

## CABINET

The following decisions were taken by the Cabinet on Tuesday, 27 October 2015 and will take effect on 04/11/2015 unless the call-in procedure has been triggered. **CALL-IN DEADLINE: 03/11/15.**

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

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

The Cabinet at its meeting on Tuesday, 27 October 2015 considered the following matters and resolved:

### **Members' Questions** (Item 4a)

A question was received from Mrs Carol Coleman in relation to Schools Funding Formula. A response is attached as Appendix 1.

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

(a) Council Overview Board in relation to Surrey Airports Policy. The response from the Deputy Leader of the Council is attached as Appendix 2.

(b) Council Overview Board and East Sussex County Council in relation to joint scrutiny of the Orbis programme. The response from the Cabinet Member for Business Services and Resident Experience is attached as Appendix 3.

(c) Education and Skills Board in relation to Funding Schools for Deprivation. The response from the Cabinet Member for Schools, Skills and Educational Achievement is attached as Appendix 4.

- **OPTIONS FOR OVERNIGHT SHORT BREAKS FOR CHILDREN WITH DISABILITIES IN EAST SURREY** (Item 6)

### **RESOLVED:**

1. Surrey County Council contracts with Surrey and Borders Partnership (SABP) for overnight short breaks at Beeches for up to 12 months commencing on 1 December 2015 as an interim arrangement.
2. The interim arrangement is reviewed by Cabinet as part of a revised special educational needs and disability (SEND) strategy be brought back to Cabinet that includes recommendations from the SEND Governance Board regarding future provision for short breaks.
3. A report is presented to Cabinet within the 12 month interim period based on an assessment of the needs for children with disabilities in the east of the county, and an assessment of capacity available in order to meet demand, in relation to short break provision.

### **Reasons for Decisions:**

Surrey County Council would benefit from a more comprehensive assessment of future demand to determine whether or not additional short breaks provision for children is required. Any recommendations in relation to short breaks provision should be considered in the round, alongside all arrangements for disabled children. This approach will enable Surrey County Council to be confident in its commissioning decision. In order to allow time for this review it is recommended that a block contract is agreed with SABP for overnight short breaks at Beeches for up to 12 months.

The SEND Governance Board have developed a programme of work to review the provision of all SEND services for children and young people that supports Surrey County Council's emerging SEND strategy.

*[The decision on this item may be called in by the Social Care Services Board]*

### • **SURREY SCHOOLS' FUNDING FORMULA 2016/17 (Item 7)**

#### **RESOLVED:**

1. That the 2016/17 funding formula for Surrey schools be prepared on the basis of:
  - (i) continuing the £10 million transfer of Dedicated Schools Grant from the notional Schools block to the High Needs block first introduced in 2015/16
  - (ii) transferring an additional £1.65 million from the Schools block to the High Needs Block and
  - iii) transferring £1.65 million from the County Council to the DSG High Needs Block.”
2. That the Cabinet approves the recommendation of the Schools Forum to reduce schools' deprivation funding to 7.79% of total schools' formula funding in 2016/17
3. That the proposed Surrey formula factors for 2016/17 as set out in Annex 4 are approved for submission to the DfE by the 30 October deadline
4. That authority is delegated to the Assistant Director, Schools & Learning, in conjunction with the Leader and the Cabinet Member for Schools, Skills and Educational Achievement to update and amend the formula as appropriate following receipt of the DSG settlement and updated DfE pupil data in December 2015. This is to ensure that total allocations to schools under this formula remain affordable within the council's DSG settlement to be announced during December 2015.

### **Reasons for Decisions:**

To ensure that spending on crucial Special Educational Needs services is maintained despite the vote of the majority of schools responding to the County Council's September 2015 funding consultation, and the subsequent decision of Schools Forum only to recommend a transfer of £10m from the Schools Block to the High Needs Block. Decisions on the proposed Surrey schools funding formula are required in order to comply with DfE regulations requiring notification of the

council's funding formula by 30 October 2015.

*[The decision on this item may be called in by the Education & Skills Scrutiny Board]*

- **FINANCE AND BUDGET MONITORING REPORT FOR SEPTEMBER 2015**  
(Item 8)

**RESOLVED:**

That the report be noted, including the following:

1. That services forecast a £1.1m revenue budget variance at year end, as set out in Annex 1, paragraph 1 of the submitted report.
2. That services forecast to achieve £63.8m efficiencies and service reductions by year end, as set out in Annex 1, paragraph 28 of the submitted report.
3. That the total forecast capital expenditure for 2015/16, including long term investments, be £183.2m, as set out in Annex 1, paragraph 38 of the submitted report.
4. The quarter end positions for: balance sheet, earmarked reserves, debt and treasury management, as set out in Annex 1, paragraphs App 7 to App 22 of the submitted report.
5. That a virement of £7.1m to reflect direct schools grant funding in relation to delays in academy conversions and updates on other direct school grants estimates, as set out in Annex 1 paragraphs 3 to 5 of the submitted report, be approved.
6. That the use of Central Government Care Act new burdens funding by Adult Social Care to manage increased demand and new Care Act responsibilities that are causing pressure on the budget, as set out in Annex 1, paragraphs 10 and 11 of the submitted report be approved.

