

CABINET

The following decisions were taken by the Cabinet on Tuesday, 20 September 2016 and will take effect on 29/9/2016 unless the call-in procedure has been triggered.

CALL-IN DEADLINE: 28/9/2016.

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, 20 September 2016 considered the following matters and resolved:

Members' Questions (Item 4a)

A question from Mrs Watson was received. The question and response was attached as Appendix 1.

- **PUBLIC QUESTIONS** (Item 4b)

A question from Mr Mendelssohn, Chairman of Thursley Parish Council was received. The question and response was attached as Appendix 2.

- **APPROVAL TO AWARD A CONTRACT FOR THE PROVISION OF AN INTEGRATED SEXUAL HEALTH SERVICE** (Item 6)

RESOLVED:

That a contract be awarded to Central and North West London NHS Trust at a maximum value of £4,333,383.00 per year.

The contract will be for three years from 1 April 2017 with an option to extend for a further two years, in any event the contract shall be for no more than five years in total.

Reasons for Decisions:

The recommended contract award will deliver an evidence based Integrated Sexual Health Service (as described in paragraph 5 of this report) that meets national guidance and fulfils the Council's duties. The service will be open access to all (universal) in line with statutory requirements and the national specification issued by the Department of Health, however there is a clear expectation that the service will be responsive to the needs of key priority groups as defined in the Surrey Sexual Health Needs Assessment. Priority groups in Surrey include sex workers, men who have sex with men (MSM), Black Africans and young people.

The three existing contracts for sexual health services are expiring at the end of March 2017 and cannot be further extended.

A full tender process, in compliance with the requirements of EU procurement Legislation and the Council's Procurement Standing Orders has been completed,

and the recommendation provides best value for money for the Council following a thorough evaluation process.

The service will be delivered in Surrey from local bases and will provide apprenticeship opportunities to Surrey Young People whilst delivering efficiencies for Public Health Services.

[The decisions on this item can be called in by the Social Care Services Scrutiny Board]

- **ST PETERS CATHOLIC SECONDARY SCHOOL, GUILDFORD** (Item 7)

RESOLVED:

That, subject to the agreement of the detailed financial information for the expansion set out in Part 2 of the agenda, the business case be approved for the expansion of St Peter's Catholic School, providing an additional 150 places.

Reasons for Decisions:

The proposal supports the Authority's statutory obligation to provide sufficient school places relative to demand.

[The decision on this item may be called in by either the Education and Skills Scrutiny Board or the Council Overview Board]

- **HAWKEDALE INFANT SCHOOL, SUNBURY ON THAMES** (Item 8)

RESOLVED:

That, subject to the agreement of the detailed financial information for the expansion set out in Part 2 of this agenda, the business case be approved for the expansion of Hawkedale Infant School, providing an additional 120 junior places.

Reasons for Decisions:

The proposal supports the Authority's statutory obligation to provide sufficient school places relative to demand.

[The decision on this item may be called in by either the Education and Skills Scrutiny Board or the Council Overview Board]

- **FINANCE AND BUDGET MONITORING REPORT TO 31 AUGUST 2016**
(Item 9)

RESOLVED:

That the report be noted, including the following:

1. That the forecast revenue budget outturn for 2016/17 was a £6.0m overspend, as set out in the Annex, paragraph 1 to the submitted report.
2. That forecast efficiencies and service reductions for 2016/17 were £75.8m, as set out in the Annex, paragraph 30 to the submitted report.

3. The revised budgeted full time equivalent staff numbers, as set out in the Annex, paragraph 25 to the submitted report.
4. The revised fees and charges for: cycle training, set out in the Annex paragraphs 38 to 40 and traffic signal switch out, set out in the Annex, paragraphs 41 to 43, to the submitted report.

