

## Notice of Meeting

# Deputy Leader Decisions



**SURREY**  
COUNTY COUNCIL

**Date & time**

Wednesday, 4 June  
2014 at 10.00 am

**Place**

Room 107 - County  
Hall

**Contact**

Anne Gowing  
Room 122, County Hall  
Tel 020 8541 9122

**Chief Executive**

David McNulty

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

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**This meeting will be held in public. If you would like to attend and you have any special requirements, please contact Anne Gowing on 020 8541 9122.**

**Elected Members**

Mr Peter Martin

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## AGENDA

### 1 DECLARATIONS OF INTEREST

To receive any declarations of disclosable pecuniary interests from Members in respect of any item to be considered at the meeting.

### 2 PROCEDURAL MATTERS

#### 2a Members' Questions

The deadline for Member's questions is 12pm four working days before the meeting (29 May 2014).

#### 2b Public Questions

The deadline for public questions is seven days before the meeting (28 May 2014).

#### 2c Petitions

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

### 3 ALLOCATION OF THE SURREY GROWTH FUND 2014/15

(Pages 1  
- 8)

The Deputy Leader is asked to approve the outline allocations for the use of the Surrey Growth Fund in 2014/15.

**David McNulty**  
**Chief Executive**

Published: Tuesday, 27 May 2014

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**SURREY COUNTY COUNCIL**

**DEPUTY LEADER**

**DATE: 4 JUNE 2014**

**LEAD OFFICER: TREVOR PUGH, STRATEGIC DIRECTOR, ENVIRONMENT AND INFRASTRUCTURE**

**SUBJECT: ALLOCATION OF SURREY GROWTH FUND 2014/15**



**SUMMARY OF ISSUE:**

The Deputy Leader is asked to approve the outline allocations for the use of the Surrey Growth Fund in 2014/15.

**RECOMMENDATIONS:**

That the Deputy Leader agrees the recommended programme of economic development activity in **Annex A** to be funded through the Surrey Growth Fund (SGF) in the financial year 2014-15.

**REASON FOR RECOMMENDATIONS:**

The activities outlined support the aims and objectives of the SGF. The proposed programme of activity will also enable the Council to support the delivery of the Local Enterprise Partnerships (LEP)'s Strategic Economic Plans (SEPs) which will deliver local sustainable economic growth.

The approach will assist the council in achieving the One County, One Team Corporate Strategy 2012-17 (as endorsed by Cabinet on 31 January 2012 and by full Council on 7 February 2012), which includes a specific priority to make Surrey's economy strong and competitive.

**DETAILS:**

**Business Case**

1. The SGF was created to support activities that contribute to the council's corporate priority of making Surrey's economy strong and competitive.
2. The objectives for the use of the SGF are to:
  - increase the Gross Value Added (GVA) of Surrey through smart economic growth
  - support additional investment in Surrey
  - demonstrate visible leadership around economic development in Surrey and enhance the Council's reputation with the business community
  - support Surrey's business base .
3. A number of priority projects have been identified with initial outline funding requirements. These are set out at **Annex A**. The proposed activities have

been divided into a number of categories which together form a coordinated programme of activities for the coming year: These categories are:

- Supporting LEPs
  - Analytical work to support investment in strategic infrastructure
  - Developing delivery mechanisms for SEPs
  - Collaborative activity on strategic issues for Surrey
  - Supporting businesses and promoting Surrey
4. Projects that are strategic in nature, support delivery of the SEPs, enable collaborative working or support development of a proof of concept have been prioritised. Taken together these activities will contribute to each of the objectives identified above.

#### **CONSULTATION:**

5. The Deputy Leader, Strategic Director Environment and Infrastructure, Assistant Director, Environment, Senior Policy Manager, Chief Executives Office, Chief Executive of Surrey Connects have been consulted on the proposed programme of priority economic development activity.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

6. Much of the activity proposed for funding is designed to improve the opportunity for Surrey to secure additional investment, enhance collaboration on issues that are strategic for the economy of the county or to develop new mechanisms that will enhance the support available for businesses. Consequently, without this funding, the likelihood that Surrey will miss out on investment, will not adequately be able to address strategic challenges or be able to develop mechanisms to support the future growth of the economy. Failure to carry out the proposed programme would also have a detrimental impact on the delivery of the SEPs.

