

## COUNTY COUNCIL

### COUNCIL MEETING - 10 FEBRUARY 2015

**MINUTES** of the meeting of the Council held at the Council Chamber, County Hall, Kingston upon Thames, Surrey KT1 2DN on 10 February 2015 commencing at 10.00 am, the Council being constituted as follows:

Mr D Munro (Chairman)  
Sally Marks (Vice-Chairman)

	Mary Angell		David Ivison
	W D Barker OBE		Daniel Jenkins
*	Mrs N Barton		George Johnson
	Ian Beardsmore		Linda Kemeny
	John Beckett		Colin Kemp
	Mike Bennison		Eber Kington
	Liz Bowes		Rachael I Lake
	Natalie Bramhall	*	Stella Lallement
	Mark Brett-Warburton		Yvonna Lay
	Ben Carasco		Ms D Le Gal
	Bill Chapman		Mary Lewis
	Helyn Clack		Christian Mahne
*	Carol Coleman		Ernest Mallett MBE
	Stephen Cooksey		Mr P J Martin
	Mr S Cosser		Jan Mason
	Clare Curran		Marsha Moseley
	Graham Ellwood		Tina Mountain
	Jonathan Essex		Christopher Norman
	Robert Evans		John Orrick
	Tim Evans	*	Adrian Page
	Mel Few	*	Chris Pitt
	Will Forster		Dorothy Ross-Tomlin
	Mrs P Frost		Denise Saliagopoulos
	Denis Fuller		Tony Samuels
	John Furey		Pauline Searle
	Bob Gardner		Stuart Selleck
	Mike Goodman		Nick Skellett CBE
	David Goodwin	*	Michael Sydney
	Michael Gosling		Keith Taylor
	Zully Grant-Duff	*	Barbara Thomson
	Ken Gulati		Chris Townsend
	Tim Hall		Richard Walsh
*	Kay Hammond		Hazel Watson
	Mr D Harmer		Fiona White
	Nick Harrison		Richard Wilson
	Marisa Heath		Helena Windsor
	Peter Hickman	*	Keith Witham
	Margaret Hicks		Mr A Young
	David Hodge		Mrs V Young
	Saj Hussain		

\*absent

**1/15 APOLOGIES FOR ABSENCE [Item 1]**

Apologies for absence were received from Mrs Barton, Mrs Coleman, Mrs Hammond, Mrs Lallement, Mr Page, Mr Pitt, Mr Sydney, Mrs Thomson and Mr Witham.

**2/15 MINUTES [Item 2]**

The minutes of the meeting of the County Council held on 9 December 2014 were submitted, confirmed and signed.

**3/15 CHAIRMAN'S ANNOUNCEMENTS [Item 3]**

The Chairman made the following announcements:

- (i) Her Majesty the Queen's New Year Honours List:  
A list was included within the agenda. He informed Members that he had written letters of congratulations to those who had received awards for services to Surrey communities.
- (ii) Related Party Disclosures – he reminded Members, that it was a legal requirement to complete their forms and return them to Finance by the deadline in March.
- (iii) That he was sponsoring the Charity Concert on 18 March 2015 for Keepout and the Yehudi Menuhin School and he urged Members to support this event.
- (iv) He presented the Quality Mark plaque from the National Youth Agency to Gemma Rutter and Leigh Middleton from the Services for Young People, Schools and Families. This had been awarded at 'Ambitious' level, which is equivalent to the Ofsted grading of 'outstanding' for their work in Addlestone. Mr Furey, the local Member was invited to say a few words in support of this achievement.
- (v) He also presented Dominic Forbes, Planning and Development Group Manager with the 'See Further, Go Further Award 2015' which Surrey County Council had achieved in the Building Partnerships category, for recognition of the partnership approach to the school expansion programme. Ms Le Gal, Cabinet Member for Business Services was invited to say a few words in support of this achievement.

**4/15 DECLARATIONS OF INTEREST [Item 4]**

There were none.

**5/15 REVENUE AND CAPITAL BUDGET 2015/16 TO 2019/20 AND TREASURY MANAGEMENT STRATEGY [Item 5]**

The Chairman said that the papers for this item were included in the agenda and the supplementary report of the Cabinet circulated last week, which included details of the final Local Government Finance settlement. He asked Members to note that the recommendations before them today, numbered (1) to (16) were set out in the Council agenda papers.

He said that the debate on the Budget would be conducted, in accordance with the County Council's Standing Orders.

The Leader presented the Report of the Cabinet on the Revenue and Capital Budget 2015/16 to 2019/20, the Council Tax Requirement for 2015/16 and the Treasury Management Strategy and made a statement in support of the proposed budget. A copy of the Leader's statement is attached as Appendix A.

The Director of Finance presented her report to Council. A copy of her statement is attached as Appendix B.

Each of the Minority Group Leaders (Mrs Watson, Mr Harrison and Mr Johnson) were invited to speak on the budget proposals.

Key points made by Mrs Watson were:

- Support for the level of Council Tax increase proposed but opposition to the Budget as a whole
- Referred to specific budget pressures including the additional school places required and also pressures within the Adult Social Care budget
- Proposed that some budget savings could be made by deleting Cabinet Associate posts, stopping the publication and circulation of Surrey Matters, removing unused office space from the County's property portfolio and using the untouched earmarked reserves
- Considered that the cuts to the youth service budget was a short sighted approach and that this reduction could have been funded from the additional funding received as part of the final Local Government Finance Settlement
- Proposed other alternatives, such as funding front line services by reducing back office support
- Considered that this budget lacked detail.
- Finally, she requested a separate vote on recommendations (8) – (10)

Key points made by Mr Harrison were:

- Highlighted the budget pressures and the need to request a council tax uplift of 1.99% for 2015/16
- Agreed it was not the year to accept the council tax freeze grant
- Considered that there was not sufficient information in the Budget report, in relation to the savings required
- Highlighted Appendix 1 of the report, which set out details of the steps taken by the County Council to reduce unit costs
- Referred to the savings target for 2015/16 and the budget proposal to eliminate the risk contingency
- Expressed disappointment that a list of savings proposals, and how they would be achieved, had not been presented to all Members
- That there was a need to look at the overall headcount because there had been an increase over the last 12 months
- That by agreeing to the overall budget today, the detail of it would have to be taken on trust

Mr Kington moved an amendment, to the Budget recommendations, which was formally seconded by Mr Harrison. This was the addition of this following recommendation:

'Requests that as a priority the Leader and Cabinet engage with the LGA and Stanton Marris with the view to undertaking a management organisational review using the Decision Making Accountability (DMA) process with the aim of cutting costs, clarifying role responsibilities and developing a more productive and agile workforce.'

In support of his amendment, Mr Kington made the following points:

- That this was not an open and transparent budget because the detail of this budget would not be available until either the Medium Term Financial Plan (MTFP) was agreed in March 2015 or its refresh in July 2015
- The County Council could not continue to provide the same level of services – there would be cuts i.e. Sure Start Centres
- Could not vote for a Budget that does not provide the detailed Services Budgets
- This amendment requested a review of the staffing structure before making any service cuts
- Council Overview and Scrutiny Committee had been unable to obtain Directorate staffing figures
- Decision Making Accountability (DMA) was a proven way of creating an effective and efficient organisation and this process was undertaken with LGA guidance – it had also been used successfully in other organisations

Seven Members spoke on the amendment, making the following points:

- The BDR (Business Delivery Review) had been a similar exercise to DMA – this had taken place 10 years ago and had a negative impact on the County Council
- Significant efforts had been made to achieve greater accountability within the Council
- The objective of this meeting was to set the Budget envelope and the detail would follow in the MTFP, as it always has done
- Following changes to top management, this Council had been improving since 2009 and had made savings of nearly £300m since 2010
- Unit costs had also been driven downwards
- This organisation did not need expensive consultants' advice because there were already competent staff running its services
- Members had a responsibility to scrutinise the Budget in their respective select committees before the MTFP was considered by the Cabinet on 24 March 2015
- A increase in headcount could be due to Public Health staff transferring from the NHS into Surrey County Council
- Also, management structures in several services had been reviewed and were leaner so it was not considered that using consultants would be of significant benefit to the Council
- Praise for the current senior staff within the Council
- That the Council was actively looking at new ways of delivery to reduce costs, including partnership working – the example of joint working with East Sussex County Council was cited
- Administration costs should be reduced and front line services protected
- That this amendment had been discussed at the Council Overview and Scrutiny Committee (COSC), where there had been a general consensus of agreement by all Members of that committee
- This amendment was a modest suggestion which should be taken seriously

- That using DMA was a tried and tested method which had been used successfully in other Councils.