**Reasons for Decisions:**

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.

*[The decision on this item may be called in by the Council Overview Board]*

- **REVISION OF PROCUREMENT STANDING ORDERS** (Item 9)

**RESOLVED:**

That proposed changes to Procurement Standing Orders (PSOs) be noted and commended to full Council for final approval at their next meeting on 8 December 2015.

**Reasons for Decisions:**

To provide support for adoption of the revised Procurement Standing Orders (PSOs) by full Council.

The PSOs have been updated to take account of:

- The new Public Contract Regulations 2015 (as described in more detail in paragraph 3, part viii)
  - best practice updates for lower value contracts from Lord Young recommendations aiming to making it easier for small and local businesses to tender for contracts
  - the Local Government Transparency Code on publication of data
  - closer alignment of procurement practices to support effective collaboration and partnership working, including extension of the existing partnership with East Sussex County Council whilst still respecting the sovereignty of individual Council requirements
  - improvements to purchasing processes intended to speed up transactions and ensure proper compliance
  - improvements to strengthen contract management and management of contract variations and extensions
  - updates to reflect best practice around electronic invoicing
- **LEADERSHIP RISK REGISTER** (Item 10)

**RESOLVED:**

That the content of the Surrey County Council Leadership risk register , as set out in Annex 1 to the submitted report, be noted and the control actions put in place by the Statutory Responsibilities Network be endorsed.

**Reasons for Decisions:**

To enable the Cabinet to keep Surrey County Council's strategic risks under review and to ensure that appropriate action is being taken to mitigate risks to a tolerable level in the most effective way.

*[The decision on this item may be called in by the Council Overview Board]*

- **ORBIS INITIAL BUSINESS PLAN** (Item 11)

**RESOLVED:**

1. That the Orbis business plan, approved by the Orbis Joint Committee on 28 September, and the roadmap for the integration of services, as described in the plan be noted.
2. That the one off investment (SCC share £4.7m) required to deliver the benefits (SCC share £5.6m recurring) through off-setting of investments against benefits in the Medium Term Financial Plan (MTFP) (2016-21) be approved in principle.
3. That the SCC share of the initial investment in the programme team up to 2017/18 be approved and IT costs for 2015/16 which is £862,000, be funded from the 'Invest to Save' fund initially, where investment precedes benefits, otherwise to be off-set against benefits.

**Reasons for Decisions:**

The development of Orbis to date demonstrates the strength of the partnership between the two Councils, and the ability to become a 'Compelling Alternative'. The Orbis programme must continue to drive momentum through scale and pace, to

deliver the ambition which is predicated on the expertise and passion of staff, and to remain focussed on Customers in order to realise better outcomes for residents.

Any form of innovation carries a level of inherent risk, and by identifying these early, keeping stakeholders informed, and taking the required action to mitigate accordingly, the projected benefits outlined can be achieved.

In order to complete the Orbis story, and achieve full projected benefits, Cabinet's endorsement and sign-off of the next level of investment is required.

This investment is necessary to realise the full benefits of Orbis, including better business services for customers, and therefore residents. In addition, by creating a dynamic and innovative environment for staff, they will be enabled to contribute to realising confidence in Surrey's future.

*[The decision on this item may be called in by the Council Overview Board]*

- **THE HORLEY MASTER PLAN** (Item 12)

**RESOLVED:**

1. That the background information, as set out in the submitted Part 1 and Part 2 reports be noted.
2. Subject to the financial information contained in the submitted Part 2 report, that the Horley Master Plan Delivery Fund be approved.
3. Subject to the financial information contained in the submitted Part 2 report, that works to Langshott/The Acres development be approved
4. That the Strategic Director of Environment and Infrastructure and the Director of Finance, in consultation with the Leader of the Council and the Cabinet Member for Environment and Planning, approve any requests to the Horley Master Plan Delivery Fund within their delegated authority.

**Reasons for Decisions:**

To improve the Council's arrangements for the management of financial risk over the life time of the Horley Master Plan and to provide infrastructure and service improvements that will benefit local residents.

