traffic management measures would be assured.
 20. Statutory notices were published, and a four week consultation concluded on Monday 24 March 2014 at 12 noon. No further responses were received
 21. The new school consists of a building with single and two story's elevations. There are 14 classrooms, a design technology room, learning resource centre, hall and production kitchen. In addition, there is a 26 place pre-school nursery.

Externally the new school will have two dedicated pedestrian access points, separate car park and service entrances. New Multi-Purpose Games Area (MUGA), separate hard play areas and a playing field. Additionally all the boundaries will be landscaped providing ecology areas for the school.
 22. During the iterative planning and highways consultation process a number of suggested improvements have been received to mitigate the impact of the expected increase in local traffic. These are being reviewed and adjustments made as part of the planning process.
 23. The SCC Local Member has been consulted on the proposal.

RISK MANAGEMENT AND IMPLICATIONS:

24. The planning application is anticipated to be considered by the Planning Committee at its meeting on 16 July 2014.
25. There are risks associated with the project and project risk register has been compiled and is regularly updated. A contingency allowance appropriate to the scheme has been included within the project budget to mitigate for potential identified risks.

Financial and Value for Money Implications

26. The project will be subject to robust cost challenge and scrutiny to drive optimum value as they progress. Further financial details are set out in the report circulated as item 19 in Part 2 of the agenda. These details have been circulated separately to ensure commercial sensitivity in the interests of securing best value.

Section 151 Officer Commentary

27. Section 151 Officer confirms that this scheme is included in the 2014/19 Medium Term Financial Plan.

Legal Implications – Monitoring Officer

28. Section 13 of the Education Act 1996 places a duty on a Local Authority (with responsibility for education) to ensure sufficient primary and secondary education provision is available to meet the needs of the population in its area.

Equalities and Diversity

29. The expansion of the school will not create any issues, which would require the production of an Equality Impact Assessment.
30. The new school building will comply with Disabilities Discrimination Act (DDA) regulations. The expanded school will provide employment opportunities in the area.
31. The school will be for children in the community served by the school. The Admissions arrangements will give the highest priority to Looked After Children and pupils on the Special Educational Needs (SEN register) and/or those who would benefit from a statement of educational need, thus supporting provision for our most vulnerable children. Children with siblings will receive the next priority, followed by those children living closest to the school. There is no proposal to amend the admissions criteria which is fully compliant with the Schools Admissions Code.
32. The school will be expected to contribute towards community cohesion and will be expected to provide the normal range of before and after schools clubs as are provided in a typical Surrey County Council school.

Corporate Parenting/Looked After Children implications

33. This proposal would provide increased provision in the area, which would be of benefit to all in the community served by the schools. This means it would therefore also be of benefit to any looked after children who will attend the school.

Climate change/carbon emissions implications

34. The design philosophy is to create buildings that will support low energy consumption, reduce solar gain and promote natural ventilation. The school will be built to the local planning authorities adopted core planning strategy.

WHAT HAPPENS NEXT:

If approved, to proceed to complete tenders and subsequent contract award through delegated decision.

Contact Officer:

Keith Brown, Schools and Programme Manager – tel: 020 8541 8651
Melanie Harris, School Commissioning Officer – tel: 020 8541 9556

Consulted:

Tony Samuels, Cabinet Associate Member for Assets and Regeneration Programmes
Ernest Mallett, SCC Local Member, West Molesey
Stuart Selleck, SCC Local Member, East Molesey and Esher
Julie Fisher, Strategic Director for Business Services
Paula Chowdhury, Strategic Finance Manager – Business Services

Annexes:

None - Part 2 report with financial details attached to agenda as item 19

Sources/background papers:

- The Education Act 1996
- The School Standards Framework Act 1998
- The Education Act 2002
- The Education and Inspections Act 2006
- Report to Cabinet: Schools Capital Budget Allocations Service update based on latest or most appropriate report year and version

SURREY COUNTY COUNCIL**CABINET****DATE: 22 JULY 2014****REPORT OF: MR MEL FEW, CABINET MEMBER FOR ADULT SOCIAL CARE****LEAD OFFICER: DAVID SARGEANT, INTERIM STRATEGIC DIRECTOR ADULT SOCIAL CARE****SUBJECT: SURREY COUNTY COUNCIL HOME BASED CARE SUPPORT SERVICES****SUMMARY OF ISSUE:**

Officers are seeking Cabinet approval to award a contract for the provision of Home Based Care support services to the providers listed in the Part 2 report (item 23) effective 1 October 2014.

In response to the changing requirements and demographics of Surrey as well as considering the impact of the implementation of the Care Act (2014), officers undertook a joint tendering exercise with the Surrey Downs Clinical Commissioning Group (CCG), who is the lead Commissioner for continuing healthcare, to identify the most appropriate way to deliver Home Based Care (HBC) in Surrey. This tendering exercise has secured suitable providers for the provision of home based services.

RECOMMENDATIONS:

It is recommended that Cabinet agrees to award a Strategic Partnership Contract (SPC) for the provision of Home Based Care (HBC) support services for vulnerable adults in Surrey, to the bidders listed within Annex 1 of this report.

REASON FOR RECOMMENDATIONS:

A comprehensive review of Home Based Care support services and the market was carried out during 2013, identifying a need to replace the existing arrangements to enable a new approach to commissioning and delivering services. This led to the development of the Strategic Partnership Contract (SPC) and an Any Qualified Provider (AQP) contract model, established through a competitive tendering exercise. This was conducted in compliance with EU Procurement Legislation, and Procurement Standing Orders. The recommendations provide best value for money for the council and CCGs (jointly referred to as the commissioners).

Background and options considered

Background to Home Based Care (HBC)

1. Providing HBC support services to vulnerable adults in Surrey is a statutory obligation of the council which is delivered through external HBC providers. This service supports the Adult Social Care (ASC) directorate by enabling individuals (service users) to continue to live independently in their own homes.
2. HBC involves a range of health and social support services for all service user groups and includes personal care (such as support with getting up, getting washed, eating and drinking), non-personal care (such as support with shopping, household cleaning and laundry) and specific healthcare activities (such as end of life support).
3. The council currently delivers HBC support services to circa 4,800 service users equating to approximately 8,000 calls a day, with an annual expenditure of £45 million forecast for (2014/2015 financial year). The contract value for the SPC is anticipated to be between £26m and £36m per annum (based on the current rate of take up from the existing framework providers). The balance of service expenditure will be placed with providers on the AQP list on a spot basis. This will cover requirements where the SPC provider lacks capacity, the service user has exercised specific provider of choice, or requires a specialist niche service (such as learning disabilities or sensory needs).

Current HBC framework agreement

4. The HBC framework agreement, jointly tendered with the CCGs, (formerly NHS Surrey), was let on 14 April 2012, for an initial two years, with the provision to extend for a further two years.
5. In April 2014 the council and the CCGs reached the fixed period of the framework providing an opportunity to review the current commissioning and contract model.
6. In the first two years of the framework, due to limited capacity of providers, 20% of all packages of care were placed off the HBC framework, resulting in increased direct and indirect costs to commissioners and at times unnecessary delays in starting new packages of care due to limited capacity.
7. The results of the review identified a need to implement a new contract and specification to meet future demand of the increasing population and the statutory requirements from the Care Act (2014). Accordingly it was decided not to grant the extension under the existing framework contract.

Options Considered

8. Officers identified 5 options available. Having considered all benefits and risks of each option and following consultation with the HBC Reference Group in August 2013, it was agreed to extend the existing framework for 6 months

and implement a new contract from 1 October 2014. This would allow officers to conduct a thorough co-design process and identify the key requirements of the new contract.

Key requirements of the contract

9. Officers identified a number of key requirements of the contract, which formed the basis of the SPC tender. Providers listed within annex 1 submitted a bid complying with the following requirements:
 - Improving the quality of care delivered
 - Ability to monitor calls in real-time
 - Be able to take on start packages of care 7 days a week, 365 days a year.
 - Provide the necessary level of capacity

What will the contract look like?

10. The existing framework agreement will be replaced by a Strategic Partnership Contract (SPC)
11. The SPC is based on a flexible block arrangement which can be adjusted in line with the volume of new packages the council expects to commission each quarter. This contract will enable providers to build cost effective and efficient 'rounds' which will provide the council with a reasonable level of capacity. To achieve this, the council will guarantee to offer 40% of all new hours commissioned in each zone to the Strategic Provider (as outlined in Annex 2 – SPC Zones).
12. The benefits of this contract model mean providers can pro-actively recruit in line with expected demand, and be assured the council will offer them a level of pre-determined volume of work. This will enable commissioners and providers to develop a true partnership approach.
13. To mitigate the risks this anticipated volume will be jointly reviewed with the provider each quarter and adjusted according to the forecast increase/decrease in demand.
14. The SPC also includes performance incentives and measures linked to payment.
15. In the event that SPC providers cannot deliver the actual capacity of demand arising, or where the individual has expressed a provider of choice, the council have a standby outlet in the use of placements with AQP on a spot basis.

Tendering process

16. The council led the procurement exercise in conjunction with the Surrey Downs CCG, acting as lead Commissioner on behalf of the five other CCGs. Surrey Downs CCG were involved in every step of the process.
17. The restricted tender process was carried out in three stages:
 - Pre-Qualification (PQQ),

- Invitation to Tender (ITT),
- Interview and Clarification discussion with short-listed providers.

18. Each stage had a number of qualifying questions which bidders had to successfully pass in order to be considered for the next stage of this tendering process.

19. At ITT stage bidders were asked to demonstrate their understanding of the new service specification and contractual requirements. At the interview and clarification stage bidders were asked to present their proposals for delivering an outcomes-based approach with the support of the wider community, including Friends, Family and Community support.

CONSULTATION:

20. Commissioners sought the feedback and active involvement from a number of internal and external stakeholder groups throughout the co-design and tendering process. Stakeholder groups included providers, individuals from the voluntary and independent sector representing those receiving care and their families. Feedback was also sought from:

- quality assurance monitoring reports.
- customer satisfaction surveys.
- research findings.
- provider's performance monitoring returns from the existing HBC framework providers.

21. The HBC Reference Group is a group of stakeholders who provide oversight of the contract management process as part of the governance of the current framework agreement. They are made up of individuals representing the views and concerns of Individuals (receiving support), Carers and providers were informed of the outcomes throughout the exercise. The representatives included:

- Action for Carers
- Age UK (Surrey)
- Surrey Care Association (SCA)
- Surrey Coalition
- Surrey Disabled People's Partnership
- Adult Social Care staff groups including commissioners, Quality Assurance and Personal Care and Support.
- Procurement and Commissioning (Business Services Directorate)

22. The SCA also supported discussions with potential bidders on the new contract model and real time monitoring systems. Officers attended SCA meetings throughout autumn 2013 and spring 2014 with advice and guidance on commissioners intentions.