#### **Financial and Value for Money Implications**

7. The use of the Surrey Growth Fund (SGF) has been delegated to the Deputy Leader. In 2014-15 this revenue fund totals £750,000. In addition £30,000 has been carried forward from the 2013-14 allocation for use in promoting car clubs, an area of spend agreed in 2013. A further £33,000 carry forward has also been requested.
8. The indicative total cost of potential activities is estimated at £801,000. Expenditure will therefore need to be managed to ensure available funding is not exceeded.
9. Once the Deputy Leader has agreed a spending programme for the SGF, the monies should be delegated to the Environment and Infrastructure Directorate to spend in accordance with the approved programme. Progress on the use of the fund will be reported to the Deputy Leader by the Strategic Director, Environment and Infrastructure at their monthly Cabinet Member briefings.

### **Section 151 Officer Commentary**

10. The Financial implications are summarised in paragraphs 7-9, and in annex A. The proposed list of activities in Annex A exceeds the available budget and reassurance has been provided that the spend will be carefully managed and monitored to avoid overspending. Decisions on individual projects will be informed by an assessment of the likelihood of the envisaged benefits being achieved and confirmation of appropriate governance arrangements to secure value for money. The Council will retain oversight of the allocated funds to ensure achievement of objectives and, in relevant cases, the return of funds to the council.

### **Legal Implications – Monitoring Officer**

11. The general power of competence created by the Localism Act 2011 enables the Council to develop economic growth in Surrey.
12. In exercising this power, the Cabinet Member must be mindful that the Council acts in accordance with any statutory limitations and restrictions and in this instance by ensuring that that it complies with its constitution.
13. The allocation of the SGF is delegated to the Deputy Leader under the Scheme of Delegation in the constitution.
14. Cabinet Member must ensure that when Council undertakes the activities listed in Annex A, it must comply with its' Procurement Standing Orders and the Financial Regulations under the constitution and must also consider the implications of EU Public Contracts Regulations where relevant.

### **Equalities and Diversity**

15. There are no identified negative equalities impacts. Where additional funding for infrastructure and transport schemes is secured, there will be positive impacts. Where applicable, equality impact assessments will be undertaken as a part of the delivery of individual projects.

### **WHAT HAPPENS NEXT:**

17. Subject to the agreement, the programme, as set out in Annex A, will commence in June 2014. Ongoing areas of work will continue.

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**Contact Officer:**

Judith Jenkins, Economy Manager, tel: 020 8541 9364

**Consulted:**

Deputy Leader,  
Strategic Director Environment and Infrastructure  
Assistant Director, Environment  
Senior Policy Manager, Chief Executive's Office  
Chief Executive, Surrey Connects.

**Annexes:**

Annex A – Surrey Growth Fund Spending proposals 14/15

**Sources/background papers:**

- Surrey County Council, 'One county, one team corporate strategy 2012 to 2017'
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## Recommended programme of priority economic development activity for funding through the Surrey Growth Fund 2014/15

### Supporting Local Enterprise Partnerships

Activity	Deliverable	Outcome	Estimated spend FY 2014-15
Annual LEP subscriptions and in kind support to Coast to Capital and EM3 LEP	Seconded member of staff to EM3 and annual financial contribution to both LEPs	Continued support for the delivery of the LEP Strategic Economic Plans.	£111,000

**Indicative total £ 111,000**

### Analytical work to support investment in strategic infrastructure

Activity	Deliverable	Outcome	Estimated spend FY 2014-15
Commissioned Hotel study	A detailed study into the future hotel needs of the county, including the current demand for hotel space and recommendations for future space needs.	<ul style="list-style-type: none"> <li>Replicates the work already completed within Hampshire</li> <li>Both LEPs will utilise the findings to inform investment of Local Growth Fund.</li> <li>To inform the development of Local Plans.</li> <li>Support further hotel development in the county.</li> </ul>	£20,000
Contribution to EM3 Event Space Study	Contribution to the EM3 LEP study exploring the need for a major event space within the area	<ul style="list-style-type: none"> <li>Evidence around supply and demand for major event space.</li> </ul>	£5,000
Rail study work on North Downs Line	Business case for improvements to the line	<ul style="list-style-type: none"> <li>Evidence base for lobbying purposes</li> <li>Cross LEP collaboration (will seek LEP contributions).</li> </ul>	£60,000
Guildford – Woking connectivity study	<p>An economic study of growth opportunities and other impacts of on and off line capacity improvements to A3, including connectivity to Woking.</p> <p>Could be followed by options and feasibility study (which would incur</p>	<ul style="list-style-type: none"> <li>Evidence base for lobbying purposes</li> </ul>	£40,000

	additional costs)		
A feasibility assessment of the draft plan to improve facilities at two sites on the Countryside Estate and introduce charges to help fund further improvements.	Feasibility Study that provides certainty of the returns and allows capital investment to make the initial improvements	<ul style="list-style-type: none"> <li>• Supports development of the visitor economy - increased visitor numbers that stay and spend on site.</li> <li>• Returns on investment and additional income to allow further improvements and help fund the running of the sites.</li> </ul>	£10,000

