

## CABINET

The following decisions were taken by the Cabinet on Tuesday, 31 January 2017 and will take effect on 09/02/2017 unless the call-in procedure has been triggered. **CALL-IN DEADLINE: 08/02/2017.**

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, 31 January 2017 considered the following matters and resolved:

### **MEMBERS' QUESTIONS (Item 4a)**

There were six Members' questions, three from Mrs Hazel Watson and three from Mr Jonathan Essex. Responses are attached as appendix 1.

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

One question was received from Mr John Oliver. This and the response are attached as Appendix 2.

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

- (i) Social Care Services Board

A response to the report from the Social Care Services Board is attached as Appendix 3.

- (ii) Council Overview Board

A response to the report from the Council Overview Board is attached as Appendix 4.

- **ADMISSION ARRANGEMENTS FOR SURREY'S COMMUNITY AND VOLUNTARY CONTROLLED SCHOOLS AND THE COORDINATED SCHEMES FOR SEPTEMBER 2018 (Item 6)**

### **RESOLVED TO RECOMMEND TO COUNCIL:**

#### **Recommendation 1**

That a sibling link is introduced for Stoughton Infant School with Northmead Junior School for September 2018.

#### **Reasons for Recommendation**

- There was overall support for this change
- It would support families with more than one child as families with a sibling at Northmead Junior School would benefit from sibling priority at Stoughton Infant School
- This proposal is in line with a separate proposal by Northmead Junior School

- to introduce a reciprocal sibling link with Stoughton Infant School. This was agreed by the Governing Body of Northmead Junior School on 18 January 2017.
- It would provide continuity and a clearer transition for parents, children and schools and would reduce anxiety for parents
- It would maximise the opportunity for families to keep children together or at schools with agreed links
- It is supported by Governors at Northmead Junior School and by the Headteacher and Chair of Governors of Stoughton Infant School

### **Recommendation 2**

That the published admissions number for St Andrew's CofE Infant School in Farnham is decreased from 40 to 30 for September 2018

#### **Reasons for Recommendation**

- It is supported by the Headteacher and Governing Body of the school
- There will still be sufficient infant places for local children if the PAN is decreased
- It will help support other local schools in maintaining pupil numbers
- It will alleviate funding and staffing issues in the school
- It will have no impact on children who are currently on roll at the school

### **Recommendation 3**

That the published admissions number for Walsh CofE Junior School is decreased from 75 to 64 in September 2018

#### **Reasons for Recommendation**

- It is supported by the Headteacher and Governing Body of the school
- There will still be sufficient junior places for local children if the PAN is decreased
- It will help support other local schools in maintaining pupil numbers
- It will alleviate funding, accommodation and staffing issues in the school
- It will have no impact on children who are currently on roll at the school

### **Recommendation 4**

That Surrey's Relevant Area is agreed as set out in Enclosure 3 to the report.

#### **Reasons for Recommendation**

- The local authority is required by law to define the Relevant Area for admissions
- The Relevant Area must be consulted upon and agreed every two years even if no changes are proposed
- Setting a Relevant Area ensures that any schools who might be affected by changes to the admission arrangements for other local schools will be made aware of those changes
- No change has been made to Surrey's Relevant Area since it was last determined in March 2015

### **Recommendation 5**

That the aspects of Surrey's admission arrangements for community and voluntary controlled schools for September 2018, for which no change is proposed, are agreed as set out in Enclosure 1 to the report and its Appendices.

#### **Reasons for Recommendation**

- This will ensure stability and consistency for the majority of Surrey's parents, pupils and schools
- The arrangements enable parents to have some historical benchmark by which to make informed decisions about their school preferences

- The existing arrangements are working well
- The arrangements enable the majority of pupils to attend their nearest schools and in doing so reduces travel and supports Surrey's sustainability policies
- Changes highlighted in bold in sections 11, 19 and 21 of Enclosure 1 which have not otherwise been referenced in this report, have been made to add clarity to the admission arrangements but do not constitute a policy change
- Changes to PAN that are highlighted in bold in Appendix 1 of Enclosure 1 are referenced in Recommendations 2 and 3

### **Recommendation 6**

That the primary and secondary coordinated admission schemes that will apply to all schools for 2018 are agreed as set out in Enclosure 2 to the report.