*[The decision on this item may be called in by the Council Overview Board and/or the Economic Prosperity, Environment and Highways Scrutiny Board]*

- **INVESTMENT IN IMPROVEMENTS TO THE VISITOR FACILITIES AT NEWLANDS CORNER** (Item 13)

**RESOLVED:**

1. That the proposed investment of £0.4m to improve facilities at Newlands Corner, including a Family Play Trail be approved.
2. That the re-commencement of car park charging at Newlands Corner as set out in paragraph 16 of the submitted report, to help finance the improvements, as set out at paragraph 7, be approved.
3. That the agreement of the necessary changes to agreements with the Albury Estate and Surrey Wildlife Trust be delegated to the Director of Legal

and Democratic Services, in consultation with the Assistant Director for Environment and the Cabinet Member for Environment and Planning.

**Reasons for Decisions:**

Two of the three Strategic Goals in the Corporate Strategy can be addressed through the proposals in this report: improving Residents' Experience and improving their Wellbeing.

In order to achieve this, decisions are needed about the investment required, the re-commencement of parking charges and changes to the agreements that exist with Albury Estate and Surrey Wildlife Trust.

*[The decision on this item may be called in by the Economic Prosperity, Environment and Highways Board]*

- **SURREY SAFEGUARDING ADULTS BOARD ANNUAL REPORT 2014 - 2015** (Item 14)

**RESOLVED:**

1. That the Surrey Safeguarding Adults Board Annual Report be considered and noted, prior to it being published.
2. That the next steps for the publication of the Annual report be agreed.

**Reasons for Decisions:**

These recommendations demonstrate that the Council is well placed to fulfil its obligations under the Care Act to have an established Safeguarding Adults Board in its area.

It will support the SSAB to be transparent by providing information to the public on the performance of the Board in the delivery of its strategic plan.

- **CREATING OPPORTUNITIES FOR YOUNG PEOPLE - YEAR 11/12 TRANSITION CONTRACT AWARD** (Item 15)

**RESOLVED:**

Following consideration of the results of the procurement process noted in the submitted Part 2 report, a fixed-price contract be awarded to the highest scoring tenderer (U-Explore Ltd.) for the provision of Year 11/12 Transition Services to Young People (age 16-17) at risk of becoming NEET, at a value of £1.578m over four years (£394,387 per year), to commence 1 January 2016 for a period of three years, with the option to extend for a further year.

**Reasons for Decisions:**

The existing contracts with the two current providers will expire on 31 December 2015. A full tender process, in compliance with the requirement of EU Procurement Legislation and Procurement Standing Orders has been completed, and the recommendations provide best value for money for the Council, following a thorough evaluation process.

Building on the previous success of this commission and aligned to the strategy outlined within 'Creating Opportunities for Young People: Re-Commissioning for 2015-2020' it is intended to award a fixed-price contract to U-Explore Ltd. for the

provision of support services to young people, age 16-17, at risk of becoming NEET, to commence on 1 January 2016 for a period of three years, with the option to extend for a further year.

This report provides details of the procurement process, including the results of the evaluation process, user / customer engagement and consultation and, in conjunction with the Part 2 report, demonstrates why the recommended contract award delivers best value for money.

*[The decision on this item may be called in by the Education and Skills Scrutiny Board]*

- **CONTRACT AWARD FOR TARGETED CHILD AND ADOLESCENT MENTAL HEALTH AND NEURO DEVELOPMENTAL DISORDERS PATHWAY SERVICES** (Item 16)

**RESOLVED:**

Following consideration of the results of the procurement process the award of a contract for Targeted Child and Adolescent Mental Health Services and the Neuro Developmental Disorder Behaviour Pathway Service be agreed, subject to the S75 agreement, which secures the funding being completed and signed by all Clinical Commissioning Groups before the 12 November 2015. The contract is for an initial period of three years with an option for the Council to extend for up to two years. Any such extension will be notified in writing to the Service Provider at least 6 months prior to the end of the initial period of the contract.

**Reasons for Decisions:**

The existing contract with Surrey and Borders Partnership NHS Foundation Trust (SaBP) for Targeted Child and Adolescent Mental Health Services (CAMHS) will expire on 31 March 2016. A restricted tender process (pre-qualification questionnaire, PQQ followed by Invitation to Tender, ITT), in compliance with the requirement of EU Procurement Legislation, Public Contract Regulations 2015 and Surrey County Council Procurement Standing Orders has been completed, and the recommendation provides best value for money for the Council after undertaking a thorough evaluation process.

