

Cabinet

**Date & time**

Tuesday, 28
February 2017 at
2.00 pm

Place

Ashcombe Suite,
County Hall, Kingston
upon Thames, Surrey
KT1 2DN

Contact

Vicky Hibbert or Anne
Gowing
Room 122, County Hall
Tel 020 8541 9229 or 020
8541 9938

vicky.hibbert@surreycc.gov.uk c
anne.gowing@surreycc.gov.uk

**Chief Executive**

David McNulty

We're on Twitter:

@SCCdemocracy

Cabinet Members: Mr David Hodge CBE, Mr Peter Martin, Mrs Helyn Clack, Mrs Clare Curran, Mr Mel Few, Mr John Furey, Mr Mike Goodman, Mrs Linda Kemeny, Ms Denise Le Gal and Mr Richard Walsh

Cabinet Associates: Mr Tony Samuels, Mr Tim Evans, Mrs Kay Hammond and Mrs Mary Lewis

If you would like a copy of this agenda or the attached papers in another format, eg large print or braille, or another language please either call 020 8541 9122, write to Democratic Services, Room 122, County Hall, Penrhyn Road, Kingston upon Thames, Surrey KT1 2DN, Minicom 020 8541 9698, fax 020 8541 9009, or email vicky.hibbert@surreycc.gov.uk or anne.gowing@surreycc.gov.uk.

This meeting will be held in public. If you would like to attend and you have any special requirements, please contact Vicky Hibbert or Anne Gowing on 020 8541 9229 or 020 8541 9938.

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If you have any queries regarding this, please contact the representative of Legal and Democratic Services at the meeting

1 APOLOGIES FOR ABSENCE

2 MINUTES OF PREVIOUS MEETING:

The minutes will be available in the meeting room half an hour before the start of the meeting.

3 DECLARATIONS OF INTEREST

All Members present are required to declare, at this point in the meeting or as soon as possible thereafter

- (i) Any disclosable pecuniary interests and / or
- (ii) Other interests arising under the Code of Conduct in respect of any item(s) of business being considered at this meeting

NOTES:

- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest
- As well as an interest of the Member, this includes any interest, of which the Member is aware, that relates to the Member's spouse or civil partner (or any person with whom the Member is living as a spouse or civil partner)
- Members with a significant personal interest may participate in the discussion and vote on that matter unless that interest could be reasonably regarded as prejudicial.

4 PROCEDURAL MATTERS

a Members' Questions

The deadline for Member's questions is 12pm four working days before the meeting (22/02/2017).

b Public Questions

The deadline for public questions is seven days before the meeting (21/02/2017)

c Petitions

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

d Representations received on reports to be considered in private

To consider any representations received in relation to why part of the meeting relating to a report circulated in Part 2 of the agenda should be open to the public.

5 REPORTS FROM SCRUTINY BOARDS, TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL

None.

CORPORATE PRIORITIES: 1. WELLBEING

6 ST. BEDE'S SECONDARY SCHOOL, REDHILL

(Pages 1
- 6)

To approve the business case for the expansion of St. Bede's School from a 9 Form of Entry secondary (1,350 places, plus Sixth Form) to an 11 Form of Entry secondary (1,650 places, plus Sixth Form), thereby creating 300 additional places, to help meet the basic need requirements in the Reigate and Redhill area from September 2017.

N.B. an annex containing exempt information is contained in Part 2 of the agenda – item 16

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

7 EWELL GROVE INFANT AND NURSERY SCHOOL, WEST EWELL INFANT AND NURSERY SCHOOL AND DANETREE JUNIOR SCHOOL

(Pages 7
- 12)

This report seeks approval of the Business Case for the conversion of Ewell Grove Infant and Nursery School which is currently a 2 Form of Entry infant school (180 places) with 26 full time equivalent (fte) nursery places, to a 2 Form of Entry Primary (420 primary places with 26 fte nursery places). As the school expands incrementally this will create 240 new junior places overall.

The proposal is part of the Ewell primary school re-organisation which will create another 200 infant and 480 junior places in total to help meet the basic need requirements in the Ewell area from September 2017. The net number of nursery places will be unaffected but the re-organisation allows for more 2 year old places and a more flexible offer to parents across the three nurseries at Danetree, West Ewell and Ewell Grove Primary schools.

N.B. There is a Part 2 report containing exempt information – item 17

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

8 CHART WOOD SCHOOL DORKING, PROPOSED RATIONALISATION ONTO ONE SITE - FORMER STARHURST SCHOOL, DORKING AND FORMER ST NICHOLAS SCHOOL, REDHILL

(Pages
13 - 18)

This report seeks approval of the Business Case for the rebuilding of Chart Wood School on its Dorking site, so as to fully realise the benefits of amalgamating this provision. Critical amongst these benefits is the release of the school's Merstham site for alternative use as a location for a new mainstream 6FE secondary free school and 2FE primary free school. Forecasts of pupil demand in the area indicate that this provision is necessary, in order for the County Council to effectively discharge its statutory responsibility to provide sufficient pupil places in the area to meet

local demand. Without this site (and the free schools that the Education Funding Agency will build and fund), the County Council would be liable to provide these places from its own capital budget. This would be estimated to cost the Council £26 million, which is far in excess of the cost of the proposed amalgamation scheme.

N.B. an annex containing exempt information is contained in Part 2 of the agenda – item 18.

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

9 RE-COMMISSIONING OF THE ADULT SOCIAL CARE HOME BASED CARE SERVICE (Pages 19 - 44)

Provision of a Home Based Care (HBC) service to vulnerable adults in Surrey is a statutory requirement of the Council under the Care Act 2014. HBC services enable and support people to remain independent and living in their own homes for longer. As a consequence of issues detailed in the report Adult Social Care (ASC) is proposing to change the current practice by which HBC providers are awarded HBC work with SCC through inviting Expressions of Interest against which suitably qualified agencies will be Awarded Provider Status (APS). New and evolving providers may join or expand their services over time. This APS list will increase and widen the range of providers with which ASC are able to commission against pre-agreed terms and will, through working in partnership with these providers, enable a more flexible response to changes in demographics and the care market.

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

10 SOUTH CENTRAL INDEPENDENT FOSTERING AGENCY FRAMEWORK (Pages 45 - 56)

This report in conjunction with the confidential Part 2 report, demonstrates that by joining the recommended framework Surrey will continue to ensure that we have enough placement options available for our looked after children, the framework will provide certainty regarding the cost of those placements and secure value for money for local authorities, and outcomes will be robustly managed.

N.B. There is a Part 2 report containing exempt information – item 19

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

11 PROPOSED CONSULTATION ON EXTERNALLY COMMISSIONED YOUNG PEOPLE'S EARLY HELP SERVICES (Pages 57 - 66)

Surrey County Council is transforming its early help offer for children, young people and families, increasing integration to provide holistic support to the whole family, securing the best possible value for money for residents and realising lasting improvements in outcomes for the most vulnerable. This change is being delivered at a time when unprecedented financial pressures are being faced, stemming from decreasing funding

from central government and underlying growth in demand for Council services. It is therefore vital to continue investing in early help services that realise the best outcomes and offer best value for money.

In light of this approach, this first paper seeks agreement to launch a public consultation exercise about proposals to change Surrey County Council's externally commissioned young people's early help services. These changes will need to achieve a saving of £0.25 million during 2017/18 and at least a further £0.2 million in 2018/19 (a total of 29% less over two years), from an annual budget of £1.54 million for these services. A second paper, setting out the consultation response, will be brought to Cabinet on 30 May for a final decision about the changes that are required.

[The decision on this item can be called in by the Social Care Services Board or the Council Overview Board]

CORPORATE PRIORITIES: 2. ECONOMIC PROSPERITY

12 FINANCE AND BUDGET MONITORING REPORT TO 31 JANUARY 2017 (Pages 67 - 72)

The Council takes a multiyear approach to its budget planning and monitoring, recognising the two are inextricably linked. This report presents the Council's financial position as at 31 January 2017 (month ten).

Given the large forecast variance reported as at 30 September 2016 and despite the improvement reported as at 31 December 2016, following the series of actions instigated by each service director to get the 2016/17 budget back into balance, I remind members about the seriousness of the financial position.

The annex to this report gives details of the Council's financial position.
NB - Annexes to Follow

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

CORPORATE PRIORITIES: 3. RESIDENT EXPERIENCE

13 PROVISION OF THE SELECTION AND SUPPLY OF LIBRARY STOCK (Pages 73 - 98)

To award a call off contract to Askews and Holts Library Services Ltd for the provision of the selection and supply of library resources to commence on 1 April 2017. The report provides details of the procurement process, including the results of the evaluation process, and, in conjunction with the Part 2 report demonstrates why the recommended contract award delivers best value for money.

N.B. There is a Part 2 report containing exempt information – item 20

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

14 LEADER / DEPUTY LEADER / CABINET MEMBER DECISIONS TAKEN SINCE THE LAST CABINET MEETING

To note any delegated decisions taken by the Leader, Deputy Leader and Cabinet Members since the last meeting of the Cabinet.

Annex to be tabled at the meeting.

15 EXCLUSION OF THE PUBLIC

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 the relevant paragraphs of Part 1 of Schedule 12A of the Act.

PART TWO - IN PRIVATE

16 ST BEDE'S SECONDARY SCHOOL - REDHILL

(Pages
99 - 106)

This is a part 2 annex relating to item 6.

Exempt: Not for publication under Paragraph 3

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

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

17 EWELL GROVE INFANT AND NURSERY SCHOOL, WEST EWELL INFANT AND NURSERY SCHOOL AND DANETREE JUNIOR SCHOOL

(Pages
107 -
114)

This is a part 2 annex relating to item 7.

Exempt: Not for publication under Paragraph 3

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

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

18 CHART WOOD SCHOOL DORKING, PROPOSED RATIONALISATION ONTO ONE SITE - FORMER STARHURST SCHOOL, DORKING AND FORMER ST NICHOLAS SCHOOL, REDHILL

(Pages
115 -
124)

This is a part 2 annex relating to item 8.

Exempt: Not for publication under Paragraph 3

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

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

- 19 SOUTH CENTRAL INDEPENDENT FOSTERING AGENCY FRAMEWORK** (Pages 125 - 132)
- This is part 2 annex relating to item 10.
- Exempt: Not for publication under Paragraph 3**
- Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- [The decision on this item may be called in by either the Council Overview Board or the Social Care Services Scrutiny Board]*
- 20 PROVISION OF THE SELECTION AND SUPPLY OF LIBRARY STOCK** (Pages 133 - 136)
- This is a part 2 annex relating to item 13.
- Exempt: Not for publication under Paragraph 3**
- Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- [The decision on this item may be called in by Resident Experience Board or the Council Overview Board]*
- 21 PROPERTY TRANSACTIONS - ACQUISITION 1** (Pages 137 - 158)
- This is a Part 2 report.
- Exempt: Not for publication under Paragraph 3**
- Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- [The decision on this item may be called in by the Council Overview Board]*
- 22 PROPERTY TRANSACTION - ACQUISITION 2** (Pages 159 - 182)
- This is a Part 2 report.
- Exempt: Not for publication under Paragraph 3**
- Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- [The decision on this item may be called in by the Council Overview Board]*
- 23 PUBLICITY FOR PART 2 ITEMS**
- To consider whether the item considered under Part 2 of the agenda should be made available to the Press and public.

QUESTIONS, PETITIONS AND PROCEDURAL MATTERS

The Cabinet will consider questions submitted by Members of the Council, members of the public who are electors of the Surrey County Council area and petitions containing 100 or more signatures relating to a matter within its terms of reference, in line with the procedures set out in Surrey County Council's Constitution.

Please note:

1. Members of the public can submit one written question to the meeting. Questions should relate to general policy and not to detail. Questions are asked and answered in public and so cannot relate to "confidential" or "exempt" matters (for example, personal or financial details of an individual – for further advice please contact the committee manager listed on the front page of this agenda).
2. The number of public questions which can be asked at a meeting may not exceed six. Questions which are received after the first six will be held over to the following meeting or dealt with in writing at the Chairman's discretion.
3. Questions will be taken in the order in which they are received.
4. Questions will be asked and answered without discussion. The Chairman or Cabinet Members may decline to answer a question, provide a written reply or nominate another Member to answer the question.
5. Following the initial reply, one supplementary question may be asked by the questioner. The Chairman or Cabinet Members may decline to answer a supplementary question.

MOBILE TECHNOLOGY AND FILMING – ACCEPTABLE USE

Those attending for the purpose of reporting on the meeting may use social media or mobile devices in silent mode to send electronic messages about the progress of the public parts of the meeting. To support this, County Hall has wifi available for visitors – please ask at reception for details.

Anyone is permitted to film, record or take photographs at council meetings. Please liaise with the council officer listed in the agenda prior to the start of the meeting so that those attending the meeting can be made aware of any filming taking place.

Use of mobile devices, including for the purpose of recording or filming a meeting, is subject to no interruptions, distractions or interference being caused to the PA or Induction Loop systems, or any general disturbance to proceedings. The Chairman may ask for mobile devices to be switched off in these circumstances.

It is requested that if you are not using your mobile device for any of the activities outlined above, it be switched off or placed in silent mode during the meeting to prevent interruptions and interference with PA and Induction Loop systems.

Thank you for your co-operation

SURREY COUNTY COUNCIL

CABINET

DATE: 28 FEBRUARY 2017



**REPORT OF: MRS LINDA KEMENY, CABINET MEMBER FOR SCHOOLS,
SKILLS AND EDUCATIONAL ACHIEVEMENT
MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS
SERVICES AND RESIDENT EXPERIENCE**

**LEAD OFFICER: JOHN STEBBINGS, CHIEF PROPERTY OFFICER
LIZ MILLS, ASSISTANT DIRECTOR FOR SCHOOLS AND
LEARNING**

SUBJECT: ST. BEDE'S SECONDARY SCHOOL, REDHILL

SUMMARY OF ISSUE:

To approve the Business Case for the expansion of St. Bede's School from a 9 Form of Entry secondary (1,350 places, plus Sixth Form) to an 11 Form of Entry secondary (1,650 places, plus Sixth Form), thereby creating 300 additional places, to help meet the basic need requirements in the Reigate & Redhill area from September 2017.

RECOMMENDATIONS:

It is recommended that, subject to the agreement of the detailed financial information for the expansion set out in Part 2 of this report, the business case for the provision of an additional 300 secondary places be approved.

REASON FOR RECOMMENDATIONS:

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

DETAILS:

Background

1. Reigate & Banstead is experiencing a significant increase in the demand for school places, reflecting both a rise in birth rate and increased house building and migration within the area. Births in the Borough in 2014 were 27.7% higher than births in 2002. The increased pupil cohort is now starting to make the transition into the secondary sector. As such, there is now the need to accommodate increased demand, via the expansion of local secondary provision.
2. Within the Reigate & Redhill Planning Area, there is presently provision for 813 places per year in Year 7, composed of the following:
 - Reigate School (offering 250 Year 7 places per annum);

- Royal Alexandra and Albert School (offering 113 Year 7 places per annum);
 - St. Bede's School (offering 270 Year 7 places per annum); and
 - The Warwick School (offering 180 Year 7 places per annum).
3. Demand for secondary school places in Reigate & Redhill is projected to rise over the coming years, in line with the general increase across the whole of the Reigate & Banstead Borough. Projections of future demand for school places are presented in the below table:

Year	Y7 PAN	Y7 Projection	Deficit
2017/18	813	899	- 82
2018/19	813	1,001	- 190
2019/20	813	1,042	- 229
2020/21	813	1,059	- 252
2021/22	813	1,087	- 304
2022/23	813	1,122	- 346
2023/24	813	1,170	- 432
2024/25	813	1,154	- 373
2025/26	813	1,144	- 388
2026/27	813	1,161	-348

4. As can be seen from the above, there is a sustained need for additional secondary places in the area. Whilst Surrey County Council is managing the immediate pressure for September 2016 in this and the wider area, via (amongst other things) the delivery of a "bulge" year expansion at St. Bede's School, the need for permanent expansions will remain. A core component of the strategy devised to meet this need is the proposed expansion of St. Bede's by two Forms of Entry, which (if approved) would reduce all of the above projected deficits by 60 places.
5. Where possible, SCC's strategy is to expand high quality provision that meets parental demand, whilst also ensuring that there is a diverse pattern of provision, so as to provide families with some element of choice. The latest published Ofsted report on the school, from October 2012, rates the school as 'Good'. In particular, this report noted that "The quality of teaching and students' learning is typically good with some outstanding teaching in many subjects. Teachers' excellent knowledge and enthusiasm for their subject enable teachers to deliver content-rich lessons that engage students". The evident quality of education provision at St. Bede's was a key reason underpinning the move to expand this school and thereby increase the provision of high-quality school places to the local community.
6. The proposal consists of both new build and refurbishment works. The new build consists of an extension to the Art block to provide IT classrooms and an extension to the main teaching block to relocate and provide new science laboratories, English and maths classrooms. Refurbishment and adaptations of existing buildings to create specialist teaching spaces.

7. A planning application is expected to be submitted in February 2017 and a decision is expected in June 2017.

CONSULTATION:

8. The Head teacher and school governors have been fully consulted on the expansion proposals.
9. As a Voluntary Aided school, the increase in admission number will be the subject of a school-led consultation process which will be held for a 4-week period. This process will engage a range of interested stakeholders, including the school community, local residents, local admissions authorities and the Surrey School Admissions Forum. The outcome of this consultation will be the subject of a statutory consultation process that will be determined by the Governing Body of the school and report through the Cabinet Member for Schools, Skills and Educational Achievement.
10. Additionally, an open public consultation event will be held at the school as part of the pre-planning application process, to which all interested stakeholders will be invited.

RISK MANAGEMENT AND IMPLICATIONS:

11. There are risks associated with the project and a project risk register has been compiled, which is regularly updated. A contingency allowance appropriate to the scheme has been included within the project budget to mitigate for potential identified risks.

Financial and Value for Money Implications

12. The project will be subject to robust cost challenge and scrutiny to drive optimum value as it progresses. Further financial details are set out in the report circulated in Part 2 of the report. These details have been circulated separately to ensure commercial sensitivity, in the interest of securing best value.

Section 151 Officer Commentary

13. The funding for this scheme is included within the 2016-21 Medium Term Financial Plan.

Legal Implications – Monitoring Officer

14. Section 13 of the Education Act 1996 places a duty on a Local Authority (with responsibility for education) to ensure sufficient primary and secondary education provision is available to meet the needs of the population in its area.

Equalities and Diversity

15. The expansion of the school will not create any issues that would require the production of an Equality Impact Assessment.
16. The new school building will comply with Disability Discrimination Act (DDA) regulations.

17. The Admissions arrangements give the highest priority to Looked After Children (LAC) and children with exceptional medical or social needs, thus supporting provision for the county's most vulnerable children. Priority is then given to those who attend an Anglican or Roman Catholic Church, followed by siblings of pupils already attending the school and those living within the school's catchment area. Remaining applicants are then sorted on the basis of distance from home to school. There is no proposal to amend the admissions criteria, which are fully compliant with the School Admissions Code.
18. The school will be expected to contribute towards community cohesion and to provide the normal range of before- and after-schools clubs provided in a typical Surrey County Council school.

Corporate Parenting/Looked After Children implications

19. This proposal would provide increased provision for secondary places in the area, which would be of benefit to the community served by the school. This means it would therefore also be of benefit to any Looked After Children who have the opportunity of attending the school.