The amendment was put to the vote, with 12 Members voting for and 55 Members voting against it. There were 5 abstentions.

Therefore the amendment was lost.

Returning to the original motion, 10 Members spoke on it.

Key points made in the debate were:

- That pages 30/31 of the Budget report set out the savings, pressures and funding 2010/11 – 2015/16
- The Council Property portfolio was under constant review and there were several examples of effective use of Council buildings and also energy efficiency within them – property costs had been reduced by over 20% in the last four years
- The efficiency savings achieved to date were impressive
- That the additional funding allocated to Surrey County Council from Government in the final Local Government Settlement was welcomed
- This Council had been given a significant number of extra responsibilities over the last few years, including Public Health and was still managing to deliver services whilst making substantial efficiency savings
- Concern about the effect of demographic pressures on the Council's services, including the shortfall of funding for the additional school places required
- That the need to raise council tax by 1.99% was generally supported
- The Budget process was flawed and that Members needed the detail on how the proposed savings would be achieved in order to balance the Budget in 2015/16
- Concern whether the Adult Social Care budget was adequate to meet the needs required
- Members had been given more information about the Budget proposals this year, than in previous years because there had been workshops and the opportunity for all Members to comment and make suggestions on the proposals
- Today was about setting the Council tax increase and the overall cash envelopes for each Directorate
- There was significant support for Surrey Matters
- That the County Council had no alternative but to use agency staff for some Social Services provision
- That the County Council would continue to lobby Government for sufficient funding so that the best service possible could be provided for Surrey residents

The Chairman agreed to the request from Mrs Watson to have a separate vote for recommendations (8) – (10).

Recommendations (1) – (7) were agreed, with no Member asking for their vote to be recorded against and there were no abstentions.

For recommendations (8) to (10), the following Members voted for it:

The following Members voted for it:

Mrs Angell, Mr Barker, Mr Bennison, Ms Bowes, Mrs Bramhall, Mr Brett-Warburton, Mr Carasco, Mr Chapman, Mrs Clack, Mr Cosser, Mrs Curran, Mr Ellwood, Mr T Evans, Mr Few, Mrs Frost, Mr Fuller, Mr Furey, Mr Gardner, Mr Goodman, Mr Gosling, Dr Grant-Duff, Mr Gulati, Mr Hall, Mr Harmer, Miss Heath, Mrs Hicks, Mr Hodge, Mr Hussain, Mr Ivison, Mr Jenkins, Mr Johnson, Mrs Kemeny, Mr Kemp, Mrs Lake, Mrs Lay, Ms Le Gal, Mrs Lewis, Mr Mahne, Mrs Marks, Mr Martin, Mrs Moseley, Mrs Mountain, Mr Munro, Mr Norman, Mrs Ross-Tomlin, Mrs Saliagopoulos, Mr Samuels, Mr Selleck, Mr Skellett, Mr Taylor, Mr Walsh, Mr Wilson, Mrs Windsor, Mr Young and Mrs Young

And the following Members voted against it:

Mr Beardsmore, Mr Cooksey, Mr Essex, Mr Forster, Mr Goodwin, Mr Hickman, Mr Kington, Mr Orrick, Mrs Searle, Mrs Watson and Mrs White

There were six abstentions:

Mr Beckett, Mr R Evans, Mr Harrison, Mr Mallett, Mrs Mason and Mr Townsend

Therefore, recommendations (8) to (10) were agreed.

Recommendations (11) to (16) were agreed, with no Member asking for their vote to be recorded against and there were no abstentions.

Therefore, these recommendations were agreed.

Recommendations (11) to (16) were agreed

Therefore, it was:

**RESOLVED:**

- (1) That the Director of Finance's statutory report on the robustness and sustainability of the budget and the adequacy of the proposed financial reserves (Annex 1 to the submitted report) be noted.
- (2) That the council tax requirement for 2015/16 be set at £587.0m (Annex 3, paragraph 3.4 in the submitted report).
- (3) That the 2015/16 council tax up-lift be fixed at 1.99%.
- (4) That the basic amount for 2015/16 council tax at Band D be set at £1,219.68 (Annex 3, paragraph 3.6 in the submitted report).
- (5) That the council tax for each category of dwelling in its area will be as follows:

Valuation band	£
A	813.12
B	948.64

C	1,084.16
D	1,219.68
E	1,490.72
F	1,761.76
G	2,032.80
H	2,439.36

- (6) That the payment for each billing authority, including any balances on the collection fund will be as follows:

<b>Billing authority</b>	<b>£</b>
Elmbridge	77,182,111.80
Epsom & Ewell	39,005,966.32
Guildford	68,642,880.96
Mole Valley	469,846,761.76
Reigate & Banstead	70,288,938.72
Runnymede	40,145,137.60
Spelthorne	48,092,591.25
Surrey Heath	45,390,885.64
Tandridge	44,959,506.56
Waverley	65,915,986.02
Woking	48,453,355.22
<b>TOTAL</b>	<b>597,924,101.85</b>

That the payment for each billing authority, including any balances on the collection fund to be made in ten equal instalments on the dates, already agreed with billing authorities as follows:

17 April 2015	16 October 2015
22 May 2015	20 November 2015
26 June 2015	6 January 2016
31 July 2015	12 February 2016
11 September 2015	16 March 2016

- (7) That the council tax rate set above be maintained and powers be delegated to the Leader and the Director of Finance to finalise detailed budget proposals following receipt of the Final Local Government Financial Settlement.
- (8) That the £4.6m additional council tax surplus on the Council Tax Collection Fund be transferred to the Economic Downturn Reserve.
- (9) That the County Council budget for 2015/16, be approved.
- (10) That the following capital programme proposals be agreed:
  - To fund essential schemes over the five year period (schools and non-schools) to the value of £695m including ring-fenced grants
  - To make adequate provision in the revenue budget to fund the revenue costs of the capital programme
  - To enhance provision for Local Growth Deal and flood schemes, as stated in paragraph 114 of the submitted report, including making a £0.5m contribution to the River Thames scheme.
- (11) That the Cabinet agrees to refresh the Medium Term Financial Plan (MTFP) for the financial years 2015 – 20 (MTFP 2015 – 20) revenue and capital budgets in summer 2015.
- (12) That the Chief Executive and Director of Finance be required to continue regularly to track and monitor progress on the further development and implementation of robust plans for achieving the efficiencies across the whole Medium Term Financial Plan (MTFP) period.
- (13) That Strategic Directors and Senior Officers be required to maintain robust in year (i.e. 2015/16) budget monitoring procedures to enable Cabinet to monitor the achievement of efficiencies and service reductions through the monthly budget monitoring Cabinet reports, the quarterly Cabinet Member accountability meetings and the monthly scrutiny at the Council's Overview & Scrutiny Committee.
- (14) That a robust business case be required to be prepared (and taken to the Investment Panel) for each revenue invest to save proposal and capital scheme before committing expenditure.
- (15) That the final detailed MTFP (2015-20) be considered and approved by Cabinet on 24 March 2015, following scrutiny by Select Committees.