*[The decision on this item may be called in by either the Social Care Services Scrutiny Board or the Wellbeing and Health Scrutiny Board]*

- **APPROVAL TO AWARD A FRAMEWORK AGREEMENT FOR COMMUNITY OPPORTUNITIES FOR OLDER PEOPLE AND PEOPLE LIVING WITH DEMENTIA** (Item 17)

**RESOLVED:**

That a Framework Agreement for the provision of Community Opportunities for Older People and People Living with Dementia be awarded to the following providers for a period of three years with an option to extend for one year commencing from 1 December 2015.

Lot 1 – Low Level Needs For older people who are socially isolated or need a little bit of support to get out and about. It could also include people in the early stages of	Bright Shadow Limited Cameo Spelthorne Borough Council Surrey Choices Surrey Crossroads
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dementia.	
Lot 2 – Moderate Needs For individuals in the middle stages of dementia. Individuals accessing this service should be able to continue with activities of daily living but will need help and support.	Alzheimer's Society Bright Shadow Limited Cameo Spelthorne Borough Council Surrey Crossroads
Lot 3 – High Needs For individuals with high needs or end stage dementia likely to have significant memory loss. They may be prone to wandering and will need to be supported in a safe and secure environment.	Alzheimer's Society Avenues Group South East Spelthorne Borough Council

### **Reasons for Decisions:**

The recommended framework agreement providers will deliver older people's community opportunity services, including those living with dementia, which will keep people active and involved in the local community and cared for in a safe environment. It also provides support for carers, giving them an opportunity to have time away from their caring duties.

The recommendation to replace the current block contracts and grants with a new framework will help deliver better quality services and more choice within the same budget and will also enable the transition to the new model of services. For many of these providers it is the beginning of a shift to working in more flexible ways. There will also be ongoing work with the market to develop a fuller range of flexible services.

The existing block arrangements expired on 30 September 2015. Contract extensions based on existing arrangements were put in place until 1 December 2015. A full tender process, in compliance with the requirement of EU Procurement Legislation and Procurement Standing Orders has been completed, and the recommendations provide value for money for the Council following a thorough evaluation process.

*[The decision on this item may be called in by either the Social Care Services Scrutiny Board or the Wellbeing & Health Scrutiny Board]*

- **APPOINTMENT OF A NUMBER OF CONTRACTORS TO THE FRAMEWORK FOR THE PROVISION OF RESPONSIVE AND PLANNED MAINTENANCE TO TRAVELLERS' CARAVAN SITES** (Item 18)

### **RESOLVED:**

1. The Framework Agreement be awarded for three years plus the option to extend for one year to:
  - Millane Contract Services Ltd
  - Kier Facilities Services Limited
  - MD Building Services Ltd
2. Immediate call-off maintenance contracts under the Framework Agreement are placed with Millane Contract Services Ltd, Kier Facilities Services Limited and MD Building Services Ltd for the Council commencing in



November 2015 for an initial term of three years, with the option to extend by a further one year.

**Reasons for Decisions:**

A full tender process, in compliance with the requirements of Public Contracts Regulations 2015 and the Council's Procurement Standing Orders has been completed. The recommendations provide best value for money for responsive and planned maintenance to Traveller caravan sites for the Council following a thorough evaluation process.

The Framework Agreement, as awarded, sets out the terms and conditions under which a specific purchase, known as a direct call-off can be made under the resulting Framework Agreement for an area based Term Maintenance Contract.

*[The decision on this item may be called in by the Council Overview Board]*

- **LEADER / DEPUTY LEADER / CABINET MEMBER DECISIONS TAKEN SINCE THE LAST CABINET MEETING** (Item 19)

**RESOLVED:**

That the decisions taken by Cabinet Members since the last meeting, as set out in Annex 1 of the submitted report, be noted.

**Reasons for Decisions:**

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

- **EXCLUSION OF THE PUBLIC** (Item 20)

**RESOLVED** that under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information under paragraph 3 of Part 1 of Schedule 12A of the Act.

PART TWO – IN PRIVATE

THE FOLLOWING ITEMS OF BUSINESS WERE CONSIDERED IN PRIVATE BY THE CABINET. SET OUT BELOW IS A PUBLIC SUMMARY OF THE DECISIONS TAKEN.

- **OPTIONS FOR OVERNIGHT SHORT BREAKS FOR CHILDREN WITH DISABILITIES IN EAST SURREY** (Item 21)

Resolution and Reasons for Decisions as per Part 1 report (item 6)

*[The decision on this item may be called in by the Social Care Services Scrutiny Board]*

- **THE HORLEY MASTER PLAN** (Item 22)

1. That the background information set out in the submitted Part 1 and Part 2 reports be noted.
2. Subject to the financial information contained within the Part 2 report, a

Horley Master Plan Delivery Fund be approved.