The following were additionally consulted:

Mel Few (Cabinet Member for Adult Social Care)
 Adult Select Committee Members
 Dave Sargeant, (Interim Strategic Director, Adult Social Care)
 Anne Butler (Assistant Director, Commissioning)

Quality Assurance Managers (Adult Social Care)
 Laura Langstaff (Procurement and Commissioning Manager, Business Directorate)
 Anna Tobiasz (Category Manager, Adults)
 Andrew Hewitt (Principal Accountant, Finance)
 Naz Fox (Senior Lawyer, Legal Services)

RISK MANAGEMENT AND IMPLICATIONS:

Category	Risk Description	Mitigation Activity
Provider Failure	Potential risk to service users or their carers/family should provider be unable to deliver care to the highest standard.	<ul style="list-style-type: none"> • New contract model enable commissioners to build strategic partnerships with providers (increasing trust, communication and transparency between both organisations enabling early intervention) • Key Performance Indicators (KPIs) to measure the effectiveness of provider's service • HBC monthly risk matrix (reviewing all providers performance with feedback from contract management teams and quality assurance)
Financial	Affordability of a viable, ongoing service in light of current nationally publicised pressures, e.g. zero-hours contracts, national minimum wage, living wage, integration of health and social care services.	<ul style="list-style-type: none"> • Commissioners have not pre-determined a price and encouraged bidders to submit a sustainable price • Guarantees and performance bond sought where appropriate • Financial checks undertaken during the tendering process
	Increasing demand for services will increase the budgetary pressures	Integrating Family, Friends and Community support for holistic outcomes, e.g. inclusion of non-personal care will be actively encouraged
Reputational	Providers failing to meet their full contractual obligations	The implementation of the SPC will enable commissioners to build a partnership approach with providers therefore mitigating risks associated with service delivery. Some KPI's have also been linked to payment of services rendered. Commissioners also have the right to terminate the contract with 3 months notice if a SPC provider continuously fails to meet their

		contractual obligations
	Lack of transparency of missed and late calls.	A requirement of the new SPC is for providers to implement real time monitoring of calls, which will provide commissioners with transparency of calls delivered on time.
	Cultural changes in implementing “outcomes focused approach”	New specification empowers providers to move from “task” to “outcomes” based commissioning, promoting greater personalisation and outcomes focused approach for individuals.

Financial and Value for Money Implications

23. This approach will increase the capacity and coverage for commissioned home care services across Surrey and allow easy access to suitable emerging providers. The enhanced contract specification will deliver 7 days per week, 365 days a year pick up response, real time monitoring of staff encourage an outcome-focused approach and the use of Friends, Family and Community support.
24. Since implementation of the current framework agreements in April 2012, no inflationary increases have been awarded. The new contracts hold inflation at zero for the first two years ahead of agreed increases linked to the Consumer Price Index for the remainder. Tighter performance arrangements allow up to five percent of costs to be reclaimed if targets are not met, and for additional administration / sourcing costs incurred due to provider failure to be reclaimed.

Section 151 Officer Commentary

25. The contract rate effectively covers 4.5 years of inflation and provides additional benefits and enhancements. This represents excellent value for money, as the new contract model is broadly cost neutral across the HBC budget for the first two years, ie inflation is fully absorbed. We will continue to evaluate the costs, as the exact position in 2015/16 will depend on the speed of transition to new contract rates and the mix in practice between strategic providers and others.

Legal Implications – Monitoring Officer

26. Following approval by the Procurement Review Group, a full competitive tendering process has been undertaken by the Council in accordance with the Public Contracts Regulations 2006 and the Council’s Procurement Standing Orders. Legal Services have advised on both model Contracts including the Consortium Agreement between the council and the CCGs.
27. The bespoke contract has been prepared by the council Legal Services in liaison with the Clinical Commissioning Groups Legal representative.

28. This is based on the terms and conditions of the existing HBC framework agreement, between the council and the successful providers. The Clinical Commissioning Group (CCG) will call off from the contract through an Access Agreement.

29. The working relationship and responsibilities of each commissioning party will be clearly outlined within a Consortium Agreement, signed by each CCG in Surrey. The Consortium Agreement will indemnify each party for any losses or expenses incurred by any party within the agreement and recognise the role of the lead CCG - Surrey Downs.

Equalities and Diversity

30. The proposals have a positive impact on residents and staff with protected characteristics and no adverse impacts have been identified. The Equalities Impact Assessment is attached as Annex 4.

31. Summary of the key points include:

Information and engagement underpinning equalities analysis	Commissioners have consulted with a wide range of stakeholders in the engagement carried out section of this report
Key impacts (positive and/or negative) on people with protected characteristics	There are no anticipated negative impacts on people with protected characteristics. There are positive impacts due to the new contractual model and service delivery model. Benefits include enhanced service specification, more responsive, effective and efficient sourcing processes, prompt weekday and weekend hospital discharges.
Changes you have made to the proposal as a result of the EIA	The contracted zones have been revised from 4 to 18 and the number of zones each bidder can be awarded through the tendering process
Key mitigating actions planned to address any outstanding negative impacts	Any provider who submitted a bid will automatically be included within the AQP contract, with the exception of any who received less than 20% of the total score for their SPC submission.
Potential negative impacts that cannot be mitigated	N/A

Safeguarding responsibilities for vulnerable children and adults implications

32. The implementation of real time monitoring will support the safeguarding and quality monitoring processes by enabling providers to produce an audit trail demonstrating the timeliness of all their calls.

33. There are no changes to the responsibilities of providers or commissioners as a result of this contract award process.
34. The specification and contract clearly states the expectations of the commissioners with regards to the providers' responsibilities.

Public Health implications

35. There are no significant implications to Public Health

Climate change/carbon emissions implications

36. The new localised zones should reduce the travel time of Care Workers, thereby reducing their carbon emissions. A full assessment of the benefits and implications of this contract can be found within the Equality Impact Assessment.

WHAT HAPPENS NEXT:

37. Should officers obtain approval from Cabinet to award this contract, the next steps will be:
- Formally award the new contract to providers outlined in the Part 2 report
 - Seek ratification and agreement of the result and final sign off with Surrey's CCGs
 - Implementation of the new contract
 - Contract is due to commence on 1 October 2014
 - Adults Leadership Team will be kept informed during implementation as appropriate.

Contact Officer:

Emily Parker, Assistant Category Specialist – Procurement and Commissioning
Tel: 020 8541 9826

Ian Lyall, Senior Category Specialist - Procurement and Commissioning
Tel: 020 8541 9933

Consulted:

Please refer to the consultation section of this report.

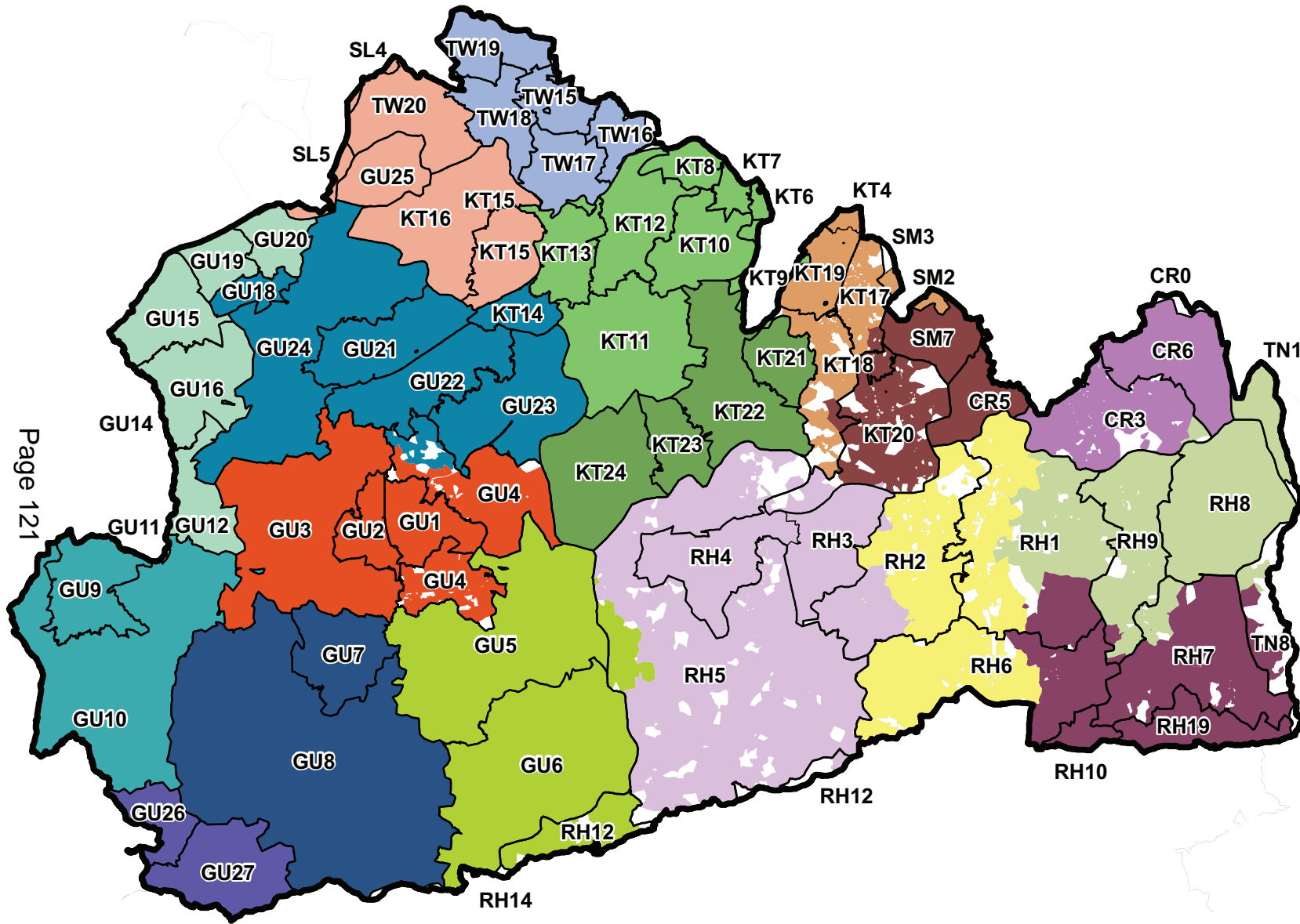
Annexes:

Annex 1 - Names of the successful SPC providers
Annex 2 – SPC Zones
Annex 3 - SPC Zones by Postcode
Annex 4 – EIA

Part 2 report (item 23) -Names of the successful SPC providers and scores

Zone Name	Zone No	Bidder	Overall Rank
Reigate & Banstead (North)	Zone 1	Alpenbest	1
Reigate & Banstead (South)	Zone 2	Britannia Homecare	1
Reigate & Banstead (South)	Zone 2	Kent Social Care Professionals	2
Tandridge (Mid)	Zone 3	Britannia Homecare	1
Tandridge (North)	Zone 4	Britannia Homecare	1
Tandridge (South)	Zone 5	Taylor Gordon & Co	1
Elmbridge	Zone 6	Alpenbest	1
Elmbridge	Zone 6	MiHomecare	2
Epsom and Ewell	Zone 7	MiHomecare	1
Epsom and Ewell	Zone 7	Alpenbest	2
Oxshott & Leatherhead	Zone 8	Mears Care	2
Dorking & Surrounding Areas	Zone 9/10	Britannia Homecare	1
Runnymede	Zone 11	MiHomecare	1
Runnymede	Zone 11	Alpenbest	2
Spelthorne	Zone 12	Alpenbest	2
Spelthorne	Zone 12	City & County Healthcare (London Care)	3
Woking	Zone 13	Alpenbest	2
Woking	Zone 13	Carewatch Care Services	3
Farnham	Zone 14	MiHomecare	1
Guildford	Zone 15	MiHomecare	1
Guildford	Zone 15	Care UK	2
Haslemere & Hindhead	Zone 16	MiHomecare	1
Surrey Heath	Zone 17	Carewatch Care Services	2
Surrey Heath	Zone 17	Care UK	3
South Guildford & Cranleigh	Zone 18	MiHomecare	1
Guildford & Godalming	Zone 19	MiHomecare	1

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- Dorking & surrounding villages
- Elmbridge
- Epsom and Ewell
- Farnham
- Guildford
- Guildford & Cranleigh
- Guildford & Godalming
- Haslemere & Hindhead
- Oxshot & Leatherhead
- Reigate & Banstead (North)
- Runnymede
- Spelthorne
- Surrey Heath
- Tandridge (Mid)
- Tandridge (North)
- Tandridge (South)
- Woking
- Reigate & Banstead (South)

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Area	Zone	Postcodes
East Surrey	Zone 1: Reigate & Banstead (North)	CR5 KT17 KT18 KT20 SM5 SM7
East Surrey	Zone 2: Reigate & Banstead (South)	RH1 RH2 RH6
East Surrey	Zone 3: Tandridge (Mid)	CR3 RH1 RH7 RH8 RH9 TN16 TN8
East Surrey	Zone 4:Tandridge (North)	CR3 CR6 CR8
East Surrey	Zone 5: Tandridge (South)	RH1 RH10 RH19 RH6 RH7 RH9 TN8
Mid Surrey	Zone 6: Elmbridge	KT10 KT11 KT12 KT13 KT6 KT7 KT8 KT9
Mid Surrey	Zone 7: Epsom and Ewell	KT17 KT18 KT19 KT4 SM2
Mid Surrey	Zone 8: Oxshot & Leatherhead	KT21 KT22 KT23 KT24
Mid Surrey	Zone 9: Dorking & Surrounding Areas	KT20 RH2 RH3 RH4 RH5
Mid Surrey	Zone 10: South Dorking	RH12 RH5
NW Surrey	Zone 11: Runnymede	GU25 KT15 KT16 SL4 SL5 TW20
NW Surrey	Zone 12: Spelthorne	TW14 TW15 TW16 TW17 TW18 TW19
NW Surrey	Zone 13: Woking	GU18 GU21 GU22 GU23 GU24 GU4 KT14
SW Surrey	Zone 14: Farnham	GU10 GU9
SW Surrey	Zone 15: Guildford	GU1 GU2 GU3 GU4
SW Surrey	Zone 16: Haslemere & Hindhead	GU26 GU27
SW Surrey	Zone 17: Surrey Heath	GU12 GU15 GU16 GU19 GU20
SW Surrey	Zone 18: South Guildford & Cranleigh	GU5 GU6 RH12 RH5
SW Surrey	Zone 19: Guildford & Godalming	GU7 GU8

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1. Topic of assessment

EIA title:	Possible impacts as a result of tendering of Home Based Care Support Services framework agreement for Adult Social Care.
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EIA author:	Emily Parker, Assistant Category Specialist, Procurement Jean Boddy, Senior Commissioning Manager Jo Parkinson, Assistant Commissioning Manager
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2. Approval

	Name	Date approved
Approved by¹	Jo Parkinson	4 July 2014

3. Quality control

Version number	3	EIA completed	7 July 2014
Date saved	7 July 2014	EIA published	10 July 2014

4. EIA team

Name	Job title (if applicable)	Organisation	Role
See above			

¹ Refer to earlier guidance for details on getting approval for your EIA.

EQUALITY IMPACT ASSESSMENT

5. Explaining the matter being assessed

What policy, function or service is being introduced or reviewed?	<p>The purpose of this Equalities Impact Assessment (EIA) is to highlight the possible affects for all users who receive Home Based Care (HBC) support services.</p> <p>Where possible, this EIA will outline the potential impacts the new contract models may have on all users who either receive support directly (individuals/service users) or indirectly (individual's carers/families). Where potential impacts are identified this EIA will propose ways of mitigating them, whether they are positive or otherwise. This EIA is important in ensuring all stakeholders have had their needs considered and goes towards informing the decision making process.</p> <p>Home Based Care (HBC) support services are available to enable individuals with health and social care needs to continue to live independently in their own homes. The services are predominately for older people but can also be delivered to other service user groups such as people with learning disabilities, people with sensory or physical disabilities and also mental health. Services can include personal care (such as support with getting up, getting washed, eating and drinking) and non-personal care (such as support with shopping, household cleaning and laundry).</p> <p>Providing HBC support services to vulnerable adults in Surrey is a statutory obligation of the council and due to the value and complexity of support services delivered by external home based care providers, HBC is a strategic and critical service. This service supports the Adult Social Care (ASC) directorate strategy 2012 -2017: to help people live independently and safely in their own home.</p>
What proposals are you assessing?	<p>Following a comprehensive review of HBC services and the market (providers whom deliver care to service users in their own homes) during 2013 officers identified a need to replace the existing contractual arrangement with contracts for a new service delivery models the Strategic Contract Partnership (SPC) and the Any Qualified Provider (AQP). These new delivery models were established through a competitive tendering exercise in the spring and summer of 2014 and are due to commence on 1st October 2014.</p> <p>This EIA will investigate and mitigate the potential impacts of the new contract models for all individuals who directly/indirectly depend on HBC support services, whether positive or otherwise. This EIA will also consider the wider impact of these contractual arrangements on the home based care market.</p>

EQUALITY IMPACT ASSESSMENT

<p>Who is affected by the proposals outlined above?</p>	<p>There are a number of different stakeholder groups who could be affected by the change in contractual arrangement, and they have been grouped into two categories:</p> <p>Internal Stakeholders of the council:</p> <ul style="list-style-type: none"> • Commissioners • Council Staff (Practitioners and Locality Staff) • Staff of the Clinical Commissioning Groups (CCGs) <p>External Stakeholders:</p> <ul style="list-style-type: none"> • Service Users (Individuals who receive a direct support) • Families/Carers (Individuals who receive indirect support) • Providers (organisations who manage the support services) • Care Workers (who deliver the support services)
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11

6. Sources of information

<p>Engagement carried out</p>
<p>Officers from the council and CCGs actively sought feedback from a number of stakeholder groups.</p> <p>The HBC Reference Group is a group of stakeholders who provide oversight of the contract management process as part of the governance of the service delivery. They are made up of individuals representing the views and concerns of Individuals (receiving support), Carers and providers were informed of the outcomes throughout the exercise. The representatives included:</p> <ul style="list-style-type: none"> • Action for Carers • Age UK (Surrey) • Surrey Care Association (SCA) • Surrey Coalition • Surrey Disabled People’s Partnership • Adult Social Care staff groups including commissioners, Quality Assurance and Personal Care and Support. • Procurement and Commissioning (Business Services Directorate) <p>The SCA also supported discussions with potential bidders on the new contract model and real time monitoring systems. Officers attended SCA meetings throughout autumn 2013 and spring 2014 with advice and guidance on commissioners’ intentions.</p>
<p>The following were additionally consulted:</p> <ul style="list-style-type: none"> • Mel Few (Cabinet Member for Adult Social Care) • Adult Select Committee Members • Dave Sargeant, (Interim Strategic Director, Adult Social Care)

EQUALITY IMPACT ASSESSMENT

- Anne Butler (Assistant Director, Commissioning)
- Quality Assurance Managers (Adult Social Care)
- Laura Langstaff (Procurement and Commissioning Manager, Business Directorate)
- Anna Tobiasz (Category Manager, Adults)
- Andrew Hewitt (Principal Accountant, Finance)
- Naz Fox (Senior Lawyer, Legal Services)

Officers from Procurement and ASC Commissioning also attended local Empowerment Boards to discuss the proposed changes to the contract models.

Data used

Officers also conducted a comprehensive review of the current framework using data from a number of sources which fed directly into an options and needs analysis. This analysis then informed consultation with stakeholders and the options concerned were developed from the outcome of these discussions.

The data and information analysed as part of this review was sourced from:

- Joint Strategic Needs Assessment (JSNA) to determine demographic trends/demands
- The Council's customer satisfaction surveys
- Feedback from Quality Assurance Monitoring visits, undertaken over the first year of the Framework Agreement.
- Research findings (such as the workforce development strategy)
- Performance monitoring returns submitted by the existing HBC framework providers.
- Swift and AIS
- ASC Personal Care and Support placement teams
- Meetings with existing framework providers
- Network quality assurance forums
- Engagement with providers and service users

The data was used to identify trends and common themes within the existing service delivery model which prompted discussion about the most appropriate way to resolve the issues and concerns currently experienced.