Climate change/carbon emissions implications

20. The design philosophy is to create buildings that will support low energy consumption, reduce solar gain and promote natural ventilation. The school will be built to the local planning authority's adopted core planning strategy.

WHAT HAPPENS NEXT:

If approved, to proceed to commence the tender process for the project, through to contract award, via delegated decision.

Contact Officer:

Keith Brown, Schools and Programme Manager – tel: 020 8541 8651
Oliver Gill, School Commissioning Officer – tel: 020 8541 7383

Consulted:

Tony Samuels, Cabinet Associate for the Built Environment
Mrs Natalie Bramhall, Local Member, Redhill West & Meadvale – Reigate & Banstead
Julie Fisher, Deputy Chief Executive and Strategic Director for Children, Schools and Families
Paula Chowdhury, Strategic Finance Manager – Business Services
St. Bede's School Governing Body
Diocese of Southwark
Diocese of Arundel & Brighton
Liz Mills, Assistant Director for Schools and Learning
Reigate & Banstead Borough Council
School Admissions Forum

Annexes:

None but Part 2 report with financial details attached to agenda as item 16.

Sources/background papers:

- N/A
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SURREY COUNTY COUNCIL**CABINET****DATE: 28 FEBRUARY 2017**

REPORT OF: MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS SERVICES
MRS LINDA KEMENY, CABINET MEMBER FOR SCHOOLS AND LEARNING

LEAD OFFICER: JOHN STEBBINGS, CHIEF PROPERTY OFFICER
LIZ MILLS, ASSISTANT DIRECTOR FOR SCHOOLS AND LEARNING

SUBJECT: EWELL GROVE INFANT AND NURSERY SCHOOL
WEST EWELL INFANT AND NURSERY SCHOOL
DANETREE JUNIOR SCHOOL

SUMMARY OF ISSUE:

To approve the Business Case for the conversion of Ewell Grove Infant and Nursery School which is currently a 2 Form of Entry infant school (180 places) with 26 full time equivalent (fte) nursery places, to a 2 Form of Entry Primary (420 primary places with 26 fte nursery places). As the school expands incrementally this will create 240 new junior places overall.

The proposal is part of the Ewell primary school re-organisation which will create another 200 infant and 480 junior places in total to help meet the basic need requirements in the Ewell area from September 2017. The net number of nursery places will be unaffected but the re-organisation allows for more 2 year old places and a more flexible offer to parents across the three nurseries at Danetree, West Ewell and Ewell Grove Primary schools.

RECOMMENDATION:

It is recommended that, subject to the agreement of the detailed financial information for the expansion as set out in agenda item 17 in Part 2 of this agenda, the business case for the provision of an additional two forms (240 places) of junior places in Ewell planning area be approved.

REASON FOR RECOMMENDATION:

The proposal supports the Authority's statutory obligation to provide sufficient school places to meet the needs of the population in the Epsom and Ewell Borough.

<u>DETAILS:</u>

Background

1. There has been an increasing trend in the demand for places in primary schools in Epsom and Ewell. There was also an historic mismatch between the number of infant and junior places available, especially in the Ewell area. The two infant schools had a combined PAN of 190 in 2015 and yet Danetree's junior PAN was only 128. There is no other feeder junior school in this area.
2. The rising demand has been partially addressed by some permanent expansions in other planning areas within the borough and some infant and junior bulge classes in different schools each year. This strategy caused a degree of parental concern as to which schools would offer a Key Stage 2 place to children moving out of the infant phase.
3. Having received requests from both infant schools in Ewell to convert them into primary schools for educational reasons, and Danetree Junior academy also indicated a willingness to both expand and become an all through primary school, the Council agreed to move forward with a re-organisation of all three schools beginning with the conversion of Danetree to primary status in September 2016. This decision has made it possible to reduce the number of school transitions for Ewell children and, when complete, will add some more primary places into the borough's net capacity. This will ensure a sufficiency of places up to the end of the current forecast period, which is 2024. Moreover the re-organisation should facilitate a continuing rise in academic standards by ensuring a smooth progression through the primary curriculum with no need to change schools for their entire primary education phase.
4. Ewell Grove Infant School and Nursery is a popular and successful school which delivers high quality education. It was rated Outstanding by OFSTED at its last inspection (January 2009) and was over-subscribed for 2016 Reception places. The proposed conversion to a 2 FE primary school and the provision of 240 additional junior places therefore meets the government's policy position to expand successful schools in order to meet parental preferences. The reduction of 90 YR - 2 infant places (PAN reduction from 70 to 60 in September 2016) will be compensated by the conversion of Danetree to a 4 FE primary school which will add infant places from September 2016. The schemes are therefore intrinsically linked.
5. The Ewell and NW Epsom primary planning areas have been affected by the increase in births and new housing. 2015 marked the highest point, to date, for live births in the borough and these are the children that we expect to enter Reception classes in 2019 or 2020. The development of the new estates on the former hospital sites has put additional pressure onto education infrastructure with many new residents either arriving with, or starting, families. There has also been considerable small 'in fill' housing developments that have added to the pressure for school places across the borough
6. The 2016 combined Published Admission Number for the Ewell Primary School planning area is 360 in Reception classes. The council received 350 first preferences for these places and has also allocated the few remaining places so there is no current spare capacity in Reception.

7. The 2016 combined PAN for the North West Epsom planning area (which serves the large developments on former hospital sites) is 210 and we received 235 first preferences for these schools. We were therefore at least one form of entry short across the two areas, based on only first preferences, and without taking into account any in year applications. We have supplied some temporary additional places at Stamford Green Primary School to meet this year's demand.
8. This situation should improve as the re-organisation is complete. Danetree converted to primary status in September 2016 and the two Ewell infant schools will follow in September 2017. Once all three schools have converted to primary we will be able to meet the current forecast demand in Ewell and potentially have a few places as spare capacity. By 2022 officers predict that there could be a surplus of 10 Reception places in Ewell, spread between 6 primary schools, and a surplus of up to 5 places in NW Epsom.
9. Although in 2012 and 2013 the Epsom and Ewell birth rate fell (to 923 and 916 respectively) this was clearly not the start of a falling trend as the 2015 births were the highest in the borough to date (945). The current set of forecast data, (which includes proposed new housing and trajectory data obtained from the Borough Planning Department) indicates that the ongoing demand for primary school places in the two above mentioned planning areas will be sufficient but if any significant housing developments come forward, that we do not yet know of, we may have to contemplate planning for a new primary Free School. This would be needed to serve the Epsom town area to supplement the places we have already planned to supply in Ewell. There is therefore a robust business case for the Ewell primary re-organisation to enable us to meet the overall primary demand across the borough.
10. To facilitate the conversion to primary status there needs to be significant capital works at Ewell Grove Infant and Nursery school. This is because the site is restricted, is in a conservation area and has poor vehicular access. The scheme requires a new building with additional classrooms and a new hall and kitchen facility. There will also be some demolition required and internal modifications to the existing accommodation to enable it to function as a 2 FE primary school with a nursery. A planning application has been submitted and a decision is expected at the Planning and Regulatory Committee meeting in June 2017.

CONSULTATION:

1. Public consultation was undertaken on this proposal twice; once informally in 2014, where it received strong support from parents. A second statutory consultation was held in July 2015 and again the response was overwhelmingly positive to all three schools converting to primary status. A consultation document was published and all statutory stakeholders including parents and local residents were informed. In addition, public meetings were held at all 3 schools during June and July 2015.
2. The results of the public consultation were summarised in the report to the Cabinet Member for Schools and Learning on 28 July 2015. The meeting was attended by 20 people and the council received 117 written responses. Of these 101 people agreed with the proposal (86%) ; 13 disagreed (11%) and 3 respondents stated that they were undecided.

RISK MANAGEMENT AND IMPLICATIONS:

1. Ewell Grove Infant and Nursery School is on a relatively compact site with difficult vehicular access arrangements. The delivery team will work closely with the school's management and contractor to manage construction risks and ensure the site is safe for pupils, staff and visitors.
2. The main risk to this project currently is the planning permission. As the existing school is a traditional early twentieth century brick building , and is in a conservation area, the design of the new block has been challenging; however we have consulted throughout with Planning and Heritage officers and now believe that we have a design which is acceptable to all. If the design does not receive planning approval then the Ewell re-organisation project will be at significant risk.
3. The location of this school in the heart of Ewell village brings with it a perception that parental traffic will cause significant disruption at key times. A full transport assessment has been carried out and the impact of traffic may be less than it appears; particularly since most parents already 'park and stride' or walk their children to this school now. When Ewell Grove becomes a primary there will be no need for parents to drive between an infant and junior school. In recent years the admissions area for Ewell Grove has reduced down to within 0.7 of a mile thus it is reasonable to expect that most families will continue to follow their current pattern of behaviour and walk to school.
4. The construction, delivery time and financial risks associated with the project are specified on a project risk register and this is updated regularly and will be throughout the delivery phase. A contingency allowance appropriate to the scheme has been included within the project budget to mitigate for potential unidentified risks.

Financial and Value for Money Implications

5. The project will be subject to robust cost challenge and scrutiny to drive optimum value as it progresses. Further financial details are set out in the report circulated as item 17 in Part 2 of the agenda. These details have been circulated separately to ensure commercial sensitivity in the interests of securing best value.

Section 151 Officer Commentary

6. The funding for this scheme is included in the 2016/21 medium term financial plan.

Legal Implications – Monitoring Officer

7. Section 13 of the Education Act 1996 places a duty on a Local Authority (with responsibility for education) to ensure sufficient primary and secondary education provision is available to meet the needs of the population in its area.

Equalities and Diversity

8. The expansion of the school will not create any issues requiring the production of an Equality Impact Assessment.
9. The new school building will comply with Disabilities Discrimination Act (DDA) regulations. The expanded school will provide employment opportunities in the area.
10. The school will be for children in the community served by the school. The Admissions arrangements will give the highest priority to Looked After Children and pupils on the Special Educational Needs (SEN) register and/or those who would benefit from a statement of educational need, thus supporting provision for our most vulnerable children. Children with siblings will receive the next priority, followed by those children living closest to the school. There is no proposal to amend the admissions criteria which is fully compliant with the Schools Admissions Code.
11. The school will be expected to contribute towards community cohesion and will be expected to provide the normal range of before and after schools clubs as are provided in a typical Surrey County Council school.

Corporate Parenting/Looked After Children implications

12. This proposal would provide increased provision for primary places in the area, which would be of benefit to the community served by the school. This means it would therefore also be of benefit to any looked after children who will attend the school.

Climate change/carbon emissions implications

13. The design philosophy is to create buildings that will support low energy consumption, reduce solar gain and promote natural ventilation. The school will be built to the local planning authority's adopted core planning strategy.

WHAT HAPPENS NEXT:

If approved, to proceed to complete tenders and subsequent contract award through delegated decision.

Contact Officer:

Keith Brown, Schools and Programme Manager – tel: 020 8541 8651
Melanie Harris, School Commissioning Officer – tel: 020 8541 9556

Consulted:

Tony Samuels, Cabinet Associate for the Built Environment
John Beckett, Local Member: Ewell – Epsom and Ewell
Julie Fisher, Deputy Chief Executive and Strategic Director for Children, Schools and Families
Paula Chowdhury, Strategic Finance Manager – Business Services

Annexes:

None - Part 2 report with financial details attached to agenda as item 17.

Sources/background papers:

- The Education Act 1996
 - The School Standards Framework Act 1998
 - The Education Act 2002
 - The Education and Inspections Act 2006
 - Report to Cabinet: Schools Capital Budget Allocations Service update based on latest or most appropriate report year and version
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SURREY COUNTY COUNCIL**CABINET****DATE: 28 FEBRUARY 2017**

**REPORT OF: MRS LINDA KEMENY, CABINET MEMBER FOR SCHOOLS,
SKILLS AND EDUCATIONAL ACHIEVEMENT**

**MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS
SERVICES AND RESIDENT EXPERIENCE**

LEAD OFFICER: JOHN STEBBINGS, CHIEF PROPERTY OFFICER

**LIZ MILLS, ASSISTANT DIRECTOR FOR SCHOOLS AND
LEARNING**

**SUBJECT: CHART WOOD SCHOOL DORKING, PROPOSED
RATIONALISATION ONTO ONE SITE**

FORMER STARHURST SCHOOL, DORKING
FORMER ST NICHOLAS SCHOOL, REDHILL

SUMMARY OF ISSUE:

To approve the Business Case for the rebuilding of Chart Wood School on its Dorking site, so as to fully realise the benefits of amalgamating this provision. Critical amongst these benefits is the release of the school's Merstham site for alternative use as a location for a new mainstream 6FE secondary free school and 2FE primary free school. Forecasts of pupil demand in the area indicate that this provision is necessary, in order for the County Council to effectively discharge its statutory responsibility to provide sufficient pupil places in the area to meet local demand. Without this site (and the free schools that the Education Funding Agency will build and fund), the County Council would be liable to provide these places from its own capital budget. This would be estimated to cost the Council £26 million, which is far in excess of the cost of the proposed amalgamation scheme.

RECOMMENDATION:

It is recommended that, subject to the agreement of the detailed financial information for the expansion set out in Part 2 of this report, the business case for rebuilding of this school be approved.

REASON FOR RECOMMENDATIONS:

This proposal will streamline Social, Emotional and Mental Health (SEMH) provision in the south east of Surrey. It will allow for the more effective use of the available Special Educational Needs and Disabilities (SEND) resources. The aim is to develop outstanding provision with a larger and more sustainable single special school for SEMH in the east quadrant of Surrey.

DETAILS:**Background**

1. Chart Wood School is presently located across two sites, in Dorking and Merstham. This is a function of the fact that the school is the product of a recent amalgamation of two previously existing schools; Starhurst School (Dorking) and St. Nicholas School (Merstham). The newly amalgamated school came into existence as of 1 September 2016 and offers education provision for boys aged 9-16, with some residential places. The school has recently extended its age range to admit up to 10 primary-aged children.
2. The amalgamation of the school onto one site will release the Merstham site, which represents a critical element of the County Council's strategy for the provision of pupil places in the wider Reigate & Redhill area. The intention is for the Education Funding Agency to establish both a new free secondary and a free primary school on the site with an investment of approximately £26m. This provision will meet the demand for basic need places in the Redhill area that would otherwise have to be funded by Surrey County Council.
3. Projections of demand for primary and secondary school places in the Reigate & Redill area (inclusive of Merstham), relative to current supply, are provided in the below tables:

Primary:

Year	YR PAN	YR Projection	Projected Surplus
2017/18	900	967	- 67
2018/19	900 (960)	999	- 99
2019/20	900 (960)	953	- 53
2020/21	900 (960)	954	- 54
2021/22	900 (960)	965	- 65
2022/23	900 (960)	973	- 73
2023/24	900 (960)	986	- 86
2024/25	900 (960)	993	- 93
2025/26	900 (960)	1,004	- 104

Secondary:

Year	Y7 PAN	Y7 Projection	Projected Surplus
2017/18	813	895	- 82
2018/19	813	1,003	- 190
2019/20	813	1,042	- 229
2020/21	813	1,065	- 252
2021/22	813	1,117	- 304
2022/23	813	1,159	- 346
2023/24	813	1,245	- 432
2024/25	813	1,186	- 373
2025/26	813	1,201	- 388
2026/27	813	1,161	- 348

4. The forecasts demonstrate the need for an additional 3-4FE of primary provision in the area and a minimum of an additional 12FE of secondary provision, represented in a pressing short-term need that steadily grows in the medium- to long-term. As such, the release of the Merstham site for the proposed new free school(s) (6FE secondary and 2FE primary) represents a key, time-critical strategic priority for the delivery of mainstream school places in the Reigate & Redhill area. Due to the paucity of suitable sites for schools in the area, whilst alternative options for meeting the rising pupil demand in Reigate & Redhill have been explored, these are either unfeasible in school organisation terms, or else would either incur significant capital cost for SCC.
5. The physical amalgamation of the school onto a single site is also guided by a sound educational rationale, in terms of enhancing the SEMH offer in the area. Chart Wood School's sites are located approximately 11 miles from each other. Rationalising the arrangements to create one school would combine good practice from each and augment the cohesiveness of the school community. Additionally, the larger, integrated school model allows for economies of scale to be implemented that would make the school more financially sustainable in the longer term. Consolidating the school's operation on a single site will enable the elimination of cost duplication, with resources being deployed to maximum effect in terms of outcome realisation. In particular, a purpose built single building will be more efficient in terms of utilities expenditure, which will equate to significant revenue savings moving forward.
6. Significant efficiencies will be achieved as a result of providing a new replacement building. The planned maintenance programme for the existing schools suggest a high level of investment to maintain the fabric and services over the coming years at an estimated cost of £1.7m. In addition, as a result of the poor condition of the buildings, a significant sum is being spent annually on reactive revenue maintenance calls, which will be avoided in the future.
7. The intention is that, whilst rationalising the school on a single site, there will also be a slight reduction in overall numbers from 120 to 105 pupils. From the cohort of 105, there will be places for 24 residential pupils.
8. The Ofsted report for St Nicholas Special School, the predecessor of Chart Wood Academy, from September 2013, rates the school as 'Good', with the behaviour and safety of pupils and the overall effectiveness of the residential provision both rated as 'Outstanding'. In particular, this report noted that "the headteacher is an exceptional leader who is constantly looking at ways to improve the well-being of students. He is very well supported by strong senior leaders and by the effective governing body. Senior leaders are highly visible about the school and are seen as very supportive by staff and students. The residential facility is very well managed. A highly effective head of boarding ensures the residential provision is an integral part of the school." Delivery of a new, purpose-built facility for the newly amalgamated provision will enable the school to build upon these strengths, to continue to provide positive outcomes for SEMH pupils into the future.
9. The transition to a single site will mean that there are likely to be some changes to staff working arrangements and for some, living arrangements. These are currently being determined and this process will involve detailed work with the staff concerned, together with support from Union and HR representatives.

10. In order to provide for this rationalization of provision, it is proposed to locate an entirely new, purpose-built building on Chart Wood's Dorking site. The new Chart Wood School will provide key stage two and secondary school places for 105no pupils with SEMH (Social Emotional and Mental Health) special educational needs, as well as residential accommodation for 24no pupils who will board during the week. The proposed scheme is comprised of two wings linked by a central space which accommodates the main entrance, gymnasium and library space. The arrangement of the accommodation ensures that there is a discrete separation between educational facilities and the more homely environment of the residential provision.
11. A planning application will be submitted in February 2017 and a decision is expected in June 2017.

CONSULTATION:

12. The Headteacher and school governors have been fully consulted on the amalgamation proposals.
13. The amalgamation proposal was the subject of a Council-led consultation process that was held between 8 February – 8 March June 2016. This process engaged a range of interested stakeholders, including the school community, local residents, local admissions authorities and the Surrey School Admissions Forum. During the consultation period, three public meetings were held: at St. Nicholas on 22 February and at Starhurst on 26 February and 1 March 2016. Altogether, there were over 80 attendees across the three meetings, with the audiences consisting of parents, staff and local residents. 54% of formal responses to the consultation agreed with the proposal, 38% disagreed with 8% undecided.
14. The Statutory Notice period ran from 15 March to 13 April 2016. No correspondence was received relating to this notice. The Cabinet Member for Schools, Skills and Educational Achievements made the formal decision to amalgamate these schools on 30 June 2016.
15. An open public consultation event was held at the school on 12 February 2017 as part of the pre-planning application process, to which all interested stakeholders were invited.