3. Approval be given for capital expenditure, to provide improvements to the Fastway bus service at Langshott/The Acres development, as outlined in this report and the Part 1 report.
4. That the Strategic Director for Environment and Infrastructure and the Director of Finance, in consultation with the Leader of the Council and Cabinet Member for Environment and Planning, approve any requests to the Horley Master Plan Delivery Fund within delegated authority.
5. That s106 income relating to works already delivered and funded from the Council's capital and revenue budgets, be held in a specific reserve to further mitigate risks against the Horley Master Plan, until such time that it can be released to support wider Council expenditure.

**Reasons for Decisions:**

To inform Cabinet about how the Horley Master Plan Delivery would be funded, to approve budget allocations and to highlight the financial risks.

*[The decision on this item may be called in by the Council Overview Board and/or the Economic Prosperity, Environment and Highways Scrutiny Board]*

● **INVESTMENT IN IMPROVEMENTS TO THE VISITOR FACILITIES AT NEWLANDS CORNER (Item 23)**

**RESOLVED:**

1. That the proposed investment, as detailed in the submitted report, to improve facilities at Newlands Corner, including a Family Play Trail be approved.
2. That the re-commencement of car park charging at Newlands Corner as set out in paragraph 16 of the submitted report, to help finance the improvements as set out at paragraph 7, be approved.
3. That the agreement of the necessary changes to agreements with the Albury Estate and Surrey Wildlife Trust be delegated to the Director of Legal and Democratic Services, in consultation with the Assistant Director for Environment and the Cabinet Member for Environment and Planning.

**Reasons for Decisions:**

Two of the three Strategic Goals in the Corporate Strategy can be addressed through the proposals in this report: improving Residents' Experience and improving their Wellbeing.

In order to achieve this, decisions are needed about the investment required, the re-commencement of parking charges and changes to the agreements that exist with Albury Estate and Surrey Wildlife Trust.

*[The decision on this item may be called in by the Economic Prosperity, Environment and Highways Scrutiny Board]*

- **CREATING OPPORTUNITIES FOR YOUNG PEOPLE - YEAR 11/12  
TRANSITION CONTRACT AWARD** (Item 24)

**RESOLVED:**

Following consideration of the results of the procurement process, that a fixed-price contract be awarded to the highest scoring bidder, U-Explore Ltd., at a value of £1.578m over four years (£394,387 per year), for the provision of Year 11/12 Transition Services to Young People (age 16-17) at risk of becoming NEET, to commence on 1 January 2016 for a period of three years with the option to extend for a further year.

**Reasons for Decisions:**

The existing contracts with the two current providers will expire on 31 December 2015. A full tender process, in compliance with the requirement of EU Procurement Legislation and Procurement Standing Orders has been completed, and the recommendations provide best value for money for the Council, following a thorough evaluation process.

Building on the previous success of this commission and aligned to the strategy outlined within 'Creating Opportunities for Young People: Re-Commissioning for 2015-2020' it is intended to continue with the commission and award a fixed-price contract to the recommended tenderer for the provision of support services to young people at risk of becoming NEET, to commence on 1 January 2016 for a period of three years, with the option to extend for a further year.

This report provides details of the procurement process, including the results of the evaluation process, user / customer engagement and consultation and demonstrates why the recommended contract award delivers best value for money.

*[The decision on this item may be called in by the Education and Skills Scrutiny Board]*

- **CONTRACT AWARD FOR TARGETED CHILD AND ADOLESCENT MENTAL HEALTH AND NEURO DEVELOPMENTAL DISORDERS PATHWAY SERVICES** (Item 25)

**RESOLVED:**

That a three year contract be awarded to Surrey and Borders Partnership NHS Foundation Trust at a capped annual contract price of, as set out in the submitted report, for the provision of Targeted Child and Adolescent Mental Health Services and Neuro Developmental Disorders Behaviour Pathway Services to commence on 1 April 2016. This is subject to the Section75 agreement being finalised and signed by the six Clinical Commissioning Groups by 12 November 2015.

**Reasons for Decisions:**

The existing contract with Surrey and Borders Partnership NHS Foundation Trust for Targeted Child and Adolescent Mental Health Services (CAMHS) will expire on 31 March 2016. A restricted tender process (pre-qualification questionnaire, PQQ followed by Invitation to Tender, ITT), in compliance with the requirement of EU Procurement Legislation, Public Contract Regulations 2015 and Surrey County Council Procurement Standing Orders has been completed, and the recommendation provides best value for money for the Council after undertaking a thorough evaluation process.