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 decisions on this item can be called in by the Council Overview Board]

• **BUDGET AND BUSINESS PLANNING 2017 TO 2022 (Item 10)**

RESOLVED (as amended):

1. That the context and background to the County Council's financial prospects over the medium term, as set out in paragraphs 15 to 22 of the submitted report, be noted.
2. The achievement of £329m efficiency savings over the last five years and the further planned savings of £361m over the next five years be noted.
3. The impact of additional funding on the Council's financial sustainability, as set out in paragraph 35 of the submitted report, be noted.
4. The revised cash limit budgets for each service in the absence of additional funding from government grants, council tax, or business rates; or further savings, as detailed in paragraph 33 and annex 1 of the submitted report be approved.
5. That Cabinet Members and officers develop proposals on delivering services within the revised cash limits for a future Cabinet meeting, as set out in paragraph 33 of the submitted report.
6. The development of proposals to the Government for additional funding through the adult social care precept, business rates retention and for school places, as set out in paragraph 35 of the submitted report, be approved.
7. That Cabinet would welcome a County Council view before a decision is taken on the Government's four year settlement offer, and that an item seeking that view be included (in accordance with Article 8.2(c) of the Constitution) in Cabinet's report to Council on 11 October 2016.
8. That the executive decision to accept or decline the Government's four year settlement offer, as set out in paragraph 41 of the submitted report, be delegated to the Leader of the Council, for decision as soon as possible after the full Council meeting of 11 October 2016.
9. Subject to further minor adjustments agreed by the Chief Executive in consultation with the Leader of the Council, the Council's own response to the 100% Business Rates Retention consultation be approved, and the joint response from the 3SC local authorities, as detailed in paragraph 48 of the submitted report, be endorsed.

10. That Scrutiny Boards examine the key budget proposals and report back to Cabinet, as detailed in paragraph 34 of the submitted report.

Reasons for Decisions:

The Council is required to produce a balanced budget each year. Surrey County Council also prepares a Medium Term Financial Plan (MTFP) that sets out its financial plans over a rolling five year period. The efficiency savings the Council has had to achieve over the last five years and the efficiency plans it has had to make for the coming five years illustrate the unprecedented and continuing length of the Government's austerity programme, the simultaneous rise in service demand and the impact of additional spending pressures on the Council's financial sustainability. Given the confluence of these challenges, Cabinet's decisions need to ensure the Council plans and implements coherent and robust measures to achieve a balanced financial plan in MTFP 2017-22.

A key step in achieving a balanced and sustainable MTFP 2017-22 is for Cabinet to approve a suitable framework for developing proposals to deliver the Council's Corporate Strategy within the available budget envelope. A critical element of this is a set of revised cash limits for each service that officers will use to develop proposals for Cabinet to approve at a future meeting.

The Government has not announced detailed changes to its spending plans, austerity is set to continue and the Council needs to maintain a prudent approach. However, the recent changes in the Government's policy developments and economic forecasts mean there is increased continuing uncertainty over the level of future fundraising.

In March 2016, the Secretary of State for Communities and Local Government wrote to all Councils offering a four year settlement. The offer guarantees (subject to unforeseen significant economic events) each Council its Revenue Support Grant (RSG), Rural Services Delivery Grant and Transitional Grant over the period 2016/17 to 2019/20 as set out in the Final Local Government Settlement. To accept the offer, a Council must prepare and submit an efficiency plan to the Department for Communities and Local Government (DCLG) by 14 October 2016. A significant feature of the Council's proposed four year settlement is that it is set to receive -£17.3m negative RSG in 2019/20 (the Government will deduct £17.3m from the Council's other grants). To maximise the time available to consider this issue Cabinet is asked to delegate this decision to the Leader, which will be reported to Full County Council.

The Government is consulting on 100% Business Rates retention by local government and a fairer funding review. These will have a fundamental and strategic impact on the Council's financial sustainability. The Council's consultation responses, in conjunction with partner organisations', seeks to safeguard and advance Surrey residents' wellbeing and experience and Surrey businesses' prosperity.

[The decisions on this item can be called in by the Council Overview Board]

- **MERSTHAM COMMUNITY HUB** (Item 11)

RESOLVED:

That a further increase in the Capital expenditure allocation for this scheme, as set out in the part 2 item of the agenda, be approved.

Reasons for Decisions:

The proposal will provide a new community hub that provides local residents with excellent facilities which will enhance their lives and help to regenerate this area of the Merstham estate. When completed, this scheme will provide a well-designed, sustainable, low energy community building for a wide range of users within easy reach of their homes. The proposals would distinctly enhance the quality of the facilities in the local area.