#### **Reasons for Recommendation**

- The coordinated schemes for 2018 are essentially the same as 2017 with dates updated
- Paragraph 50 of the primary and secondary schemes and paragraph 2 of the secondary scheme have been updated to provide clarity to the schemes
- The coordinated schemes will enable the County Council to meet its statutory duties regarding school admissions
- The coordinated schemes are working well

- **APPROVAL TO AWARD CONTRACTS FOR THE PROVISION OF MENTAL HEALTH SERVICES IN SURREY - COMMUNITY CONNECTIONS (Item 7)**

#### **RESOLVED:**

1. The background information set out in the submitted report be noted.
2. The award of five localised contracts for three years from 1 April 2017, with an option to extend for two periods of one year each for Community Connections services in Surrey be approved.

#### **Reasons for Decisions:**

The current agreements will expire on 31 March 2017. A full tender process, in compliance with the requirements of Public Contract Regulations and Procurement Standing Orders, has been completed and the recommendations provide best value for money for the Council following a thorough evaluation process.

Community Connections services will be delivered in Surrey from local bases. The recommended providers have committed to be proactive in providing apprenticeships and volunteering opportunities to Surrey residents whilst delivering efficiencies for the Council.

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

- **REVENUE AND CAPITAL BUDGET 2017/18 TO 2019/20, AND TREASURY MANAGEMENT STRATEGY (Item 8)**

#### **To note the following important features of the revenue and capital budget:**

1. The Director of Finance has produced two statutory conclusions as follows.
  - a. For the proposed budget: that the council's budget is balanced and sustainable over the long term, although still requiring significant service

transformation and efficiencies.

- b. For the substitute budget: that the budget can only be balanced and become sustainable through the identification of substantial and permanent further service reductions for implementation in 2017/18 and subsequent years.
2. The requirement for the council to approve a substitute budget, with a council tax rise of 4.99% that will be implemented if the proposed budget is not supported in a referendum.
3. The findings of the Financial Resilience Review completed in November 2016.

**Cabinet recommendations to Full County Council on the revenue and capital budget:**

4. Increase the level of the general council tax by 1.99% and an additional 10% (35p per day) as a result mainly of social care pressures, making a total general council tax increase of 11.99%.
5. Increase council tax by a further 3% for the adult social care precept, which will provide £18m to support the growth in demand for services.
6. Set the County Council precept for band D council tax at £1,458.45 which represents a 14.99% up-lift.
7. Agree to maintain the council tax rate set above after the Final Local Government Financial Settlement.
8. Delegate powers to the Leader and the Director of Finance to finalise budget proposals and recommendations to Full County Council updated to take into account new information.
9. Require the Chief Executive and the Director of Finance to continue their work to ensure delivery of planned efficiencies and service reductions.
10. Approve the County Council's £1,696m gross revenue expenditure budget for 2017/18 for the proposed budget.
11. Note that the existing revenue costs of funding past capital spending decisions is £30m for 2017/18.
12. Agree up to a total of £408m funding for capital schemes that funds essential schemes over the next three year period (schools and non-schools), including ring-fenced grants and a borrowing requirement of £94m over the three years.
13. Note that the detailed programme of schemes will be agreed at the March 2017 Cabinet as part of the Medium Term Financial Plan.
14. Require a robust business case to be prepared (and taken to the Investment Panel for review) before committing expenditure for the use of:
  - all revenue 'invest to save' proposals, and

- capital schemes.

**Cabinet recommendations to Full County Council on the revenue and capital substitute budget:**

15. Increase the level of the general council tax by 1.99%.
16. Increase council tax by a further 3% for the adult social care precept, which will provide £18m to support the growth in demand for services.
17. Set the County Council precept for band D council tax at £1,331.55 which represents a 4.99% up-lift.
18. Approve the County Council's £1,666m gross revenue expenditure budget for 2017/18 for the substitute budget.
19. Require the Chief Executive and the Director of Finance to continue their work to ensure delivery of planned efficiencies and service reductions.
20. Agree to support only capital schemes which are funded without requiring borrowing, unless a sustainable basis for funding borrowing costs is identified and a compelling business case developed that demonstrates best value in progressing a particular scheme.
21. Note that the detailed programme of schemes will be agreed ahead of implementation of the substitute budget (if necessary).
22. Require a robust business case to be prepared (and taken to the Investment Panel for review) before committing expenditure for the use of:
  - all revenue 'invest to save' proposals, and
  - capital schemes.