*[The decision on this item may be called in by either the Social Care Services Scrutiny Board or the Wellbeing and Health Scrutiny Board]*

- **APPROVAL TO AWARD FRAMEWORK AGREEMENTS FOR COMMUNITY OPPORTUNITIES FOR OLDER PEOPLE AND PEOPLE LIVING WITH DEMENTIA** (Item 26)

**RESOLVED:**

That a Framework Agreement for the provision of Community Opportunities for Older People and People Living with Dementia be awarded to the providers, identified in the main report, for a period of three years with an option to extend for one year commencing from 1 December 2015.

**Reasons to Decisions:**

A full tender process, in compliance with the requirement of EU Procurement Legislation and Procurement Standing Orders has been completed, and the recommendations provide best value for money for the Council following a thorough evaluation process. Replacing the current block contracts and grants with a new framework will deliver better quality services and more choice within the same financial envelope in a developing market. The development of the market for day services for older people with dementia has been limited by block arrangements and traditional provision. The new framework agreement will enable the required shift in the market to provide a more flexible range of services.

*[The decision on this item may be called in by either the Social Care Services Scrutiny Board or the Wellbeing and Health Scrutiny Board]*

- **APPOINTMENT OF A NUMBER OF CONTRACTORS TO THE FRAMEWORK FOR THE PROVISION OF RESPONSIVE AND PLANNED MAINTENANCE TO TRAVELLERS' CARAVAN SITES** (Item 27)

**RESOLVED:**

1. That the Framework Agreement be awarded for three years plus the option to extend for one year to:
  - Millane Contract Services Ltd
  - Kier Facilities Services Limited
  - MD Building Services Ltd
2. Immediate call-off maintenance contracts under the Framework Agreement are placed with Millane Contract Services Ltd, Kier Facilities Services Limited and MD Building Services Ltd for the Council, with an estimated total annual value as set out in the submitted report, commencing in November 2015 for an initial term of three years, with the option to extend by a further one year.

**Reasons for Decisions:**

The existing contracts will expire in November 2015. A full tender process, in compliance with the requirement of EU Procurement Legislation and Procurement Standing Orders has been completed, and the recommendations provide best value for money for the Council following a thorough evaluation process.

*[The decision on this item may be called in by the Council Overview Board]*

- **PROPERTY TRANSACTIONS - INVESTMENT PROPERTY ACQUISITION** (Item 28)

**RESOLVED:**

That Surrey County Council agree to provide equity and debt funding to Halsey Garton Property Ltd, a wholly owned company of the council, in order to enable the company to purchase a property investment asset.

**Reasons for Decisions:**

The provision of financing to the council's property company to facilitate the proposed investment acquisition is in accordance with the council's Investment Strategy. The investment will deliver an ongoing income to the council, enhancing financial resilience in the longer term.

*[The decision on this item may be called in by the Council Overview Board]*

**Member Question**

Question from Carol Coleman (Ashford):

I have been contacted by Headteachers of schools that are very concerned about the proposals on item 7 of the agenda.

Have the Cabinet fully considered all the possible ramifications of agreeing to the proposal in item 7 on the Cabinet agenda to effectively cut deprivation funding to those schools in Surrey that are inclusive and accept the pupils who are in the most need?

Could they please explain what the scenarios are that they have considered, including the effect on the educational support for the gypsy and traveller communities, SEND and FSM pupils?

Could they please explain what Surrey County Council will do to support those children living in deprivation if schools lose the funding that is needed to support them?

What plan has Surrey County Council should all schools become exclusive, as approving the recommendation would show that schools are being rewarded for being exclusive?

What sort of place will Surrey be in the future if the policy of Surrey County Council is to be to help those that are better off, and not those that are most deprived, what sort of future is that for them?

**Reply:**

The Cabinet will consider most carefully the report and recommendations concerning the Schools Formula Funding for 2016/17 in item 7 of today's Cabinet Agenda. The decisions of the Cabinet must comply with the DfE requirements and legislation following consultation with schools and the Schools Forum. The Schools Forum is a statutory body which must be consulted on the allocation of the Dedicated Schools Grant. It comprises head teachers, governors, academy representatives and "non-school" representatives from early years providers, diocesan bodies, teaching unions, post 16 providers and Family Voice (SEND). The Cabinet must also 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 and in the attached equalities impact assessment.