**Treasury management and borrowing:**

- (16) That the Treasury Management Strategy for 2015/20 be approved and that the provisions have immediate effect (Annex 2 to the submitted report).

This strategy includes:

- the investment strategy for short term cash balances
- increasing the number of AAA-rated money market funds from five to seven (with the individual amount to a single fund increased from £20m to £25m).



- the treasury management policy (Annex 2, Appendix 8 to the submitted report)
- the prudential indicators (Annex 2, Appendix 9 to the submitted report)
- the scheme of delegation (Annex 2, Appendix 11 to the submitted report)
- the minimum revenue provision policy (Annex 2, Appendix 14 to the submitted report).

## 6/15 MEMBERS' QUESTION TIME [Item 6]

Notice of four questions had been received. The questions and replies are attached as Appendix C.

A number of supplementary questions were asked and a summary of the main points is set out below:

**(Q1) Mr Robert Evans** asked the Cabinet Member for Community Services to clarify both what the extenuating circumstances at the proposed site were and also the level of success of the recruitment campaign for 'on-call fire-fighters'.

**Mr Jenkins** referred to a letter from one of his residents relating to their application for employment as an 'on-call fire-fighter' and asked for confirmation on whether both the scheme and Option 5 had been suspended. He also asked for confirmation about the suitability of the site.

The Cabinet Member for Community Services said that at this stage, she was unable to add anything further beyond what she had said in her written reply and said that a report on Spelthorne Fire Station was expected to be submitted to Cabinet in late spring 2015.

**(Q3) Mr Essex** referred to the second point in his question and asked the Cabinet Member for Schools and Learning for confirmation on whether the Education Secretary had been consulted on the proposed change of status for Oxted School. The Cabinet Member said that the County Council would be a consultee if the Governing Body of the school decided to proceed with an application to the Department for Education for change of status and that the Local Authority would respond at that point.

**(Q4) Mr Beckett** considered that the written response provided had not answered his questions and requested that Members be kept informed of any proposals affecting Sure Start Centres in their divisions.

**Mr Townsend, Mr Robert Evans and Mr Kington** all expressed concern about the uncertainty surrounding the future of some Sure Start Centres and the consultation process currently in place.

The Cabinet Member for Schools and Learning said that there would be some difficult decisions to be made but she was committed to providing a first class Children's Services. She confirmed that divisional Members would be advised of any changes to provision in their areas before any decisions were made public and confirmed that the criteria for selecting any centres for closure had now been circulated to all Members. She said that any decision on change of provision would be made at a future Cabinet meeting. Finally, she said that she would discuss with Mr Kington, his concerns about the consultation process at his local Sure Start Centre, outside the meeting.

**Cabinet Member briefings on their portfolios are attached as Appendix D.**

Mr Mallett asked the Cabinet Member for Highways, Transport and Flooding for details of the schemes being submitted for the Challenge Fund. The Cabinet Member said that, as the date for submission had only been the day before (9 February), he would advise Mr Mallett outside the meeting.

**7/15 STATEMENTS BY MEMBERS [Item 7]**

There were three local Member statements:

- (i) Mr Robert Evans concerning a road fatality in his division.
- (ii) Mr Nick Skellett concerning Oxted School
- (iii) Mrs Helena Windsor concerning Oxted School

**8/15 REPORT OF THE CABINET [Item 8]**

The Leader presented the reports of the Cabinet meetings held on 16 December 2014 and 3 February 2015.

**(1) Statements / Updates from Cabinet Members**

The Cabinet Member for Schools and Learning referred to her statement relating to the Youth Collective, Surrey County Council's newly formed Youth Parliament, which had been included in the agenda papers.

**(2) Recommendations on Policy Framework Documents**

**A *Confident in Surrey's Future*, Corporate Strategy 2015 – 2020**

The Leader of the Council said that the Corporate Strategy clearly set out the Council's priorities for 2015/20.

Members made the following points:

- That the Corporate Strategy was an important document that underpinned everything that the Council did
- This one page document had captured the Council's clear sense of purpose and direction
- It set out the Surrey Values of: Listen, Responsibility, Trust and Respect
- It was a five year plan which only set out goals for 2015/16 (However, this was due to funding uncertainty in future years)
- That the Plan should be shared widely – with Borough / District / Parish Councils and Residents Associations

**RESOLVED:**

That *Confident in Surrey's Future*, the Corporate Strategy 2015 - 2020, as set out in Appendix 1 to the submitted report, be agreed.

## **B Revised Minerals and Waste Development Scheme**

Mr Mallett asked that paper copies of all relevant documents be made available in the Members' Resources Room – the Cabinet Member for Environment and Planning agreed to this request.

Mr Beardsmore highlighted his concerns relating to minerals extraction in Spelthorne and said that he would not support the revised Minerals and Waste Development Scheme. He requested that his vote against it was recorded.

The Chairman of the Planning and Regulatory Committee said that this document was about the process and not the Plan and stressed the importance of it to all Members.

Members were asked to vote – 63 Members voted for it, 3 Members voted against it (including Mr Beardsmore who had requested that his vote against the revised scheme was recorded) and there were 7 abstentions.

Therefore, it was:

### **RESOLVED:**

That the revised Minerals and Waste Development Scheme, as set out in Appendix 2 to the submitted report, be approved.

### **(3) Reports for Information / Discussion**

The following reports were received and noted:

- Surrey Local Flood Risk Management Strategy
- Agreement with Surrey Wildlife Trust for the management of the County Council's Countryside Estate
- Quarterly Report on Decisions taken under Special Urgency Arrangements: 1 October – 31 December 2014

### **RESOLVED:**

That the report of the meetings of the Cabinet held on 16 December 2014 and 3 February 2015 be adopted.

## **9/15 AMENDMENTS TO THE CONSTITUTION [Item 9]**

This report set out changes to executive functions set out in the Scheme of Delegation relating to the roundabout sponsorship scheme, Trading Standards cross border investigations and prosecutions and the Basingstoke Canal Joint Management Committee.

### **RESOLVED:**

That the amendments agreed by the Leader of the Council to the Scheme of Delegations be noted.

**10/15 MINUTES OF THE MEETINGS OF CABINET [Item 10]**

No notification had been received from Members wishing to raise a question or make a statement on any matters in the minutes, by the deadline.

[Meeting ended at:12.35pm]

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**Chairman**

*County Council Meeting - 10 February 2015*

**Leader's Budget Statement 2015 – 2016**

Last year I stood before this Chamber and outlined the extremely serious challenges facing local government - challenges that we continue to face.

In fact, with reducing budgets and increasing demand for services, Council finances have never been so stretched and although the Chancellor reported an improved national outlook in his latest Autumn Statement. He also made clear that, with the deficit still high and the Government committed to protecting Health, Education and Overseas Aid budgets - further significant cuts to public spending are inevitable.

All this means that local government is facing its most difficult period in living memory.

Of course in many ways, Surrey is an affluent county. However, at the same time, this success can create challenges. The success of Surrey's economy means that we contribute £7bn in income tax to the Treasury every year, for the benefit of the whole of the United Kingdom. However, it also means that we are responsible for maintaining some of the busiest roads in the country. Roads which serve our capital, major airports, key towns and cities throughout the South East. Roads which this country relies upon.

The success of our schools means that we have parents clamouring to get their children a place in our county. However, this success, on top of our rising birth rate, has left more children needing school places than ever before.

And, we have an ageing population; with increasing numbers of older people who rely on our care services.

This all means that the demand for our services is greater than ever before. In fact, this demand growth pressure has cost Surrey the equivalent of £382m over the last 5 years alone. This scale of growth is unprecedented – and would have posed serious challenges for any organisation at any time. Yet, we've had to absorb these increased costs, whilst at the same time dealing with significant cuts to our budget.

And despite the fact that we provide essential services, such as caring for the elderly, looking after children in need and providing school places – local government has consistently borne the brunt of Whitehall's austerity measures.