**Cabinet recommendations to Full County Council on treasury management and borrowing:**

23. Approve, with immediate effect, the Treasury Management Strategy for 2017/18, which includes:
  - the investment strategy for short term cash balances;
  - the borrowing strategy for funding the capital programme;
  - the treasury management policy (Appendix 8 of the submitted report);
  - the prudential indicators (Appendix 9 of the submitted report);
  - the schedule of delegation (Appendix 11 of the submitted report);
  - the minimum revenue provision policy (Appendix 12 of the submitted report).

**The following decisions have been approved:**

24. Note that services will develop detailed budgets and savings ahead of

- approval by Cabinet on 28 March 2017 when the final MTFP 2017-20 will be presented.
25. Approve the draft MTFP for the financial years 2017-20, which includes:
- to approve the Total Schools Budget of £545.2m (paragraphs 66 to 71);
  - to approve overall cash limits for individual services for the proposed budget and the substitute budget.

26. A) Agree to establish a Sustainability Review Board comprising of three cross party Members, the Strategic Director for Adult Social Care and Public Health, the Deputy Chief Executive and the Director of Finance.
- B) Require this board to bring back an initial report to the Cabinet meeting on 28 March 2017 on progress towards identifying £30m permanent service reductions and up to a further £22m one-off reductions required to achieve a balanced budget in 2017/18.

**Reason for decision:**

Full County Council will meet on 7 February 2017 to agree a budget and set the council tax precept for 2017/18. Cabinet's role is to recommend a budget to Full County Council. Council must also agree substitute calculations in the event that its proposed budget would result in a council tax increase above that set out in principles laid down by the Secretary of State. The published draft principles for 2017/2018 indicate that the council tax increase proposed by Cabinet would exceed that set by Government and substitute calculations are therefore also put forward to Council.

- **LEADERSHIP RISK REGISTER** (Item 9)

**RESOLVED:**

That the content of the Surrey County Council Leadership risk register, attached as 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]*

- **FINANCE AND BUDGET MONITORING REPORT TO 31 DECEMBER 2016** (Item 10)

**RESOLVED:**

That the report be noted, including the following:

1. That the forecast revenue budget outturn for 2016/17 was +£1.1m overspend, down from +£6.1m last month (Annex, paragraph 1 of the submitted report).

2. That forecast efficiencies and service reductions for 2016/17 were £65.1m, up from £62.9m last month (Annex, paragraph 48 of the submitted report).
3. That the quarter end positions for: balance sheet, earmarked reserves, debt and treasury management be noted (Annex, paragraphs App 7 to App 21 of the submitted report).
4. That the Section 151 Officer's commentary and the Monitoring Officer's Legal Implications commentary be noted(paragraphs 16 to 20 of the submitted report).
5. That a reduction in the 2016/17 capital budget by £10.7m related to local growth deal programme consolidation be noted (Annex, paragraph 59 and 60 of the submitted report).
6. That £1.4m highways capital funding and expenditure relating to maintenance and flood risk management between 2016/17 and 2017/18 be re-profiled (Annex, paragraph 61 of the submitted report).
7. That the 2016/17 capital budget by £0.8m related to re-evaluation of the scheme for a new fire station in Spelthorne be reduced (Annex, paragraph 62 of 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 decision on this item may be called in by the Council Overview Board]*

- **APPROVAL TO USE A RANGE OF FRAMEWORK AGREEMENTS FOR ASSETS AND INFRASTRUCTURE CONTRACTS AND APPROVAL OF SCHEME OF DELEGATION FOR AWARDING CONSTRUCTION CONTRACTS (Item 11)**

**RESOLVED:**

1. The use of a range of existing framework agreements to deliver Surrey County Council's (SCC) construction projects be approved.
2. In order to reduce timescales for awarding these contracts that authority to award contracts above £500,000 in value, either where a competitive tender procedure has been followed under a Framework Agreement compliant with the Public Contracts Regulations 2015, or where a local procedure has been followed in accordance with Procurement Standing Orders for contracts below the Regulations Thresholds be delegated to the Chief Property Officer in consultation with the Leader of the Council, Cabinet Portfolio Holder as appropriate, Assistant Director of Procurement and Section 151 Officer.