RISK MANAGEMENT AND IMPLICATIONS:

16. There are risks associated with the project and a project risk register has been compiled, which is regularly updated. A contingency allowance appropriate to the scheme has been included within the project budget to mitigate for potential identified risks.

Financial and Value for Money Implications

17. The project will be subject to robust cost challenge and scrutiny to drive optimum value as it progresses. Further financial details are set out in the report circulated in Part 2 of the report. These details have been circulated separately to ensure commercial sensitivity, in the interest of securing best value.

Section 151 Officer Commentary

18. This scheme is included within the 2016/21 Medium Term Financial Plan.

Legal Implications – Monitoring Officer

19. The public sector equality duty in Section 149 of the Equality Act 2010 applies to the decision to be made by Cabinet in this report. There is a requirement when deciding upon the recommendations to 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.
20. The best value duty is contained in s3 of the Local Government Act 1999 as a result of which the Council is under a duty to make arrangements to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The relevant guidance states that Councils should consider overall value, including economic, environmental and social value when reviewing service provision.

Equalities and Diversity

21. The expansion of the school will not create any issues that would require the production of an Equality Impact Assessment.
22. The new school building will comply with Disability Discrimination Act (DDA) regulations.
23. The school will be expected to contribute towards community cohesion and to provide the normal range of before- and after-schools clubs provided in a typical Surrey County Council school.

Corporate Parenting/Looked After Children implications

24. In providing new, purpose-built facilities for SEMH pupils in the area, this proposal would also be of benefit to any SEMH Looked After Children who have the opportunity of attending the school.

Climate change/carbon emissions implications

25. The design philosophy is to create buildings that will support low energy consumption, reduce solar gain and promote natural ventilation. The school will be built to the local planning authority's adopted core planning strategy.

WHAT HAPPENS NEXT:

If approved, to proceed to commence the tender process for the project, through to contract award, via delegated decision.

Contact Officer:

Keith Brown, Schools and Programme Manager – tel: 020 8541 8651
Oliver Gill, School Commissioning Officer – tel: 020 8541 7383

Consulted:

Tony Samuels, Cabinet Associate for the Built Environment
Mr Stephen Cooksey, Local Member – Dorking South and the Holmwoods – Mole Valley
Bob Gardner, Local Member – Merstham and Banstead South – Reigate and Banstead
Julie Fisher, Deputy Chief Executive and Strategic Director for Children, Schools and Families
Paula Chowdhury, Strategic Finance Manager – Business Services

Annexes:

None but Part 2 report with financial details attached to agenda as item 18.

Sources/background papers:

- N/A
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SURREY COUNTY COUNCIL**CABINET****DATE: 28 FEBRUARY 2017****REPORT OF: MR MEL FEW, CABINET MEMBER FOR ADULT SOCIAL CARE, WELLBEING AND INDEPENDENCE****LEAD OFFICER: HELEN ATKINSON, STRATEGIC DIRECTOR ADULT SOCIAL CARE AND PUBLIC HEALTH****SUBJECT: RE-COMMISSIONING OF THE ADULT SOCIAL CARE HOME BASED CARE SERVICE****SUMMARY OF ISSUE:**

Provision of a Home Based Care (HBC) service to vulnerable adults in Surrey is a statutory requirement of the Council under the Care Act 2014. HBC services enable and support people to remain independent and living in their own homes for longer. HBC involves a range of health and social support services for all user groups and includes personal care, e.g. support with getting up, getting washed, eating and drinking, and non-personal care, e.g. support with shopping, household cleaning and laundry, and specific healthcare activities such as end of life care.

The vision for health and social care services in Surrey is: 'Through mutual trust, strong leadership and shared values we will improve the health and wellbeing of Surrey people.' (Surrey Health and Wellbeing Strategy July 2016). The outcomes that the health and social care system have signed up to are:

- Supporting people to live well and independently in their community
- Reducing admissions to residential care
- Enabling people to stay at home
- Enabling people to return home sooner from hospital
- Improved reablement and rehabilitation support following discharge

The delivery of HBC services supports the Surrey health and social care system to achieve the above vision and outcomes.

The HBC market nationally and locally is under extreme pressure in terms of an increase in demand due to an aging population with complex health and social care needs, set against challenging financial circumstances. There is a general lack of capacity within the HBC market which is a major consequence of the inability to recruit and retain care staff. The work that carers undertake is difficult, this is particularly true in HBC where the working conditions are challenging, e.g. lone working, the travelling distances and times between clients and the fact that people can receive higher wages with better working conditions in less onerous roles.

These issues are enhanced in Surrey by the high employment rate, high cost of housing and the proximity to London where care workers will be paid more for the same job. This lack of capacity is illustrated by the fact that in some of Surrey's most rural areas 20 HBC providers are contacted before a provider is found that can accept a package of care. The service also has to be flexible to respond to multiple demands, e.g. the ability to support hospital discharges and enable people to return safely to their own homes. As a consequence of these issues Adult Social Care

(ASC) is proposing to change the current practice by which HBC providers are awarded HBC work with SCC through inviting Expressions of Interest against which suitably qualified agencies will be Awarded Provider Status (APS). New and evolving providers may join or expand their services over time. This APS list will increase and widen the range of providers with which ASC are able to commission against pre-agreed terms and will, through working in partnership with these providers, enable a more flexible response to changes in demographics and the care market.

RECOMMENDATIONS:

It is recommended that:

1. approval be given to change the practice of commissioning HBC services to "Awarded Provider Status"
2. a report be taken to Cabinet for approval of any additional non-budgeted expenditure resulting from the planned implementation of the new framework, including proposals for any harmonisation of legacy rates.

REASON FOR RECOMMENDATIONS:

The existing HBC provision agreements expire on 30 September 2017 and given the above factors set out in the summary ASC in conjunction with Procurement made the decision to plan to re-commission the service. By taking this opportunity ASC can update the service specification and agreements to offer residents an improved service and be able to respond more flexibly and quickly to a fluid HBC market.

DETAILS:

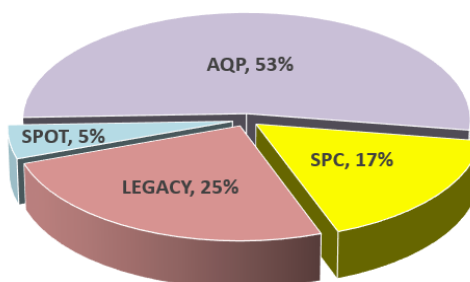
Background to Home Based Care (HBC)

1. HBC in Surrey is delivered through external HBC providers.
2. ASC currently commissions HBC services from 167 providers.
3. This service supports ASC by enabling individuals (service users) to continue to live independently in their own homes; to be safely and efficiently discharged from hospital and to reduce admissions to residential care.
4. The Council currently delivers HBC support services to 6,304 individuals, currently amounting to 3,410,000 hours per annum.
5. ASC works closely with its providers to continually look at ways of improving the quality and capacity of the HBC service. Each area (the areas are based on the Clinical Commissioning Group boundaries) has its own HBC provider forum, which meets on a quarterly basis. The purpose of these groups is to offer peer support to providers, enable discussions and identify solutions for local problems, share best practice, and share important messages e.g. winter planning.
6. Given the above scale of services required by the council to meet its statutory care obligations and the challenging state of the provider market there is a need for the widest availability and flexibility in choice of qualified provider, which can often be at short notice e.g. on hospital discharge to avoid delayed transfers of care.

New Proposals and Planned Re-commissioning of the HBC Service 2017

7. A thorough review of the existing agreements was carried out in partnership with Surrey Downs Clinical CCG, the lead commissioner for Continuing Health Care. Surrey Downs CCG have a call off agreement with SCC for HBC services and it is proposed to continue with this agreement in the future. The review concluded that there was a need to update and refresh the service specification and change the process by which HBC is commissioned.
8. The current contract is a two tier framework comprising of Strategic Providers (SPC) and Any Qualified Providers (AQP)
9. The objective of the Strategic Provider Contracts (SPCs) was to ensure that these providers would accept the majority of business from ASC. This has not materialised with the SPCs being able to accept only 17% of the total current business due to challenges facing the overall HBC market as set out above. It is proposed to cease having Strategic Providers.
10. The Any Qualified Providers (AQP) have 53% of the current business and this type of agreement has proved to be most beneficial to ASC and residents. This type of agreement is also the most flexible, thereby allowing ASC to respond to changes in demographics and the market more quickly.

Ratio of spot home care by type of contract



(by monetary value of open 'plan' cases at 31/12/2016)

11. It is proposed to introduce a new type of agreement called Awarded Provider Status (APS), which will be similar to the existing AQP contracts. The APS agreements will enable the council to respond more proactively to population demands and meet the changes in the market.
12. The main advantage of the APS agreements is that ASC is not obliged to offer the providers a contracted level of business and that new providers can apply to sign up to be an APS throughout the life of agreements. Market development will support and encourage Surrey Small Medium Enterprise (SME) providers, who play a key role in the delivery of services; meaning that ASC can encourage new and local HBC providers to join the market, improving capacity in Surrey and ASCs ability to deliver a flexible service.
13. A summary of the changes to the current service specification and contractual arrangements, rationale and benefits of these is attached as Annex 1

Procurement Strategy

14. A joint project team was set up including representatives from ASC commissioning, ASC Quality Assurance, Procurement, Finance, Legal and Surrey Downs CCG.
15. After a full and detailed analysis it was decided to publish an ongoing invitation to submit Expressions of Interest (EOI) from qualifying providers who wished to work with the council. This approach would allow engagement with as wide a provider community as possible, increasing the capacity available to the council to meet statutory obligations and residents' needs. It would also allow a flexibility to engage with new and expanding providers as these developed.

Use of e-Tendering and market management activities

16. In order to open the EOI process to as wide a range of providers as possible, an electronic invitation platform will be used. Use of the electronic platform represents a major improvement from previous paper based processes and introduces a process that is open and transparent to all involved.
17. Steps have been taken to stimulate interest in this new process, which was introduced to the provider base through a series of meetings with the Surrey Care Association Domiciliary Care Provider Network and council-run provider awareness events.
18. Further market management activities will also be held to inform providers and encourage maximum participation.

EOI Evaluation Process and Provider Relationship Management

19. In submitting EOIs providers will provide information on their organisation, history, capacity, geographic reach, service quality and added social value. This will be evaluated by ASC, Procurement, and CCG officers against established guidelines of acceptability. For new providers that have yet to be inspected by the Care Quality Commission or have a rating of less than "Good" the council will reserve the right to visit and audit the provider's premises prior to a decision being made.
20. The council has not set a fixed price for the provision of HBC, but we are mindful of the need for providers to pay their care workers in line with the National Living Wage and other HMRC and statutory requirements. Providers will be asked to disclose the proportion of their rate applicable to staff costs and we will agree rates that are affordable to the council.
21. The management responsibility for the contracts and provider relationships lies with ASC commissioners and will be managed in line with the Contract Management Strategy and plan as laid out in the contract documentation, which also provides for review of performance and costs.

ENGAGEMENT:

Commissioners and Procurement sought feedback and active involvement from a wide range of internal and external stakeholder groups throughout the re-design and tendering process. Stakeholder groups included providers, individuals from the voluntary and independent sector representing those receiving care and their families. Feedback was also sought from quality assurance monitoring reports, customer satisfaction surveys, research findings and provider’s performance monitoring returns from the existing HBC providers.

Please see Annex 2 for the list of internal and external partners that were engaged through this process.

RISK MANAGEMENT AND IMPLICATIONS:

- 22. The agreements will allow the council to terminate an entire agreement with three months’ notice should providers fail to meet their full contractual obligations. Individual care packages can be terminated with 48 hours.
- 23. The following key risks associated with the agreement for APS have been identified, along with mitigation activities:

Category	Risk Description	Mitigation Activity
Provider Failure	Potential risk to service users or their carers/family should provider be unable to deliver care to the highest standard.	New contract model enables commissioners to build partnerships with providers; increasing trust, communication and transparency between both organisations and enabling early intervention. Key Performance Indicators (KPIs) will measure the effectiveness of provider’s service. HBC monthly action log; reviewing all providers’ performance with feedback from contract management teams, quality assurance, and all involved parties.
Financial	Affordability of a viable, ongoing service in light of current nationally publicised pressures, e.g. zero-hours contracts, national living wage, integration of health and social care services.	Commissioners have not pre-determined a price and encourage bidders to submit a sustainable price. Guarantees and performance bond sought where appropriate. Financial checks undertaken during the evaluation process.
	Increasing demand for services will increase the budgetary pressures	Integrating Family, Friends and Community support for holistic outcomes, e.g. inclusion of non-personal care will be actively encouraged.
Reputational	Providers failing to meet their full contractual obligations	Implementation will enable commissioners to build a partnership approach with providers, thus mitigating risks associated with service delivery. Commissioners also

		have the right to terminate the contract with 3 months' notice if a provider continuously fails to meet their contractual obligations. Individual care packages can be terminated with 48 hours.
	Lack of transparency of missed and late calls.	Quality Assurance monitoring visits will be undertaken. The increasing adaption by providers of real time monitoring of calls will provide commissioners with transparency of calls delivered on time.
	Cultural changes in implementing "outcomes-focused approach"	The new specification empowers providers to move from "task" to "outcomes" based commissioning, promoting greater personalisation and outcomes-focused approach for individuals.

Financial and Value for Money Implications

24. There are three particular financial challenges with the current arrangements for the commissioning and financing of home based care services in Surrey.

Firstly, there is a complex array of different funding arrangements. These include legacy rates dating back across a number of previous frameworks, strategic provider and AQP rates under the current framework and "spot" rates agreed on an ad hoc basis outside of the current framework. It is proposed that under the new APS framework all old legacy rates would be harmonised with the new rates and there will no longer be any "spot" rates agreed outside of the framework. This will significantly simplify the commissioning and funding of services and ensure all services are funded on the same equitable basis at best value for money.

Secondly, as outlined in the background section of this paper ASC often has difficulty in sourcing HBC providers in a number of areas in the county, particularly in more rural areas. The new APS framework will change commissioning arrangements in these hard to commission areas and in doing so deliver a more responsive service and avoid the additional costs that are associated with sourcing packages outside of framework rates.

Thirdly, HBC providers are having to deliver services in very challenging economic circumstances. The tendering process for the new APS framework will take account of these circumstances, including issues such as the impact of the introduction and increases announced to the National Living Wage, in agreeing a new set of rates for services. This will be done to ensure both market sustainability and affordability of care provision for the council.

25. The financial implications of the changes proposed to the funding of HBC services have been modelled and built into the Medium Term Financial Plan (MTFP) for ASC. This modelling has taken account of rising demand and market pricing pressures. The full implications will not be known until the outcome of the tendering process for the new framework has been completed. If approval is given by Cabinet to engage with the market about the new proposed framework, then the confirmed financial implications compared to what has already been budgeted in the MTFP will be clearly outlined in a future report to Cabinet.

Section 151 Officer Commentary

26. The Council is facing a very serious financial situation in the current and future years. The engagement with the market recommended in this paper will enable the financial implications of the changes proposed to the funding of HBC services to be fully assessed. The implementation of any new contractual arrangements will then be subject to a further Cabinet decision. This decision will need to be based on an assessment of the costs against those budgeted in the MTFP in the context of the council's very serious financial situation.

Legal Implications – Monitoring Officer

- 27. Following approval for route to market at the Sourcing Governance Meeting, a full competitive tendering process will be undertaken by the Council using the open procedure in accordance with the Public Contracts Regulations 2015 and the Council's Procurement Standing Orders. Legal Services have advised on and prepared a bespoke contract for the Services in liaison with the CCGs' legal representative.
- 28. This is based on the terms and conditions of the existing HBC framework agreement, between the council and the successful providers. The CCGs will call off from the contract through an Access Agreement.
- 29. The working relationship and responsibilities of each commissioning party will be clearly outlined within a Consortium Agreement, signed by each CCG in Surrey. The Consortium Agreement will indemnify each party for any losses or expenses incurred by any party within the agreement and recognise the role of the lead CCG – Surrey Downs.

Equalities and Diversity

- 30. An Equalities Impact Assessment has been written and is attached in Annex 3.
- 31. The proposals have a positive impact on residents and staff with protected characteristics and no adverse impacts have been identified.
- 32. Summary of the key points include:

<p>Information and engagement underpinning equalities analysis</p>	<p>A wide range of research and engagement has been undertaken to underpin the equalities analysis and the planned re-commissioning of the HBC service. The research includes referencing the most up to date national guidance on HBC and engaging with a wide range of individuals and agreements. Please see Annex 2 for list of external and internal stakeholders that have been engaged with throughout this process.</p>
<p>Key impacts (positive and/or negative) on people with protected characteristics</p>	<p>There is no evidence that the proposals will have a negative impact on residents and service users with protected characteristics. There are no specific positive impacts for people with protected characteristics, but there are benefits of these proposals to all people in receipt of a HBC service. These benefits include: a more responsive and flexible</p>

	service as a result of the introduction of the APS agreements and improved quality of service and ability to monitor the quality via the inclusion of the new NICE (National Institute for Health and Social Care Excellence) Quality Standards for HBC in the service specification.
Changes you have made to the proposal as a result of the EIA	There have been no amendments to the proposals as a result of the EIA
Key mitigating actions planned to address any outstanding negative impacts	There are no key mitigating actions planned because there was no evidence that the proposals will have a negative impact on residents and service users with protected characteristics.
Potential negative impacts that cannot be mitigated	No negative impact impacts were identified.

33. The specification was produced with input from the Equalities officer and will be managed and monitored in line with Surrey's obligations under the equalities monitoring framework.

Other Implications:

Safeguarding responsibilities for vulnerable children and adults implications

34. There are no changes to the responsibilities of providers or commissioners as a result of this contract award process.
35. The specification and contract clearly states the expectations of the commissioners with regards to the providers' responsibilities.

Climate change/carbon emissions implications

36. The continued application of localised commissioning will minimise the travel time of Care Workers, thereby reducing their carbon emissions.

WHAT HAPPENS NEXT:

Should officers obtain approval from Cabinet to proceed with this engagement, the next steps will be:

- Invitations for EOI issued May 2017
- Received EOIs evaluated and agreements reached
- New APS agreements to commence on 1 October 2017
- Adults Leadership Team will be kept informed during implementation as appropriate

Contact Officer:

Adults Social Care - Kirsty Malak, Senior Commissioning Manager 020 8541 7062
Procurement and Commissioning - Ian Lyall, Senior Category Specialist 020 8541 9933

Consulted:

Please refer to the consultation section of this report.