This year that trend shows no sign of letting up – with a further £24m cut from our government grants and more reductions to our funding yet to be announced. This means that Surrey continues to be one of the lowest funded councils in the country – despite the huge financial contribution of £7bn this county makes to the exchequer, annually.

So what can we do about it?

With these ever growing demand pressures, how do we balance the books whilst continuing to meet the needs of our residents?

This is the question that my Cabinet and I have sought to answer through the refreshed Corporate Strategy and accompanying budget papers, which you have before you today.

Mr Chairman and Members, I'd like to take you through some of the key principles driving our corporate strategy now.

First, we will direct investment where it's needed the most. Yes - resources are limited; and no – we do not have the money to do everything we would like. That's why it is more important than ever, that we are clear about our priorities.

So, my Cabinet and I are proposing three key goals around which we will prioritise investment in the next 5 years.

They are:

- Improving the wellbeing of our residents,
- Enhancing Surrey's economic prosperity
- And improving resident's experience when using our services.

But what does that mean in practice? Let me demonstrate, with some clear facts and figures.

Firstly - resident wellbeing – we will continue to do all we can, to ensure that everyone in Surrey has a great start in life – and can live well throughout their life.

That's why over the next financial year:

- We will invest £2.2m into helping 750 more families through our successful Supporting Families Programme.
- We will invest £75m into providing over 2,800 additional school places.
- And we will invest £132m into helping more elderly and disabled people live at home than ever before.

Secondly - Economic Prosperity – Despite the difficult national picture over the last few years, Surrey's economy has consistently grown – expanding by 17% between 2009 and 2013. While this is great news for Surrey, it brings challenges too, such as congestion on our roads, and employers struggling to attract the right staff with the right skills – which could prevent economic growth in the future.

That is why:

- We will continue to spend over £1 million a day with local businesses – ensuring that at least 50% of Council spend stays right here in the county.
- We will invest £17m into repairing and renewing 70km of Surrey roads.
- And we will invest five hundred thousand pounds into continuing to support apprentices as part of my Ready to Work Programme – adding to the 1,591 young people who've taken up apprenticeships since the initiative began.

And thirdly – Resident Experience. When I made my last budget statement in 2014, Surrey was in the midst of the worst flooding this county has ever seen. Over 2,000

homes across Surrey were affected – not to mention the impact on businesses and commuters as roads and bridges were closed.

I trust that Members will agree with me when I say that we want to do all we can to prevent flooding and avoid residents having to go through that experience ever again.

That is why:

- We will invest £1m into local flood maintenance schemes.
- We will invest £800k into improve gully cleaning and drainage systems.
- And we'll invest £500k a year, for the next 5 years, into the River Thames Flood Defence Scheme.

This council is directing funding where it's needed the most. Whether it is providing protection from flooding, managing our busy road network, or supporting older people to live in their homes for longer. I hope that this list of investments will reassure residents that, despite our limited resources, we are prioritising the services that matter most to them.

However, we cannot escape the harsh facts – given the continuing pressures on our budget – investment in these services means that we'll have to save money elsewhere.

That is why, we will continue to make efficiencies – aiming to save £62m in 2015/16. It's a real challenge but our track record says we can do it. Remember we've made £329m worth of efficiencies over the last 5 years alone.

We will aim to continue making these savings by working together with partners – including District and Borough Councils, driving down unit costs, reducing waste and eliminating unnecessary bureaucracy. I have always been honest with Members and our residents - after all they are the paying customer!

As our organisation has become leaner, more effective and efficient, it has become increasingly more challenging for us to make further savings. The easy and obvious candidates were tackled long ago! So, as we seek to make further saving, we may need to make more significant changes to the way services have been delivered. Let me be clear. I want to maintain services. In fact, I want to strengthen them and wherever possible improve them! That's why we will continue to transform our services and look for new ways of generating income.

We've already got some great examples of how we are saving money through smarter working and pooled resources. For example through joining up with Buckinghamshire to deliver Trading Standards or East Sussex to get better deals through procurement.

With funding cuts here to stay – it is vital that we look for more of these opportunities.

We will also continue to invest in our assets so that we get the best value from them for the Surrey taxpayer.

A good example of this is where we are making better use of existing sites, such as Guildford and Woking Fire stations, by adding residential flats to them which

reduces our capital costs. Of course, we won't see the benefits of all these investments overnight.

But when we do, I am confident that the dividends will benefit Surrey residents for years to come.

And we will also continue to lobby government for Fairer Funding. Throughout the last year, we've led an organised campaign aimed at raising awareness of the pressures we are facing among Surrey MPs and the Government and in some areas our campaign has brought success helping to gain funding for much needed road improvements on the A3 and further Government investment for the Lower Thames Flood Defence Scheme.

However, despite the support we've received from Surrey MPs and the subsequent time we've secured with Ministers and officials in Whitehall to make our case, we are yet to receive a fairer funding settlement for the area where we need it most, the additional 13,000 school places that we must find over the next 5 years!

I should point out that we are still awaiting a final funding announcement from the Department of Education – the Secretary of State has said that the announcement is imminent! However it is very unlikely that, at this late stage, we will receive anywhere near the amount we need to plug our significant funding gap – estimated at £215m over the next 5 years.

This means that we need to look for other ways of raising funds so that we can continue to provide the services that residents expect. That is why my Cabinet and I are proposing a Council Tax uplift of 1.99%, equivalent to an extra 46p per week for a Band D property.

I recognise that, in the current economic climate, any increase in council tax will be difficult.

However, I strongly believe that this increase is the bare minimum we need, given the £24m that's been cut from Surrey's 2015/16 Government grant and the growing demand pressures for vital services that I've already described.

I know there will be some who question this decision. There will be people who compare us to other authorities and say – 'why are you raising Council Tax when others aren't?'

Let me be clear - this Conservative administration fully supports the Government's efforts to reduce the national deficit and improve public sector efficiency.

However, whilst the Council Tax Freeze Grant may be right for some Councils – it's not right for Surrey. In fact – had we accepted the Council Tax Freeze Grant over the last three years, we would have created an annual loss of £33m to Surrey residents. That is £33m that we've been able to spend on helping older people to live independently at home, keeping our libraries open, and improving our roads. That's why my Cabinet and I remain convinced that this is the right decision - for this county's long term wellbeing.

I have always said that I'm not interested in easy quick fixes– I am interested in doing what is right for Surrey in the long term. That is why we will continue to maintain a sound and responsible level of reserves and balances. Now, I am well aware that this is a policy which has come under attack from some Members opposite me in this chamber – who, if you read their press releases, would have you believe that we have an untouched pot of gold!



Well, I would like to address this nonsense head on. Contrary to what others would have you believe – 80% of our reserves are earmarked for specific purposes because this Conservative administration believes it is a sound policy to put money set aside for the future.

A good example of this is our equipment and vehicle replacement reserves. We add a small amount of money to these reserves each year which then enables us to replace ageing kit as soon as it is needed - for example, we recently used these reserves to buy state of the art equipment for our fire fighters.

This Conservative administration will never leave the cupboard bare – we will always plan for the future. I believe that, when presented with the facts, the residents of Surrey will understand and approve our financial prudence.

Members, I have outlined the key principles of our Medium Term Financial Plan 2015 – 2020.

In addition, I am proposing that a refresh of the budget plan takes place in the summer after the General Election– when we have greater clarity about future government policy.

No matter what happens in May – it is becoming increasingly clear to me that our current system of delivering public services is unsustainable. If we are to continue to deliver vital services – central government needs to let go of the purse strings. It needs to trust us and devolve greater responsibility to local government and allow us to deliver better and more cost efficient services for local people. I strongly believe that a huge amount of money could be saved for Surrey through reform of public services, which would allow us to take decisions at a local level and manage our own finances – without interference from Whitehall.