**Reasons for decisions:**

Property Services are responsible for delivery of construction projects including the Schools Basic Needs Programme which together are estimated to be £200m over the next 4 years.

In order to deliver this Programme Property and Procurement Services are

developing a Delivery Model for Orbis which will involve the use of a suite of complementary procurement arrangements. These include existing regional construction frameworks and other frameworks for construction works and services which are used by the Council, as listed in paragraph 4 of the submitted report.

The Delivery Model will be supplemented with a new Orbis Construction Framework and Orbis Professional and Technical Services Framework which are being procured concurrently. The recommendation to award/use these two Orbis Construction Frameworks will be presented to Cabinet for approval in June 2017.

In order to reduce timescales for awarding contracts above £500,000 in value Cabinet is requested to delegate authority to award contracts. This proposed scheme builds on the principles established under previous delegations for contracts over £500,000 in value approved by Cabinet on 25 September 2012 and on 4 February 2014.

*[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 12)

**RESOLVED:**

The delegated decisions taken by Cabinet Members since the last meeting of the Cabinet be noted.

- **EXCLUSION OF THE PUBLIC** (Item 13)
- **APPROVAL TO AWARD CONTRACTS FOR THE PROVISION OF MENTAL HEALTH SERVICES IN SURREY - COMMUNITY CONNECTIONS** (Item 14)

**RESOLVED:**

That in conjunction with the recommendations made in the Part 1 Cabinet report five Community Connections Services localised contracts be awarded for three years from 1 April 2017, with an option to extend for two periods of one year each, as detailed in the submitted Part 2 report.

The funding allocation between Surrey County Council, the CCGs and the Better Care Fund is detailed in paragraph 12 of the submitted report.

**Reasons for decisions:**

The current contracts will expire on 31 March 2017. 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 either the Social Care Services Board or the Council Overview Board]*

- **PUBLICITY FOR PART 2 ITEMS** (Item 15)

It was agreed that non-exempt information may be made available to the press and public, where appropriate.

## 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 <a href="mailto:Vicky.hibbert@surreycc.gov.uk">Vicky.hibbert@surreycc.gov.uk</a>	Scrutiny Manager Ross Pike – x417368 <a href="mailto:ross.pike@surreycc.gov.uk">ross.pike@surreycc.gov.uk</a>
Cabinet Committee Manager Anne Gowing - x419938 <a href="mailto:anne.gowing@surreycc.gov.uk">anne.gowing@surreycc.gov.uk</a>	Scrutiny Officer Huma Younis - x132725 <a href="mailto:huma.younis@surreycc.gov.uk">huma.younis@surreycc.gov.uk</a>
Regulatory Committee Manager Andy Baird – x417609 <a href="mailto:Andrew.baird@surreycc.gov.uk">Andrew.baird@surreycc.gov.uk</a>	Scrutiny Officer Dominic Mackie – x132814 <a href="mailto:Dominic.mackie@surreycc.gov.uk">Dominic.mackie@surreycc.gov.uk</a>
Regulatory Committee Manager Angela Guest – x419075 <a href="mailto:Angela.guest@surreycc.gov.uk">Angela.guest@surreycc.gov.uk</a>	Scrutiny Officer Andy Spragg – x132673 <a href="mailto:Andrew.spragg@surreycc.gov.uk">Andrew.spragg@surreycc.gov.uk</a>

**CABINET – 31 JANUARY 2017**

**PROCEDURAL MATTERS**

**Member Questions**

**Question (1) from Mrs Hazel Watson (Dorking Hills):**

The penultimate paragraph of p108 of the Revenue and Capital Budget report 2017/18 to 19/20, Item 8 of today's Cabinet agenda, states "The council is planning to make significant additional savings of £93m in 2017/18". These savings are included in the budget plans for 2017/18 in both the proposed budget with a 15% council tax increase and the substitute budget with a 4.99% increase, to be approved at the Cabinet meeting today. Please provide a detailed breakdown of the £93m savings and the services that will be reduced as a result?