The team also sought best practice recommendations from the following reports:

- **Workforce Strategy** – tools for 'Value based employment '
<http://www.skillsforcare.org.uk/NMDS-SC-intelligence-research-and-innovation/Workforce-development-strategy/Workforce-development-strategy.aspx>
- **Norman Lamb June 2013 'crisis talks'** - HBC is the next big scandal – ethics of 15 minute calls <http://www.bbc.co.uk/news/health-22883708>
<http://www.bbc.co.uk/news/uk-24424785>
- **Human Rights Commission** - audit of Domiciliary Care (home based care

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agencies)

<http://www.equalityhumanrights.com/legal-and-policy/inquiries-and-assessments/inquiry-into-home-care-of-older-people/guidance-on-human-rights-for-commissioners-of-home-care/>

- **Unison Ethical Charter on Domiciliary Care** – zero based contracts and minimum wage payment for ‘highly skilled’ workforce
<http://www.unison.org.uk/upload/sharepoint/Research%20Material/Final%20Ethical%20Care%20Charter%20PDF.pdf>
http://www.bbc.co.uk/news/uk-26021026#story_continues_2 (Recent “Councils in England pay too little for home care”)
- **UKHCA** – care is not a commodity report - deteriorating relationships , concern for safety and dignity of service users and lack of guaranteed purchase.
<http://www.ukhca.co.uk/pdfs/UKHCACommissioningSurvey2012.pdf>
- **Long Term Condition strategy** - increased complex needs living in the community.
- **Technological improvements** - monitoring, Telecare and Telehealth
Top tips for Directors – ADASS guidance
<http://www.adass.org.uk/images/stories/Publications/Miscellaneous/TopTipsDec13.pdf>

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

EQUALITY IMPACT ASSESSMENT

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

Protected characteristic ²	Potential positive impacts	Potential negative impacts	Evidence
Age	<p>It is anticipated that the enhanced service specification will provide a positive impact for all individuals receiving support.</p> <p>Please refer to the evidence section for further details.</p>	N/A	<p>There is no change to the scope of services being commissioned through the new HBC contracts. Any individual deemed eligible by the council and CCGs for support will continue to receive HBC funded services.</p> <p>The enhanced specification empowers providers to move from “task” to “outcomes” based commissioning, promoting greater personalisation, independence and outcomes focused approach for individuals.</p> <ul style="list-style-type: none"> • Transparency and management of missed and late calls – providers will know in real time if service delivery is late or to be missed – with consequences for poor performance • More flexible services as total time allocated can be managed more proactively • Individuals will have a copy of a easy read specification based on the outcomes individuals should expect from the service • More responsive “pick up” times of packages, especially for hospital discharge, means packages should commence sooner • Putting requirement on providers to engage individuals in their communities, in support of Family, Friends and Community Support agenda • The council will publish their "qualified providers" to assist self funders' when independently selecting a care provider.
Disability		N/A	
Gender reassignment		N/A	
Pregnancy and maternity		N/A	
Race		N/A	
Religion and belief		N/A	
Sex		N/A	
Sexual orientation		N/A	
Marriage and civil partnerships	N/A		
Carers ³	The introduction of a Long Care Rate should offer additional support to Carers and members of the individuals family	N/A	

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² More information on the definitions of these groups can be found [here](#).

³ Carers are not a protected characteristic under the Public Sector Equality Duty, however we need to consider the potential impact on this group to ensure that there is no associative discrimination (i.e. discrimination against them because they are associated with people with protected characteristics). The definition of carers developed by Carers UK is that ‘carers look after family, partners or friends in need of help because they are ill, frail or have a disability. The care they provide is unpaid. This includes adults looking after other adults, parent carers looking after disabled children and young carers under 18 years of age.’

EQUALITY IMPACT ASSESSMENT

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

Protected characteristic	Potential positive impacts	Potential negative impacts	Evidence
Age	This new contract requires the council and CCG staff to work in a different manner when sourcing HBC packages, and develop partnership relations with providers. The positive impact of this will include more effective and efficient sourcing processes, and offer Practitioners more flexibility in having a greater supply of providers who are already approved and set up in AIS, reduces time when organising new spot placements	N/A	With the introduction of revised smaller, or concentrated “zones”, Care Workers travel time should be reduced or remain the same as they are currently.
Disability		N/A	
Gender reassignment		N/A	
Pregnancy and maternity		N/A	The new contract and specification takes into consideration the recommendations of industry reports (listed within the data section of this document). Through the tendering evaluation process bidders had to demonstrate their compliance with new legislation (Care Act 2014) and how they will operate their businesses in line with best practice recommendations, outlined within the service specification.
Race		N/A	
Religion and belief		N/A	
Sex		N/A	
Sexual orientation		N/A	
Marriage and civil partnerships		N/A	
Carers		N/A	
	The enhanced service delivery model will have a positive impact on staff employed directly by home care agencies contracted with the council and the CCGs. Please refer to the evidence section.		The evaluation process focused on the importance of managing the welfare and promoting the rights of Care Workers. Bidders were asked to demonstrate how they incentive and develop their staff.

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8. Amendments to the proposals

Change	Reason for change
The contracted zones have been revised from 4 to 18.	In recognition of the challenges of operating an effective and sustainable home care agency within Surrey, the number of zones have been increased from to 4 to 18. This is to enable sustainable provider growth in Surrey, and decreasing any risk of provider failure. This also supports the commissioners to guarantee a minimum volume of hours which provides sustainable growth to the provider.
The number of zones each bidder could be awarded through the tendering process	<p>Positive Impact: Due to the potential risks involved in service delivery, and the mutual dependency of commissioners and providers, commissioners looked to restrict the total number of zones any one bidder could be awarded. This would reduce the chance of a provider failing to meet their contractual obligations and mitigate any impact.</p> <p>Negative Impact: bidders who may not be awarded an SPC in a zone they currently operate, may experience an unsustainable reduction in the number of packages they delivery in that particular zone. This would need to be clearly managed with commissioners through regular contract review meetings.</p>

9. Action plan

Potential impact (positive or negative)	Action needed to maximise positive impact or mitigate negative impact	By when	Owner
Risk of providers developing unsustainable 'rounds of packages' in zones where they were not awarded an SPC.	Any provider who submitted a bid will automatically be included within the AQP contract, with exception to any who received less than 20% of the total score for their SPC submission.	1 st October	Procurement

10. Potential negative impacts that cannot be mitigated

Potential negative impact	Protected characteristic(s) that could be affected
N/A	

EQUALITY IMPACT ASSESSMENT

11. Summary of key impacts and actions

Information and engagement underpinning equalities analysis	Commissioners have consulted with a wide range of stakeholders in the engagement carried out section of this report
Key impacts (positive and/or negative) on people with protected characteristics	There are no anticipated negative impacts on people with protected characteristics. There are positive impacts due to the new contractual model and service delivery model. Benefits include enhanced service specification, more responsive, effective and efficient sourcing processes, prompt weekday and weekend hospital discharges.
Changes you have made to the proposal as a result of the EIA	The contracted zones have been revised from 4 to 18 and the number of zones each bidder can be awarded through the tendering process
Key mitigating actions planned to address any outstanding negative impacts	Any provider who submitted a bid will automatically be included within the AQP contract, with exception to any who received less than 20% of the total score for their SPC submission.
Potential negative impacts that cannot be mitigated	N/A

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Annex 1 – Issues to consider when assessing the impact

To explain how the HBC support services could potentially impact of the HBC re-tender, this report has been broken down into key areas:

- 1) Individuals in receipt of support (service users)
- 2) Members of the individual’s families/carers
- 3) Members of staff employed by the council, CCGs and the provider.
- 4) Provider sustainability

There are no anticipated negative impacts on people with protected characteristics and all positive impacts apply to any group of individuals with protected characteristics

1) Individuals in receipt of support (service users)

The enhanced specification and performance targets of the new SPC will significantly benefit the service user.

- **Improved quality of care** – the new service delivery and contract structure has replaced the existing contractual arrangement to enable a new approach of commissioning services to be implemented. The enhanced specification includes the requirement for providers to implement real time monitoring systems which will proactively monitor services to ensure support is delivered in a timely manner.

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- **Responsiveness of pick-up rate of new packages** – the new service delivery model will result in a timely service commencing within the required timescales and prompt weekday and weekend hospital discharges. Currently limited capacity of Care Workers within the home based care market can result in delays in starting a new package of care, which can result in some service users hospital discharges being unnecessary delays.
- **Outcomes focused approach** – the enhanced service specification shifts home based care away from a service focused on rigid prescription of tasks and times, to a service which is able to respond to an Individual's changing needs and preferences. The specification incorporates the Think Local Act Personal Making it Real "I statements", which focuses on achieving outcomes for Individuals, based on achieving outcomes for Individuals.

This will support service users to become more independent at home and active within their wider community. This is critical to the success in achieving the Council's ASC directorate strategy 2012 -2017: to help people live independently and safely in their own home, by delaying or preventing need for support.

- **Improved choice of provider for the service user** – with the introduction of the Any Qualified Provider (AQP) contract, service users will be able to choose from a wider range of providers than the council currently contracts with.

2) Members of the individual's families/carers

- **Increased responsiveness of support** – through the requirement to implement an electronic real time monitoring system, providers will know in real time if a Care Worker is late and mitigate the impact of this call.
- The use of **electronic real time monitoring systems** will also enable providers to demonstrate how long support was provided for (this enables flexible use of total time available over a week, and billing according to what is delivered).

3) Members of staff employed by commissioners and the provider.

Members of staff employed by commissioners (the council and CCGs)

- The **new service delivery model** to be implemented for the SPC and AQP contract will support staff to provide a more efficient and effective service for the individual, their carer and family members.
- **Sourcing process** – the new contract and service delivery models will enable locality staff to work and develop a stronger operational relationship with providers in their zone. Staff will have a better understanding of provider's capacity and any challenges they are currently facing.
- Enable practitioners and social care development coordinators to **build commercial relationships** with strategic providers in each zone and enable early identification of risks to service delivery.

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- **Vendor set up** – when capacity is limited locality staff often need to source a new provider (who the council doesn't currently contract with) and this will require a new vendor to be set up in AIS/Swift. Due to the ad-hoc requests to place a package of care off the current framework agreement which can result in delays in the provider's invoices being processed due to missing information from the provider and therefore outstanding due diligence checks which must be completed prior to the set up being completed.

The AQP process will enable providers who do not currently work with commissioners to apply to join the AQP list each quarter, which will follow a structured due diligence process, after the provider has submitted all of the mandatory information on the Council's e-Sourcing Portal, followed by a robust evaluation process.

Members of staff employed by providers

The SPC contract will support providers to deliver a more efficient and effective service for the individual, their carer and family members.

- **Travel time between packages of care** – the SPC zones are smaller, more local, geographical areas and have been selected in line with population density and volume of current need. This prevents the need for Care Workers to travel as far between visits and reducing depreciation of Care Worker's vehicles
- **Security of work** – by offering strategic providers a contract of up to 5 years and guaranteeing a minimum volume of new hours each quarter, clearly states the councils and CCGs intention to build long term partnerships with providers. Care Workers will be aware of this and providers should be seen as the provider of choice.
- **Ethical Employment** – the enhance service specification also requires providers to ensure their recruitment processes are ethical and in line with legislation.