**Mrs Linda Kemeny**  
**Cabinet Member for Schools, Skills and Educational Achievement**  
**27 October 2015**

**CABINET RESPONSE TO COUNCIL OVERVIEW BOARD**

**SURREY AIRPORTS POLICY**

**(considered by Council Overview Board on 10 September 2015)**

**COMMITTEE RECOMMENDATION:**

1. Surrey County Council should urge government to make a quick and final decision on airport capacity in the South East.
2. The Council should be fully involved in the considerable work involved to refine any proposals after an 'in principle' decision on extra capacity is made. However, the council's financial exposure should be minimised as far as possible.
3. The Council should reiterate its regret (as expressed in their submission to the Airports Commission) that the commission did not explore the issues of surface access to any expanded airport in nearly enough detail, and recommends this should be given high priority.
4. The majority of Council Overview Board members agree that an extra runway, at one of the shortlisted locations recommended in the Airport Commission's report, should be provided as soon as practicable, not withstanding the reservations expressed above.

**RESPONSE:**

I am pleased that the Overview Board is satisfied with the Council's current policy position on airports and I am happy to endorse the Board's recommendations.

The Council is about to agree a non-binding memorandum of understanding with Heathrow Airport Limited. This recognises surface access as a key area on which they will work together, especially on proposals for strategic and local transport network improvements. Additionally, we have recently written to Network Rail to highlight the importance of Southern Rail Access to Heathrow and the need for it to feature as a high priority within the current review of its rail investment programme.

I shall also write to the Secretary of State for Transport urging a quick and final decision on airport capacity and to emphasise that it is critical for any new runway proposal to fully address surface access issues.

In preparation for the work that will be needed to secure the best possible deal for Surrey once the Government's response to the Airports Commission is known, officers will continue to liaise with our boroughs and districts and other local authorities around Heathrow Airport and with Surrey and West Sussex local authorities around Gatwick Airport.

**Peter Martin**  
**Deputy Leader of the Council**  
**27 October 2015**

**CABINET RESPONSE TO COUNCIL OVERVIEW BOARD**

**SURREY COUNTY COUNCIL AND EAST SUSSEX COUNTY COUNCIL JOINT  
SCRUTINY OF THE ORBIS PROGRAMME**

**(considered by Council Overview Board on 5 October 2015)**

**COMMITTEE RECOMMENDATION:**

1. Most importantly, the Boards supported the Business Plan in principle and wished all concerned in its implementation the best of luck in surmounting the challenges ahead.
2. However, there was general agreement that the plan could have been improved by the inclusion of more specific proposals to achieve the benefits, financial and otherwise, that were outlined. The Boards look forward to more detailed measures being specified in the near future, especially in the area of costs vis-a-vis benefits. At their next meeting in the New Year, the Boards will be paying particular attention to:
  - Details of the efficiencies and tangible benefits proposed
  - The procurement and cost of a common Business Support Platform and its effect on the Orbis Business Case
  - Property, productivity measures and pay harmonisation pressures
  - Case studies from other authorities
  - Evidence that cost-shunting was not occurring when extensive delegation to service managers occurs
3. It was recognised that, the achievement of the plan's ambitions would require firm, sustained Member support.
4. The Boards urged that the health community, especially the Clinical Commissioning Groups, should be involved as soon as practicable.
5. Individual achievements arising out of the Orbis programme should be highlighted as soon as they occurred.

**RESPONSE:**

I would like to thank all Members for your support together with your commitment to participate in the joint scrutiny session.

The challenges raised by the joint scrutiny committee have been noted. As agreed, a further joint scrutiny session will be arranged in the New Year to provide a further update on Orbis development.

A separate business case will be required for the Business Solutions Platform which will detail the required investment and outline benefits specific to that project.

**Ms Denise Le Gal**  
**Cabinet Member for Business Services and Resident Experience**  
**27 October 2015**



**CABINET RESPONSE TO EDUCATION AND SKILLS BOARD**

**FUNDING SCHOOLS FOR DEPRIVATION**

**(considered by Education and Skills on 17 September 2015)**

**COMMITTEE RECOMMENDATION:**

Recommendations for Cabinet

1. That the Leader seeks to lobby national government for greater flexibility around the funding for deprivation and early help in order to improve linked pupil-centred support between schools and social care.
2. That the Cabinet seek to link the early help strategy in Children's Services to the issues identified through the school deprivation funding.
3. That the Cabinet are given the opportunity to review the full range of responses to the School Forum consultation - including evidence of the impact of each of the three options proposed and any other options considered- prior to any decision being made.

Recommendations for officers:

- a) That officers proactively explore options with schools about how to best develop a collaborative alternative mechanism for targeting deprivation.