**Reply:**

As I have said in my report, this council has a strong record of identifying and delivering savings over the last six years. This has totalled £450m. The £170m cut in government grant funding is making it even more difficult to achieve a balanced budget. However, this administration takes its responsibilities to the residents of Surrey seriously and the proposals to Cabinet today seek to balance the need for savings and greater funding to achieve a balanced and sustainable financial position, not just for next year, but for the future. That is why the cabinet has shared the savings proposals with the scrutiny boards over the last few months. Appendix 4 of the report provides a high level analysis of the savings by each service area and as in previous years a full list will be published with the MTFP in March.

**Mr David Hodge CBE  
Leader of the Council  
31 January 2017**

**Question (2) from Mrs Hazel Watson (Dorking Hills):**

Can you please provide a list of the names and addresses of the 103 council-owned properties that are vacant within the county, the reason for vacancy, and the length of time for which they have been vacant, for each property?

**Reply:**

The county council holds 103 assets not in operational use, not 103 properties. This difference is important. These assets range from grass verges to common land to occupied estate that are managed by the property function.

Assets held under this list are for a variety of priorities ranging from service and council strategies, sites being developed, assets being prepared for disposal or revenue income generation, or in long term vacant management.

Part of the management of these assets sees property services look to identify lettings for these assets whilst they are held, although it depends on the condition and investment required by the county council to find interim users of the assets, as well as the markets desire to take on such leases, for what can be short periods of time due to future council requirements, which makes these opportunities challenging to let.

Assets being held to be developed to deliver better services to our residents and long term revenue efficiencies for Surrey, such as the Supported Living Accommodation at Alford requires

the property to be held whilst planning consent is acquired and development work is carried out on the site.

In total there are only six identified assets that are in long term vacant management and not held and being processed through service need or to generate income, all of which have restrictions and minimal value on their own in isolation.

These are:

Strip of Land, Grosvenor Road, Epsom Downs.	Margin of land retained following disposal in Jan 2005 , held as future ransom and periodically land is licensed out for income
Land adjacent to Oak Tree Close, Guildford	Land acquired by Highways March 1994. As part of Highway scheme, no potential opportunities to dispose or create income at present.
Sheep Walk Pool End, Shepperton	Pond reverted back to SCC from Surrey Wildlife Trust in quarter three of 2016 Fishing Licences are being explored as an income generator
Manorial Waste, Green, Chobham	Predominately road verge, four areas are licensed out the remaining area is being reviewed for license opportunity. Land is unable to be disposed of due to legal restrictions.
Manorial Waste, Pennypot, Chobham	Predominately road verge, three small areas of land and licenses out. Land is unable to be disposed of due to legal restrictions.
Land adjacent to Bury Close, Horsell	Land acquired by Highways 2013. Clearance work completed and letting options being undertaken

**Denise Le Gal  
Cabinet Member for Business Services and Resident Experience  
31 January 2017**

**Question (3) from Mrs Hazel Watson (Dorking Hills):**

What is the gross investment return from rental income (both monetary amount and as a percentage of the amount invested) that would be earned from properties purchased outside Surrey and what are the direct and indirect costs (including management and property agents' fees) that will be incurred in managing the portfolio?

**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. The council is developing a mixed and diversified portfolio to deliver income and in order to manage the inherent economic and market risks. The council has provided its subsidiary company, Halsey Garton Property Ltd, with equity and debt financing to facilitate the purchase of assets for their investment return and these assets complement the portfolio held directly by the council which is predominantly Surrey based. Income generated from these investments supports the delivery of the council's front-line services.

The Investment Portfolio is managed by a small team of staff who are supplemented by external specialist advisors when required. The council makes an appropriate charge to the

property company for the professional services provided, to ensure that the full cost of the activity is recovered and that there is no subsidy. Managing agents are employed to undertake day to day asset management activities, such as collecting rent, however these costs are in the majority recoverable from tenants as part of their service charges.

The table below provides information about the non-Surrey based investment returns as requested and these are provided as a forecast for the current and next financial year and assuming no further acquisitions. Note that the returns for the current year are a part-year result since the investments have been purchased at different times throughout the year. The yield excludes any potential capital appreciation of the assets and is therefore based upon rental income only.