As a result of the contractor going into administration, the Hub and associated retail units have been left partially completed. The construction is not water tight or windproof, and so is vulnerable to the weather. A resumption of building work at the earliest opportunity will help to limit deterioration of the building.

[The decisions on this item can be called in by the Council Overview Board]

- **FORMATION OF SPELTHORNE JOINT COMMITTEE (Item 12)**

RESOLVED:

1. To recommend that Full Council agrees to establish the Spelthorne Joint Committee to deal with both executive and non-executive functions from 1 December 2016 in place of the current Local Committee in Spelthorne which will cease to function from that date.
2. That the following changes to the scheme of delegation be approved:
 - to delegate the executive functions to the Spelthorne Joint Committee as set out in Annex A of the submitted report
 - to recommend to Council to delegate the non-executive functions to the Spelthorne Joint Committee as set out in Annex A of the submitted report
 - the advisory functions that will come under the remit of the Spelthorne Joint Committee as set out in Annex A of the submitted report.
3. That the functions that Spelthorne Borough Council has agreed to delegate to the Spelthorne Joint Committee, as set out in Annex A of the submitted report, be noted.
4. That the Spelthorne Joint Committee Terms of Reference, including the Standing Orders under which it will operate, as set out in Annex A of the submitted report be agreed, and authority be delegated to the Director of Legal and Democratic and Cultural Services to agree to any minor amendments to the Terms of Reference which may be required.
5. To recommend to Council to appoint a Chairman of the newly formed Spelthorne Joint Committee from 1 December 2016.

Reasons for Decisions:

Cabinet and full Council agreement is required to establish a Spelthorne Joint Committee in place of the current Local Committee arrangements; to delegate recommended executive functions to the newly formed Spelthorne Joint Committee; and to agree the Terms of Reference and Standing Orders under which the newly formed committee will operate.

This approach has already proved successful in Woking where a Joint Committee, has been operating since June 2014 and was recently reviewed and

showed to have improved partnership working between both authorities.

The new Joint Committee will simplify and speed-up local decision making processes, enabling for the first time, all functions and budgets delegated to it by both authorities to be jointly decided upon.

Joint Committees are an innovative two tier response to central government policy initiatives including devolution. Positive conversations are being held with other Surrey Borough and District Councils on the formation of further Joint Committees with SCC.

- **LEADER / DEPUTY LEADER / CABINET MEMBER DECISIONS TAKEN SINCE THE LAST CABINET MEETING** (Item 13)

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 14)

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 AND SET OUT BELOW IS A PUBLIC SUMMARY OF THE DECISIONS TAKEN.

- **APPROVAL TO AWARD A CONTRACT FOR THE PROVISION OF AN INTEGRATED SEXUAL HEALTH SERVICE** (Item 15)

RESOLVED:

That the commissioning and procurement process associated with the award of this contract be noted.

Reasons for Decisions:

The existing contracts will expire on 31 March 2017. A full tender process, in compliance with the requirements 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 Social Care Services Scrutiny Board]

- **ST PETER'S CATHOLIC SCHOOL, GUILDFORD** (Item 16)

RESOLVED:

1. That the business case for the project to expand St Peter's Catholic School by 150 places, at a total cost to Surrey County Council, as set out in the part 2 report, be approved.
2. That the arrangements by which a variation of up to 10% of the total value may be agreed by the Deputy Chief Executive and Strategic Director for Children, Schools and Families, in consultation with the Cabinet Member for Schools, Skills and Educational Achievement, the Cabinet Member for Business Services and Resident Experience and the Leader of the Council, be approved.
3. That the award of contract for works to be delegated to the Chief Property Officer, in consultation with the Leader of the Council, Cabinet Member for Schools, Skills and Educational Achievement, Head of Procurement and Section 151 Officer when a competitive tender is followed through the new Southern Modular Building Solutions Framework for Public Sector, be approved.
4. That awards of future contracts for construction works for this project, which utilise modular methods of construction, above £500,000 in value, where a competitive tender procedure has been followed through the new Southern Modular Building Solutions Framework for Public Sector be approved and be delegated to the Chief Property Officer, in consultation with the Leader of the Council, Cabinet Member for Schools, Skills and Educational Achievement, Head of Procurement and Section 151 Officer.