Annexes:

Annex 1 - Changes to the service specification and contractual arrangements

Annex 2 – List of internal and external partners engaged with

Annex 3 - Equalities Impact Assessment

Annex 1 - Changes to the service specification and contractual arrangements

Changes to the service specification and contractual arrangements	
Proposed change	Rationale/ benefits
1) Ceasing to have Strategic Provider Contracts (SPC)	The purpose of the SPCs was for them to pick up between 40% to 60% of all new business and, as shown above, the SPCs only have 17% of our market spend. It is therefore felt that, due to their inability to grow to meet council demand, the SPCs have not given the commissioners the benefits that were anticipated in the changing HBC market.
2) Move to Awarded Provider Status contracts	The current AQP contracts have picked up the majority (53%) of business since October 2014. The AQP contracts have offered the flexibility to meet the changing needs and demands of local residents and to the challenges in the HBC market and by building on the success of these contracts we want to increase capacity in the market and response times to picking up packages of care. Invitations for APS Expressions of Interest (EOI) will remain open on an ongoing basis, meaning that we can work with new providers in a timely and flexible manner as they approach the council.
3) Increase the number of geographical zones in which HBC is delivered	Currently there are 18 geographical zones across the county and this is how providers bid for and deliver HBC. The zones in some cases are too large and are not meaningful for the provider or the council. It is therefore proposed to move to zones representing high level postcodes, e.g. GU1, RH5, with postcodes that are particularly large split to manageable sizes. This will improve efficiency both for the providers and for the council in terms of delivery and speed of response to requests for packages of care.
4) Strengthening the evaluation process for awarding APS agreements	The evaluation for the current AQP EOI has been more light touch than the evaluation for the SPCs. This was intentional as the purpose of the AQP agreements was to work with as many providers as possible. However, it has become clear during the life of this contract that a more stringent evaluation process for the AQP EOI would have been beneficial in some cases. It is therefore proposed to implement a more stringent evaluation process around provider record and ability, i.e. where a new provider has yet to be

	inspected by the Care Quality Commission or has a rating of less than “Good” the council will reserve the right to visit and audit the provider’s premises prior to a decision being made.
5) Increased reference to the new Joint Community and Care Home Provider and Service Failure Protocol	The Joint Community and Care Home Provider Service Failure Protocol has been updated since the last HBC service specifications, strengthening the Local Authorities statutory Care Act responsibilities in terms of market oversight and accountability for a healthy and strong care market. This will increase provider’s awareness of the responsibilities that the Local Authorities have and the actions that can be taken as a consequence, which includes suspending providers.
6) Use of NICE (National Institute for Health and Social Care Excellence) and SCie (Social Care Institute for Excellence) quality standards and guidance	Recently published NICE Quality Standards in relation to HBC and guidance has strengthen the service specification and will improve the ability of commissioners to hold providers to account and give clear expectations for individuals in receipt of a service.
7) Strengthened performance monitoring requirements and processes	The above quality standards and guidance have strengthened the performance data that providers are required to submit. Enabling a golden thread to be drawn from national standards to service delivery in Surrey. All APS providers will be required to submit performance data, via the in-tend system, which will be monitored on a monthly basis.

Annex 2 – List of internal and external partners engaged with

The HBC Reference Group, which consists of the following partners:

- Action for Carers
- Age UK (Surrey)
- Surrey Coalition
- Surrey Disabled People's Partnership
- Surrey County Council Social Care Services Board members
- Adult Social Care including Commissioners and Quality Assurance
- Procurement and Commissioning

The SCA also supported discussions with potential providers on the new specification and engagement model. Officers attended SCA meetings throughout 2016 with advice and guidance on commissioners' intentions.

The following Health colleagues were engaged with:

- Clinical Commissioning Group Collaborative
- Continuing Health Care Programme Board
- Sara Barrington, Interim Head of Continuing HealthCare
- Vicky Clark, Continuing Health Care Contracts Manager
- Andy Brooks, Chief Officer, Surrey Heath CCG
- Julie Curtis, Director of Partnerships, Surrey Heath CCG
- Steve Hams, Interim Director of Clinical Performance and Delivery, Surrey Downs CCG

The following were additionally engaged with:

- Mel Few, Cabinet Member for Adult Social Care, Wellbeing and Independence
- Social Care Services Board Members
- Helen Atkinson, Strategic Director Adult Social Care and Public Health
- Jean Boddy, Area Director, Adult Social Care
- Quality Assurance Managers, Adult Social Care
- Laura Forzani, Head of Procurement and Commissioning
- Anna Kwiatkowska, Procurement Category Manager, Adults
- Andrew Hewitt, Principal Accountant, Finance
- Naz Fox, Senior Lawyer, Legal Services



Annex 3 – Equality Impact Assessment (EIA)

1. Topic of assessment

EIA title	Adult Social Care Home Based Care Service Re-Commissioning
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EIA author	Kirsty Malak, Senior Commissioning Manager, Adult Social Care
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2. Approval

	Name	Date approved
Approved by	Adult Social Care – Directorate Equalities Group	09/02/17

3. Quality control

Version number	4	EIA completed	09/02/17
Date saved	09/02/17	EIA published	

4. EIA team

Name	Job title	Organisation	Team role
Kirsty Malak	Senior Commissioning Manager	Surrey County Council	Lead Commissioner for Home Based Care (HBC)
Ian Llyall	Senior Category Specialist	Surrey County Council	Procurement lead for HBC
Sue Senior	Project Manager	Surrey County Council	Project Manager for the Re-commissioning of HBC

5. Explaining the matter being assessed

<p>What policy, function or service is being introduced or reviewed?</p>	<p>The purpose of this Equality Impact Assessment (EIA) is to assess the possible effects of recommissioning the HBC service for all users and carers who either receive support directly or indirectly. This EIA will also assess possible effects on internal and external staff.</p> <p>The provision of Home Based Care (HBC) is a statutory requirement of the Council under the Care Act 2014. HBC involves a range of health and social support services for user groups and includes personal care (such as support with getting up, getting washed, eating and drinking), non-personal care (such as support with shopping, household cleaning and laundry) and specific healthcare activities such as end of life care. HBC support services contribute to enabling individuals to continue to live independently in their own homes. The existing HBC provision agreements expire on 30 September 2017 (with an option to extend for one year).</p> <p>This service supports Surrey’s vision for health and social care services: “Through mutual trust, strong leadership and shared values we will improve the health and wellbeing of Surrey people”. (Surrey Health and Wellbeing Strategy in July 2016).</p>
<p>What proposals are you assessing?</p>	<p>Refreshing and updating the HBC service specification and to replace the existing Strategic Provider Contracts (SPC) and Any Qualified Provider (AQP) agreements with new Awarded Provider Status (APS) agreements.</p> <p>The current agreements have been reviewed in partnership with Surrey Downs Clinical Commissioning Group (CCG), the lead commissioner for Continuing Health Care (CHC), taking into account evolving needs, the latest quality standards and the changing provider market. This review identified a need to replace the existing service specification and agreements. The existing SPC and AQP agreements will be replaced with more flexible APS agreements. The primary purpose of the SPCs was that these providers would pick up the majority of business from Adult Social Care (ASC), but due to challenges in recruitment and retention this has not been possible. Current business through the SPCs represents only 17% of ASCs total business. The AQPs have 53% of current ASC business. It is therefore proposed to move to APS agreements which will be similar to the AQP agreements. The new APS agreements will enable ASC to respond more proactively to population demands and meet the changes in the market. At present there are approximately 204 HBC providers in Surrey and ASC has contracts with 167 of these providers. It is the intention that the providers we have existing contracts with will be encouraged to sign up to the new service specification and submit an Expression of Interest (EOI) to be an APS. Unless providers sign up to the new contract to be an APS ASC will not be placing new business with these providers. It is not the intention to move existing packages to new providers, it is envisaged that all existing providers will submit an EOI to be an APS.</p>

Who is affected by the proposals outlined above?

The EOI process will be opened up in the spring/ summer of 2017 and will remain open, which will enable new providers to sign up to be an APS at any point. The first set of new APS agreements are due to commence on 1st October 2017.

This EIA will investigate and mitigate the potential impacts of the new service specification and agreements for all individuals who directly/indirectly depend on HBC support services, whether positive or otherwise. This EIA will also consider the wider impact of these contractual arrangements on the home based care market.

There are a number of different stakeholder groups who could be affected by the change in contractual arrangement, and they have been grouped into two categories:

External Stakeholders:

- Service Users (individuals who receive a direct support), approximately 6,304 individuals are supported to receive a HBC service by Surrey County Council
- Families/Carers (individuals who receive indirect support)
- Providers (organisations who manage the support services)
- Care Workers (who deliver the support services), approximately 3,889 people employed in the HBC market and ASC employs 2,500 staff
- Surrey's six Clinical Commissioning Groups

Internal Stakeholders of the council:

- ASC commissioning & operations staff
- ASC quality assurance managers
- ASC Business Intelligence
- Procurement
- Finance

6. Sources of information

Engagement carried out

Officers from the Council and Clinical Commissioning Groups actively sought feedback from a number of stakeholder groups.

The HBC Reference Group has been involved in the ongoing review and contract monitoring of the existing arrangements. The HBC Reference Group's membership includes; Action for Carers, Age UK (Surrey), Surrey Downs Clinical Commissioning Group, Surrey Coalition, County Councillors, ASC staff and procurement staff. The purpose of the group is to provide oversight of the contract management process as part of the governance of the service delivery.

The ASC Partner Update Meeting was attended on 28th November 2016, where a presentation was made on the review of the existing agreements and proposals for the new agreements. This meeting is with our user and carer led groups and includes Surrey Coalition; Surrey Independent Living Council; Age UK Surrey and Surrey Coalition of Disabled People.

An engagement event with providers was held on 8th December 2016 and was supported by the Surrey Care Association (SCA). Officers attended SCA HBC forums throughout 2016 and sought feedback from providers on the proposals for re-commissioning the service.

The following were additionally engaged:

- Mel Few (Cabinet Member for Adult Social Care)
- Social Care Services Board
- Clinical Commissioning Group Collaborative
- Helen Atkinson (Strategic Director Adult Social Care & Public Health)
- Sara Barrington (Interim Head of Continuing Health Care, Surrey Downs Clinical Commissioning Group)
- Adult Social Care Area Directors
- Continuing Health Care Programme Board
- Quality Assurance Managers (Adult Social Care)
- Laura Forzani (Head of Procurement and Commissioning)
- Anna Kwiatkowska (Procurement Category Manager, Adults)
- Andrew Hewitt (Principal Accountant, Finance)
- Naz Fox (Senior Lawyer, Legal Services)

Data used

Officers also conducted a comprehensive review of the current framework using data from a number of sources which fed directly into an options and needs analysis. This analysis then informed engagement with stakeholders and the options concerned were developed from the outcome of these discussions.

The data and information analysed as part of this review was sourced from:

- Joint Strategic Needs Assessment (JSNA) to determine demographic trends/demands
- 2011 census data
- Skills for Care data
- HBC annual customer satisfaction survey
- Strategic provider contract monitoring meetings
- Feedback from quality assurance monitoring visits
- National guidance e.g. National Institute for Clinical Excellence Quality Standard (QS123) published in June 2016
- Performance monitoring returns submitted by existing providers
- ASC finance data
- ASC locality teams
- Meetings with existing framework providers
- HBC provider forums
- Engagement with providers and service users

The data was used to identify trends and common themes within the existing service delivery model which prompted discussion about the most appropriate way to resolve the issues and concerns currently experienced.

The team also sought best practice recommendations from the following reports:

- **The King's Fund 'Social Care for Older People – Home Truths' (September 2016)**
https://www.kingsfund.org.uk/sites/files/kf/field/field_publication_file/Social_care_older_people_Kings_Fund_Sep_2016.pdf
- **Care Quality Commission 'State of Care' report (October 2016)**
http://www.cqc.org.uk/sites/default/files/20161019_stateofcare1516_web.pdf
- **SCIE (Social Care Institute for Excellence) and NICE (National Institute for Health and Social Care Excellence) 'Better Home Care for Older People – a quick guide for people who arrange their own care' (2016)**
[Better home care for older people | Quick guides | Social care | NICE communities | About | NICE](#)
- **NICE Quality Standard (QS123) as published in June 2016** [Home care for older people | Guidance and guidelines | NICE](#)

7. Impact of the new/amended policy, service or function

7a. Impact of the proposals on residents and service users with protected characteristics

Protected characteristic	POTENTIAL POSITIVE IMPACTS	POTENTIAL NEGATIVE IMPACTS	EVIDENCE
Age	<p>The new Awarded Provider Status agreements will have positive impacts for all individuals, including those with protected characteristics receiving HBC by enabling a more flexible and responsive service.</p> <p>There is no change to the scope of services being commissioned through the new Awarded Provider Status agreements. Any individual deemed eligible by the commissioners for support will continue to receive HBC funded services.</p> <p>The amended service specification has referenced new quality standards for HBC. This will help drive up the quality of HBC in Surrey.</p> <p>Amending the geographical zones by which providers bid and deliver a service in, will enable the identification of 'problematic' areas more quickly and solutions to be put in place.</p>	<p>No evidence that the proposals will have a negative impact on residents and service users with protected characteristics.</p>	<p>As of 10.02.17 there are 6,304 people supported to receive a HBC service by SCC. 4,083 of those individuals are female and 2,221 are male. 612 of those individuals are aged 18 to 54; 403 are aged 55 to 64; 710 are aged 65 to 74; 1,612 are aged 75 to 84 and 2,967 are 85 plus. The primary support reason that these individuals receive a HBC service is physical support with personal care. 5,717 of those individuals are White British.</p> <p>Service users and carers will see no noticeable change in the provision of their HBC service as of 01.10.17 when the new agreements go live. There is no proposal to move individuals from their existing provider to new providers. It is planned that all existing providers will move to the new Awarded Provider Status agreements.</p> <p>The new Awarded Provider Status will enable SCC to respond more flexibly to changes in the needs of local populations by approving new providers quickly as they enter the market.</p> <p>The strengthened service specification gives greater clarity on the quality requirements for HBC providers. Which will make it easier for ASC to hold providers to account for poor quality.</p> <p>Changing the current delivery zones to 'delivery zones' which are based on high level postcodes e.g. GU1 will make it easier to identify 'problematic postcodes' and therefore easier to identify solutions with providers to</p>
Disability			
Gender reassignment			
Pregnancy and maternity			
Race			
Religion and belief			
Sex			
Sexual orientation			
Marriage and civil partnerships			
Carers (protected by association)			

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improve capacity in those areas. Use of data from e-brokerage will allow ASC for the first time to know the amount of business it offers in particular areas and therefore approach the provider market more proactively.

7b. Impact of the proposals on staff with protected characteristics

Protected characteristic	POTENTIAL POSITIVE IMPACTS	POTENTIAL NEGATIVE IMPACTS	EVIDENCE
Age	<p>The proposed new 'delivery zones' based on high level postcodes will enable providers to bid for and deliver care in more realistic areas for them.</p> <p>The strengthened service specification, which references new quality standards by NICE will help providers to be clearer on the quality of care they should be providing and therefore able to support their staff with training to ensure these new standards are met.</p>	<p>There is no evidence that the proposals will have a negative impact on staff with these protected characteristics.</p>	<p>According to Skills for Care based on the National Minimum Data Set submitted by domiciliary care providers there are 3,889 people employed in the domiciliary care market in Surrey. Of the workforce 3,289 are female which is 84.6%; 581 are male which is 14.9% and 19 are unknown which is 0.5%. The age profile of these employees is 8% are 24 and under; 18.6% are 25 to 34; 20.5% are 35 to 44; 28% are 45 to 54; 19.5% are 55 to 64 and 5.2% are 65 and over. Adult Social Care employs a total of 2,500 staff.</p> <p>The proposed new 'delivery zones' based on high level postcodes will mean that staff do not have to travel as far to deliver care and that if the travel time does increase it is done in a planned way and staff are engaged in that process. Staff travel time will not increase as a result of a change in the service specification and delivery zones.</p> <p>The proposed use of 'delivery zones' based on high level postcodes will be easier both for internal and external staff when offering and accepting packages of care. The location of packages of care are based on postcodes and therefore it will be easier to identify which providers can pick up which packages.</p> <p>The introduction of quality standards for HBC will support</p>
Disability			
Gender reassignment			
Pregnancy and maternity			
Race			
Religion and belief			
Sex			
Sexual orientation			
Marriage and civil partnerships			

Carers (protected by association)			SCC staff in performance monitoring of providers and will support providers to ensure that staff are well trained to meet these standards.
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8. Amendments to the proposals

Change	Reason for change
There have been no amendments to the proposals as a result of the EIA.	

9. Action plan

The action plan below focuses on the two key positive impacts which are the reference and inclusion of the NICE HBC Quality Standards and the introduction of 'delivery zones' based on high level postcodes.

Potential impact (positive or negative)	Action needed to maximise positive impact or mitigate negative impact	By when	Owner
Reference to the newly published NICE HBC Quality Standards will assist in driving up the quality of the HBC service and support better performance and quality monitoring of HBC services by SCC staff.	To fully realise this positive impact the new quality standards will need to form part of performance monitoring data collection; be a part of quality assurance visits and be a standing item at contract monitoring meetings.	April 2018	Kirsty Malak/ Caroline Kalmanovitch
The proposed change from the current 19 geographical zones to 'delivery zones' based on high level postcodes will improve the flexibility of the service to respond to changing demographic needs and therefore improve the service for residents. This proposed change will also improve back office efficiency for both SCC and HBC provider staff.	This will make the geographical areas by which the HBC contract is tendered for and delivered in more meaningful and therefore easier to implement for both internal and external staff. To full maximise the positive impact of this change SCC will need to ensure that this is effectively communicated internally and externally and that all relevant IT systems including e-brokerage are updated to reflect the new 'delivery zones'.	October 2016	Ian Lyall/ Charlotte Langridge/ Andrew Hewitt

10. Potential negative impacts that cannot be mitigated

Potential negative impact	Protected characteristic(s) that could be affected
There are no potential negative impacts to be mitigated.	

11. Summary of key impacts and actions

**Information and
engagement
underpinning
equalities analysis**

ASC in partnership with Continuing Health Care have been continually reviewing the existing HBC agreements and service specification as part of regular contract monitoring. The HBC reference group which consists of Action for Carer's; Age UK (Surrey); Surrey Coalition of Disabled People; County Councillors; ASC staff; SCC Finance staff; SCC Procurement staff; CHC has also been part of the this continual review.

In 2016 ASC and CHC undertook a comprehensive review of the existing arrangements and specification, particularly in light of changing demographics and need and the change in the provider market. This review included engagement at a very early stage with the Co-Chairs of the Surrey Coalition of Disabled People, who indicated that they were supportive of a change to the current agreements and service specification. The HBC reference group (see membership listed above) has been engaged with the review and drafting of new agreements and service specification. The provider market has been engaged and involved in the drafting the new agreements and service specification via regular attendance at the Surrey Care Association Domiciliary Care Provider forums and a bespoke provider event held on 8th December 2016, where 20 plus HBC providers attended the event. Providers have also been engaged the quarterly HBC provider forums held in each of the CCG areas.

The ASC Partner meeting was attended on 28th November 2016. The meeting is with Surrey Coalition of Disabled People; Surrey Independent Living Council and Age UK (Surrey).

An update on HBC and the proposed re-commissioning of the service was taken to the SCC Social Care Services Board on 20th January 2016. The Board was supportive of the proposed changes to the agreements and service specification.

The review has also taken into account the feedback from service users in the form of the results of the annual HBC customer feedback survey. The survey is sent to a sample of ASC and CHC service users.

In conjunction with Finance, Procurement and ASC Business Intelligence the data in terms of need, spend and provider activity has been reviewed to understand and put forward proposals that will result in an improved service for service users and carers and internal and external staff. This review of data has included data from the 2011 Census, the Joint Strategic Needs Assessment and the National Minimum Data Set collected by Skills for Care.