	2016/17	2017/18
	£'000	£'000
Rental income	5,308	8,595
Management & administration costs	(329)	(553)
<b>Net Rental income</b>	<b>4,979</b>	<b>8,043</b>
Capital investment (£'000)		146,840
Investment return (simple yield)		5.5%

The overall investment returns are reported each month net of assumed funding costs and taxation as part of the Finance & Budget Monitoring report provided to Cabinet.

**Denise Le Gal**  
**Cabinet Member for Business Services and Resident Experience**  
**31 January 2017**

**Question (4) from Mr Jonathan Essex (Redhill East):**

Please provide a copy of the letter sent by Cllr David Hodge to all 11 MPs in Surrey, which he stated was sent "on our behalf" at the Council meeting dated 6 December 2016. Please also confirm what responses he has received on our behalf.

**Reply:**

This is a request for information which engages the provisions of the Freedom of Information Act and therefore it will be treated as such. The material you have requested will be supplied in accordance with those provisions.

**Mr David Hodge CBE**  
**Leader of the Council**  
**31 January 2017**

**Question (5) from Mr Jonathan Essex (Redhill East):**

I understand from the budget briefing which I have received from the Council's financial team that of the £83m proposed savings/cuts set out in the 2016-2021 Medium Term Financial Plan (MTFP) document, that around £37m of these proposed savings/cuts are no longer expected to be deliverable.

Therefore:

- a) Please confirm whether this is indeed the case and provide full details (in the same level detail as in the current 2016-2021 MTFP document), clearly identifying which of the previously proposed £37m savings/cuts are no longer planned for the 2017/18 budget.
- b) I understand that the above means that to achieve the £93m planned savings/cuts for 2017/18 financial year, as required in both the proposed and substitute budgets included in these cabinet papers, there remains around £47m of savings/cuts unidentified to date. Please confirm whether this is a correct understanding and provide details of these additional savings/cuts proposed for this next year, broken down by directorate.
- c) Table 4 in agenda item 8 sets out a total of £61.5m demand pressures and £33.6m of market and service delivery pressures for the 2017/18 budget. Appendix 4 breaks this down by directorate but provides no detail as to how these numbers were arrived at. Please provide details of what these numbers include and are made up of by directorate to allow scrutiny of this £95.1m part of next year's budget.

**Reply:**

As I have said in my report, this council has a strong record of identifying and delivering savings over the last six years. This has totalled £450m. The £170m cut in government grant funding is making it even more difficult to achieve a balanced budget. However, this administration takes its responsibilities to the residents of Surrey seriously and the proposals today seek to balance the need for savings and greater funding to achieve a balanced and sustainable financial position, not just for next year, but for the future. That is why the cabinet has shared the savings proposals with the scrutiny boards over the last few months.

The purpose of this budget report is to set the overall envelope for the budget and agree the level of council tax, rather than the details of service budgets. Appendix 4 of the report provides a high level analysis of the savings and pressures by each service area and as in previous years a full list will be published with the MTFP in March.

**Mr David Hodge CBE  
Leader of the Council  
31 January 2017**

**Question (6) from Mr Jonathan Essex (Redhill East):**

The petition <https://petitions.surreycc.gov.uk/SWTfunding/> on Surrey County Council's website sets out plans for staffing reductions relating to how Surrey Wildlife Trust manage land on Surrey County Council's behalf, as well as other nature reserves in Surrey.

- a) From the 1 March Surrey Wildlife Trust plans to replace the current 16 rangers who each manage particular sites across Surrey with just 8 positions: operating from one central depot with far fewer public-facing roles. How will this new staffing structure sustain and increase the level of volunteer engagement, and the quality and extent of sites managed?
- b) Please set out how this proposed reduction was/is agreed by Surrey County Council and how will the public will have a say before the final decision is made which could affect the standards to which our countryside is managed.