Devolution is an area that I have touched on before in this chamber. Over the next few months I plan to explore it further with our partners such as District and Borough Councils. Together I hope we can develop a proposal which we can take forward, for the benefit of Surrey residents.

To conclude, in these uncertain times, one thing remains certain, the challenges facing local government are here to stay. As Councillors we must remain focussed and committed to doing what is best for Surrey residents. Despite being in the midst of a national election campaign – I hope we can avoid being divided by petty party politics and stand together as One Team for Surrey.

I would like to end by commending to you the recommendations on page 13 and 14 of your Council papers – as they are the right and responsible actions for the long term wellbeing of this county.

**David Hodge**  
**Leader of the Council**  
**10 February 2015**

*County Council meeting – 10 February 2015*

**REVENUE AND CAPITAL BUDGET 2015/16 TO 2019/20 AND TREASURY  
MANAGEMENT STRATEGY**

**DIRECTOR OF FINANCE STATEMENT**

As Director of Finance for the Council, I have considered the financial management arrangements that are in place, the level of reserves, the budget assumptions, the overall financial and economic environment, the financial risks facing the Council and its financial standing. My statutory report forms part of the budget papers considered by the Cabinet last week and in your papers today. I know you will have taken the time to read it in full before this meeting.

I can confirm to Council that the Final Financial Settlement was received by authorities late on 3 February (after the Cabinet meeting) and you have been sent a short paper setting out the changes last Friday. It is proposed to adjust for the £561,000 of net additional funding allocated to the council through reserves. Details will be included in the full MTFP to be presented to Cabinet next month.

In addition, the Final Settlement confirmed the referendum level for increasing council tax is set at 2%; the same level used in forming the planning assumptions you are considering today.

As I say every year, preserving the Council's financial resilience is a key long-term driver in the Council's financial strategy – that continues. I'm pleased to say that the Council's external auditor again gave an unqualified opinion on the 2013/14 financial statements and an unqualified conclusion on the Council's arrangements for securing value for money: rating us in the highest category. We propose to continue existing good practices (e.g. reporting budget monitoring within a month), which will provide assurance that the financial control arrangements remain sufficiently robust to maintain adequate and effective control of the budget in 2015/16.

I also reflect each year on progress towards delivering savings: for the fifth year in a row the current budget monitoring forecasts that none of the risk contingency has been required to off-set the non delivery of savings. You will recall that for the current financial year, the risk contingency was reduced, from £8m to £5m with plans to remove it altogether from 2015/16 if the existing strong delivery of savings continued this current year. I am pleased to report that delivery of savings has continued strongly and therefore the proposal is that the risk contingency will cease from 2015/16.

However, the budget continues to be challenging: there is a requirement for in excess of £60m savings next year, for the fifth year in a row. This reflects the recognition by the council that the level of funding available to the council will remain at lower levels than in the past and sustainable savings therefore need to be delivered. It is therefore important that a rigorous process for monitoring delivery of savings continues. Throughout 2014/15 the Chief Executive and I have led regular budget support meetings with the Strategic Directors and key Heads of Service to ensure robust strategies and action plans for delivery are in place. This has confirmed that the service strategies are right. It has also ensured that rigorous action plans for delivery are in place more consistently than was the case at the beginning of the process. It is our intention to continue this process during 2015/16 and we will report back to Cabinet as necessary on any matters that may emerge.

The budget papers before you today, seek your approval of the overall financial envelope of the Council and the indicative service allocations. Cabinet will confirm the final allocations at their meeting in March. By that time, the Select Committee scrutiny process that services are currently going through, (covering existing MTFP savings and additional savings) will have been completed.

As well as significant savings to deliver, the Government's austerity programme looks set to be with us until 2020: making a decade of austerity. However, 2015/16 represents the final year of the current Comprehensive Spending Review and, there are no details available from Government about the expected financial settlement for any government departments, including local government, from 2016/17 onwards. That makes long term planning less certain than ever.

A year ago this Council set its council tax strategy at 2% throughout the MTFP period. Moving into the next 5 year MTFP, the budget papers before you propose a CT increase of just below 2% for 2015/16, and a CT increase that reflects the demographic demand pressures for the remaining 4 years of the MTFP.

Without this strategy the Council would have to make significant cuts to front line services from 2016/17.

You will have noticed that in setting this year's budget only very minor adjustments are made to the overall level of reserves. This level remains, in my opinion, sensible to assure the councils financial resilience.

The main budget assumptions used in setting the 2015/16 budget are shown in the budget report, as are the main risks facing the council. Although challenging, it is my opinion that the general assumptions are sensible and the principal risks identified. However, there is a possibility that service demographic demands differ to assumptions, and that the level of funding available to the council may vary. The latter in particular, will remain uncertain until a new Government is formed after the General Election and it has prepared the next Comprehensive Spending Review. In view of this, it is sensible to propose a review of the MTFP in the summer of 2015 when further information may be known.

Turning briefly to capital - the budget report proposes relatively minor changes to the existing capital programme and complies fully with the requirements of the Prudential Code for Capital Finance in Local Authorities. However, in view of the uncertainty around the council's level of revenue funding, as described above, it also remains sensible to review the capital programme in summer 2015 to be satisfied that the level of borrowing assumed in the indicators is affordable and sustainable.

In summary, this five year budget has significant risks associated:

- with the increased uncertainty mentioned above;
- With the achievement of savings year on year;
- with the volatility implicit in the level of demographic demands;
- with the continuing austerity faced by the country; and
- the absence of a comprehensive spending review beyond 2015/16.

Despite these risks, in view of the mechanisms in place to monitor progress over the whole MTFP period, I consider that the budget proposals recommended by the Cabinet are robust and sustainable

**Sheila Little**  
**Director of Finance**  
**10 February 2015**

**SURREY COUNTY COUNCIL**

**TUESDAY 10 FEBRUARY 2015**

**QUESTIONS TO BE ASKED UNDER THE PROVISIONS  
OF STANDING ORDER 10.1**

**CABINET MEMBER FOR COMMUNITY SERVICES**

**(1) MR ROBERT EVANS (STANWELL AND STANWELL MOOR) TO  
ASK:**

Could the Cabinet Member report on how the Council's plans are progressing regarding the closure of Spelthorne's two fire stations?

**Reply:**

The Service needs to address two challenges to create the new arrangements for fire cover. The first is to find and develop a suitable location and secondly, to create a new competent on-call unit of fire officers, in order to complete the station's response capability.

Whilst working with the SCC Property department, we have identified a suitable site for developing a new fit for purpose fire station. In recent months, there have been some extenuating factors that have meant that the proposed site is currently behind schedule. However, work is currently underway to address these issues.

As you know, Surrey Fire and Rescue Service (SFRS) has undertaken a comprehensive recruitment campaign to attract candidates interested in being employed as 'on-call fire-fighters'. However, the dates are now being scheduled to progress this unit in line with the resolution of the property matters.

A further detailed paper expected to go to Cabinet in late Spring 2015.

**CABINET MEMBER FOR ENVIRONMENT AND PLANNING**

**(2) MR IAN BEARDSMORE (SUNBURY COMMON & ASHFORD  
COMMON) TO ASK:**

Not long ago, Sita was asking the Planning and Regulatory Committee if it could permanently retain the existing waste site and use the land outside its boundary for 'tree management'.

Now at the very beginning of the nesting season - which Natural England confirms began on 1 February - the chainsaws have been revved up, Sita Surrey Ltd are cutting down large swathes of trees around the waste site at Charlton Lane.

The inspector said this should not happen at least until all the relative permissions had been granted and the diverted foot path established, which has not happened and therefore why is this being done?

**Reply:**

I think the Member is perhaps confusing two issues.

Sita are removing trees and vegetation outside the main bird nesting season, which runs from March until August. Surrey County Council requires them to comply with the law and to observe best practice to avoid disturbing nesting birds. Therefore, the contractor has engaged an ecologist to supervise an inspection to ensure that there are no actively nesting birds.

