

Cabinet

**Date & time**

Tuesday, 28 March
2017 at 2.00 pm

Place

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

Contact

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**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 andrew.baird@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 Andrew Baird on 020 8541 9229 or 020 8541 7609.

***Note:** This meeting may be filmed for live or subsequent broadcast via the Council's internet site - at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed. The images and sound recording may be used for training purposes within the Council.*

Generally the public seating areas are not filmed. However by entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes.

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

David McNulty
Chief Executive
Monday, 20 March 2017

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

1 APOLOGIES FOR ABSENCE

2 MINUTES OF PREVIOUS MEETING: 28 FEBRUARY 2017

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 March 2017*).

b Public Questions

The deadline for public questions is seven days before the meeting (*21 March 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 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** (Pages 1 - 2)

A report has been received from the Council Overview Board.

CORPORATE PRIORITIES: 1. WELLBEING

- 6 SURREY HEARTLANDS SUSTAINABILITY & TRANSFORMATION PLAN** (Pages 3 - 14)

Surrey County Council is playing an important role in the development of the three Sustainability and Transformation Plans (STPs) across Surrey. These Plans will play a pivotal role in shaping the future health and care priorities and landscape across Surrey.

This report follows the Sustainability and Transformation Plans report presented to the Cabinet on 18 October 2016 – it provides an update on the Surrey Heartlands STP and the development of a health devolution agreement for Surrey Heartlands.

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

- 7 CRANLEIGH CHURCH OF ENGLAND PRIMARY SCHOOL** (Pages 15 - 20)

To approve the self-funding business case for the rebuilding of Cranleigh C of E Primary School in the grounds of the adjacent Glebelands Secondary School and the development of the two existing school sites to provide funding for the scheme. The new building would include sufficient capacity to expand the school by one form of entry from 330 places (1FE infant, 2FE junior) to 540 places (2FE infant, 3FE junior) and 60 place nursery to include Free Early Education for Two Year Olds (FEET) provision and will be delivered in 2019.

N.B. an annex containing exempt information is contained in Part 2 of the agenda – 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 FRAMEWORK AGREEMENT FOR RESIDENTIAL PARENTING ASSESSMENTS** (Pages 21 - 32)

In families where there are significant child protection issues, well-informed social work assessments concerning the ability of parents to keep their children safe and meet their developmental needs are essential to making appropriate decisions about whether children can be safely supported at home or whether they should be looked after by the Local Authority.

Residential Parenting Assessments conducted in Residential Family Centres are intended to provide robust, fair and evidence based assessments of parenting skills and capability for local authorities and the Courts.

The Cabinet is asked to approve establishment of a four year Residential Parenting Assessments Framework Agreement and award places on this framework to two suppliers. This framework will commence on 1 May 2017.

Due to the commercial sensitivity involved in the contract award process, the names of the providers, all financial details and evaluation scores have been put in the Part 2 report.

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

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

CORPORATE PRIORITIES: 2. ECONOMIC PROSPERITY

- 9 SURREY COUNTY COUNCIL: CORPORATE STRATEGY 2017-2022** (Pages 33 - 38)
- The Cabinet is asked to endorse a refreshed version of the Council's Corporate Strategy. The Strategy will then be presented to the County Council meeting on 23 May 2017 for approval. The Strategy will ensure that Surrey residents remain healthy, safe and confident about their future.
- 10 MEDIUM TERM FINANCIAL PLAN 2017 - 2022 AND SUSTAINABILITY REVIEW BOARD REPORT** (Pages 39 - 250)
- This report presents the Council's Medium Term Financial Plan (MTFP) for 2017 to 2020 which builds on the budget envelope and Council tax precept set by Full County Council on 7 February 2017. This covers the remaining three years of the current comprehensive spending review period beyond which there is no detail known about the funding proposals upon which to build funding assumptions. The MTFP 2017-20 is a key means for delivering the Council's strategic aims in the context of the rising demand and funding pressures it faces. The Council has a legal duty to prepare a balanced and sustainable budget and to deliver statutory services to residents. To maintain essential services, the Council requires a budget that funds these pressures and the funding for this can either come from further Government support or resources raised locally. This report sets out how this will be achieved for 2017/18.
- [The decision on this item may be called in by the Council Overview Board]*
- 11 FINANCE AND BUDGET MONITORING REPORT TO 28 FEBRUARY 2017** (Pages 251 - 256)
- 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 28 February 2017 (month 11).

Following the +£22.4m forecast variance reported as at 30 September 2016, Cabinet required officers to take effective measures to bring the 2016/17 budget back into balance. As at 31 January 2017, measures taken by the Chief Executive and the Director of Finance, with directors' support resulted in a -£25.9m improvement in the Council's forecast outturn position. Over the same period, Cabinet avoided further spending commitments, wherever possible, pending assurances of a balanced 2017/18 budget and a sustainable Medium Term Financial Plan (MTFP).

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

NB - Annex to Follow

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

12 INVESTMENT STRATEGY REVIEW

(Pages
257 -
274)

The Investment Strategy agreed by Cabinet in July 2013 was developed in response to the requirement for the Council to enhance its financial resilience in the longer term. In facilitation of this strategy, Cabinet approved the business case for the creation of a property company and associated subsidiaries in May 2014 in order to achieve a balanced property portfolio (across sectors and geographies) to generate an income for the Council. The property company, Halsey Garton Property Ltd, and its subsidiaries are referred to in this report as "the Halsey Garton Property Group" (HGP).