**Reply:**

- a) Surrey Wildlife Trust are undertaking a restructure of their countryside management staff to ensure that they have the capacity to continue to manage the County Council's Countryside

Estate. There are 16 roles within the current structure which are at risk and they are creating 10 new positions. The new structure has six fewer posts, although there are some other potential opportunities for redeployment elsewhere in the Trust. The final number of redundancies will depend on how many existing staff want to apply for and are appointed to the new, different roles. The structure, which is currently out for consultation with the staff, comprises three teams, One will focus on the management on the ground of the sites, one will focus on public engagement and the third will focus on working with volunteers alongside the Trusts existing volunteer coordinators. The teams will be located centrally to give the service the flexibility of being able to send any of the staff wherever they are needed.

The aim is to have this new structure in place by 1 May 2017 and to continue to manage the sites to meet their contractual conservation obligations. The team as proposed will be set up in such a way that they will expect to continue to deliver the requirements of SCC as well as those required by habitat management grants.

- b) The Agreement with Surrey County Council is for the provision of a service on the Countryside Estate and as such the way that services are delivered is for Surrey Wildlife Trust to determine. The proposals were shared with the County Council and the new way of working agreed. It is a more efficient way of working in the current financial climate focusing on public engagement and ensuring that legal requirements are complied with. A consultation is currently underway with the staff affected and their views will be taken into account when the final structure is confirmed. The County Council has been assured that the standards of management will be maintained and will continue to monitor the delivery of the Agreement.

**Mr Mike Goodman**  
**Cabinet Member for Environment and Planning**  
**31 January 2017**

**CABINET – 31 JANUARY 2017**

**PROCEDURAL MATTERS**

**Public Question**

Question from Mr John Oliver:

Given the Council's announced budget constraints, why is it continued Council policy to provide secretariat services to non-statutory bodies (for example, as it does to the unaccountable Surrey Countryside and Rural Enterprise Forum) and could you please list, by Cabinet Member responsibility area, the non-statutory bodies the Council supports in this way and the criteria they must meet to receive such support.

**Reply:**

SCREF was set up about 3 years ago as a group of organisations interested in delivering projects in the Countryside, these include the District and Borough Councils, the County Council, a representative from the Surrey Countryside Access Forum, the National Trust, the CLA, the NFU, the Forestry Commission, the RSPB, Natural England, Surrey Community Action, Surrey Hills AONB, Surrey Agricultural Society, Surrey Nature Partnership, CPRE, Lantern, LEADER, the two Local Enterprise Partnerships and Surrey Wildlife Trust. It is an open group and welcomes any other organisations with interests in the Countryside.

SCC facilitated the Group working with the Members of the Surrey Rural Partnership. SCC continues to play a role in facilitating the Group and take notes at the Forum meetings, now once a year and organises the annual Conference. The conference is funded by the fees charged to delegates. All the Task Groups are facilitated and run by other partners on SCREF.

Venues used for meetings are usually free, either SCC venues or those offered by the partners on the forum, the executive of the Forum meets at the Surrey Hills Enterprise Offices in Bramley, for example. The aim of SCREF is to facilitate dialogue among the members and help to develop partnerships that will deliver projects. Projects so far include Newlands Corner and the VisitSurrey website and the review of the Surrey Rural Strategy. The new Surrey Rural Statement, (which replaces the Rural Strategy) was launched last year at the second Rural Conference and will underpin the future work of the Forum as well as provide the strategic document to support funding bids.

Partnership working and collaboration are part of the way the Countryside Service works and this helps us to achieve things on the ground and to facilitate projects for others.

**Mr Mike Goodman**  
**Cabinet Member for Environment and Planning**  
**31 January 2017**

**CABINET RESPONSE TO SOCIAL CARE SERVICES BOARD**

**REVIEW OF ACCOMMODATION WITH CARE AND SUPPORT STRATEGY  
IMPLEMENTATION AND OLDER PEOPLE'S HOMES PROJECT RECOMMENDATION  
(Considered by Social Care Services Board on 9 December 2016.)**

**COMMITTEE RECOMMENDATIONS:**

That the Cabinet ensure that the strategy is prioritised by Property Services and appropriate resource allocated to its delivery.

That the Cabinet Member and service explore internal or external opportunities around invest to save funding to support the strategy, including when the Council is intending to dispose of land.

**RESPONSE:**

Property Services is an active member of the Accommodation with Care and Support team, at both a Board and project level, ensuring the Council takes a one team approach to delivering the programme and supporting the initial work to recommend the business case for Extra Care to the Cabinet in particular.