<p>Key impacts (positive and/or negative) on people with protected characteristics</p>	<p>There are no anticipated negative impacts on people with protected characteristics. There are positive impacts as a result of amending the service specification and contractual arrangements. The benefits include a more quality focused service specification and therefore the ability to deliver a higher quality service. There should be a more efficient placement process both from a provider and commissioner perspective.</p>
<p>Changes you have made to the proposal as a result of the EIA</p>	<p>No changes have been made to the proposal as a result of the EIA.</p>
<p>Key mitigating actions planned to address any outstanding negative impacts</p>	<p>There are no negative impacts as a result of this proposal.</p>
<p>Potential negative impacts that cannot be mitigated</p>	<p>There are no negative impacts as a result of this proposal.</p>

SURREY COUNTY COUNCIL**CABINET****DATE: 28 FEBRUARY 2017****REPORT OF: MRS CLARE CURRAN, CABINET MEMBER FOR CHILDREN AND FAMILIES WELLBEING****LEAD OFFICER: GARATH SYMONDS, ASSISTANT DIRECTOR, COMMISSIONING AND PREVENTION, CHILDREN, SCHOOLS AND FAMILIES****SUBJECT: SOUTH CENTRAL INDEPENDENT FOSTERING AGENCY (IFA) FRAMEWORK****SUMMARY OF ISSUE:**

In Surrey, we believe that for most children and young people the best place to live is with their family of origin and where necessary we will support parents and/or the extended family to provide an environment in which their child can grow and thrive. Unfortunately, in some circumstances the safest and most appropriate option is for the child to be taken into care. In this instance, and in line with the *Placement Strategy for Looked After Children 2016-2019*, placement officers strive to find a local placement that best meets the needs of the child with the ultimate aim of achieving permanency and improved wellbeing.

From 2015, the Surrey Corporate Parenting Board Strategy prioritised work on developing 'Placement Choice and Stability' to ensure that the requirements of our Sufficiency Duty are met. Wherever appropriate, looked after children are placed with local foster carers. However, sometimes in-house placements cannot be used due to matching considerations, the particular and often complex needs of the child, the carers' circumstances or limited availability of carers. In these circumstances a placement with an Independent Fostering Agency (IFA) is considered. Out of the 895 looked after children in Surrey, 648 are currently placed in foster care provision. 433 were placed with in-house carers, and 215 were placed with IFAs (as at 31 January 2017).

In order to effectively manage the IFA market and ensure good outcomes for children, Surrey has been an active member of the South Central IFA Framework since 2012 – a regional consortium made up of 11 local authorities. The current framework expires 31 March 2017 and in 2016, 14 local authorities came together to retender a revised Framework for 2017 – 2021. Entering the framework does not commit Council to any given level of expenditure, although we will contribute to contract management costs based on proportionate usage of providers under the Framework.

This report in conjunction with the confidential Part 2 report, demonstrates that by joining the recommended framework Surrey will continue to ensure that we have enough placement options available for our looked after children, the framework will provide certainty regarding the cost of those placements and secure value for money for local authorities, and outcomes will be robustly managed.

RECOMMENDATIONS:

It is recommended that:

1. Following consideration of the available options, the results of the procurement process, and commercially sensitive information provided in the Part 2 Report, approval is given for the Council to enter into a Partnership Agreement for the South Central Independent Fostering Agency (IFA) Framework for the provision of Foster Care placements for the period 1 April 2017 – 31 March 2021.
2. Approval be given to award subsequent call off contracts to providers named on the Framework.
3. That delegated approval be given to the Deputy Chief Executive, in consultation with the Leader of the Council and the Cabinet Member for Children and Families Wellbeing, to award new framework agreements and subsequent call off contracts during the life of the framework.

REASON FOR RECOMMENDATIONS:

The existing Framework will expire on 31 March 2017. In 2016 a total of 14 local authorities came together with Southampton City Council as the lead authority and a full tender process, compliant with the European Public Procurement Regulations and Procurement Standing Order has been carried out.

A decision is needed regarding whether or not Surrey County Council continues to be named as a purchaser on the new Framework.

If the Council does not participate in a Framework, it will only be able to spot purchase IFA provision or enter into Block Contracts from 1 April 2017 which potentially places the Council in breach of current procurement law (Public Contract Regulations 2015).

The forecasted spend for foster care placements with IFAs for 2016/17 is approximately £11.5m. A decision to spot purchase could see an increase in the weekly placement cost conservatively estimated at 5% (significantly more for emergency placements) and additional Council staff may need to be recruited to undertake the increase in workload associated with negotiating individual contracts and monitoring the performance of a large number of providers.

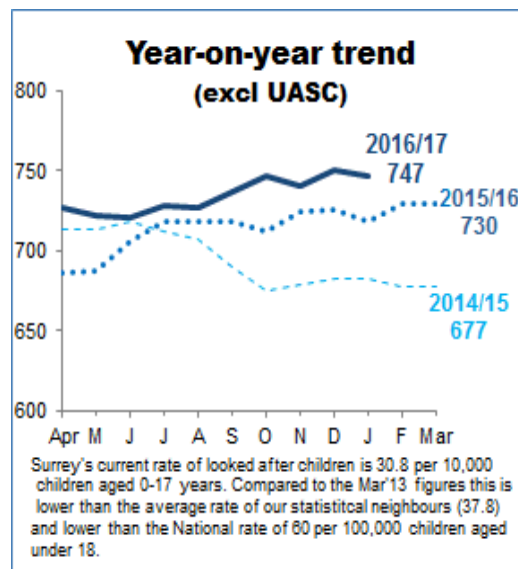
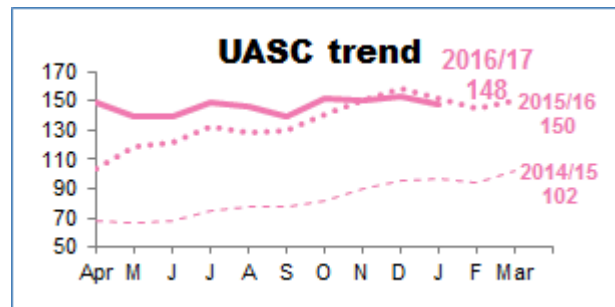
There is the potential for further reducing or avoiding costs under the new arrangements, through the use of Lot 4 (Alternative to Residential) placements and block contracts, as outlined in the Part 2 report.

DETAILS:

Background

1. Surrey County Council is committed to improving outcomes for all looked-after children, ensuring that their welfare is safeguarded and protected and that they have the same opportunities to develop relationships and achieve in life as those children who live with their own parents.

2. Historically, our numbers of looked after children have remained fairly stable. However, in 2015/16 we saw a significant increase alongside a changing needs profile, including an increase in numbers of unaccompanied asylum seeking children (UASC). As can be seen in the charts below, there are now 148 UASC being looked after in Surrey (80 UASC are placed with IFAs). It is important to note that even when we take UASC out of our data, there has also been a rise in the numbers of adolescents, sibling groups and children with multiple and complex needs coming into care, many on interim care orders and some through police protection orders.



3. It is a regulatory requirement for all local authorities to develop sufficient placements to meet the needs of looked after children, and where possible and appropriate, children should be placed within 20 miles of their original home address. This responsibility is referred to as our 'Sufficiency Duty'.
4. In the context of a national foster carer shortage, unfortunately, the cost of living, geographical location, house size and house prices reduce the pool of potential carers that can be recruited in the Surrey area, and also affects the ability of carers to be approved for sibling groups. Surrey also falls within the London commuter belt with career opportunities in the capital and the surrounding areas competing with foster care as a career choice. Many of the carers we currently have are part of the ageing population and may soon retire.
5. In order to increase the proportion of looked after children being placed locally, and to reduce the numbers of children placed with IFAs, the Council has invested resources to recruit and retain more Surrey foster-carers. The service has a target in place to recruit 16 additional foster-carers who are willing to care for those aged

11+ and a net gain of 6 enhanced foster-carers (above the April 2015 baseline) by 31 March 2017.

6. As outlined in the Surrey Foster Carer Recruitment Strategy 2016, our priority for recruiting and retaining new foster carers is to ensure that we have enough families with the right combination of skills and support to meet the needs of the higher number of children we now have in care.
7. Children's Services have recently restructured the fostering team to enable more efficient use of staff capacity. They are also working to increase awareness amongst the general population and enhance our offer to attract new foster carers. This will include looking at additional specialist support and training for Surrey foster carers and finalisation of the 2017 Marketing & Communications Strategy for the Fostering Service.
8. It is also important to note that within Children, Schools and Families (CSF), a great deal of effort is being invested into the development of the new CSF Commissioning Strategy (due to be presented to Cabinet in May 2017), which will have a focus on Early Help; recognising the importance of prevention and early intervention in supporting families and thereby reduce the numbers of children coming into care or requiring other statutory/acute services.

Options Analysis

9. Several options were considered when completing the Strategic Procurement Plan (SPP) prior to commencing the procurement activity associated with the new South Central IFA Framework:
10. Option 1 – Do Nothing.

If the Council had not played an active role in the retender process, it would only be able to spot purchase IFA provision from April 2017 exposing its position significantly to market powers. A decision to spot purchase could see an increase in the weekly placement cost conservatively estimated at 5%.

It is also worth noting that in February 2015, the Public Contract Regulations 2015 were passed into UK law. Under the new regulations, spot purchasing, non-compliant frameworks and Approved Provider Lists (APLs) will not be acceptable forms of procurement for services above specified financial thresholds (the current threshold is set at €750,000, or £589,148).

11. Option 2 – Take an active role in the retender process of the South Central IFA Framework.

Recognising the changes in the market place and the creation of some larger fostering agency providers, it is really important for local authorities to continue to work together to try to manage the market and maximise any savings that may come through efficiencies of merger. At the same time however, the collaborative needs to nurture and support smaller and medium sized enterprises (SMEs) who may bring a more unique offer to the market including highly specialist placement types.

Although there are early discussions taking place regarding the potential development of other regional collaborative arrangements in which Surrey could

get involved in, no other framework or joint procurement arrangement will be in place at the time our current arrangements come to an end.

As Surrey has been a member of the South Central IFA Collaborative since 2012, it makes sense to participate in the procurement of the new Framework, alongside local authorities with whom we already have a positive working relationship.

12. Option 3 – More Block Contracts instead of a Framework

Block contracts would enable us to have dedicated provision with specific providers, however this is dependent on the ability of the organisation to recruit and retain the right carers to meet the needs of our looked after children. Recognising the challenges within the market place, this option comes with a level of risk when foster-carers are in limited supply. An option to award Block Contracts has been specified within the framework agreement, which means we still have the option to award block contracts either alone or in partnership with other local authorities.

13. Option 4 – Surrey tender for their own Framework

Surrey could have tendered for its own Framework. However, it was considered that this would not provide the number of placement opportunities compared to the South Central IFA Framework and would also reduce leverage in the market which would be likely to lead to increased placement costs. It would also require an investment in additional staff members to undertake the increased workload associated with monitoring all of those additional contracts.

14. After a full and detailed options analysis it was decided that the preferred option was Option 2 because this demonstrated best value for money from the options appraisal completed.

15. A joint Procurement and project team was set up including representatives from Southampton City Council, Portsmouth City Council, Oxfordshire County Council, Bournemouth Borough Council, Dorset Council, Isle of Wight Council, Poole Borough Council, Surrey County Council, Reading Borough Council, Slough Children's Services Trust, Wokingham Borough Council, Bracknell Forest Council, the Royal Borough of Windsor and Maidenhead and West Berkshire Council.

Benefits of the South Central IFA Framework

16. Working collaboratively with other local authorities with similar profiles of placements in the private and independent sector is recommended as good practice. The South Central IFA Framework 2012 - 2017 initially opened up the IFA market to Surrey creating more placement opportunities and enabled Surrey to work more collaboratively with other local authorities to shape the market and develop consistent practice.

17. By being a partner of the South Central IFA Framework for the provision of foster care placements to commence on 1 April 2017, the Council will be ensuring it has access to a mixed economy within the market and is able to develop sufficient placements to meet the needs of looked after children.

18. Frameworks such as this provide transparent and fixed pricing for the life of the framework, which avoids inflated costs being charged for placements being made at short notice.
19. Overall, there are a significant number of new providers offering placements under the Framework when compared with the previous Framework:

Number of Providers	Old	New	% increase
Lot 1 General	41	49	22
Lot 2 Parent and Child	34	49	44
Lot 3 Children with Disabilities	17	43	152
Lot 4 Alternative to Residential	N/A	9	100

20. The framework is able to be re-opened for a short period of time on an annual basis for additional providers to join, providing even greater choice and further increasing competition within the market. Providers who already have a place on the framework will also be able to resubmit their prices at this time. However, any request to increase prices will have to be fully justified and approved by the Framework Project Board.
21. There is a wide body of research which suggests that, whilst residential care is the most suitable placement option for some children, it is extremely costly, and on the whole a stable and nurturing family environment leads to better long term outcomes for children, and is more affordable for local authorities.
22. The South Central IFA Framework has developed a new and unique 'Lot'. Lot 4 – Alternative to Residential Care is an innovative solution which will offer targeted interventions for children with complex needs, utilising highly skilled and resourced foster carers for a limited time period (up to two years) either to support children to move out of residential care or as an alternative to going into residential care. It is expected that once this intensive intervention/support has come to an end, the child will be able to transition into a 'standard' (Lot 1 – General) placement, delivering significant cost avoidance by reducing the need for high cost Residential placements.
23. There is also an option for Local Authorities to enter into a Block Contract arrangement, with providers on the framework, using the further competition process. This could also realise savings by negotiating lower weekly rates to those submitted in the tender. More details regarding potential savings and cost avoidance under the new Framework can be found in the Part 2 report.
24. As prices were fixed under the previous framework, an increase was expected. The average price increase of foster placements under the new Framework is less than predicted, and significantly less than inflation (more information can be found in the Part 2 report).
25. Performance will be monitored through a series of Key Performance Indicators as detailed in the contract and data will be collected on a quarterly, 6 monthly and annual basis and reviewed at the Annual Performance Assessment meetings.
26. Criticism of the previous IFA Framework focused on the lack of robust contract management provided by the lead authority. It was felt that in order to ensure the market is managed properly, each local authority involved in the collaborative should contribute to the cost of managing the framework, including the monitoring of outcomes and a good level of engagement with providers.

27. It was agreed that ongoing management of the South Central Framework will be led by Bournemouth Borough Council and will be funded through financial contributions from each partner local authority (including Bournemouth). These contributions will cumulatively total £100k per annum, although the proportion paid by each local authority will vary annually dependent on number of placements each local authority makes.
28. As the largest purchaser on the Framework, the indicative cost to the Council based on past usage should be no more than £20k p.a. This amount is subject to change, and could indeed be reduced as we find innovative ways to reduce our dependence on IFA provision. If Surrey were to pull out of the Framework, Bournemouth would need to scale back their contract management activities significantly, potentially putting the success of the entire framework at risk.

Competitive Tendering Process

29. The contract has been let as a competitive tendering exercise. It was decided that the open process was appropriate because it gave the best opportunity to enable the required number of providers to join the framework. More information regarding the tendering process and outcomes can be found in Appendix 1.

CONSULTATION:

30. All key internal stakeholders have been consulted at all stages of the commissioning and procurement process and have helped to develop the strategy, design the specification and evaluate tenders.

RISK MANAGEMENT AND IMPLICATIONS:

31. Potential risks of being a partner in the South Central IFA Framework

Category	Risk Description	Mitigation Activity
Financial	There may be a risk of not finding sufficient placements to fulfil our statutory obligations, leading to increased spot purchase.	The number of providers on the framework has increased from the previous framework providing more placement opportunities
Financial	Requests for price increases on an annual basis	Any request for a price increase will have to be fully justified and approved by the Framework Project Board.
Reputational	There may be a risk of not finding sufficient placements to fulfil our statutory obligations	The number of providers on the framework has increased from the previous framework providing more placement opportunities.

Reputational	Increased number of out of county placements	Ongoing work to recruit carers within the county as per the Fostering Strategy 2016
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Financial and Value for Money Implications

32. According to the Institute of Public Care (IPC), working in a consortium gives local authorities scale and it is volume of business that helps drive savings through enabling providers to lower prices. The IPC Research (2015) shows that most consortia reported generating cashable savings and non-cashable savings in varying degrees (approximately 4-5% off spot purchased placement costs at a similar point in time) through working collaboratively. However the likelihood of securing further savings reduces the longer a consortium is in operation particularly if robust contract management is not in place. Indeed, many local authorities now share the view that the focus of consortia working should be on cost avoidance, transparency in pricing, and intensify efforts in monitoring and improving the quality of placements.
33. The Department for Education is also encouraging local authorities to commission on a much larger (regional) scale, and work more collaboratively with the independent sector to develop innovative, value for money services that better meet the needs of looked after children (*Putting Children First: Delivering our vision for excellent children's social care*, DfE, July 2016)

Section 151 Officer Commentary

34. Financial and value for money implications have been considered and the details are shown in the Part 2 report.

Legal Implications – Monitoring Officer

35. The Council's primary statutory duty under sections 22(3) and 22 A-F of the Children's Act 1989 to safeguard and promote the welfare of looked after children including their ensuing maintenance and accommodation needs; the Council's duty to fulfil its regulatory requirement to develop sufficient placements to meet the needs of looked after children, whilst improving the quality of fostering placements must be considered, against the significant increase and changing profile of looked after children.
36. In order to be best placed to fulfil the above duties we have decided to become a member of the South Central Independent Fostering Agency (IFA) Framework for the provision of foster care placements. This process has been compliant with the Public Contract Regulations 2015, specifically the 'Light touch regime' (Schedule 3 of the Regulations) and the Council's Procurement Standing Orders. The Cabinet needs to balance the Council meeting their duties against the increased forecasted costs of foster care placements if this framework is not entered into by 31 March 2017.

Equalities and Diversity

37. Being a partner of the South Central IFA Framework will have a positive impact on equalities and diversity as it will improve placement choice and quality of provision and ensure a variety of placement options are available to meet the needs of children and sibling groups of all ages including children with disabilities and unaccompanied asylum seeking children.

Corporate Parenting/Looked After Children implications

38. Being a partner of the South Central IFA Framework will assist Surrey in fulfilling its sufficiency duty (providing sufficient placement choice and stability) and ensure better outcomes for Looked After Children. Better outcomes will be achieved through joined-up partnership working with other local authorities, increased access to a broad range of providers across the south of England (including within Surrey's borders) and enhanced contract monitoring of independent providers.

Safeguarding responsibilities for vulnerable children and adults implications

39. The robust contract management arrangements that will be put in place through the new South Central IFA Framework will ensure that placements made with independent fostering agencies will be monitored more closely than placements that are spot purchased. Regular monitoring through the framework will have a strong focus on safeguarding policies and procedures and ensure that the safety of children and young people in care is a priority at all times.