Reasons for Decisions:

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

[The decision on this item may be called in by either the Council Overview Board or the Education and Skills Scrutiny Board]

- **HAWKESDALE INFANT SCHOOL, SUNBURY ON THAMES** (Item 17)

RESOLVED:

1. That the business case for the project to expand Hawkedale Infant School by 120 places, at a total cost as set out in the submitted Part 2 report, be approved.
2. That the arrangements by which a variation of up to 10% of the total value may be agreed by the Deputy Chief Executive and Strategic Director for Children, Schools and Families, in consultation with the Cabinet Member for Schools, Skills and Educational Achievement, the Cabinet Member for Business Services and Resident Experience and the Leader of the Council, be approved.

Reasons for Decisions:

The proposal delivers and supports the Authority's statutory obligation to provide

sufficient school places to meet the needs of the population in the Sunbury on Thames area.

[The decision on this item may be called in by either the Council Overview Board or the Education and Skills Scrutiny Board]

- **MERSTHAM COMMUNITY HUB** (Item 18)

RESOLVED:

That an increase in the capital expenditure allocation of a further sum of money, as set out in the Part 2 report, be approved.

Reasons for Decisions:

The proposal will provide a new community hub that provides local residents with excellent facilities which will enhance their lives and help to regenerate this area of the Merstham estate. When completed, this scheme will provide a well-designed, sustainable, low energy community building for a wide range of users within easy reach of their homes. The proposals would distinctly enhance the quality of the facilities in the local area.

As a result of the contractor going into administration, the Hub and associated retail units have been left partially completed. The construction is not water tight or windproof, and so is vulnerable to the weather. A resumption of building work at the earliest opportunity will help to limit ongoing deterioration of the building.

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

- **PROPERTY TRANSACTIONS** (Item 19)

RESOLVED:

1. That equity investment and a long-term loan, both as detailed in the submitted report, be provided to Surrey County Council's wholly owned property company, Halsey Garton Property Ltd, as outlined in paragraphs 10 to 12 of the submitted report.
2. That Legal Services be authorised to agree appropriate contractual arrangements for the provision of financing on behalf of the Council with funds to be released upon the completion of appropriate due-diligence in relation to the property acquisition.
3. That HGP be authorised to acquire the freehold interest in the property detailed in the submitted report, for a purchase cost, including associated costs of purchase, as set out in the submitted report.

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 and provides an asset that will contribute to the creation of a diversified portfolio over time to spread risk.

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 from Mrs Hazel Watson (Dorking Hills):

Since May 2013 which land and property outside Surrey has been purchased for investment purposes by the County Council or by Halsey Garton its wholly owned property company?

Please provide the addresses, types of property and price paid for such land and properties where such details are now in the public domain following registration at HM Land Registry.

Reply:

The Investment Strategy was agreed by Cabinet in July 2013 as one of a series of responses to improve the financial resilience of the Council in the longer term. Halsey Garton Property Ltd (HGP), a company wholly owned by the council, was created in order to strengthen the council's ability to invest in a diversified and balanced portfolio of assets for their income return.

The council has provided the funding to enable HGP to purchase assets for investment purposes. The council is able to provide this funding because the income generated by the asset is higher than the cost of providing the finance. HGP has purchased six assets to date which are listed in the table below. The expected net income to the council of £1.2m per annum from these investments means that we do not have to find equivalent savings from services to residents.