Officers' Response:

The targeting of deprivation to schools is subject to regulation by the DfE. This requires that funding for deprivation must be allocated to individual schools and on the basis of specific indicators only - either free school meals or IDACI (Income Deprivation Affecting Children Index). Specifically deprivation may not be allocated to groups of schools. Prior to 2013, the council operated a popular tiered deprivation mechanism for allocating deprivation funding but the DfE now requires a standardised approach to be used by all LAs.

- b) That officers develop a strategy with schools to encourage families to register children for Free School Meals where eligible, in order to ensure schools are receiving the appropriate level of Pupil Premium funding.

Officers' Response:

Schools are particularly active in encouraging families to register for free school meals (FSM), as there are considerable financial benefits to the school. The council sends bulletins to schools twice a year reminding them of the need for accurate recording. Additionally, the LA sought and gained the approval of Schools Forum to withhold funding from all maintained schools from April 2015 onwards in order to fund a central FSM entitlement checking service, provided by Babcock 4S.

- c) That officers support the Primary Phase Council in understanding the low response rate to the consultation, in order to develop a wider evidence base of how funding is used.

Officers' Response:

The response of primary schools to the Call for Evidence from the Headteacher / Governor Working Group was relatively low (11%). However the response from primary schools to the larger Consultation on Schools Funding which included the Deprivation funding proposals was 57.8% (174 schools) – a significant increase on the response rate in the previous year (43.4%). This follows a series of presentations by the Chair

of the Primary Phase Council and officers to raise the profile of funding at area headteacher meetings.

**RESPONSE:**

Decisions from central Government in 2013 reduced the discretion local authorities and schools forums enjoyed as to how school funding could be calculated. In Surrey, a "tiered deprivation funding" element had proved helpful in directing funding to where it was most needed, and this is now prohibited. We will continue to lobby Government to give greater capacity for local discretion as we think this is helpful in directing appropriate funding to where social needs are greatest, area-by-area.

As the Member with the overall lead for Children's Services I am very concerned to ensure that we run a coherent, coordinated strategy. The Children's Services Directorate has established a Programme Board to bring together work on different priority areas, and the Board plays a central part in coordinating work on early help, special educational needs and schools funding among other areas.

Although the time available is short, I am ensuring that all Cabinet Members have access to all the response to the funding consultation and to all the lobbying materials received in the run up to the decision-making meeting. I am satisfied that the original consultation document gave a fair overall view of the services which have been under consideration for reduction. It is important that we make fully-informed decisions and I know that Cabinet has approached these very difficult choices with high concern and a very close focus on the issues at stake.

**Mrs Linda Kemeny**  
**Cabinet Member for Schools, Skills and Educational Achievement**  
**27 October 2015**

## DEMOCRATIC SERVICES – CONTACT LIST

### Cabinet, Committees and Appeals

Bryan Searle x419019

[Bryans@surreycc.gov.uk](mailto:Bryans@surreycc.gov.uk)

Cabinet Business Manager

Vicky Hibbert – x419229

[Vicky.hibbert@surreycc.gov.uk](mailto:Vicky.hibbert@surreycc.gov.uk)

Cabinet Committee Manager

Anne Gowing - x419938

[anne.gowing@surreycc.gov.uk](mailto:anne.gowing@surreycc.gov.uk)

Regulatory Committee Manager

Cheryl Hardman - x419075

[cherylH@surreycc.gov.uk](mailto:cherylH@surreycc.gov.uk)

Regulatory Committee Manager

Andy Baird – x417609

[Andrew.baird@surreycc.gov.uk](mailto:Andrew.baird@surreycc.gov.uk)

Committee Assistant

Rianna Hanford - x132662

[rianna.hanford@surreycc.gov.uk](mailto:rianna.hanford@surreycc.gov.uk)

Committee Assistant

Joseph Jones– x418987

[Joseph.jones@surreycc.gov.uk](mailto:Joseph.jones@surreycc.gov.uk)

Scrutiny Manager

Helen Rankin – x419126

[helen.rankin@surreycc.gov.uk](mailto:helen.rankin@surreycc.gov.uk)

Scrutiny Officer

Ross Pike - x417368

[ross.pike@surreycc.gov.uk](mailto:ross.pike@surreycc.gov.uk)

Scrutiny Officer

Huma Younis - x132725

[huma.younis@surreycc.gov.uk](mailto:huma.younis@surreycc.gov.uk)

Scrutiny Officer

Andy Spragg – x132673

[Andrew.spragg@surreycc.gov.uk](mailto:Andrew.spragg@surreycc.gov.uk)

Scrutiny Officer

Victoria White – x132583

[victoria.white@surreycc.gov.uk](mailto:victoria.white@surreycc.gov.uk)