**Indicative total £ 135,000**

**Developing delivery mechanisms for Strategic Economic Plans**

<b>Activity</b>	<b>Deliverable</b>	<b>Outcome</b>	<b>Estimated spend FY 2014-15</b>
Indicative total for contribution to LEP Growth Hub activity. The Growth Hub is the over-arching title for the EM3 LEP co-ordinated business and skills support offer. The Growth Hub will bring together activities such as access to local and national skills and business support, a business intelligence unit and sector support.	SCC contribution to the business support offer that is developed by the LEPs within the county	<ul style="list-style-type: none"> <li>• Development of a Growth hub model which is essential for delivery of the SEPs</li> <li>• A co-ordinated business and skills support offer enabling businesses to secure the information and advice they need to start, grow and develop their business.</li> </ul>	£180,000
Feasibility work to understand how SCC can support the development of work space which is dedicated to start-up and early stage companies.	Feasibility work to support the development of incubation space within the county	<ul style="list-style-type: none"> <li>• Increase in amount of start up space within the county.</li> </ul>	£20,000

**Indicative total £200,000**

**Collaboration on Strategic Issues**

<b>Activity</b>	<b>Deliverable</b>	<b>Outcome</b>	<b>Estimated spend FY 2014-15</b>
Work to allow Leaders to decide whether to put in place a Planning and Investment Framework. This is being overseen by Surrey Leaders	Draft Local Strategic Statement Terms of Reference Memorandum of Understanding	<ul style="list-style-type: none"> <li>• A framework for the operation of the duty to cooperate which facilitates the agreement of local</li> </ul>	£25,000



and Chief Executives. A planning and investment framework would provide a basis for cooperation across the Surrey area to maximise the effectiveness of local plan making through the articulation of strategic priorities and infrastructure delivery. The work needed includes analysis of housing needs and external facilitation to support development of the Framework		plans for each of the boroughs and districts across Surrey	
Support for two pieces of research to complete a picture of what is feasible on the Basingstoke Canal	Valuation of the Basingstoke Canal covering its economic, environmental and cultural value along with a cost benefit analysis of a series of options for the future of the Canal, which will be jointly commissioned by Hampshire County Council and SCC.	<ul style="list-style-type: none"> <li>This study will allow a decision by the two County Councils on the long term future for the Canal.</li> </ul>	£50,000
	Feasibility work on the potential for developing Mytchett Lake as a residential and recreational resource for the MoD and the Canal	<ul style="list-style-type: none"> <li>Completed study allowing further work with MoD on the future use of the Lake which is contiguous with the Canal</li> </ul>	£20,000

**Indicative total £ 95,000**

### Supporting Businesses and Promoting Surrey

Activity	Deliverable	Outcome	Estimated spend FY 2014-15
Contribution to annual events such as Meet the Buyer or London MIPIM	Presence at the London MIPIM property trade event in October 2014 Sponsorship of Meet the Buyer events	<ul style="list-style-type: none"> <li>Promotion of Surrey as a business location</li> <li>Providing business opportunities for Surrey businesses</li> </ul>	£10,000
Improving business access to finance	Support for Community Finance Institutions by providing funding towards additional advisors	<ul style="list-style-type: none"> <li>Enables more Surrey businesses to receive advice on accessing finance</li> </ul>	£50,000
Strategic marketing of Surrey as a business and investment location	Promotional campaign for Surrey	<ul style="list-style-type: none"> <li>Joint working with universities</li> <li>Production of material for use at events such as MIPIM and UKTI events</li> </ul>	£50,000

		<ul style="list-style-type: none"> <li>Coordinated promotional activity with key partners</li> </ul>	
<p>Provision of financial support to Surrey Hills Enterprises to promote the Surrey Hills trademark in support of the rural economy, following confirmation of plans to achieve the agreed objectives and confirmation of appropriate governance arrangements.</p>	<p>Promotion of the Surrey Hills trademark and development of the brand for local businesses.            Administrative support for the Surrey Countryside and Rural Enterprise Forum in order to grow the number of projects delivered on the ground.            Underwriting the Woodfair, Woodfuel Conference and Food and Drink event.            Supporting improved economic woodland management in the county by providing woodland management advice and facilitating more collaboration across the sector.</p>	<p>Enhanced support for the rural economy in Surrey through:</p> <ul style="list-style-type: none"> <li>Promotion of rural businesses in the county</li> <li>Collaborative working leading to improved facilities in the countryside and increased visitor numbers.</li> <li>Better managed woodland providing an economic return for stakeholders</li> </ul>	<p>£150,000</p>

**Indicative total £ 260,000**

**Total proposed spend £801,000**