Halsey Garton Property Ltd Purchases			Purchase Price £'000s
Property Address	Description	Date	
Hampton Park West, Melksham, Wiltshire, SN12 6NB	Manufacturing, warehouse and office premises	Nov-15	12,020
Units 5, 6A & 6B, Hawkley Drive, Bristol Distribution Park, Almondsbury, Bristol BS32 0BF	Manufacturing and warehouse premises	Apr-16	11,219
Unit 8B, Manton Wood Business Park, Worksop, Nottinghamshire, S80 2RS	Distribution warehouse	May-16	8,460
Washford Mills, Redditch, Worcestershire B98 8DU	Retail (out of town)	May-16	7,560
Parkgate, 2000 Aztec West, Bristol BS32 4UA	Office	Jun-16	19,900
Wiggs House, Agecroft Commerce Park, Salford, Greater Manchester, M27 8UJ	Distribution warehouse	Jul-16	7,760

Ms Denise Le Gal, Cabinet Member for Business Services and Resident Experience, 20 September 2016

Member of the Public Question from Mr James Mendelsohn, Chairman of Thursley Parish Council

Thursley Parish Council have been trying to work with Highways England, Surrey County Council and the Police to ensure effective traffic management whenever the Hindhead Tunnel has to be closed, either as a planned closure or as the result of an emergency, so as to avoid large vehicles coming through the narrow lanes of Thursley, becoming stuck in certain places, and thereby causing damage to both public and residents' property, and further traffic chaos as the highways become impassable.

However, this is not proving to be successful, with numerous traffic incidents being reported whenever the tunnel is closed. This culminated on the night of 31 August when one articulated lorry became stranded in Bowlhead Green at 2.30am, and a second became stranded outside the Church in Thursley at 12.30 am. Both incidents resulted in the roads becoming completely blocked, preventing access for all vehicles, and serious damage to both private and public property.

With the problems associated with the tunnel closures spilling onto SCC highways and causing significant distress and inconvenience to both residents and other drivers, and also damage to both public and private property, how can Thursley Parish Council and SCC work together to escalate the situation so as to prevent further problems occurring during subsequent tunnel closures?

Reply:

Surrey County Council Highways officers have worked closely with Surrey Police, Highways England and Thursley Parish Council over the last year to try and prevent errant heavy goods vehicles entering Thursley and Bowlhead Green villages during planned and unplanned Hindhead Tunnel closures.

The local highways team have installed 'Unsuitable for HGV' signs at the entry points to both villages at the A3 flyover bridge and the signs are clearly visible on both approaches. Thursley village is also protected by a 6'6" weight restriction that prevents any large vehicle entering unless access is required. The restriction is signed in advance and at both entry points to the village. In addition to this, 'Risk of grounding' signs have also been installed to further highlight the problems large vehicles may encounter if they enter the village. Any heavy goods vehicle that exceeds 6'6" can be prosecuted should they enter Thursley as a result of a tunnel closure if they do not require access. Surrey Police are responsible for enforcing the restriction.

Highway officers have also worked closely with Surrey Police Road Safety Officers and Highways England to look at the strategy used when an unplanned tunnel closure occurs, as well as advanced warning signs, diversion signs and vehicle activated signs on the A3 and all of the diversion routes. As a result of this work, Highways England is hoping to implement various upgrades to signs etc over a phased approach. Surrey County Council will consider engaging with the local MP Jeremy Hunt in order to expedite these measures.

Surrey County Council will continue to work with Thursley Parish Council, Surrey Police and Highways England to try and prevent heavy goods vehicles from entering Thursley and Bowlhead Green during planned and unplanned tunnel

closures.

Mr John Furey
Cabinet Member for Highways, Transport and Flooding
20 September 2016

DEMOCRATIC SERVICES – CONTACT LIST

Cabinet, Committees and Appeals

Bryan Searle x419019

Bryans@surreycc.gov.uk

Cabinet Business Manager

Vicky Hibbert – x419229

Vicky.hibbert@surreycc.gov.uk

Cabinet Committee Manager

Anne Gowing - x419938

anne.gowing@surreycc.gov.uk

Regulatory Committee Manager

Andy Baird – x417609

Andrew.baird@surreycc.gov.uk

Regulatory Committee Manager

Angela Guest – x419075

Angela.guest@surreycc.gov.uk

Scrutiny Manager

Ross Pike – x417368

ross.pike@surreycc.gov.uk

Scrutiny Officer

Huma Younis - x132725

huma.younis@surreycc.gov.uk

Scrutiny Officer

Dominic Mackie – x132814

Dominic.mackie@surreycc.gov.uk

Scrutiny Officer

Andy Spragg – x132673

Andrew.spragg@surreycc.gov.uk