In the event that the construction of the Eco Park proceeds, this will require a permanent diversion of footpath 70 along a defined route. However, the current closure is temporary because the footpath cannot be safely used by the public while the tree work is ongoing. Once it is completed, which will be by the end of the month at the latest, the definitive route will reopen to the public.

**CABINET MEMBER FOR SCHOOLS AND LEARNING**

**(3) MR JONATHAN ESSEX (REDHILL EAST) TO ASK:**

Current Status and Value of Academy School Assets in Surrey

How does the process of creating new academies and transfer of existing schools to become academies ensure that the views of parents, teachers, students and the wider community are heard and taken into account, and that objections and alternatives proposed are properly considered?

What representations have been made to Nicky Morgan, Education Secretary, in light of the fact we know that Surrey County Council object to the fact Oxted School Governing body have applied for change of status to Foundation and are SCC prepared to make a public statement to the Press regarding their objection to this change of status?

In how many cases have changes been made subsequent to a school becoming an academy to any of the following:

- (i) any type of SEN provision
- (ii) subjects offered in the curriculum

(iii) entrance criteria and what are the specifics of these changes in each case

Please can you confirm the names of academy schools created in Surrey:

- (i) last year,
- (ii) this year and so far committed in future and in which cases the school or academy has also been granted foundation status?

In each case please confirm the total value (delivered or budgeted) of both:

- (a) new school buildings and land being built and transferred to academy trusts/chains; and
- (b) existing school buildings and land being transferred to academy trusts/chains?

What arrangements are in place regarding disposal of the buildings and land in the event of the failure of an academy trust or chain and the allocation of pupils to other schools?

**Reply:**

[Note: As this was a multiple question, the questions have been duplicated in the response with the reply set out in bold after each question]

Current Status and Value of Academy School Assets in Surrey:

How does the process of creating new academies and transfer of existing schools to become academies ensure that the views of parents, teachers, students and the wider community are heard and taken into account, and that objections and alternatives proposed are properly considered?

**The Governing Body of the school is obliged to consult on its proposed change of status. The process is prescribed by the Department for Education (DfE) and the local authority is a consultee. The decision to proceed is made by the Governing Body.**

What representations have been made to Nicky Morgan, Education Secretary, in light of the fact we know that Surrey County Council object to the fact Oxted School Governing body have applied for change of status to Foundation and are SCC prepared to make a public statement to the Press regarding their objection to this change of status?

**We have written to the Governing Body to say that we do not feel achieving Foundation status it is a necessary step to becoming an academy. Surrey County Council will be a consultee in the event that the Governing Body decides to proceed with an application to the DfE.**

In how many cases have changes been made subsequent to a school becoming an academy to any of the following:

(i) any type of SEN provision

**The Echelford Centre (attached to Echelford Primary School, Shepperton) for pupils with Speech, Language and Communication needs was closed with effect from 31 January 2014.**

(ii) subjects offered in the curriculum

**Academies have the freedom to set their own curriculum.**

(iii) entrance criteria and what are the specifics of these changes in each case

**Academies are their own admission authority but must adhere to the national school admissions code in the same way as the local authority. Therefore they are obliged to consult on any changes to their admission criteria and this will be a matter of public record for each individual academy.**

Please can you confirm the names of academy schools created in Surrey:

(i) last year,

(ii) this year and so far committed in future and in which cases the school or academy has also been granted foundation status?

**A detailed academies tracker is published monthly on S Net. St Lawrence Primary School converted to Foundation Status prior to academy conversion.**

In each case please confirm the total value (delivered or budgeted) of both:

(a) new school buildings and land being built and transferred to academy trusts/chains; and

**For academies created in the last year we have spent or plan to spend approximately £18.3 million on basic need.**

(b) existing school buildings and land being transferred to academy trusts/chains?

**In the financial year 2014/15 (to 31 December 2014) £31.2 million was de-reconciled from Surrey County Council's balance sheet.**

What arrangements are in place regarding disposal of the buildings and land in the event of the failure of an academy trust or chain and the allocation of pupils to other schools?

**We would seek to have any asset returned to us that had previously been granted a 125 year lease to ensure continuity of education. Where**

**no lease arrangements exist we would work closely with the DfE to ensure that there is a very robust alternative for the education of all pupils affected.**

## **CABINET MEMBER FOR SCHOOLS AND LEARNING**

### **(4) MR JOHN BECKETT (EWELL) TO ASK:**

Will the Cabinet Member for Schools and Learning explain why the decision to close eight Sure Start Centres was not conveyed to the Divisional Members within whose Division the Centres are located, before the decision was made public?

Will she publish the criteria and analysis, which was used to select the eight for closure?

Could she confirm that the details of these eight closures were discussed with the Children and Education Performance and Finance sub-group charged with reviewing potential savings before the public announcement was made?

### **Reply:**

Mr. Beckett is incorrect in that no decision has been taken to close any children's centres and no such decision has been made public. As you will understand, the pressures on the Council's budget are such that it will be difficult to maintain current levels of service involving 58 centres. We have had discussions on potential savings with 8 centre managers and this will enable us to publish consultations on specific proposals in the near future.

Divisional Members within whose Divisions the centres are located or whose residents may be affected by living within a wider reach area for those centres have been informed. Any final decision on closure would be made by Cabinet following consideration of the outcomes of the consultation. Options for savings in a range of service areas have properly been considered as part of the scrutiny process.



COUNTY COUNCIL MEETING – 10 FEBRUARY 2015

MEMBERS QUESTION TIME

CABINET MEMBER UPDATES TO FULL COUNCIL

**NAME: MARY ANGELL**

**PORTFOLIO: CABINET MEMBER FOR CHILDREN AND FAMILIES**

Nationally and locally there has been a sustained growth in number of children subject to child protection plans. The reasons for this increase are complex. Recent high profile cases, such as Saville, and the subsequent emphasis on Child Sexual Exploitation have seen the public and services become nervous about risk, made even more complex by social and economic changes.

In Surrey, the number of children subject to a multi-agency child protection plan has reached its highest level, now running at over a thousand cases. The increase in cases impacts on capacity and demand, as in all cases the lead professional has to be a social worker. To meet its statutory requirement, the service will require additional staff above establishment or allocate work elsewhere in the service, although this just reduces capacity elsewhere. I must stress that the allocation of child protection cases to qualified social workers is a priority.

Further challenges include a 17% increase in the numbers of contacts countywide (5526 in December 2014 - the highest in the last 18 months). The service has experienced additional costs from the Staying Put Initiative, which promotes young people remaining in fostering placements after the age of 18. Surrey received a grant of £138,000, but has spent £1.1 million supporting this initiative.

The number of unaccompanied asylum seekers remains high, an increase of 15% in just 3 months. The total overall cost to Surrey is £1.7m in 2014/15. The budget was set at £0.9m, so there is an over-spend of £0.8m.

The shortfall on the grant paid for each young person varies from just under £4,000 p.a. for those leaving care, to almost £12,000 for 16-17 year olds. Asylum seekers with no recourse to public funds generate an additional annual cost of £0.4m.

In Surrey we are being affected by the lack of NHS mental health beds for children and young people. As Corporate Parents for Looked after Children, we have a responsibility to do what we can to secure appropriate care and support for our Looked after Children. In one case, despite the best efforts of officers, NHS England (commissioners of Tier 4 mental health beds) has failed to secure a mental health inpatient bed for a young person. This is unacceptable. At time of writing this report, 5 February 2015, there is still NO bed available.

In some cases adolescents need to wait at home, in others in a general paediatric ward, or even in some instances in an adult psychiatric ward, or a police cell. It is wholly unacceptable that across the country so many children and young people who are suffering a mental health crisis can face detention under section 136 of the Mental Health Act and end up in police cells, rather than in an appropriate place of

safety. Our experience is that even when beds are found, they are in distant parts of the country, making contact with family and friends difficult, and this leads to longer stays. Last year a young person from Surrey was sent to a bed in Manchester, a nightmare for the family who wanted to visit, and hardly conducive to aiding recovery of the child concerned.