This approach has worked positively and given the pressures and conflicting demands on time, it has been recognised that the ongoing requirements of the programme need to be clear to help corporates services (such as finance, legal, property and procurement) plan ahead and allocate resources accordingly.

To support this and address the specific pressures in property, the project team has been actively working across all the workstreams within the Accommodation with Care and Support Programme (as well as any wider Adult Social Care work) to identify the priority work areas going forward. This is enabling Property Services to prioritise this work and allocate resource in line with the recommendation of the Social Care Services Board.

In terms of identifying investment opportunities, asset management mechanisms are already in place to ensure that the strategic needs for Accommodation with Care & Support are considered and analysed first in respect of appropriate property opportunities before they are considered for general disposal (this includes the former in-house homes for older people).

External opportunities will also be explored to support the work of the Accommodation with Care & Support Programme with boroughs, districts and other public sector organisations. Property Services will continue to work closely with the Board in this respect as part of the phased approach to delivery.

**Mr Mel Few  
Cabinet Member for Adult Social Care, Wellbeing and Independence  
31 January 2017**

## **CABINET RESPONSE TO COUNCIL OVERVIEW BOARD**

### **FINAL BUDGET RECOMMENDATIONS**

**(Considered by the Council Overview Board on 18 January 2017)**

#### **COMMITTEE RECOMMENDATIONS:**

##### **Savings**

- a) That there is a major reduction in paper based public communications issued by the central communications team and individual services including an end to the production of Surrey Matters and annual reports. Documentation should still be available to the public digitally.
- b) That there is a review of the necessity of everything the Communication Service does. Ask the question 'do we need to do this and, if so do we need do this in that way'? With a target cut in head count or % financial savings.
- c) That there is a review of the necessity of everything the Policy & Performance Team does. Ask the question 'do we need to do this and, if so do we need do this in that way'? With a target cut in head count or % financial savings.
- d) That a continued review of staffing roles and levels and salaries across the council should take place, particularly at senior level.
- e) That there is a continued drive to review vacant property with a view to disposal, cost reduction and income generation.
- f) That a review be undertaken of the financial and operational benefits of reducing four main council buildings to three.
- g) That there is a reduction of the spend on agency staff across all services.
- h) That there is a review of Member responsibility allowances.
- i) That there is a review of major IT projects, to cover the costs and added value and the use of agency staff to deliver these projects.
- j) That there is investment in key-worker housing, as per the motion to Council on 6 December 2016, to facilitate staff retention and a reduced reliance of agency staff.

##### **Process**

- k) A revision in the way that accounts are reported to enable better monitoring of expenditure through the identification of areas of spend on frontline and back office staff.
- l) That regular Rapid Improvement Events are revived as an instrument for identifying efficiencies.
- m) That the information that details the Council's unit costs is updated.

- n) That a clear message is needed from the Cabinet on the background on any call for an increase to the council tax precept via referendum.
- 3 Additionally, the Economic Prosperity, Environment and Highways Board recommended that:
- a) Plans to reduce the funding available to Local Committees should not be progressed.
  - b) Analysis is undertaken to optimise the use of winter maintenance services.
  - c) Plans are made to recommence the budget scrutiny process earlier in 2017, and from July.

**RESPONSE:**

The cabinet would like to thank COB for their recommendations on the budget, and for their work and all the scrutiny boards in reviewing the savings for the financial year.

As you are aware, this council has a strong record of identifying and delivering savings over the last six years. This has totalled £450m. In addition, as you will see from the December Budget Monitoring Report, which is also on today's agenda, in the current year we are managing to turn around a significant forecast overspending in September to close to a balanced budget. This has been through delaying expenditure where possible and sensible and bringing forward savings from next year. However, the cabinet are fully aware that there is a constant need to find further savings, and therefore welcome the COB's suggestions. As stated in the Budget Report there will be a member led process to identify further savings, and where these suggestions are not already planned, will be reviewed.

As a part of this member-led process the cabinet recognise that the council may have to do things differently. This includes reviewing budgeting, reporting and increasing efficiencies. However, to make changes will be a significant exercise and the cabinet needs to be certain that these changes will deliver substantial benefits.

**Mr David Hodge CBE**  
**Leader of the Council**  
**31 January 2017**