In order to reflect the increasing need to develop alternative and resilient revenue streams to support the Council's services and with the objective of growing the income it is now realistic to reset the strategy and grow the portfolio to reach beyond the original annual income target of £5m and aim to deliver £10m by 2020/21. The Investment Advisory Board therefore recommends that the Council puts in place the necessary arrangements to deliver the target income. These arrangements include some revisions to the governance arrangements and an enhanced role for an external advisor to provide additional resources to both acquire and then provide ongoing asset management for the portfolio.

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

13 M3 ENTERPRISE ZONE

(Pages
275 -
320)

Cabinet agreed in December that the Enterprise M3 Local Enterprise Partnership (EM3) should sign a memorandum of understanding with the Government setting out the principles for establishing an Enterprise Zone (EZ). Cabinet are now asked to agree that EM3 submit an Implementation Plan (the Plan) for the EZ to Government which will allow it to be formally established from 1 April 2017.

N.B. an annex containing exempt information is contained in Part 2 of the agenda – item 19.

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

CORPORATE PRIORITIES: 3. RESIDENT EXPERIENCE

14 SURREY LOCAL FLOOD RISK MANAGEMENT STRATEGY (Pages 321 - 458)

Surrey is a County at high risk of flooding. Flooding in Surrey comes from a number of sources and can be classified as either fluvial - from rivers; surface water – when water does not penetrate into the ground as a result of impermeable or saturated surfaces; ground water – when the natural level of water in the ground rises to the surface; or surcharging – when sewers overflow.

In excess of 30,000 properties in Surrey are at risk from fluvial, ground and surface water sources. The County Council has specific responsibilities for managing these risks and acknowledges a wider responsibility beyond this because of the severe impact flooding has on individuals and communities.

In recent years flood incidents relating to the River Thames and its tributaries, along with other watercourses and areas that are susceptible to surface and ground water flooding have caused severe hardship and suffering to a number of Surrey residents and damage to the County's economy. Many are yet to fully recover from the last major flood event in 2013/14 and the risk of future flooding is significant.

Surrey County Council (SCC) recognises the impacts of flooding and the risks from further incidents in the County and as a result has supported and initiated a number of projects to enhance flood risk management across Surrey. These include: leading on the development and construction of numerous flood alleviation schemes, supporting residents and other local groups such as Parishes to establish Flood Action Groups, working with the National Flood Forum to support communities at risk of flooding, overseeing the Repair and Renew Grant which allowed residents to install property level protection on their homes, facilitating the inclusion of sustainable drainage on all new major developments and launching an awareness campaign for landowners (riparian owners). In addition to this the Council is playing a key role in the development of the River Thames Scheme.

In order to capture these and other changes there is a need to update Surrey's Local Flood Risk Management Strategy (LFMRS).

SCC is designated as 'Lead Local Flood Authority' (LLFA) for Surrey under the Flood and Water Management Act (2010) and has a duty under the Act to "*develop, maintain, apply and monitor a strategy for local flood risk management in its area*".

Surrey's LFRMS was first published in December 2014. The attached Strategy (**Annex 1**) represents a refresh of the 2014 version and incorporates an updated approach to flood risk management.

It is important for the Council to consider how long-term flood risk management activities can be resourced. A significant amount of funding for flood alleviation schemes currently comes from flood defence grants from DEFRA, the Thames Regional Flood and Coastal Committee and the Council's own capital budget. Other sources of funding and ways to resource flood risk management will have to be considered in the context of reduced public finances.

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

15 LEADER / DEPUTY LEADER / CABINET MEMBER DECISIONS TAKEN SINCE THE LAST CABINET MEETING (Pages 459 - 460)

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

The annex to this report will be circulated separately prior to the Cabinet meeting.

16 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.

P A R T T W O - I N P R I V A T E

17 CRANLEIGH CHURCH OF ENGLAND PRIMARY SCHOOL (Pages 461 - 470)

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 FRAMEWORK AGREEMENT FOR RESIDENTIAL PARENTING ASSESSMENTS (Pages 471 - 478)

This is 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 Social Care Services Scrutiny Board]

- 19 M3 ENTERPRISE ZONE** (Pages 479 - 604)
- This is 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 either the Council Overview Board or the Economic Prosperity, Environment and Highways Scrutiny Board]*
- 20 PARTIAL RE-FINANCING OF SURREY'S PFI WASTE CONTRACT** (Pages 605 - 612)
- HM Treasury (HMT) introduced rules which allow the public sector to trigger a refinancing on existing Private Finance Initiative (PFI) and Public Private Partnership (PPP) projects; and keep the greater proportion of the refinancing gain.
- The partial refinancing will improve the value for money and affordability of the existing waste PFI contract to the Council and residents.
- 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 Economic Prosperity, Environment and Highways Scrutiny Board]*
- 21 PROPERTY TRANSACTION** (Pages 613 - 634)
- This is a Part 2 report relating to a property transaction.
- 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 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.