It is unthinkable that any child experiencing a crisis in their physical health would be denied an appropriate hospital bed. Imagine the public furore if a child had cancer, or was injured on the road, and the family told that 'no bed was available', and they should wait a few weeks. This is not the first time Surrey has experienced this problem, and of course it is not unique to Surrey. Members need to be aware that Surrey Young Adults who suffer from severe mental health problems have their health and personal safety compromised while they wait on an inpatient bed. I have written to all Surrey MPs on this matter.

**NAME: HELYN CLACK**

**PORTFOLIO: COMMUNITY SERVICES AND CABINET LEAD FOR CONTINUOUS IMPROVEMENT**

**Magna Carta Royal Albert Hall event – 12 May 2015**

This very exciting project is having an impact across the County of Surrey, as hundreds of people (*including 17 schools*) – young and old are engaged in exploring the values of freedom and democracy through regular rehearsals in preparation for performing 'The Freedom Game' opera at the Royal Albert Hall. Surrey Arts is breaking new ground by including amateur community theatre, dance and choral groups as well as its well established County Youth Orchestra, County Wind Orchestra and County Youth Choir and 4 professional opera singers.

As well as showing the fantastic wealth of talent we have in Surrey, the project has an international dimension and in celebration of the UK year of Mexico will include a small number of Mexican young people from disadvantaged communities supported by a Mexican charity with whom we have been exchanging information through a Churchill Fellowship.

A very high quality creative team is in place to deliver the project including Karen Gillingham (Director of the Youth Company at the Royal Opera House), Sir Richard Stilgoe (Libretto) and Hannah Conway (Composer), Tim Murray\* (Conductor). As well as providing an exciting opportunity for Surrey's young people and amateur groups, the project is providing apprenticeship type opportunities for a number of 'up and coming' young performers, choreographers and backstage crew who are seeking to build a career in the performing arts. The opera's stage and dance company have started their weekly rehearsals in January 2015. There are over 200 performers of all ages and experiences in the stage and dance companies.

\*Tim Murray, our Musical Director has been nominated for 'Best Newcomer' in The International Opera Awards 2015. The winner will be announced at a ceremony in London in April 2015.

**Synopsis of the Opera**

This specially commissioned work explores the Magna Carta values of democracy, liberty, citizenship and freedom. In the plot, a Surrey family come under the influence of an evil dictator who attempts to control them and take away their liberties. The children challenge the dictator to play a game – '**The Freedom Game**' that like a computer game, has a number of 'levels' in which they attempt to win back their freedoms. The piece focuses on the freedoms that we often take for granted, exploring significant events in history that have shaped these. It describes a heroic battle against oppression - often with what seem insurmountable odds. Ultimately there will be a winner!

Tickets on sale from January 2015 from the Royal Albert Hall Box Office.

Telephone 0845 401 5034 or website <http://www.royalalberthall.com/>

**NAME: MELVILLE FEW**

**PORTFOLIO: CABINET MEMBER FOR ADULT SOCIAL CARE**

### **Hospital Discharges**

Recent media headlines have focused on the pressures on Accident and Emergency departments and delays in the discharge of elderly people. Often these delays have been attributed to "Social Services".

In Surrey, we pioneered a 7 day a week social care service in each of Surrey's 5 acute hospitals. This has been in place since 2012 and has enabled a very positive performance on hospital discharge, including over 20% of Adult Social Care discharges taking place in the early evening and weekends.

During the recent pressures Surrey County Council boosted this service and health colleagues have commented very positively about the contribution of social care teams in keeping the discharge flow through the system. During the first 3 weeks of 2015, we discharged 3 times as many people than would normally happen.

At the end of January, the Government announced a £25 million fund to assist Councils to improve hospital discharge. Surrey County Council did not qualify for this funding as our performance was judged as very positive. Following further representations to the Government, a further £12 million has been allocated which Surrey has been awarded £230,000, which will not cover the cost of our support to the NHS.

**NAME: JOHN FUREY**

**PORTFOLIO: CABINET MEMBER FOR HIGHWAYS, TRANSPORT AND FLOODING**

### **Local Growth Deal – Highways & Transport schemes**

Almost £50m has been allocated across the two LEP areas for specific projects within Surrey. Nearly all of the Surrey specific schemes proposed in the Strategic Economic Plans for 2015/16 were successful. So far, two schemes have been formally approved - these are the Runnymede Roundabout (£4.8m) and the Egham Sustainable Transport Package (£3.7m).

We will have submitted business cases for 13 schemes by the end of March, with construction for 11 of these to start during 2015/16. Assuming they are approved, this will amount to £33.78m worth of investment in Surrey's transport infrastructure.

### **Challenge Fund**

It was announced earlier in January that £575m is available over the 6 year period for authorities to bid for major maintenance schemes or packages of schemes. These can be for maintenance or renewal of roads, bridges, footways and cycle ways or drainage assets. Bidding will be in 2 tranches with the first tranche of funding (£275m) available between 2015 and 2018. Each authority can make one "small" bid (value between £5m and £20m) and one "large" bid (value >£20m). A minimum of 10% match funding will need to be provided by the authority. Highways and Transport teams are currently identifying suitable schemes in order to meet the very tight deadline of 9 February 2015. A second tranche of bidding will take place for the remaining £300m for schemes that will be funded between 2018 and 2021.

### **Customer satisfaction**

The latest results from the Surrey Residents Survey (SRS) show the net satisfaction (those very and fairly satisfied less those fairly or very dissatisfied) for road maintenance (-20%) is the best quarterly score recorded since Q3 of 2008. Similarly the percentage of residents who said they were very/fairly satisfied with road maintenance is the equal to the best ever recorded. This follows a year of major investment of £67m in Surrey's roads and maintenance of 100km of roads over the past two years.

**NAME: MICHAEL GOSLING**

**PORTFOLIO: CABINET MEMBER FOR PUBLIC HEALTH AND HEALTH AND WELLBEING BOARD**

### **Emotional Health and Wellbeing**

In December the Health & Wellbeing Board confirmed a document Emotional Wellbeing & Mental Health Everybody's Business. This outlined a joint approach by the Health & Social Care system to these issues from July 2014 - June 2017. This was a collaborative work between the six CCGs, Surrey County Council, the Boroughs and Districts and Surrey Police to an involvement of a fully joined up strategy on these issues and it was endorsed by the Chief Executive of the Surrey & Borders Partnership Trust. Given that the matter was raised during the debate on the Chief Executive's report, I felt that you would like to be in the position to know that the commissioners and the providers have a full action plan in place.

A point of clarification, although only confirmed recently, is that the plan is due to commence in July this year, the reason for the delay was to allow time for consultation and inclusion of comments from third parties, charities, patient groups and care homes, it is important that their views are considered in the final document.

Finally, I would like to pay tribute to Surrey & North Hampshire CCG, Andy Whitfield, Chairman, who leads for the CCGs on mental health issues, and in particular to Diane Woods, Associate Director, Commissioning, Mental Health & Learning Disabilities, Surrey CCG Collaborative, North East Hampshire & Farnham CCG and also to Jane Bremner, Senior Commissioning Manager of Surrey's Adult Social Care Department for all their work in preparing this report.

I will issue an email link to the full document to all Members today.

**NAME: DENISE LE GAL**

**PORTFOLIO: CABINET MEMBER FOR BUSINESS SERVICES AND LEAD MEMBER FOR NEW MODELS OF DELIVERY**

### **New Models of Delivery**

On 26 March 2013, the Cabinet considered a report on Models of Delivery, aimed at strengthening the Council's approach to Innovation. This included a recommendation acknowledging the opportunities that a range of delivery models provides and welcoming future proposals (expressed as options appraisals and business cases) from services across the Council over the three-year period 2013-16. The New Models of Delivery Programme was set up, with the primary objective to deliver public value for Surrey residents and businesses.