4) Provider sustainability

Many of the lessons learnt from the current framework agreement have demonstrated the need for commissioners to actively support providers to develop a sustainable business in Surrey. The home based care market is reliant on robust quality assistance processes, recruitment and retention of staff. Recruitment and retention in Surrey is a significant challenge across the home base care market and this is one of the key influences affecting capacity.

The SPC has been developed in response to the lessons learnt with the current framework and will enable commissioners to proactively work with providers and support them in developing a sustainable business. One example of this is the new zones. The smaller zones will enable providers to build a density of packages and proactively recruit new staff to meet the anticipated volume of demand each quarter.

EQUALITY IMPACT ASSESSMENT

5) Measuring provider performance

The council and CCGs recognise the importance of effective contract management and the opportunity this brings to delivery continuous improvement throughout the lifetime of the contract. The strategic providers have signed up to a set of key performance indicators , linked to their real time monitoring systems, which will provide evidence of whether the provider has met its contractual obligations. The evidence gathered will form a base of learning and continuous improvement for the overall benefit of all Parties to the Contract.

Performance data will give commissioners and providers greater transparency of what and how support services were delivered and together how we can jointly identify improvements to service delivery.

SURREY COUNTY COUNCIL

CABINET

DATE: 22 JULY 2014



REPORT OF: MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS SERVICES

LEAD OFFICER: ANN CHARLTON, DIRECTOR OF LEGAL AND DEMOCRATIC SERVICES

JULIE FISHER, STRATEGIC DIRECTOR FOR BUSINESS SERVICES

SUBJECT: LEGAL SERVICES FRAMEWORK

SUMMARY OF ISSUE:

This report seeks Cabinet approval to award contracts which will provide additional legal support to local authorities in the county, through a Framework agreement. These contracts are intended to give all local authorities in Surrey, together with some neighbouring councils, access to specialised advice, which cannot be provided cost-effectively in-house.

It provides details of the procurement process, including the results of the evaluation process, and in conjunction with the Part 2 report, demonstrates why the recommended contracts offer best value for money.

Due to the commercial sensitivity involved in the contracts award process, the names and financial details of the potential suppliers have been circulated as a Part 2 report for Members.

RECOMMENDATIONS:

It is recommended that contracts are awarded to the preferred supplier(s) as agreed on the basis set out in the Part 2 report (item 22).

REASON FOR RECOMMENDATIONS:

To ensure that local authorities have access to best value for money external legal advice and support from solicitors and barristers selected by a full tender process, in compliance with the requirement of EU Procurement Legislation and Procurement Standing Orders.

DETAILS:

Background and Procurement Strategy

1. The procurement objective was to renew the Framework Agreement for the External Provision of Legal Services set up collaboratively in 2009 by Surrey County Council and the Boroughs and Districts in Surrey. The framework covers both solicitors and barristers.

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2. Expanding on the previous partnership work this has been a collaborative tender with the Surrey Boroughs and Districts, and local authorities within East Sussex and Berkshire, maximising our spend levels to the market and making the tender more commercially attractive. Local authorities outside Surrey will be invited to sign formally, once Cabinet has approved the list in Part 2 of this report.
 3. A joint Procurement and Project team was set up including representatives from Surrey Legal Services, Spelthorne Borough Council, Guildford Borough Council, Waverley Borough Council and Surrey Procurement and Commissioning. The contracts were to be let following a competitive tendering exercise, using the OJEU Restricted Procedure.
 4. The group wished to attract Surrey based firms to the framework and to assist with this there have been engagement meetings with the Surrey Law Society, an event at Guildford Borough Council for potential suppliers which was well attended by local firms and an article was also written for the local trade press.
 5. Engagement has also taken place with existing suppliers to understand their experiences with the current framework. Generally there was good feedback; a number of suppliers had good amounts of work under the framework. In some instances a few suppliers had little work from it, but the reasons for this were identified, and changes were made to the design of the subsequent project to try and eradicate this possibility from this procurement.
 6. Two procurement options were considered: (1) tender using the Government Procurement Service Framework, but that did not allow us to target Surrey based providers, nor did it provide sufficient cover for sensitive areas like child care barristers, (2) tender for our own framework and ensure engagement with Surrey based suppliers. The preferred option was to tender for our own framework to address the areas above.
 7. Fifty five suppliers expressed an interest in the advertised tender opportunity. These suppliers were evaluated to ensure they had the legal, financial and technical capacity and appropriate policies in place to undertake the contract. An invitation to tender was sent to 35 short listed suppliers. The resulting tenders were then evaluated against the criteria and weightings in the part 2 report.

Key Implications

8. The Framework is for the period from 1 September 2014 to 31 August 2018. By awarding a contract to the supplier(s) recommended in the Part 2 report the Council will be ensuring value for money from its external lawyers.
9. Performance will be monitored throughout. Lessons learned from monitoring the previous framework should lead to improved participation by all the councils to collect appropriate data for contract monitoring.
10. Surrey County Council will co-ordinate the contract management data records through its own systems and staff in Legal Services, using already established systems to monitor external spend data.

11. Management responsibility for the Contract lies with Surrey Legal Services and will be managed by them in line with the Contract Management Strategy and Plan as laid out in the contract documentation.

CONSULTATION:

12. Stakeholders consulted at all stages of the commissioning and procurement process include Spelthorne Borough Council, Guildford Borough Council, Waverley Borough Council, Surrey Procurement and Commissioning, East Sussex County Council, the Berkshire unitary authorities, and the Surrey Law Society. Externally the Project Group consulted the 22 current suppliers to the existing Framework Agreement.

RISK MANAGEMENT AND IMPLICATIONS:

13. The contract has been prepared jointly by SCC Legal Services, Spelthorne Borough Council, Guildford Borough Council, Waverley Borough Council and Surrey procurement and Commissioning.
14. The following key risks associated with the contract and contract award have been identified, along with mitigation activities:

Category	Risk Description	Mitigation Activity
Financial	Not knowing how much work is being put through the framework leading to increased costs.	Central collation of spend data as outlined in paragraph 10. Scheduled 6 monthly meetings with suppliers to identify issues.
Financial	Not knowing how much work is being spent outside of the arrangement.	Central collation of spend data as outlined in paragraph 10. Review of spend data in monthly meetings of the Surrey Administrators and Solicitors Group.
Reputational	Successful supplier does not have necessary skills, experience and technical knowledge to satisfactorily complete the elements of the contract(s)	Tender process to include 60% quality element towards overall contract(s) award, including clarification meetings if any officer concerns remain post tender process. Post contract remedies available under the contract.
Reputational	Issuing a framework which is not fit for purpose for internal customers or external suppliers.	The replacement of a new Legal framework through quality, specialist suppliers, following a thorough contract procurement exercise. Regular contract performance meetings to ensure adherence to works programmes and agree recovery actions if required.

Financial and Value for Money Implications

15. Full details of the contract value and financial implications are set out in the Part 2 report. The estimated costs have been based on previous costs, and market knowledge.
16. The procurement activity has delivered a solution with expected savings of approximately 13% when compared with the current rates in the existing framework.
17. Despite more robust reporting requirements and service levels in the new contract, the recommended bids achieve a decrease in the cost of the contracts.
18. Benchmarking information will be shared with East Sussex County Council.

Section 151 Officer Commentary

19. All material financial and business implications have been considered as part of this report. The expected costs and savings are set out within part two of the report.

Legal Implications – Monitoring Officer

20. Good legal support, including the ability to call upon external legal resources and technical expertise at short notice is essential to all local authorities and supports service delivery to residents.
21. To ensure compliance with legal requirements, Legal Services has undertaken a competitive procurement exercise in accordance with the Public Contracts Regulations and Procurement Standing Orders, to procure a sustainable 4 year Legal Framework.
22. The framework offers the Council access to good quality external legal services conforming in all respects with the specification supplied by the Council to the providers. The providers are required to comply with all applicable regulations and legal requirements.

Equalities and Diversity

23. There is no requirement for an Equality Impact Assessment (EIA) as there are no implications for any public sector equalities duty due to the nature of the services being procured. However all suppliers are required to comply with the Equalities Act 2010 and any relevant codes issued by the Equality and Humans Commission. In addition, all suppliers were assessed on the ability they had to address the requirements of the Equalities Act and to deliver services which would help the councils meet their statutory duties. Excellent responses were received from many suppliers.

WHAT HAPPENS NEXT

24. The timetable for implementation is as follows:

Action	Date
Cabinet decision to award	22 July 2014
'Alcatel' Standstill Period	28 July to 7 August 2014
Contract Signature	10 August 2014
Contract Commencement Date	1 September 2014

25. The Council has an obligation to allow unsuccessful suppliers the opportunity to challenge the proposed contract award. This period is referred to as the 'Alcatel' standstill period.

Contact Officer:

Peter Simmonds Tel: 020 8541 9936

Consulted:

Spelthorne Borough Council
Guildford Borough Council
Waverley Borough Council
Surrey Procurement and Commissioning
Surrey Legal Services
Surrey Law Society
Unitary authorities in Berkshire
East Sussex County Council

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SURREY COUNTY COUNCIL**CABINET****DATE: 22 JULY 2014****REPORT OF: MR MEL FEW, CABINET MEMBER FOR ADULT SOCIAL CARE****LEAD OFFICER: DAVID SARGEANT, INTERIM STRATEGIC DIRECTOR - ADULT SOCIAL CARE****SUBJECT: BADGERS WOOD SURREY COUNTY COUNCIL RESIDENTIAL CARE HOME****SUMMARY OF ISSUE:**

Badgers Wood is a Surrey County Council in-house residential care home for people with learning disabilities (PLD).

Factors outlined in this report signal that the future of the home needs to be explored in partnership with key stakeholders. Issues around the physical structure of the property, high vacancy rate and changes in service users' expectations of what services look like and deliver need to be addressed.

The report recommends that a consultation on the future of the home is undertaken, with the preferred option clearly indicated. The preferred option is that the home be closed and new services are sourced for the individuals supported by the home.

RECOMMENDATIONS:

It is recommended that Cabinet agrees that the Council will consult on the proposal to close Badgers Wood Home and that following the consultation a further report will be presented to Cabinet for a decision on the future of the home.

REASON FOR RECOMMENDATIONS:

- The existing service does not fully provide the opportunity for residents to maximise their independence and live in a supported living environment. It is recognised the building is too large to provide a sufficiently individualised service.
- The current service does not accord with the strategic direction of Surrey Adult Social Care, in terms of a shift from residential care to a broader range of personalised accommodation options such as supported living.
- The vulnerability of people living in the home due to age and infirmity has increased and their needs will be difficult to meet appropriately within the present service
- The service in its current form has experienced a lack of demand in at least the last 5 years.
- Reviews of the 10 residents care and support needs have found that at least

2 residents will move-on from the service as part of Adult Social Care annual review and reassessment processes.