WHAT HAPPENS NEXT:

The timetable for implementation is as follows:

Action	Date
Form & Seal Contracts	18 January – 17 February 2017
Place Contract Award Notice	21 February 2017
Cabinet decision	28 February 2017
Approvals Phase	21 February – 24 March 2017
Handover Frameworks to Contract Management	24 March 2017
Framework Commencement Date	1 April 2017
Placement of children with foster carers through Framework	1 April 2017 onwards

Contact Officer:

James White – Senior Category Specialist, Tel: 01273 481518
Jo Lee – Senior Commissioner, Tel: 07814 783 507

Appendices:

Appendix 1: Competitive Tendering Process

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Appendix 1: Competitive Tendering Process

1. An invitation to tender was published on the 16 August and providers were given 42 days to complete and submit their tender for the following lots.

LOT	DESCRIPTION
Lot 1 a	Children aged from 0 – 4 years
Lot 1 b	Children aged from 5 – 10 years
Lot 1 c	Children aged 11+ years
Lot 2	Children with Disabilities
Lot 3	Parent and Child Placements
Lot 4	Alternative to Residential Placements

2. **Stage 1** of the evaluation consisted of fifteen pass/fail questions applied to all four lots.
3. After some clarifications were issued, all questions were passed successfully by all bidders with the exception of the question around economic and financial capacity.
4. **At Stage 2**, Lot 1-3 bidders were evaluated 100% on price and ranked in price order.
5. Offices with an Ofsted outcome of Good or above were placed on Tiers 1 and 2 in price order.
6. Offices with an Ofsted outcome of Requires Improvement were placed on Tier 3 in price order. This was to reflect the demand and differences in placement criteria for the participating authorities. The general practice within Surrey is to make placements with providers with an OFSTED rating of good or above.
7. The tables at Annex 1 in Part 2 of this report list the successful providers in ranked order for each of the separate Lots.
8. Lot 4, Alternative to Residential placements, Evaluation - The Quality/Cost ratio was set at 40% Price / 60% Quality.
9. The 40% Price score was based on price submissions for the 'Stabilisation' phase of the placement which made up the largest element of an anticipated two year placement.
10. The 60% Quality score was based on four method statement questions which explored the following areas:
 - A. How providers would mobilise to deliver this service.
 - B. The underlying therapeutic approach adopted, risk management and placement stability.
 - C. How each 'stage' of the placement described in the Specification would be delivered.
 - D. Training, skills and experience of the workforce.

Scoring was conducted by four members of the Project Board. All submissions were scored individually to start with then moderated at a panel meeting.

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SURREY COUNTY COUNCIL**CABINET****DATE: 28 FEBRUARY 2017****REPORT OF: MRS CLARE CURRAN, CABINET MEMBER FOR CHILDREN AND FAMILIES WELLBEING****LEAD OFFICER: GARATH SYMONDS, ASSISTANT DIRECTOR COMMISSIONING AND PREVENTION****SUBJECT: PROPOSED CONSULTATION ON EXTERNALLY COMMISSIONED YOUNG PEOPLE'S EARLY HELP SERVICES****SUMMARY OF ISSUE:**

Surrey County Council is transforming its early help offer for children, young people and families, increasing integration to provide holistic support to the whole family, securing the best possible value for money for residents and realising lasting improvements in outcomes for the most vulnerable. This change is being delivered at a time when unprecedented financial pressures are being faced, stemming from decreasing funding from central government and underlying growth in demand for Council services. It is therefore vital to continue investing in early help services that realise not only the best outcomes but also offer the best value for money.

In light of this approach, this first paper seeks agreement to launch a public consultation exercise about proposals to change Surrey County Council's externally commissioned young people's early help services. These changes will need to achieve a saving of £0.25 million during 2017/18 and at least a further £0.2 million in 2018/19 (a total of 29% less over two years), from an annual budget of £1.54 million for these services. A second paper, setting out the consultation response, will be brought to Cabinet on 30 May for a final decision about the changes that are required.

RECOMMENDATION:

It is recommended that the Cabinet approves an immediate eight-week public consultation, involving young people who use services, families, providers and partners, about proposals to change Surrey's externally commissioned young people's early help services.

REASON FOR RECOMMENDATION:

This is recommended so that:

- i. The Council fulfils its duty to consult about proposed changes to services, through a proportionate eight-week consultation period now, given the urgent need to realise savings during 2017/18 and allowing three-months of notice to current providers about any changes to services;
- ii. Young people, families, providers and partners who are affected by proposed changes have an opportunity to share their views about the proposed options

and possible alternatives;

- iii. Appropriate action can be taken, as far as is reasonably possible, to mitigate the impact of any changes on providers, young people, families and communities; and
- iv. Cabinet is supported to make a fully informed decision about proposed changes to current grants and contracts.

<u>DETAILS:</u>

BACKGROUND

1. On 23 September 2014, Surrey County Council's Cabinet approved a new commissioning model for Services for Young People to deliver the goal of employability, as explained in the Surrey Young People's Outcomes Framework. This included approval to procure up to £8.1 million of externally commissioned early help services spread across the five-year period from 2015 to 2020, in the form of the 1-to-1 Local Prevention, Neighbourhood Local Prevention and Year 11/12 Transition commissions.
2. Since implementation in September 2015, these services have worked in a targeted and preventative way to realise improved outcomes for many vulnerable young people in Surrey, avoiding a conservatively estimated minimum annual cost of at least £3 million for the Council by reducing demand for higher-cost services in the future, with further benefits accrued by partners. In particular they have helped Surrey to continue to have some of the lowest rates of youth offending and young people who are not in education, employment or training (NEET) in the country.
3. However, the Council now needs to transform its early help offer for children, young people and families, so that services are even more integrated, targeted and efficient, and have an even greater impact on outcomes for the whole family to achieve lasting change.
4. An initial stage in this integration and transformation process involves reviewing externally commissioned early help services for young people, in preparation for a wider re-design and commissioning of the future offer. This initial step should realise savings of £0.25 million during 2017/18 and at least a further £0.2 million in 2018/19 (29% across the two years) from the Council's external spend of £1.54 million per annum on externally commissioned services. The Equality Impact Assessment that has been completed to assess the impact of this change has highlighted adverse impacts on young people, but the wider review and integration of all early help services will aim to mitigate these impacts.

GRANTS AND CONTRACTS COVERED BY THIS CONSULTATION

5. Three current external commissions are being considered as part of this consultation, which are: Neighbourhood Local Prevention; 1-to-1 Local Prevention; and the Year 11/12 Transition Service.

Commission	Annual budget	Current end date
Neighbourhood Local Prevention	£448,000	31 August 2018
1-to-1 Local Prevention	£700,000	31 August 2018
Year 11/12 Transition	£395,000	28 February 2019
Total external spend	£1,543,000	

6. The following list provides a summary of the key features of **Neighbourhood Local Prevention**:
- i. Projects are funded through grants to local voluntary, community and faith sector organisations, with funding allocated to boroughs and districts in proportion to the identified level of need.
 - ii. Grants are awarded locally through Surrey's Local Committees and funded projects target delivery in priority communities identified through Youth Task Groups.
 - iii. Organisations delivering these projects are: The Beat Project; The Eikon Charity; Leatherhead Youth Project; The Lifetrain Trust; and YMCA East Surrey.
 - iv. The commission responds to locally identified needs and priorities, working alongside Surrey's Community Youth Work offer to ensure provision is complementary and that the needs of young people in priority communities are well met.
 - v. Typical activities include: detached youth work; mobile bus projects; community based youth projects; and targeted group programmes. Some young people identified as in need of early help will be referred to these activities by schools or via Surrey's Multi-Agency Safeguarding Hub (MASH).
 - vi. The commission costs the Council £448,000 per annum and it engaged over 2,000 young people in priority communities in 2015/16.
7. The following list provides a summary of the key features of the **1-to-1 Local Prevention** commission:
- i. Services are delivered by contracts with local voluntary, community and faith sector providers, with funding allocated to boroughs and districts in proportion to the identified level of need.
 - ii. Providers are commissioned locally through Surrey's Local Committees and Youth Task Groups.
 - iii. Organisations delivering these services are: The Eikon Charity; Learning Space; Leatherhead Youth Project; The Lifetrain Trust; Step by Step; Surrey Care Trust; and YMCA East Surrey.
 - iv. Providers offer 1-to-1 support to particular young people who are referred through Surrey's MASH and identified as in need of early help.
 - v. In July 2016, contracts were varied to increase capacity of the services by 25%, improve consistency of outcomes measurement and strengthen work with families, to prepare for increased demand following the launch of the MASH.

- vi. Typical approaches to delivery include: mentoring; 1-to-1 youth work; talent coaching; and counselling.
 - vii. The revised full-year cost of the commission for 2017/18 is £700,000 and it has a commissioned capacity of 1,600 hours of 1-to-1 work per month.
8. The following list provides a summary of the key features of the **Year 11/12 Transition** commission:
- i. Services are delivered through outcomes-based, area contracts, awarded to the specialist information, advice and guidance provider U-Explore.
 - ii. Services are offered to targeted young people in Year 11 who have been identified as at greatest risk of becoming NEET, through Surrey's Risk of NEET Indicator (RONI) – a process delivered in partnership with Surrey's secondary schools to ensure the right young people are supported.
 - iii. Young people are supported from the spring term of Year 11, over the summer and during the first months of their transition into post-16 education, training or employment.
 - iv. The contracts' success is judged by the proportion of young people who are participating in the January of Year 12, and it achieved a success rate of over 90% in 2015/16.
 - v. The commission costs the Council £395,000 per annum and engaged 451 young people who were identified as at risk of becoming NEET in 2016.

OPTIONS FOR CONSULTATION

9. Whilst all the early help services above have demonstrated good performance and positive impact on outcomes for young people, the Council needs to make difficult decisions to secure its financial position and prepare the way for its integrated 0-19 early help offer from 2018. A range of options in response to these challenges are set out below, including a preferred option (Option 1):
- i. **Option 1** – Bring to an end funding for Neighbourhood Local Prevention Grants at the end of the second year of the three-year programme on 31 August 2017 (**preferred** – rationale provided in paragraph 11).
 - ii. **Option 2** - Reduce funding to 1-to-1 Local Prevention contracts by 64% across all districts and boroughs (£450,000) for year three of the commission from 1 September 2017.
 - iii. **Option 3** – De-commission the Year 11/12 Transition Commission at the end of December 2017, alongside reducing the level of funding for Neighbourhood Local Prevention grants and 1-to-1 Local Prevention contracts by 23% for the year beginning 1 September 2017. This approach realises the required saving of £250,000 in 2017/18, but in so doing reduces funding for early help services in 2018/19 by over £400,000, double the required level of £200,000.
 - iv. **Option 4** – Apply a 39% funding reduction to both Neighbourhood and 1-to-1 Local Prevention from 1 September 2017 and run both grants and contracts until August 2018.

- v. **Option 5** – Maintain funding for all grants and contracts at current levels, leading to an overspend of the identified available budget.

REASON FOR PREFERRED OPTION

10. It should be noted that the Equality Impact Assessment completed in relation to these changes has highlighted adverse impacts on young people in Surrey, but that through the wider review and integration of all early help services the Council will aim to mitigate these impacts. The Council will be updating the EIA in response to information received during the consultation.
11. Option 1 has been identified as the preferred option as it is the course of action that has the least degree of detrimental impact on both outcomes for the most vulnerable young people and the Council's approach to transforming early help in Surrey. It also fits best with the timeline for the wider review and realises the required savings. This judgement is based on the following key considerations:
 - i. Although Neighbourhood Local Prevention is targeted to Surrey communities with the greatest need, analysis shows that a lower proportion of young people from key vulnerable groups access these services (including those who: are currently or have been open to Children's Services; have SEND; have been involved in offending in the last 24 months; or are at risk of becoming NEET) when compared other commissions, where young people are specifically identified as in need and referred to services. As an example, 55% of young people who received support through 1-to-1 Local Prevention were currently or had been previously involved with Children's Services, compared to 15% for Neighbourhood Local Prevention. By making savings against the grants programme (Option 1), other services that provide more targeted support to the most vulnerable young people are protected.
 - ii. Both the 1-to-1 Local Prevention and Year 11/12 Transition models directly support the priority need for referral routes for young people who are referred into Surrey's Multi-Agency Safeguarding Hub (MASH) as at risk and in need of early help. This is a key part of SCC's journey of improvement in Children's Services, following the challenging Ofsted judgement in 2015. As a direct response to this, additional capacity for 1-to-1 early help was secured through contract variations in July 2016. Removing or reducing this capacity (Options 2, 3 and 4) will have a significant detrimental effect on the Council's ability to realise the required improvements.
 - iii. The evidence of achievement of lasting impact on outcomes for young people accessing services is stronger in the case of 1-to-1 Local Prevention than Neighbourhood Local Prevention, based on assessments of quality of practice and performance monitoring undertaken during 2016, hence Option 1 is preferred to Options 2, 3 and 4).
 - iv. The Year 11/12 Transition Commission demonstrates most clearly a direct impact on the Council's strategic priority of "creating opportunities for young people" of the three commissions. It delivered the positive outcome of a successful transition to participation in post-16 education, training and employment for over 90% of young people supported, all of whom were previously identified as at risk of becoming NEET. De-commissioning this service (Option 3) would mean this is not achieved.

- v. Year 11/12 Transition works with young people from January to December, so it is not possible to end contracts prior to January 2018, without a disproportionate impact on young people currently accessing services. This means Option 3, which sets out de-commissioning of this service, will not realise adequate budget savings in 2017/18 without also reducing funding for 1-to-1 and/or Neighbourhood Local Prevention by 39% from 1 September 2017. This runs the risk of making all three commissions unviable for current providers.
- vi. The resources for Neighbourhood and 1-to-1 Local Prevention are already allocated to boroughs and districts through a needs-led resource allocation system. The level of savings required by Option 4 will mean close to a 39% reduction in funding across boroughs and districts. This level of reduction may well mean both 1-to-1 and Neighbourhood Local Prevention become unviable for providers and will not offer sufficient capacity to meet Surrey's key early help challenges.
- vii. Option 5 is not a viable option as it does not fit with the service intention of the Early Help review, which aims to transform and integrate existing disparate services in order to provide a holistic service for families that will deliver better outcomes and be more efficient. It would also not fit the requirement for a balanced budget to be set.
- viii. Taking account of the balance of considerations related to these options, Option 1 emerges as the preferred option.

PROPOSED TIMELINE FOR CONSULTATION

12. The below table sets out the time for the proposed consultation, following a decision by Cabinet on the approach:

Date	Activity
08 Mar 17	Eight-week public consultation begins following Cabinet call-in period
03 May 17	Consultation period ends
30 May 17	Cabinet make final decision on option to implement and changes communicated to providers (subject to call-in period)
7 Jun 17	Cabinet call-in ends and work with providers to implement changes begins

CONSULTATION:

- 13. This report is seeking a Cabinet decision to launch a public consultation in relation to changes to externally commissioned young people's early help services.
- 14. During the consultation, the following approaches are proposed to engage with key groups affected by the proposals:
 - i. Online survey issued through Surrey Says;
 - ii. Focus groups help with young people currently attending provision;
 - iii. Engagement with providers to discuss the proposals and explore the options presented;

- iv. Engagement with staff in the Early Help Service; and
 - v. Engagement with Youth Task Group Chairmen.
15. This consultation will happen in parallel to the launch of the Surrey Family Service and development of a new Children's, Schools and Families Early Help Commissioning Plan, which will be informed by consultation feedback.
 16. In preparing this report, a briefing was provided to Local Committee Chairmen's Meeting on 31 January, given their key current role in commissioning Local Prevention Services. Whilst they understood the need for savings in 2017/18 they did highlight concerns about the potential impact of changes on the voluntary sector in Surrey. These will be reflected in the consultation feedback.
 17. Surrey's Youth Collective were also engaged on 1 February. They have provided feedback on the consultation approach and have offered to help young people to take part in the consultation process. They raised concerns about the impact that the changes might have on young people.
 18. Initial discussions have been held with affected providers, so they are informed early about the potential for change and the opportunity to engage during the public consultation. They expressed their concerns about the potential impact on the young people they support, as well as the preventative impact of their services in managing demand for higher-cost interventions in the future.

RISK MANAGEMENT AND IMPLICATIONS:

The key risks associated with this proposal are:

- i. There is a risk that a reduction in services may lead to an increase in demand in the future for higher-cost late intervention services provided by the Council and its partners.
- ii. There is a risk that the necessary level of savings required will not be realised, depending on the options pursued, to support the Council in securing its financial position.
- iii. There is a risk that organisations from the Voluntary, Community and Faith Sector will face financial challenges as a result of the withdrawal of funding through Options 1 to 4 above, which could result in the loss of wider community benefit and added social value they deliver.

Financial and Value for Money Implications

18. This paper proposes options to realise savings from external spend on young people's early help of £250,000 in 2017/18 and at least a further £200,000 in 2018/19 (£450,000 in total).
19. The efficiency savings planned for Early Help transformation are included in both the 2016-21 Medium Term Financial Plan and the 2017-22 Medium Term Financial Plan. The 2016-21 MTFP included significant investment (£2.5m) in the transformation of Early Help, so that the planned savings could be realised in later years and efficiencies through integration are realised. The intention is to ensure that the Children, Schools and Families Directorate

(CSF) delivers an Early Help service that demonstrates value for money and improves the outcomes of vulnerable groups.

20. Through this overall transformation, CSF plan to realise £4 million of efficiencies through integration and contribute a further £1 million to Special Educational Needs and Disabilities (SEND) savings in 2017/18. Across the 2017-22 Medium Term Financial Plan (MTFP) period the planned saving (including the £1 million for SEND) is £10.7 million to ensure Early Help is financially sustainable. Changes are already underway to realise £2.3 million of staff savings in 2017/18 as part of this.

Section 151 Officer Commentary

21. A key strategy for CSF is the review of all its services around early intervention, prevention and early help. The strategic intention is to transform, integrate and coordinate delivery of Early Help services to the most vulnerable children, young people and their families. Evidence of an integrated Early Help offer from elsewhere has shown improved outcomes for these vulnerable groups. By coordinating resources and targeting preventative services early in the care pathway for individuals and families, efficiencies are able to be realised and demand for services better managed.
22. The review of the externally commissioned services around local prevention in this report is a step in the process of the wider review. This should initially realise savings of £450,000 by 2018/19.

Legal Implications – Monitoring Officer

23. Whilst there is no express or implied duty to consult, there is an expectation that a local authority making decisions affecting the public will act fairly. Therefore, if a Local Authority withdraws a benefit previously afforded to the public, it will be under an obligation to consult with the beneficiaries of that service before withdrawing it. That obligation requires there to be a proposal, consultation on the proposal before the decision is reached and that the responses to the consultation are conscientiously considered in the decision making process. Failure to do so will risk the decision being overturned following Judicial Review.
24. The Local Authority is also required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010.

Equalities and Diversity

25. The proposal to launch a consultation on changes to externally commissioned young people's early help services and projects will help young people, providers and partners that are affected by proposed changes to have a say about how best to realise the required level of saving.
26. An Equality Impact Assessment is being developed and will be added to in response to the findings of the consultation process. So far this has identified the following key impacts which we will work to mitigate through the overall transformation of early help:
- i. Over 2,000 young people in some of Surrey's communities with the greatest need are supported through Neighbourhood Local Prevention projects each

year – any decision to withdraw funding for this service will mean some of these young people are no longer provided with early help support.

- ii. Both the 1-to-1 Local Prevention and Year 11/12 Transition services provide highly targeted support to vulnerable young people who have been specifically identified as in need of an early help intervention – any changes to these services will have a significant impact on the young people currently supported.