As the financial challenges become more difficult, we will need to continue to develop new and creative responses to the ever-increasing demands on our services. We must also ensure we are developing tomorrow's Council to perform to the highest standards so the Cabinet has worked with officers to develop and agree the key principles to underpin further work on transformation and new models. Our agreed design principles for change and transformation are:

- **Resident Focused** (one person, one budget): User experience, reduce friction, keep it simple, reduce failure demand
- **One place, one budget**: Maximise all resources within the system, more sustainable and effective approaches, attractive to partners
- **Add value**: Clear customer benefit, improved outcomes, shared benefits
- **More for less**: Cost effective, efficient, value for money
- **Future Proof**: Resilient, agile, flexible, modern and forward looking, build for longer term but be able to adapt
- **Digital by design**: Make use of technology

Officers, through the New Models of Delivery Network, have been asked to adopt these principles in any new transformation projects and I wanted to share with Members also to consider in your scrutiny and policy development roles at select committees.

**NAME: MIKE GOODMAN**

**PORTFOLIO: CABINET MEMBER FOR ENVIRONMENT AND PLANNING**

### **Waste update**

- **Eco Park**

The planning decision for the Eco Park was made on 24 September and subsequently a request for Judicial Review was brought by a local resident. The High Court eventually dismissed the challenge as being “totally without merit” on 23 December, with costs being awarded to the Waste Planning Authority. Vegetation and tree removal around the site perimeter will commence in February to enable development to proceed. Further work is underway to clarify the revised pricing from M+W and to assess the impact of this on value for money and affordability analysis. A further progress update to Cabinet will be made in February 2015

- **Earlswood**

On 21 January the new Earlswood site was officially opened. Surrey County Council, Sita, and Reigate & Banstead Borough Council worked together to redevelop and extend land to the rear of Reigate & Banstead’s municipal depot on the A23 at Earlswood to provide:

- A new materials bulking facility to receive recyclables, food waste and rubbish from households in Reigate and Banstead and neighbouring Tandridge.
- Improved depot facilities for Reigate and Banstead’s existing fleet of vehicles and their collection staff.

- **Surrey Waste Partnership.**

Individual meetings of Leaders and Chief Executives of Borough and Districts have taken place. This is building on the success of the Surrey Waste Partnership and opportunities to work closer together.

### **Local Transport Review**

A wide ranging consultation with residents and stakeholders on the proposed approach to make savings in local transport in Surrey commenced in October 2014 and will run until 2 February 2015. The consultation has included over 40 engagement events, a roving bus to six of the Boroughs and has so far resulted in 5600 responses. Analysis of the responses and further data on extra concessions will be carried out prior to recommendations being produced. A report will come to Cabinet on 26 May 2015.

### **SWT and Newlands Corner**

Surrey Wildlife Trust (SWT) agreement renegotiation has resulted in a reduction in SCC's existing contribution by £100,000 per annum in both 2014/15 and 2015/16 and then working to a zero contribution from SCC by 2021. The agreed changes



now need to be reflected in legal documentation and changes in governance, KPIs and service delivery need to be implemented and monitored according to the revised regime. A further report recommending the draft final terms for the Amended Agreement will be taken to Select Committee and Cabinet on 26 May 2015.

Collaborative projects within the Surrey Countryside and Rural Enterprise Forum (SCREF) have been further developed. The projects already underway and being accelerated are Visitor Improvements at Newlands Corner and a new website for VisitSurrey. SCREF will be holding its first Conference in March 2015 to highlight work underway and engage organisations in the review of the Rural Strategy. The Surrey Countryside and Rural Enterprise Conference will take place on 26 March 2015.

**NAME: LINDA KEMENY**

**PORTFOLIO: CABINET MEMBER FOR SCHOOLS AND LEARNING**

Special Educational Needs and Disabilities (SEND) services for children and young people has continued to be an area of challenge and high cost for the County Council. However, there are several new drivers for change to which the Council is responding:

- new legislation in the Children and Families Act 2014 requires the Council to put in place a new framework for assessing and providing for SEND;
- the Council wants to improve the outcomes, both educational and pathways to independent living, for children and young people with SEND and the experience they and their families have of our systems;
- the government has frozen the grant, known as the High Needs Block, funding to meet SEND needs.

Local authorities are now required to publish a 'Local Offer', i.e. information about services available for SEND support, which have now been extended by legislation from 0-16 to 0-25, a new and significant future financial risk. Surrey's 'Local Offer' has been on our website, in Schools and Learning, since September and I do recommend that Members take a look at it. It contains a lot of information, with links to other partners and services, which is being continuously reviewed and expanded and provides parents, carers, families and young people themselves a range of very useful advice about what Surrey can offer.

As well as extending the age range for SEND support, the new legislation introduced Education Health and Care Plans to replace existing SEN Statements. The process of transferring Statements to EHCPs is a priority for all local authorities as these must be completed by Easter 2018. Families and young people themselves must be more involved designing their Plans which should be forward looking and designed as far as possible for future independence. New DfE reporting systems have been introduced and a major programme of school and staff training is underway in Surrey.

With High Needs Block expenditure frozen and a 0-25 provision likely to incur more costs, officers are working with our school community to identify where mainstream schools can be even more inclusive and offer more suitable SEN places to children who are able to integrate into mainstream schools. A SEND Strategic Governance Board, which I attend, has been meeting for the past 6 months, comprising Schools and Colleges, Surrey NHS, Parent Groups, and CSF Officers, to develop and oversee a strategy for all special educational needs and disabilities with consensus between the partners represented. This approach is in line with the legislative driver to include parents in the decision making process. It also creates the opportunity for schools to be fully engaged and share responsibility for the process in future, although major policy decisions will still require the decision and support of the County Council.

**NAME: PETER MARTIN**

**PORTFOLIO: CABINET MEMBER FOR THE ECONOMY AND PROSPEROUS PLACES**

**Surrey County Council consultation response to the Airports Commission**

The County Council has submitted its response to the Airports Commission on proposals to increase runway capacity at Gatwick and Heathrow Airports. The Airports Commission's assessment has been subject to three months of consultation. I chaired a member briefing with representatives from the Airports Commission on 12 January at which Members could question the Airports Commission directly.

The County Council's response makes a number of detailed points which identify how the Airports Commission might improve the assessment undertaken so far to ensure that the impacts of expansion are fully understood before a decision is made. It is set within the context of the Council resolution on airport expansion agreed on 16 July 2013. Key points include:

- Further assessment is needed on noise impacts, air quality, downstream flooding impacts and surface access;
- More detailed work is needed on the supporting transport, community and social infrastructure;
- The response includes lists of the transport improvements needed to mitigate potential impacts in Surrey.

The Airports Commission's final report is expected in summer 2015.

**Wessex Route Study consultation**

Network Rail is consulting on a long term infrastructure plan for what is called the 'Wessex Route' which affects almost all of Surrey's rail network. It is important that the council and partners respond fully to make sure that Surrey's rail priorities are identified in our Surrey Rail Strategy are reflected.

For example, the Route Study includes options to improve the 'inter regional' North Downs Line from Gatwick Airport to Reading and potentially electrify the line. Options are also set out to address severe predicted capacity problems on the South West Main Line including Woking grade separation (a flyover), additional platforms at Guildford station and Crossrail 2.

Members are encouraged to respond to the consultation (email [WessexRouteStudy@networkrail.co.uk](mailto:WessexRouteStudy@networkrail.co.uk).) All feedback must be received by 18 February 2015 when the public consultation period closes.

**Local Growth Fund 'Round 2'**

The Government has announced a number of further projects, including some in Surrey, which are to receive further Local Growth Fund allocations. Both LEPs submitted a short list of priority schemes in autumn 2014 that could make use of further funding in 2016/17.