- A high and increasing vacancy level compromises the financial viability of the existing service. Given the concerns about the building and the lack of fit with current commissioning priorities, there is no expectation that new referrals will be made and so demand is projected to continue to decline over time.
- Significant financial investment in the building is required and it presents a number of challenges to adaptation and refurbishment. New Learning Disability schemes are generally developed on the basis of accommodation for 4 to 8 people.
- Young adult (18+) and their parents / carers would not choose a service that comprises 17 bedrooms and does not provide an environment for personalised services.

DETAILS:

Background

1. The national vision for adult social care is for services to be delivered in a way that is:
 - a) personalised
 - b) focused on choice and control for individual service users
 - c) is reflective of new and differing expectations and needs
2. Adult Social Care continues to support people to live independent and fulfilling lives by developing and transforming the Council's Adult Social Care services to deliver care and support which reflects local need, supports personalisation as well as delivering efficiency savings, in line with Surrey County Council's Medium Term Financial Plan (MTFP 2014-19)
3. The 2012 Learning Disability Public Value Review (LD PVR) proposed a number of strategic objectives to deliver the shift in trend and investment namely:
 - A shift from contracted residential care to a broader range of personalised accommodation options across Surrey
 - Better understanding of the current and future accommodation needs of people with learning disabilities in and out of Surrey.
4. A clear commissioning intent emerged to progress the re-registration of residential care homes from residential to supported living.
5. SCC's current PLD Commissioning Strategy intention is for:
 - All individuals with a learning disability in Surrey who are eligible for support have self-supported assessment;
 - All individuals are entitled to have personalised, high-quality person centred support plans;

- More people to live in their own homes;
- More people to live in individualised accommodation;
- More people to access employment, education and social supports;
- More people able to live in their locality.

Badgers Wood Residential Care Home

6. Surrey County Council has owned and managed Badgers Wood in Ottershaw, a residential care home for people with learning disabilities, for almost 40 years.
7. This home is registered for 17 people but currently has 10 individuals living there. The home has run below capacity for at least 5 years.
8. The home also provides a short-break service. There are 11 individuals that occasionally book to stay for a weekend or a week. It should be noted that the Learning Disability PVR required separation of residential care (people's homes) and short breaks, in keeping with Care Quality Commission guidance.
9. There are nine permanent members of staff (including the Home Manager) and ten bank staff.
10. The property itself is no longer considered to be an attractive or appropriate physical environment. Notable expenditure would be required in the short term to address ageing building infrastructure.
11. In its current form the building is not a service that would of interest to individuals and their parents / carers looking for a service, and in particular young adults (18+) as modern services are generally developed on the basis of accommodation for 4 to 8 people, in response to what individuals and parents carers prefer. Consequently, to become a modern service that may attract interest from young adults and their parents / carers, the current building would in all likelihood need to be demolished and rebuilt.
12. While Badgers Wood is able to operate a good quality service for current residents, there has only been one new referral to the home in the last 18 months. Given the challenges with the building and the availability of alternative services which better fit current commissioning intentions, there is no expectation that there will be any new referrals into this service.
13. The PLD Commissioning team continue to work with the external provider market to develop more modern local accommodation for people with learning disabilities requiring care and support. At the time of writing it appears that there is sufficient capacity in the market to accommodate individuals as part of a re-provision programme.
14. In order to determine future services as part of any re-provision programme, current and future support needs would be determined through the social care assessment process. All of the permanent residents at Badgers Wood have recently been reviewed (as part of their annual review process) and as a result:
 - One individual has decided to move to a shared lives service to provide greater independence – this is being progressed currently.

- One individual has declared an interest in moving closer to their family – this will be examined in detail by the social care practitioner

15. Both individuals are being managed as part of Adult Social Care annual review and reassessment processes and not subject to any re-provision programme. This highlights that the occupancy levels are likely to reduce from 10 to 8 in the near future.

Option considered

16. Since summer 2010, the Adult Social Care management team have been aware of the limitations and maintenance problems with the property.

17. The option to take no action was considered and discounted because:

- The physical layout of the building will need significant changes to ensure adequate future provision
- Badgers Wood cannot meet the needs of people with multiple disabilities.
- The service will incur significant property related costs, see a reduction in occupancy levels and become financially non viable.
- The service does not conform with the commissioning shift from residential care to a broader range of smaller personalised accommodation options, which are being developed in response to individual and parent / carer preferences.

18. Consequently, the proposal is that the service close

OPTION	Summary Impact	Comment
<p>Close Badgers Wood and find alternative services for people</p>	<p>Full reassessments will identify 'appropriate' future services for residents based on a range of considerations including – support needs, local links, friendships and community activities.</p> <p>Staff would be concerned about their future.</p>	<p>Provides the opportunity to proactively manage a closure programme.</p> <p>Provides new opportunities for residents.</p> <p>New services would be vetted and approved by experienced social care practitioners</p> <p>Staff would be subject to the Council's redeployment policy and process, with the aim of avoiding redundancy and offer alternative employment.</p>

Key implications

19. The welfare of the residents is of paramount consideration:
- That new services would be tailored to the needs of individuals, their families / carers.
 - Residents, staff and family members and carers should be involved in a consultation; proposed to last for a 6 week period.
20. The consultation would include a full programme of engagement with stakeholders through which reasons for the recommendation would be explained and views sought on the best way forward for residents and the Badgers Wood community as a whole. To facilitate timely progress, work has already been undertaken to develop joint plans with the Council's Adult Social Care, Property and HR Teams.

CONSULTATION:

21. A full list of those consulted regarding the recommendation within this report is set out at the end of this report.
22. Given that this report will be publically available via the Council's website prior to the meeting, it is essential that residents, families / carers, trade unions, staff and other stakeholders are informed that a report is going to Cabinet to approve the consultation on the closure of the home.

RISK MANAGEMENT AND IMPLICATIONS:

23. People with learning disabilities can sometimes find it hard to adapt to change and continuity of care is important. In particular, arrangements would be put in place to provide:
- additional staffing resources to be deployed if required during the transitional period to offer additional support to the residents and staff at Badgers Wood.
 - advocacy resources to support individual residents will be actively engaged if residents chose to have advocacy services or where families / carers cannot provide support.
 - following a decision to close the home, it would be expected that all staff will be offered re-deployment opportunities.

Category	Risk Description	Mitigation Activity
Service	Consultation with residents and their families / carers could be emotive as the residents have lived in the home for several years	A fair and transparent communications plan is being developed which will include the opportunity to meet with residents and their families / carers as a group and for individual sessions.
	Consultation with the staff will be	Work has already started to identify potential vacant roles for

	unsettling.	staff who wish to remain with the County Council to move to.
Reputational	The consultation on this service may attract local interest from a wide variety of interested parties, including the media. The interest could be adverse	The Communication Plan will include briefings in preparation for enquiries from any party – County Councillors Local Borough Councillors (Ward Members) Parish Councillors Member of Parliament Local Borough Leader and Chief Executive
Financial	The service continues to operate at a high cost	Ongoing financial monitoring fed into future options

24. A log of enquiries will be maintained and feed into the consultation process.

Financial and Value for Money Implications

25. Any investment in the existing building does not address the fact that the property is not what individuals and parents / carers prefer, which are smaller personalised services and not large residential care homes.

Section 151 Officer Commentary

26. Current indications are that service users can be provided with appropriate alternative services within current revenue costs. Therefore, although the potential options are driven by quality considerations, they do also represent good value for money.

Legal Implications – Monitoring Officer

27. There is a clear expectation in public law that the Council should carry out a consultation process whenever it is considering making significant changes to service provision, particularly including the closure of any of its resources. Such consultation will need to particularly include residents of the homes and their relatives as well as staff, other interested groups and stakeholders. It will be important that the material presented to consultees provides sufficient information to allow for intelligent consideration and response in relation to the proposals. This information will need to be presented in a way that consultees will understand. The responses to the consultation will need to be conscientiously taken into account when the Cabinet makes any future decision in relation to the home.
28. The public sector equality duty (Section 149 of the Equality Act 2010) applies to the decision to be made by Cabinet in this report. There is a need in

agreeing the recommendation to have due regard to the need to advance equality of opportunity for people with protected characteristics, foster good relations between such groups, and eliminate any unlawful discrimination. These matters are dealt with in the equalities paragraphs of the report.”

Equalities and Diversity

29. In accordance with the public sector equality duty the Cabinet will need to take account of the particular needs of those with protected characteristics in proceeding with any consultation. There will particularly be a need to consider age (both the elderly and young people) and disability, and the protected characteristics of residents and their families. The communication plan attached shows how the service is intending to engage with relevant individuals and groups and makes specific reference to consideration of these protected characteristics. An EIA is being created specifically covering the Badgers Wood residential care home. It will be periodically updated as the impact of the consultation becomes clear and presented to the Cabinet when it considers the outcome of the consultation.

Safeguarding responsibilities for vulnerable children and adults implications

30. The individuals using in the service are supported by Adult Social Care professional staff. Any safeguarding concerns would be managed through the established Surrey multi-agency safeguarding process.

WHAT HAPPENS NEXT:

31. Subject to Cabinet approval of the recommendations outlined within this report, the following timetable for implementation will apply:

Action	Date
Cabinet endorsement of recommendations	22 July 2014
Cabinet call in period	5 working days after publication of the decision
Recommendation	6 weeks of consultation

Contact Officer:

Philippa Alisiroglu – Interim Assistant Director, Adult Social Care 01737 737409

Consulted:

Internal

Adult Social Care:

David Sargeant - Interim Strategic Director, Adult Social Care
 Anne Butler – Assistant Director, Adult Social Care
 Jo Poynter – Senior Manager PLD Commissioning
 Chris Esson – Assistant Senior Manager PLD Commissioning
 Debbie Aitken – Commissioning Manager
 Siobhan Abernethy – Communications Manager
 Caroline Williams – Communications Officer

Steven Ward – Acting Senior Manager North West Surrey
Gail Petty – Project Manager
Adele Lawrence – Senior Operational Lead
Sally Reardon – Home Manager
Paul Carey-Kent – Strategic Finance Manager (Section 151 Officer)
Omar Mehtar – HR Relationship Manager
Nardeep Rooprai – HR Adviser

Estates and Property Management

Peter Hopkins – Asset Strategy and Planning Manager
Simon Moore - Asset Strategy Partner

Chief Executive's Office

Debbie Chantler– Senior Lawyer, Legal and Democratic Services
Joy Ridley – Media Officer

SURREY COUNTY COUNCIL**CABINET****DATE: 22 JULY 2014****REPORT OF: MRS LINDA KEMENY, CABINET MEMBER
FOR SCHOOLS AND LEARNING****MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS
SERVICES****LEAD OFFICER: GARATH SYMONDS
ASSISTANT DIRECTOR FOR YOUNG PEOPLE****LAURA LANGSTAFF, HEAD OF PROCUREMENT AND
COMMISSIONING****SUBJECT: SERVICES TO SCHOOLS AND SCHOOLS IMPROVEMENT
CONTRACT EXTENSION – BABCOCK 4S LIMITED****SUMMARY OF ISSUE:**

To approve the extension of the Schools Support Services contract between Surrey County Council (SCC) and Babcock 4S Limited (B4S) for school improvement and back office support services to schools for a further 4 years from 1 April 2015 to 31 March 2019. As B4S is a joint venture partnership, and is governed by a shareholder agreement, this will be amended to reflect the outcome of agreeing the contract extension.