Other Implications:

27. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	All young people's early help services play a role in preventing young people becoming Looked After. Reductions to these services increase the risk of more young people becoming Looked After
Safeguarding responsibilities for vulnerable children and adults	All young people's early help services play a role in safeguarding vulnerable young people in Surrey. Reductions to these services will reduce the routes in to Children's Services and early help offer for young people.
Public Health	All young people's early help services play a role in a range of public health issues for young people, including preventing substance misuse, improving sexual health, and promoting healthy lifestyles, in response to young people's needs and local priorities set by Youth Task Groups. Reduction to these services will reduce preventative work with young people in these areas.
Climate change	No significant implications arising from this report
Carbon emissions	No significant implications arising from this report

WHAT HAPPENS NEXT:

28. The next steps in the project are set out in the timeline included under paragraph 12 of this report. In particular, it is proposed that a six-week consultation on recommended changes is launched on 9 March 2017.
29. A further Cabinet report, setting out the outcome of the consultation process and seeking a final decision from Cabinet as to how the required savings should be realised, will be brought to the meeting on 30 May 2017.

Contact Officer:

Frank Offer, Head of Market Strategy, CSF Commissioning
frank.offer@surreycc.gov.uk, 0208 541 9507

Chris Tisdall, Senior Commissioning Manager, CSF Commissioning
chris.tisdall@surreycc.gov.uk, 0208 541 7567

Consulted:

Local Committee Chairmen's Meeting
Surrey Youth Collective
Cabinet Member for Children and Families Wellbeing

Background papers:

- Cabinet Report, Creating Opportunities for Young People: Re-commissioning for 2015-2020, 23 September May 2014
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SURREY COUNTY COUNCIL**CABINET****DATE: 28 FEBRUARY 2017****REPORT OF: MR DAVID HODGE, LEADER OF THE COUNCIL****LEAD OFFICER: SHEILA LITTLE, DIRECTOR OF FINANCE****SUBJECT: FINANCE AND BUDGET MONITORING REPORT TO
31 JANUARY 2017****SUMMARY OF ISSUE:**

The Council takes a multiyear approach to its budget planning and monitoring, recognising the two are inextricably linked. This report presents the Council's financial position as at 31 January 2017 (month ten).

Given the large forecast variance reported as at 30 September 2016 and despite the improvement reported as at 31 December 2016, following the series of actions instigated by each service director to get the 2016/17 budget back into balance, I remind members about the seriousness of the financial position. This was clear from what the Section 151 Officer stated in her report to Full Council in February on the 2017/18 to 2019/20 budget and medium term financial plan. Although short term actions have brought the in-year overspend closer to a balanced budget there, there remain significant underlying consequences for future years. With reserves currently at minimum safe levels in view of the risks facing the council, very careful consideration and/or exceptional circumstances would be required before further use of them could be considered.

The annex to this report gives details of the Council's financial position.

RECOMMENDATIONS:

Recommendations to follow.

REASON FOR RECOMMENDATIONS:

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.

DETAILS:**Revenue budget overview**

1. Surrey County Council set its gross expenditure budget for the 2016/17 financial year at £1,686m. A key objective of MTFP 2016-21 is to increase the council's overall financial resilience. As part of this, the Council's 2016/17 budget includes plans to make efficiencies totalling £83m.

2. The budget monitoring report to 30 September 2016 showed an unprecedented forecast year end overspend of +£22.4m. The following actions have been agreed to manage this position with the aim of bringing the 2016/17 budget back into balance by the end of the financial year:
 - the Chief Executive and Director of Finance have agreed a series of actions with service directors and are meeting regularly to review progress;
 - all services are reinforcing an approach to reviewing all spending in year;
 - all services are reviewing service demands with a view to managing more efficiently; and
 - Cabinet will, wherever sensible, not agree further spend commitments until a balanced budget is assured and progress towards a sustainable Medium Term Financial Plan (MTFP) made.
3. The Council aims to smooth resource fluctuations over its five year medium term planning period. To support the 2016/17 budget, Cabinet approved use of £24.8m from the Budget Equalisation Reserve and carry forward of £3.8m to fund continuing planned service commitments. The Council currently has £21.3m in general balances.
4. In January 2017, Cabinet approved the Council's Financial Strategy 2017-20. The Financial Strategy aims to:
 - secure the stewardship of public money;
 - ensure financial sustainability
 - enable the transformation of the council's services and
 - build partnerships to achieve better value outcomes.

Capital budget overview

5. Creating public value by improving outcomes for Surrey's residents is a key element of the Council's corporate vision and is at the heart of MTFP 2016-21's £651m capital programme, which includes £207m spending planned for 2016/17.

Budget monitoring overview

6. The Council's 2016/17 financial year began on 1 April 2016. This budget monitoring report covers the financial position at the end of the tenth month of 2016/17 (31 January 2017). The report focuses on material and significant issues, especially monitoring MTFP efficiencies. The report emphasises proposed actions to resolve any issues.
7. The Council has implemented a risk based approach to budget monitoring across all services. The approach ensures the Council focuses effort on monitoring those higher risk budgets due to their value, volatility or reputational impact.
8. A set of criteria categorise all budgets into high, medium and low risk. The criteria cover:

- the size of a particular budget within the overall council's budget hierarchy (the range is under £2m to over £10m);
 - budget complexity, which relates to the type of activities and data monitored (this includes the proportion of the budget spent on staffing or fixed contracts - the greater the proportion, the lower the complexity);
 - volatility, which is the relative rate that either actual spend or projected spend moves up and down (volatility risk is considered high if either the current year's projected variance exceeds the previous year's outturn variance, or the projected variance has been greater than 10% on four or more occasions during the current year); and
 - political sensitivity, which is about understanding how politically important the budget is and whether it has an impact on the council's reputation locally or nationally (the greater the sensitivity the higher the risk).
9. Managers with high risk budgets monitor their budgets monthly, whereas managers with low risk budgets monitor their budgets quarterly, or more frequently on an exception basis (if the year to date budget and actual spend vary by more than 10%, or £50,000, whichever is lower).
10. Annex 1 to this report sets out the Council's revenue budget forecast year end outturn as at 31 January 2017. The forecast is based upon year to date income and expenditure and financial year end projections using information available as at 31 January 2017.
11. The report provides explanations for significant variations from the revenue budget, with a focus on efficiency targets. As a guide, a forecast year end variance of greater than £1m is material and requires a commentary. For some services £1m may be too large or not reflect the service's political significance, so variances over 2.5% may also be material.
12. Annex 1 to this report also updates Cabinet on the Council's capital budget. Appendix 1 provides details of the MTFP efficiencies, revenue and capital budget movements.

CONSULTATION:

13. All Cabinet Members will have consulted their relevant director or head of service on the financial positions of their portfolios.

RISK MANAGEMENT AND IMPLICATIONS:

14. Risk implications are stated throughout the report and each relevant director or head of service has updated their strategic and or service risk registers accordingly. In addition, the leadership risk register continues to reflect the increasing uncertainty of future funding likely to be allocated to the Council.

Financial and Value for Money Implications

15. The report considers financial and value for money implications throughout and future budget monitoring reports will continue this focus.

Section 151 Officer Commentary

16. The Section 151 Officer confirms the financial information presented in this report is consistent with the Council's general accounting ledger and forecasts have been based on reasonable assumptions, taking into account all material, financial and business issues and risks.
17. In light of the large forecast variance reported as at 30 September 2016 and despite the improvement reported as at 31 December 2016, the Section 151 Officer takes the view expressed in her Budget Report to the Full Council in February 2017 that the financial situation facing the Council is now even more serious.
18. Although short term actions have brought the in-year overspend closer to a balanced budget since September, there remain significant underlying consequences for future years.
19. Furthermore, during 2017/18, the council must deliver already stretching service reduction plans of £93m and identify and deliver an additional £30m permanent service reductions. Plus the council must also deliver sufficient one-off savings to account for any part year effect of delays in achieving the additional £30m new permanent reductions (likely to be significant).
20. With the council's reserves already at minimum safe levels, these should be retained to mitigate against the risk of non-delivery of significant savings targets and not used to balance the 2016/17 or 2017/18 budgets. Very careful consideration and/or exceptional circumstances would be required before further use of them could be considered.
21. The Chief Executive and Director of Finance have agreed a series of actions with service directors to recover the position in year and are meeting regularly with the directors to monitor the effectiveness of these actions. Progress will be reported in each subsequent budget monitoring report to Cabinet.
22. As well as these actions to bring the in-year budget back into balance, each directors is reviewing their service approaches to manage down the financial consequences for future years.

Legal Implications – Monitoring Officer

23. The Local Government Finance Act requires the Council to take steps to ensure that the Council's expenditure (that is expenditure incurred already in year and anticipated to be incurred) does not exceed the resources available. In view of the situation reported as at 30 September 2016, Cabinet should be aware that if the Section 151 Officer, at any time, is not satisfied that appropriate strategies and controls are in place to manage expenditure within the in-year budget she must formally draw this to the attention of the Cabinet and Council and they must take immediate steps to ensure a balanced in-year budget.

Equalities and Diversity

24. Any impacts of the budget monitoring actions will be evaluated by the individual services as they implement the management actions necessary.

Other Implications:

25. The potential implications for the following Council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:	Direct Implications:
Corporate Parenting / Looked After Children	No significant implications arising from this report.
Safeguarding responsibilities for vulnerable children and adults	No significant implications arising from this report.
Public Health	No significant implications arising from this report.
Climate change	No significant implications arising from this report.
Carbon emissions	No significant implications arising from this report.

WHAT HAPPENS NEXT:

26. The relevant adjustments from the recommendations will be made to the council's accounts.

Contact Officer:

Sheila Little, Director of Finance
020 8541 7012

Consulted:

Cabinet, strategic directors, heads of service.

Annexes:

- Annex 1 – Revenue budget, staffing costs, efficiencies, capital programme.
- Appendix 1 – Service financial information (revenue and efficiencies), revenue and capital budget movements.

Sources/background papers:

- None
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SURREY COUNTY COUNCIL**CABINET****DATE: 28 FEBRUARY 2017****REPORT OF: MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS SERVICES AND RESIDENT EXPERIENCE****MR RICHARD WALSH, CABINET MEMBER FOR LOCALITIES AND COMMUNITY WELLBEING****LEAD OFFICER: LAURA FORZANI - HEAD OF PROCUREMENT & COMMISSIONING****PETER MILTON – HEAD OF CULTURAL SERVICES****SUBJECT: PROVISION OF THE SELECTION AND SUPPLY OF LIBRARY RESOURCES****SUMMARY OF ISSUE:**

To award a call off contract to Askews and Holts Library Services Ltd for the provision of the selection and supply of library resources to commence on 1 April 2017. The report provides details of the procurement process, including the results of the evaluation process, and, in conjunction with the Part 2 report demonstrates why the recommended contract award delivers best value for money.

RECOMMENDATIONS:

It is recommended that a call off contract for the provision and supply of Library resources be awarded to Askews and Holts Library Services Ltd. This call off contract would be under the CBC Framework for the provision of Library Books and Audio Visual Materials.

REASON FOR RECOMMENDATIONS:

The existing contract will expire on 31 March 2017. Access to an existing framework, in compliance with the requirement 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.

DETAILS:**Business Case**

1. This report recommends that a call off contract for the provision of the selection and supply of library resources to commence on 1 April 2017 is awarded to Askews and Holts Library Services Ltd. The detail in Part 2 of this report demonstrates why the recommended contract award delivers best value for money for Surrey County Council.

Background and options considered

2. The library service provides 52 libraries across Surrey, an award winning Performance Arts library and three Community Link libraries. Ten of these libraries are community partnered libraries managed by local volunteer groups. The three community links are also run by volunteers. The library service aims to provide the library needs of everyone who lives, works and studies in Surrey. Surrey libraries have 319,000 current members with book borrowing still the most popular with over five million issues a year and over three million physical visits. There has been an increase in children's borrowing by over 500,000 in ten years and over 1 million children's books issued last year. Customer satisfaction rates across the board are 97%.
3. Books remain the lifeblood of the service and one of the highest valued and most used services. As part of budget reductions in the last three years, along with staffing reductions of over £600,000, the library service has made required resources budget reductions of £577,000 on its book fund. Vigorous tendering for suppliers, driving down prices and driving up discounts has helped maintain as good a stock level as possible for Surrey residents with these reductions.
4. The largest libraries (Group A) hold a wide depth and range of stock covering all subject areas. With high levels of use they receive a very wide range of bestseller and new titles to cope with customer demand. In addition they receive an excellent range of new non-fiction titles each year.
5. The medium sized libraries (Group B) receive a wide range of stock covering all areas of reader interest. 85% of the workload of issues and visits in the library service is delivered by the Group A and B libraries together.
6. The small local libraries (Group C) have a core offer of stock that will appeal to all ages by providing them with a range of popular leisure reading, both fiction and non-fiction, that is in line with current reading interests and trends. This stock is changed on a regular basis.
7. Libraries need an effective procurement system to ensure the regular supply of suitable new resources including books, music CDs & DVD films for both adults and children. This stock is promoted in the libraries and through regular e-newsletters to library members. The stock needs to be kept refreshed on a regular basis in order to attract more people into the libraries. The 1964 Public Libraries and Museums Act require library authorities to *"provide a comprehensive and efficient library service"*. New stock is central to this.
8. The existing contract for the provision of the selection and supply of library resources will expire on 31 March 2017.
9. The previous Contract provided supplier self-selection for junior resources only. Under the new contract, supplier self-selection across all genres will be further utilised, helping the stock team manage the stock more efficiently on already reduced staffing.
10. Should the Council decide to further utilise supplier selection of goods, whereby the supplier chooses which titles to provide, rather than the library service placing orders, Surrey will be able to explore savings in employee

time resulting in operational efficiencies within the stock team. Supplier selection is undertaken by dedicated Askews & Holts librarians, working to a detailed specification provided by the library service. They monitor the use of our stock to ensure they buy the books our users want to read. Titles are ordered three months ahead of publication to ensure libraries have stock in the library on the actual day of publication, satisfying demand.

11. The library service has also taken a number of steps, with the reduction in purchasing budget and the number of new books available, to encourage people to manage their book borrowing in a way that returns books promptly. The number of times books can be renewed has been reduced to improve the stock turn of all books so that the resident experience is not adversely affected by the reduction in volume of new books coming into the service. The book fund reduction is part of a number of changes which will be introduced to reduce the cost of the library service and make it more sustainable in the future
12. The total library resources budget for 2016/17 is £1,594,313. The total resources budget has a proposed reduction of £246,000 in 2017/18 and a further £100,000 in 2018/19, which will reduce the total resources budget to £1,248,313 (excluding any small inflationary increases). These budget figures are provisional and could still significantly change. Future library resources spend will be in line with budgetary reductions.

Procurement Strategy

13. Several options were considered when completing the Strategic Sourcing Plan (SSP) prior to commencing the procurement activity. These options included carrying out an EU tender process or utilising an existing framework.
14. After a full and detailed options analysis it was decided to award a call-off contract under the Central Buying Consortium (CBC) Framework as this demonstrated that average discounts are comparable with those that we are currently receiving, meaning minimal cost increase to SCC and surety of cost which would not be certain if a tender process was carried out.
15. This was demonstrated through analysis which showed the library supply market is now limited to just three book suppliers & two audio visual suppliers. Two library book stock suppliers have extended their offering to include Audio visual material and e-books. Although Surrey would incur management fees, engagement with incumbent suppliers suggests that Surrey is unlikely to realise the same level of discounting as achieved when last procured through a tender process four years ago. Not carrying out a full tender process also saves officer time and has reduced the overall procurement timetable.
16. A joint Procurement and project team was set up including representatives from Library Service, SCC Legal and SCC Finance.

Key Implications

17. By awarding a contract to the supplier recommended for the provision of selection and supply of library resources to commence on 1 April 2017, the Council will be meeting its duties and ensuring Cultural Services is able to fulfil its aims outlined in the Background section to this report above.

18. The management responsibility for the contract lies with the library service and will be managed in line with the Contract Management Strategy and plan as laid out in the contract documentation which also provides for review of performance and costs.
19. The contract is performance managed through a series of Key Quarterly Performance Indicators. Where the supplier fails to meet targets the contract provides differing levels of response. This ranges from a requirement to put in place approved correction plans, up to termination of some or all orders placed, including possible supplier suspension from the Framework Agreement. Coupled with the contracts non-exclusivity and termination clauses, this provides a comprehensive set of tools to remedy any poor performance.

CONSULTATION:

20. Members of the Library Service, SCC Legal and Finance have been consulted with at all stages of the commissioning and procurement process, including the chosen procurement strategy and agreeing the contract award.

RISK MANAGEMENT AND IMPLICATIONS:

21. The following key risks associated with the contract and contract award have been identified, along with mitigation activities:

Category	Risk Description	Mitigation Activity
Financial	Available budget is reduced or withdrawn	The Framework Agreement includes a 'No Guarantee' clause which states no guarantee that any Request (or resulting Order) will be issued to the Contractor. This clause also states non-exclusivity. This means there is no contractually committed minimum level of expenditure.
	A significant change in service provision is required	The contract can be terminated with notice of 30 days.
	The supplier ceases business	Ongoing monitoring of supplier performance and continued market awareness. The framework supplier has passed comprehensive financial checks.
Reputational	Failure to purchase the correct items leads to a reduction in the number of items borrowed.	Monitoring of supplier management information and issues figures will ensure that items suitable for loan in Surrey's libraries are purchased.

Financial and Value for Money Implications

22. Full details of the contract value and financial implications are set out in the Part 2 report.
23. The procurement activity has delivered a solution within budget.
24. Accessing the CBC Framework will provide better discount rates than an individual tender for these goods, due to economies of scale. Although Surrey's previous tender provided better discount rates than the CBC Framework, engagement with incumbent suppliers suggests that Surrey is unlikely to realise the same level of discounting. This is due to a reduction in the number of suppliers in the market and reduced levels of funding for libraries across the Public Sector.
25. Benchmarking information regionally and nationally indicates that the discounts under the CBC Framework are better than those of alternative available frameworks.

Section 151 Officer Commentary

26. This contract enables the library service to meet its requirements for the efficient, economic and effective acquisition of Library resources, whilst providing the flexibility to control future provision and costs should service or budgetary changes require.

Legal Implications – Monitoring Officer

27. As set out in this report access to the CBC Framework Agreement is in compliance with the EU compliant procedures and has also complied with the Council's Procurement Standing Orders.
28. Responsibility for the provision of the goods is in line with the statutory requirements. The provision of a "*comprehensive and efficient library service*" is a legal requirement under the 1964 Public Libraries and Museums Act.

Equalities and Diversity

29. An equalities impact assessment has been written and is available as a background paper. This is attached in Annex 1. Resource provision is well placed to improve the service to equality groups with a number of reviews and projects being proposed. We will ensure that we work closely with other library service teams, County Council departments and our customers, or potential customers, to enable delivery of these (see "Recommendations" section of the EIA).

Other Implications:

30. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:	Direct Implications:
Carbon emissions	Direct delivery of library stock from the supplier to the library, reducing the carbon emissions footprint.

WHAT HAPPENS NEXT:

31. The timetable for implementation is as follows:

Action	Date
Cabinet decision to award (including 'call in' period)	28 February 2017
'Alcatel' Standstill Period	10 March 2017
Contract Signature	11 March 2017
Contract Commencement Date	1 April 2017

32. The Council has an obligation to allow unsuccessful suppliers the opportunity to challenge the proposed contract award. This period is referred to as the 'Alcatel' standstill period.