RECOMMENDATIONS:

It is recommended that Cabinet agrees in principle to extend the contract on the existing contractual terms and conditions for the permitted 4 year extension term, subject to, any final variations in the shareholders agreement and approval through delegated authority by the Strategic Director of Children Schools and Families, the Cabinet Member for Business Services, Cabinet Member for Schools and Learning, the Leader of the Council, and the Section 151 Officer.

REASON FOR RECOMMENDATIONS:

Extending the existing contract will enable the joint venture to continue to deliver the "every school a "Good" school" project by 2017. The stability of this work is crucial and is one of the key reasons for the extension.

DETAILS:

1. In 2004, SCC took the ground-breaking decision to proactively engage with a commercial partner to deliver its school support and improvement services. A public private partnership was formed between VT Education and Skills Limited (parent company at the time), a part of the VT Group plc and SCC to deliver

these services through a Joint Venture Company operating as VT Four S Limited.

2. VT Education and Skills Limited was taken over by Babcock International Plc in 2010 and VT Four S Limited was renamed Babcock 4S Limited (B4S). The B4S joint venture has proved to be successful, delivering a financial return and driving up school performance.
3. B4S delivers educational support services through a funded annual Service Delivery Agreement (SDA) with SCC to undertake specific and statutory activities in Surrey schools and SCC related to the local and national education agenda.
4. B4S is the principal vehicle for delivering educational support services for the partnership. B4S has continued to develop a range of services to respond to the ongoing needs of SCC, schools, other providers and policy demands of the growing academy programme. Their portfolio of services includes activities related to education finance, personnel services, curriculum advice, technology support, governor services, facilities management and contract management for catering. These services are provided to all maintained schools across Surrey and they also provide services to other local authorities such as Waltham Forest, Lewisham, and Greenwich.
5. The principal aim is that SCC becomes a Centre of Excellence for educational support services, including every school a “Good” school (Ofsted inspection rating) by 2017.
6. B4S has delivered year on year improvement in outcomes for children and raised educational standards in Surrey schools. At the start of this contract Surrey was ranked 47th in the national results for 5 A*– C GCSEs (including English & Maths). By the summer of 2013 this had risen to 15th with 68% of students gaining 5 A*-C GCSE’s including English and maths.
7. The contract term was for an initial period of 7 years for B4S to deliver non-traded statutory educational support services to SCC and Surrey schools. The contract included provision for extension for further periods up to a maximum of 8 years. The contract was extended in 2011 for 4 years until 31 March 2015.
8. A joint working party, comprising SCC and B4S representatives, has explored all possible options against specific requirements to determine the most appropriate solutions and resulting outcomes. The key objectives, which the joint venture should achieve over the next five years to 2019 are:
 - Deliver through B4S the best educational outcomes for Surrey children: Top 10 nationally for KS4 results;
 - Top 20 nationally for KS2 results.
9. Agreed phased targets for attainment and school improvement across the 4-year contractual period will be agreed with B4S to ensure consistent levels of performance for the duration and monitoring of final target outcomes.
10. In the event of poor performance occurring in the delivery of the contract, SCC does have the ability to remove exclusivity or step in and take over the area of work affected and, as a final option, to terminate the contract.

11. The service is subject to an annual review process under which performance is evaluated and new priorities for the coming year are set in line with the Surrey Education Achievement Plan and Surrey Schools Improvement Plan.
12. SCC board representation in B4S will remain in place plus improved strategic, operational and contractual support from both parties to ensure optimal contract performance and greater opportunities to win new business.

CONSULTATION:

13. There has been consultation with key commissioners for the service, legal, procurement and finance, and there is agreement that the recommended option provides the most benefits for SCC, its residents and its schools.

RISK MANAGEMENT AND IMPLICATIONS:

14. SCC entering into an extension of the existing contract would enable school improvement and back office support to schools to continue and the current key projects around school improvement would continue to be delivered without disruption.

Financial and Value for Money Implications

15. The detailed financial and value for money implications are outlined in item 24 in part 2 of this agenda.

Section 151 Officer Commentary

16. Extending the B4S contract on the existing terms and conditions would seem to be the most beneficial option for both Surrey County Council and B4S. It allows the current programmes of work around school improvement and other services to remain stable and focused on achieving the required improved standards in schools.

Legal Implications – Monitoring Officer

17. The contract was entered into on the 31 March 2004 following a notice in the Official Journal of the European Union dated the 8 December 2001 inviting interest from appropriately qualified companies for the formation of a joint venture company to implement and provide the Services. The original notice gave an indication of the expected length of the contract and therefore by extending the contract as envisaged there are no procurement issues arising.

Equalities and Diversity

18. The commissioner and officer assessment is that there are no potential implications that would require an Equality Impact Assessment report to be submitted

WHAT HAPPENS NEXT:

19. Negotiations between SCC and B4S to agree final details of the new contract are expected to be concluded by 31 August 2014.

Contact Officer:

Garath Symonds, Assistant Director for Young People, Tel: 020 8541 9023

Consulted:

Strategic Director Children, Schools and Families
Assistant Director for Young People
Assistant Director for Schools and Learning
Strategic Finance Manager - Children, Schools and Families
Finance Manager (Funding & Planning)
Corporate Group Legal Services Manager
Principal Solicitor, Corporate Group Legal Services
Procurement Category Manager Children's Services

Annexes:

None

Sources/background papers:

None

SURREY COUNTY COUNCIL**CABINET****DATE:** 22 JULY 2014**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 the delegated decisions taken by Cabinet Members since the last meeting of the Cabinet.

RECOMMENDATIONS:

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

REASON FOR RECOMMENDATIONS:

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

DETAILS:

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

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CABINET MEMBER DECISIONS

JULY 2014

(i) Provision of User Led Organisations (ULO) hubs in Surrey (part 1)

Details of decision

It was agreed that:

1. The information relating to the commissioning process, as set out in this report, be noted; and
2. The award of two grants to Surrey Disabled People's Partnership (SDPP) and Surrey Independent Living Council (SILC) for eighteen months be agreed. The Grant Agreements would be awarded from 1 October 2014.
3. That the design and layout of existing and future Hubs have a uniformity of design and appearance so as to present a common face to the residents of Surrey.

Reasons for decision

One of the strategic aims of the County Council and a major requirement of the forthcoming Care Act is to provide universal information and advice. This will help people to make informed choices about accessing available care, support and other services, to enable them to have equality of access and opportunity and to live independently in the community. User Led Hubs support the delivery of this, across Surrey by providing access to advice and information to help people live independent lives.

There is a further expectation from Government that Local Authorities will develop and work in partnership with User Led Organisations (ULOs).

It is advantageous and a natural conclusion to combine the above expectations from Government and award the grants to Surrey based ULOs to manage the Hubs to provide information and advice. Both recommended providers are well established Surrey based ULOs.

(Decision of Cabinet Member for Adult Social Care – 9 July 2014)

(ii) Provision of User Led Organisations (ULO) Hubs in Surrey (part 2)

Details of decision

It was agreed that:

1. the award of a grant to Surrey Disabled People's Partnership (SDPP) to cover the revenue costs for 4 operational Hubs, as detailed in the submitted report, be approved.

2. the award of a grant to Surrey Independent Living Council (SILC) to cover the revenue costs for 4 operational Hubs, as detailed in the submitted report, be approved.
3. the award of a grant for the three remaining Hubs – Guildford, Spelthorne and Tandridge be approved.
4. both grants to be awarded from 1 October 2014 until 31 March 2016. (The value of the Hubs will be reviewed after that period to ensure that outcomes have been achieved. All the services will be monitored and evaluated on an ongoing basis as outlined in paragraph 14 of the Part 1 report and the recommendations of the Section 151 Officer)
5. a capital budget for the set up costs for new hubs, as detailed in the submitted report, be approved,. (This will cover all set up costs including building leases, IT equipment, telecom connections and building works)
6. the costs of two part-time Volunteer Development Workers, to cover sickness and leave and to develop the 'pop up model', be approved.

Reasons for decision

On award of this grant SDPP will be responsible for the operation of 4 Hubs in the West part of the County: Woking, Godalming, Addlestone and Camberley. Once premises are identified SDPP will also operate Spelthorne and Guildford Hubs. Any unspent funds will be returned to SCC at the end of each financial year.

On award of this grant SILC will be responsible for the operation of 4 Hubs in the East part of the County: Epsom, Redhill, Dorking and Walton. Once premises are identified, SILC will also operate the Tandridge Hub. Any unspent funds will be returned to SCC at the end of each financial year.

(Decision of Cabinet Member for Adult Social Care – 9 July 2014)

(iii) Request to adopt a new road at Purbeck Close, Merstham

Details of decision

That, under the Scheme of Delegation and in line with Surrey County Council's current policy, the adoption of new highway between Fieldoaks Way and Purbeck Close be approved as replacement for the stopping up of the existing highway at Purbeck Close, in order to enable development of 40 mixed tenure residential dwellings as set out in Annex 1 of the submitted report.

Reasons for decision

The request set out in Annex 1 of the submitted agenda meets Surrey County Council's current policy on road adoption.

(Decision of Cabinet Member for Highways, Transport and Flooding Recovery – 17 July 2014)

(iv) Pound Farm, Old Lane, Martyrs Green

Details of decision

It was agreed that an application be made to the Magistrates' Court for an order stopping up the land identified on the plan (Annex 1 to the submitted report) as highway, in accordance with the provisions of Section 116 and 117 of the Highways Act 1980 and subject to the conditions of the County Council's approved policy on stopping up applications.