Contact Officer:

Jo Stone, Procurement Officer 01273 481512 / 07701 394479
 Dan Smith, Senior Category Specialist 020 8541 7768 / 07966 807782
 John Case, Senior Manager - Stock Development & Design 07837 113140

Consulted:

Andy Tink – Senior Principal Accountant
 Naz Fox – Senior Solicitor
 Laura Forzani – Head of Procurement

Annexes:

Part 2 Annex
 Annex 1 EIA Library Resources, updated 2016

Sources/background papers:

Strategic Sourcing Plan

Addressing

Cultural Services - Library

Capital Programme FIA 2010

Surrey County Council Equality Impact Assessment Template

Stage one – initial screening

What is being assessed?	Library Resources
Service	Customer Services – Library Service
Name of assessor/s	John Case
Head of service	Peter Milton
Date	December 2010 – Reviewed December 2016
Is this a new or existing function or policy?	Existing

Write a brief description of your service, policy or function. It is important to focus on the service or policy the project aims to review or improve.

The Stock Development & Design Team, have a responsibility to:

- Select, order and allocate the lending resources purchased through a range of contracted suppliers. This includes not only books in various formats but also audio books, ebooks and eaudio, DVDs, music scores, newspapers and a range of online references
- Deliver and develop a stock management framework utilising management information systems to enable stock management to be undertaken on a planned and consistent basis.
- Develop and deliver an appropriate stock offer for all service points that uses ways of encouraging increased engagement with reading.
- Work with other colleagues to enhance the promotion and display of stock to encourage increased usage.

The Stock Team select stock each year according to a budget strategy which, as well as outlining areas of stock to be purchased as usual, will also highlight areas of stock that has been identified as requiring increased development. This strategy ensures that stock is purchased to cover the needs of all its users both now and in the future.

The Stock Team work to a budget determined annually by the Surrey County

Council that currently, for 2016/2017 is £1,594,313.

Indicate for each equality group whether there may be a positive impact, negative impact, or no impact.

Equality Group	Positive	Negative	No impact	Reason
Age	✓	✓		<p>Resources are purchased across all age groups.</p> <p>Age specific selections are bought and displayed in libraries to enable ease of selection especially with regard to books for 0 to 12 year olds.</p> <p>Teenagers are less likely to use the library despite specific resources being provided and engagement with this user group is ongoing. Work is being carried out to attract this audience to libraries by involving teenagers in library book selection and layout through the "Headspace" initiative. Alternatives electronic formats may also have an appeal to this audience.</p> <p>Older people are more likely to suffer from poor eyesight so books are also purchased in large print, as spoken word on CD and as downloadable audio.</p> <p>A Library Direct Home Service is also available for people who are unable to visit the library in person owing to ill-health,</p>

				<p>disability, mobility problems or caring responsibilities. Volunteers can deliver both books and audio books directly to a person's home.</p> <p>The loan of spoken word sets does attract a hire charge, but concessionary free loans are available on these as appropriate.</p> <p>Information on the legal aspects of equality is also provided.</p>
Gender Reassignment	✓	✓		<p>Resources are not purchased specifically to cover this topic but we do purchase items in fiction and non-fiction which cover relevant and related issues.</p> <p>We are currently working on highlighting the materials we have through the website to ensure ease of access.</p> <p>Information on the legal aspects of equality is also provided.</p>
Disability	✓	✓		<p>People with disabilities are able to access relevant resources through the libraries.</p> <p>Resources, both adult and children's, are purchased that cover issues surrounding disabilities of all types.</p> <p>A Library Direct Home Service is also available for people who are unable to visit the library in person</p>

			<p>owing to ill-health, disability, mobility problems or caring responsibilities. Volunteers can deliver both books and audio books directly to a person's home.</p> <p>Resources are purchased to assist this equality group, those who assist them and those who live and work alongside them.</p> <p>Children's coverage is mainly through the provision of 'Situation' books (i.e. Books, often stories, designed to be read by or with children that deal with life experiences and situations).</p> <p>People, both adults and children, suffering from poor eyesight are able to access books in large print editions, as spoken word on CD and as downloadable audio.</p> <p>The loan of spoken word sets does attract a hire charge, but concessionary free loans are available on these as appropriate.</p> <p>Resources are purchased and highlighted through book promotions. e.g. "Read Yourself Well" provided a selection of self-help books aimed at people with low to moderate mental health issues to assist them by developing their self awareness and understanding.</p> <p>Information on the legal aspects of equality is also</p>
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				provided.
Sex	✓			<p>Resources, fiction and non-fiction, for all ages are purchased to provide reading and information to both genders.</p> <p>Information on the legal aspects of equality is also provided.</p>
Religion and belief	✓			<p>Resources, fiction and non-fiction, for all ages are purchased to provide information and cover issues surrounding all religions.</p> <p>Resources are purchased both to assist members of the equality group and those who live and work alongside them.</p> <p>Information on the legal aspects of equality is also provided.</p> <p>Donations of religious texts are, when offered, added to stock if they meet our library donations policy. (See page 10)</p>
Pregnancy and maternity	✓	✓		<p>Resources providing information on this subject are purchased for library stock.</p> <p>Children's coverage is mainly through the provision of 'Situation' books (i.e. Books, often stories, designed to be read by or with children that deal</p>

				with life experiences and situations).
Race	✓	✓		<p>Resources, fiction and non-fiction, for all ages are purchased to provide information and cover issues surrounding race.</p> <p>Books are purchased to provide information of other countries and peoples.</p> <p>Resources are purchased both to assist members of the equality group and those who live and work alongside them.</p> <p>For people who do not speak or struggle with English, books, both adult and junior, are made available for loan in other languages. Currently books in dual language (i.e. with the text in both English and another language) are only available in a few languages.</p> <p>We have been working closely with the Chinese Community of Woking to set up a 'Chines Collection' of over 800 titles, in Mandarin, aimed specifically at children and young people. This collection will be housed at Woking Library.</p> <p>Although we do need to use products such as "Mosaic" to ensure that we have identified all possible groups in Surrey, previous work has shown that Surrey</p>

			<p>includes only small groups of non English speakers. Because of this a general approach to language provision is most appropriate.</p> <p>Resources for children are also purchased mainly through the provision of Situations books (i.e. how to deal with situations). Currently situations collections in libraries have become dated in both their content and display and need to be reviewed.</p> <p>Information on the legal aspects of equality is also provided.</p>
Sexual orientation	✓	✓	<p>Resources are specifically purchased to cover sexual orientation in both fiction and non-fiction for adults and young people. Reading lists are made available on the libraries' website and are updated on a regular basis.</p> <p>We actively engage with groups to look at the <i>provision of LGBT related materials</i>.</p> <p>Information on the legal aspects of equality is also provided.</p>
Carers	✓	✓	<p>Resources are purchased both to assist members of this equality group.</p> <p>A "Reminiscence Collection" is maintained to provide resources for carers to assist with their work with people suffering</p>

				<p>from dementia and early onset Alzheimers.</p> <p>Children's coverage is mainly through the provision of 'Situation' books (i.e. Books, often stories, designed to be read by or with children that deal with life experiences and situations).</p>
Other equality issues – please state			✓	
HR and workforce issues			✓	Please indicate if a separate EIA needs to be carried out
Human Rights implications if relevant			✓	

If you find a negative impact on any equality group you will need to complete stage one and move on to stage two and carry out a full EIA.

A full EIA will also need to be carried out if this is a high profile or major policy that will either effect many people or have a severe effect on some people.

Is a full EIA required?	✓ Yes (go to stage two)	No
If no briefly summarise reasons why you have reached this conclusion, the evidence for this and the nature of any stakeholder verification of your conclusion.		
Briefly describe any positive impacts identified that have resulted in improved access or services		

For screenings only:

Review date	
Person responsible for review	
Head of Service signed off	
Date completed	

- Signed off electronic version to be kept in your team for review
- Electronic copy to be forwarded to Equality and Diversity Manager for publishing

Stage 2 – Full Equality Impact Assessment - please refer to [equality impact assessment](#) guidance available on Snet

Introduction and background

Using the information from your screening please describe your service or function. This should include:

- **The aims and scope of the EIA**
- **The main beneficiaries or users**
- **The main equality, accessibility, social exclusion issues and barriers, and the equality groups they relate to (not all assessments will encounter issues relating to every strand)**

The aim of this EIA is to look at current selection and management of stock to ensure that adequate provision is made to meet the needs of the identified equality groups.

It is possible to do this through the purchase of general stock but some provision of more specialist materials (e.g. books in languages other than English) is also required. Rather than creating specific collections of materials for use by equality groups, which leads to the use of these resources being “ring fenced”, it is important to enable customers to find resources relevant to their needs and this can be done through the library catalogue and remotely through the website.

As the selectors of stock for the whole of the Surrey library network, the Stock Team aims to ensure that everybody has access to a range of materials to meet their educational and leisure needs. Stock selection is carried out on a “Total Stock Management” basis whereby stock bought for any one service point is made available countywide through the requests system.

Prior to the beginning of each financial year the total resources budget is subdivided into smaller budgets to enable money to be made available to provide items specified within that year’s budget strategy. It also means that

there is budget available to purchase specific materials and materials in a range of formats.

This division into smaller budgets also allows tighter budgetary monitoring and control and ensures that money is being spent as planned.

Stock is selected for each service point as appropriate taking into consideration the size of library, the stock offer for that library and the budget available.

Donations are also accepted for addition to stock, from members of the public and local groups, to be made available through the library network. Donations are managed in the same way as the stock we purchase and are only accepted on agreement to our policy, which states:

*"We will consider accepting books **in good condition** which -*

- *have been published in the last five years*
- *are recent best sellers*
- *are books on local or community history*
- *are clean copies of a 'classic title*

The library service reserves the right to use donated materials to the best advantage of the service as a whole, to decide on the most suitable location for donated stock and to dispose of any materials not required as it sees fit. The library service also reserves the right not to accept any donations which are considered unsuitable due to currency, condition or content."

Surrey County Council, Libraries Donations Policy, February 2010

Input into the selection process is important and this is done through consultation with customers, through stock suggestion form available on the libraries website and by the use of social media.

Now describe how this fits into 'the bigger picture' including other council or local plans and priorities.

The Stock Team aim to provide the resources to enable the library service as a whole to improve Surrey County Council's performance and looks at the number of issues achieved from stock and the level of library footfall i.e. people entering the library.

The resources purchased should reflect the needs of the people of Surrey and provide accessibility for all. Stock should also encourage the joy of reading and thereby improve literacy skills in both children and adults.

The resources budget is required to come in on target at the end of each financial year and shown to have gained value for money for the people of Surrey.

All work is done in ways to both meet the requirements of the Public Libraries & Museums Act, 1964 and local and national strategies that are highlighted in

the annual resources budget strategy. Plans to achieve the requirements of the Localism Bill will need to be formulated. The 1964 Act states:

7 General duty of library authorities

(1) It shall be the duty of every library authority to provide a comprehensive and efficient library service for all persons desiring to make use thereof, ... to provide and maintain ... such books and other materials...

(2) In fulfilling its duty under the preceding subsection, a library authority shall in particular have regard to the desirability —

(a) ... by the keeping of adequate stocks, by arrangements with other library authorities, and by any other appropriate means, that facilities are available for the borrowing of, or reference to, books and other printed matter, ... sufficient in number, range and quality to meet the general requirements and any special requirements both of adults and children...

Public Libraries and Museums Act 1964

Evidence gathering and fact-finding

What evidence is available to support your views above? Please include a summary of the available evidence including identifying where there are gaps to be included in the action plan.

Remember to consider accessibility alongside the equality groups

How have stakeholders been involved in this assessment? Who are they, and what is their view?

This assessment is based on information and feedback collected from a variety of stakeholders. The information is mainly quantitative although opinions sought through questionnaires and outcomes from professional discussion are included.

The major stakeholders involved include:

- Library users
- Other Library Service Teams
- Other Surrey County Council colleagues

Library users

Feedback from library users has been used to inform this assessment into the selection process through the use of the following:

- Book issue statistics by genre or specific titles
- PLUS and E-PLUS surveys (see page 13)
- Stock suggestion form
- Request service including requests per title statistics and option to

purchase where the item requested is not held in stock

- Customer complaint/comment form
- Surrey County Council departmental reports e.g. Corporate Policy department report, “Hear us, see our diversity” (see page 11)
- Forthcoming work with possible Community Partnered libraries will provide feedback for inclusion in future assessments on stock provision.

Other Library Service Teams

Other library teams have also provided input into this assessment:

- Digital Services Team – reference purchase, including hardcopy and online, and monitoring. Regular meetings with the Digital team are used to highlight areas of stock where reference and lending overlap and to discuss trends in customer resource requirements. In addition, they provide stock related feedback from the web e.g. Twitter, which has been used in this assessment. The Team are also involved in assisting the Stock Team to market the book stock through the library website and Twitter, and are working to develop the catalogue function.
- Library Information Service – public library information service. Stock related enquiries/comments are filtered through to the Stock Team and dealt with as appropriate. These indicate customer needs and provide direct customer feedback.
- Community Connections – provide stock related feedback from outreach projects which has been included in this assessment. Projects currently include “Headspace” and the Team’s ongoing work with local schools which include involvement of staff from the Stock Team as appropriate.
- Customer Network Team, Cluster Managers and frontline staff – as the public face of the service, staff receive stock related enquiries/comments from the public which are passed through to the Stock Team and dealt with as appropriate. These comments are used to indicate customer needs and show trends in use through customer feedback.

Other colleagues

Other Surrey County Council colleagues will also provided input into this assessment:

- Cultural Services Group
- DEG

Analysis and assessment

Given the available information, what is the actual or likely impact on minority, disadvantaged, vulnerable and socially excluded groups? Is

**this impact positive or negative or a mixture of both?
(Refer to the EIA guidance for full list of issues to consider when making your analysis)**

Given the current position, resource provision is well placed to improve the service to equality groups with a number of reviews and projects being proposed. We will need to ensure that we work closely with other library service teams, county council departments and our customers, or potential customers, to enable delivery of these (see “Recommendations” section)

Most of the current negative impacts highlighted can be significantly reduced given staff time and the continued maintaining of the resources budget. There are no negatives which would constitute unlawful discrimination but these would need to be continually monitored to ensure that.

It is important to continue to re-evaluate the current positive impacts to ensure that these are maintain and improved.

What can be done to reduce the effects of any negative impacts? Where negative impact cannot be completely diminished, can this be justified, and is it lawful?

Although most negative impacts are as a result of insufficient marketing which will be redressed (see “Action Plan”), some areas are however outside of our control or are dependent on budget availability:

- The reduction in the availability of title published in Large Print and Spoken Word formats, in comparison to the number of titles published generally, is a decision made by publishers based on a business decision.
- Although our suppliers can provide us with books in languages other than English, we are not able to obtain dual language texts. The supplier has made a decision not to purchase this format and we do not have the budget available currently to provide multiple copies of titles in a large number of languages in this format.

Where there are positive impacts, what changes have been or will be made, who are the beneficiaries and how have they benefited?

The Stock team will continue to purchase resources using methods currently used. It will also continue to monitor stock performance using the methods available to them.

Positive impacts that require changes to be made have been identified and listed in the “Recommendations” section.

Recommendations

Please summarise the main recommendations arising from the assessment. If it is impossible to diminish negative impacts to an acceptable or even lawful level the recommendation should be that the proposal or the relevant part of it should not proceed.

- Improve our use of the information available on equality groups in Surrey and create an action plan that ensures their views are heard.
- Use of “Mosaic”, “surreyi”, digital exclusion maps and other socio demographic tools to identify possible usage and determine the service user profile.
- Link improved information to enable the delivery of the localism agenda.
- Improve the method of stock performance monitoring.
- Implementation of an online stock suggestion process to extend access to it
- Ongoing highlighting of areas of stock through the use of the website and active promotions.
- Review and market the current use of “Situations Collections”
- Review and market the current provision of foreign language materials
- Work closely with suppliers to optimise the stock selection process and increase best value from our budget.
- Increase staffs training to ensure all services are fully marketed to our customers.
- Create and update staff awareness of the services available to equality groups.
- Ensure that the EIA action plan becomes part of the business plan of all teams involved so that it can be demonstrated that the outcomes of this report have led to a service improvement.

Action Plan – actions needed to implement the EIA recommendations

Issue	Action	Expected outcome	Who	Deadline for action
Need to improve our use of information on equality groups in Surrey	Further application of demographic data such as “Mosaic”. Develop a strategy to get the views of these groups	More targeted resource expenditure. Increased monitoring of services	Stock Team, SCC Policy & Performance Team	December 2017
Increased need to involve users and non-users in the resource selection process	Trial and implementation of “Headspace” and other projects to involve users in stock selection	Improved customer involvement. Enable practical customer support. Increase customer satisfaction with book stock to 80%	Stock Team	Ongoing
Need to improve the marketing and delivery of identified equality group resource provision	Review and re-present the current provision of materials through “Situation Collections”	Improved customer service. Improved customer access to services. Increase customer satisfaction with book stock to 80%	Stock Team	December 2017
Need to improve the marketing and delivery of identified equality group resource provision	Review and re-present the current provision of materials to cover LGBT interests and information needs	Improved customer service. Improved customer access to services. Increase customer satisfaction with book stock to 80%	Stock Team, community Connections Team	December 2017
Need to improve the marketing and delivery of identified equality group resource provision	Review and re-present the current provision of foreign language material	Improved customer service. Improved customer access to services. Increase customer satisfaction with book stock to 80%	PEST, Programme Team, Virtual Team	December 2017
Requirement to	Work with suppliers on	Better value for money.	Stock Team ,	Ongoing.

optimise supplier efficiencies in selection and delivery	selection tools and direct delivery options	Faster availability of new titles	Contracted suppliers	
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- Actions should have SMART Targets
- Actions should be reported to the Directorate Equality Group (DEG) and incorporated into the Equality and Diversity Action Plan, Service Plans and/or personal objectives of key staff.

Date taken to Directorate Equality Group for challenge and feedback	December 2010
Review date	Annually
Person responsible for review	John Case
Head of Service signed off	Peter Milton
Date completed	December 2016
Date forwarded to EIA coordinator for publishing	

- **Signed off electronic version to be kept in your team for review**
- **Electronic copy to be forwarded to your service EIA coordinator to forward for publishing on the external website**

EIA publishing checklist

- Plain English – will your EIA make sense to the public?
- Acronyms – check that you have explained any specialist names or terminology
- Evidence – will your evidence stand up to scrutiny; can you justify your conclusions?
- Stakeholders and verification – have you included a range of views and perspectives to back up your analysis?
- Gaps and information – have you identified any gaps in services or information that need to be addressed in the action plan?
- Legal framework – have you identified any potential discrimination and included actions to address it?
- Success stories – have you included any positive impacts that have resulted in change for the better?
- Action plan – is your action plan SMART? Have you informed the relevant people to ensure the action plan is carried out?
- Review – have you included a review date and a named person to carry it out?
- Challenge – has your EIA been taken to your DEG for challenge
- Signing off – has your Head of Service signed off your EIA?
- Basics – have you signed and dated your EIA and named it for publishing?

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