Reasons for decision

The land in question is deemed surplus to highway requirements and on completion of a successful application the County Council would be relinquished from any future maintenance liability.

(Decision of Cabinet Member for Highways, Transport and Flooding Recovery – 17 July 2014)

(v) Minnickfold Cottage, Anstie Lane, Coldharbour

Details of decision

It was agreed that an application be made to the Magistrates' Court for an order stopping up the land identified on the plan (Annex 1 to the submitted report) as highway, in accordance with the provisions of Section 116 and 117 of the Highways Act 1980 and subject to the conditions of the County Council's approved policy on stopping up applications.

Reasons for decision

The land in question is deemed surplus to highway requirements and on completion of a successful application the County Council would be relinquished from any future maintenance liability.

(Decision of Cabinet Member for Highways, Transport and Flooding Recovery – 17 July 2014)

(vi) Leatherhead Trinity Primary School**Details of decision**

1. That the revised business case for the project at Leatherhead Trinity Primary School, as set out in the submitted report, be approved.
2. That the arrangements by which a variation of up to 10% of the total value may be agreed by the Strategic Director for Business Services, in consultation with the Cabinet Member for Schools and Learning, the Cabinet Member for Business Services and the Leader of the Council, be approved, with the proviso that if the actual scheme costs exceed the available funding, then spends elsewhere in the capital programme will be utilised to ensure the programme overall remains within the approved budget.

Reasons for decision

The proposal delivers and supports the Authority's statutory obligation to provide sufficient school places to meet the needs of the population in the Leatherhead area.

(Decision of Cabinet Member for Schools and Learning (taken of behalf of the Cabinet Member for Business Services) – 17 July 2014)

(vii) Greville Primary School, Ashtead – petition**Details of decision**

That the response to the petition, attached as Appendix 1, be approved.

Reasons for decision

To respond to the petition.

(Decision of Cabinet Member for Schools and Learning – 17 July 2014)

(viii) Dovers Green Playgroup, Reigate - petition**Details of decision**

That the response to the petition, attached as Appendix 2, be approved.

Reasons for decision

To respond to the petition.

(Decision of Cabinet Member for Schools and Learning – 17 July 2014)

(ix) Greville Primary School, Ashtead**Details of decision**

That the publication of Statutory Notices stating the Council's intent to expand the Greville Primary School, subject to satisfactory consideration and, where appropriate, mitigation of the concerns raised in the consultation, be approved.

Reasons for decision

This action is reflective of an increasing demand for school places in the Ashtead area, resulting from both an increase in birth rate and new house building.

The provision of places both meets the increased demographic pressures in the area and will allow the Council to admit those people who name the school as their preferred option, meeting the wider statutory duty to offer all applicants a school place.

A programme of building works will provide a modern teaching environment.

(Decision of Cabinet Member for Schools and Learning – 17 July 2014)

(x) St Paul's CofE Infant School and Sure Start Children's Centre, Tongham**Details of decision**

That, a grant to Nurturing Childcare Limited of £140,000 to facilitate capital investment on the site of St Paul's Church of England Infant School and Sure Start Children's Centre so that two year old children can access the free early education entitlement, be approved.

Reasons for decision

The Department of Education requires all local authorities in England to secure free early education places for two year old children who meet the eligibility criteria based on household income. This report will ensure that plans are in place to make provision for such places in the Tongham area of Surrey where there is a current shortfall in provision.

(Decision of Cabinet Member for Schools and Learning – 17 July 2014)

(xi) Spinney Children's Centre, Guildford**Details of decision**

That, the action to move forward with the plans for capital investment in the Spinney Children's Centre so that two year old children can access the free early education entitlement be approved.

Reasons for decision

The Department of Education requires all local authorities in England to secure free early education places for two year old children who meet the eligibility criteria based on household income. This report will ensure that plans are in place to make provision for such places in the Westborough area of Guildford in Surrey where there is a current shortfall in provision.

(Decision of Cabinet Member for Schools and Learning – 17 July 2014)

(xii) Cranmere Primary School, Esher

Details of decision

1. That the school be enlarged by two forms of entry (from its original capacity of one form of entry to three forms) plus the addition of a new twenty-six place nursery.
2. That the school be rebuilt on the Grove Farm site, which is land owned by Surrey County Council adjacent to the current Cranmere school.
3. That this expansion be effective from 1 September 2016, as the new school is unlikely to be ready for new admissions by September 2015.

Reasons for decision

Cranmere Primary is a popular and successful school delivering high quality education. It was rated by OFSTED, at its last inspection (Nov 2011), as good with some outstanding features. The school has taken additional (bulge) reception classes every year since September 2009. The provision of additional places at a new Cranmere with greater capacity meets the Government's policy position to expand successful schools in order to meet parental preferences.

(Decision of Cabinet Member for Schools and Learning – 17 July 2014)

(xiii) Approval of Schools' Deficits 2014/15

Details of decision

1. That the level of balances held by Surrey maintained schools be noted.
2. That the one-year licensed deficit request from Gosden House be approved.

Reasons for decision

Approval of a licensed deficit will ensure the school is operating within the County's Scheme for Financing Schools and will set the parameters within which a recovery plan can be developed.

(Decision of Cabinet Member for Schools and Learning – 17 July 2014)

(xiv) In Year Fair Access Protocol**Details of decision**

That the proposed Primary and Secondary Fair Access Protocols for 2014/15 be approved.

Reasons for decision

- The local authority is required to have a Protocol in place that all schools must participate in.
- The proposed Protocols meet the requirements of the School Admissions Code.
- Schools have been involved in the review.
- The Protocol will ensure that children who are out of school can be placed in school quickly.
- The Protocol will ensure that no school is expected to admit more than their fair share of children with challenging behaviour or children previously excluded from other schools.

(Decision of Cabinet Member for Schools and Learning – 17 July 2014)

CABINET MEMBER RESPONSE TO PETITION

'We the undersigned petition Surrey County Council not to approve the proposed expansion at the Greville Primary School'

Presented by Ms Claire Pealling

Further details of petition:

'We disagree with the proposal of expanding the Greville school for a variety of reasons, including the new school building will over look houses which back on to the school, the school cannot cater for the parents who drive due to no parking causing dangerous situations which will on influx if the plan goes ahead. How is it right for a four year old to start a school with 700 pupils, this is a village school for primary school children. There are concerns over the quality of teaching the school will be able to provide following the expansion.'

RESPONSE:

Thank you for your petition and your continued interest in Schooling in the Ashted area.

As I am sure you are aware, Surrey is experiencing a significant increase in the demand for school places and very few communities have been unaffected by this. As a Council, we are undertaking a major capital programme that is providing 16,000 additional school places up to 2019. These are desperately required to ensure that all Surrey children receive a high quality education. It is however equally important that we continue to listen to our communities where we are making these changes to ensure that the additional school places are provided in a sustainable way.

You will notice that the proposed expansion of the Greville Primary School is being raised as a substantive agenda item at this meeting and I do not intend to prejudice the outcome of that in the response to this petition. However, I would like to highlight that this is the first process in decision making. I am charged with determining whether to issue Statutory Notices and if notices are published then there is a further opportunity to comment on the proposal. I would review all comments before determining the Notice at my Cabinet Member meeting.

It is also clearly important that all planning concerns are also considered, and we recognise that access to the site is of primary concern in this proposal. The second stage of consultation will follow the planning process and will consider in more detail the issues that you have raised. The planning application will also be considered in detail by transport officers with view to the specific transport issues you mentioned. At this stage the proposal has not been formally put forward as a planning application. The planning process for this proposal will be in two stages, each will follow the statutory process for planning applications, which will mean that local residents will be informed and able to pass comment. Again these comments will be considered by the Planning and Regulatory Committee of Surrey County Council when determining the application.

The proposal could not be achieved without planning permission and the determination of Statutory Notices and, irrespective of the outcome today, I would not be confident in finally determining the proposal without an understanding that issues raised in the consultation have been considered in the appropriate place.

Mrs Linda Kemeny
Cabinet Member for Schools and Learning
17 July 2014

CABINET MEMBER RESPONSE TO PETITION

'We the undersigned petition Surrey County Council to help save Dovers Green Playgroup'

Presented by Ms Louise Gannon

Further Details of petition:

'Dovers Green playgroup is a non-profit nursery and has been running for the past 37 years. providing child care for the local community. For the last 14 years it has been sited at Dovers Green School Reigate.

Surrey County Council has give the nursery until 6 December to vacate the site [not even halfway through a 10yr lease] unless an alternative site can be found and made fit for purpose by this date will be forced to close resulting in 40 children not having nursery placements and highly unlikely to secure 1 and 6 members of staff without work.'

RESPONSE

Surrey County Council acknowledges the concerns of parents and members of the local community on the future of Dovers Green Playgroup. Surrey County Council also acknowledges that the Playgroup is an independently run setting that rents out a building on the Dovers Green School site. This has been a difficult and challenging situation to manage and one that has arisen partly as a result of an Ofsted investigation of an incident at the playgroup and partly due to the school's governing body considering the future of the school and all the provision on its site. While the outcome of the incident was "unfounded" the current owner found the whole matter very distressing and decided that she no longer wanted to continue to own and manage the playgroup. At this time, the governors at Dovers Green School became concerned about the impact that the investigation was having within the community and within the school. In consultation with the county council, the governing body took the view that the playgroup is located in an outdated portakabin which does not reflect the high standard of other facilities on the school site. Therefore, the governing body took the opportunity to plan for the future and gave notice on the lease, which was issued by Surrey County Council. The governing body acknowledged it was a difficult decision, but believed it to be the best way to meet the needs of an expanding school and for the local community.

Surrey County Council recognises that it has a duty to secure sufficient early education and childcare places and the Early Years and Childcare Service (EYCS) is working hard to secure alternative provision. Staff from EYCS are liaising with the existing owner on what actions need to be taken to close or transfer the business. EYCS staff are also in contact with other members of staff at Dovers Green Playgroup to setup an alternative service elsewhere in the local community. Visits have been made to potential sites and their viability as a suitable alternative location is being looked into further. EYCS is also looking at other potential sites. EYCS is regularly faced with situations where childcare provision is closing or having to move from existing places,

and has secured alternative provision, often within shorter timescales. EYCS is also liaising with the school on the actions that are being taken.

EYCS can be a point of contact so that a representative of local parents can be kept informed of progress.

As Cabinet Member for Schools and Learning, I would like to reassure parents and local members of the community that have signed the petition, that Surrey County Council is doing all it can to secure an alternative location for the Dovers Green Playgroup.

Mrs Linda Kemeny
Cabinet Member for Schools and Learning
17 July 2014

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