

**MINUTES OF THE MEETING OF THE CABINET
HELD ON 17 DECEMBER 2019 AT 2.00 PM
AT ASHCOMBE SUITE, COUNTY HALL, KINGSTON UPON THAMES,
SURREY KT1 2DN.**

These minutes are subject to confirmation by the Cabinet at its next meeting.

Members:

*Mr Tim Oliver (Chairman)	*Mr Mike Goodman
*Mr Colin Kemp (Vice-Chairman)	*Mrs Mary Lewis
*Ms Charlotte Morley	*Mrs Julie Iles
*Mrs Sinead Mooney	*Mr Matt Furniss
*Mr Mel Few	*Ms Denise Turner-Stewart

Deputy Cabinet Members:

*Mrs Natalie Bramhall	Miss Alison Griffiths
*Mr Mark Nuti	

* = Present

PART ONE
IN PUBLIC

206/19 APOLOGIES FOR ABSENCE [Item 1]

Ms Alison Griffiths gave her apologies.

207/19 MINUTES OF PREVIOUS MEETING: 26 NOVEMBER 2019 [Item 2]

The Minutes of the meeting held on 26 November were approved as a correct record.

208/19 DECLARATIONS OF INTEREST [Item 3]

Mr Mel Few declared a personal interest in relation to agenda item 8, Surrey Waste Local Plan: Proposed Main Modifications.

209/19 MEMBERS' QUESTIONS [Item 4a]

There were none.

210/19 PUBLIC QUESTIONS [Item 4b]

There was one question from Mrs Smyth who was unable to attend the meeting. This and the Cabinet response were published as a supplement to the agenda.

211/19 PETITIONS [Item 4c]

There were none.

212/19 REPRESENTATIONS RECEIVED ON REPORTS TO BE CONSIDERED IN PRIVATE [Item 4d]

There were none.

213/19 REPORTS FROM SELECT COMMITTEES , TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL [Item 5]

There were none.

214/19 LEADER / DEPUTY LEADER / CABINET MEMBER/ STRATEGIC INVESTMENT BOARD DECISIONS TAKEN SINCE THE LAST CABINET MEETING [Item 6]

RESOLVED:

That the decisions taken by Cabinet Members since the last meeting as set out in Annex 1 to the submitted report be noted.

215/19 SURREY SCHOOLS & EARLY YEARS FUNDING 2020-21 [Item 7]

The Cabinet Member for All-Age Learning introduced a report that set out the recommended funding formula for Surrey schools in 2020/21 and proposed the principles to be adopted in the funding of early years in 2020/21 and explained that the local authority was required to consult on and maintain local formula arrangements to allocated the Dedicated Schools Grant (DSG).

She explained how the Schools Forum, a statutory body, must be consulted on the allocation of DSG and that they had rejected the proposal to transfer funding to the High Needs Block (HNB) which provides some funding for children with Special Education Needs.

The consultation response rate from the schools forum was lower than last year possibly because the consultation period was shorter following delays by the Department for Education (DfE) in publishing funding levels. She had circulated a presentation given by the representative head teacher for the secondary phase to the Forum. Reflections on this presentation had been considered in the re-drafted Equalities Impact Assessment (EIA). She described the Forum's two main concerns which the cabinet should give due regard to along with the responses to the consultation before considering the recommendations.

The Cabinet Member clarified that assumptions were made for planning purposes and were subject to annual consultation. The Forum had agreed that there was no inaccuracy in the submission and in future a protocol would be developed with the Forum for next year's funding consultation. There had been discussion around whether the council was receiving significant additional funding in respect of the HNB. She stated that £12.2m was not significant in the context of the current deficit of £18m carried forward from 2018/19 and pressures forecast that outweighed this sum (£29m). This information was shared with the Forum.

The updated EIA relates to the impact of transferring £3.3M from DSG to HNB. It was not possible to ascertain what impact this proposal may have because schools control their own budgets and will make individual decisions as to how the allocated budget will be spent. It was possible that schools

would be able to redistribute resources so that there was no discernible impact at all.

The possibility of the council funding the Special Education Needs & Disabilities (SEND) deficit had been discounted for two main reasons. Firstly, the council had already budgeted for a contribution to an offsetting reserve to match the cumulative HNB deficit. There was no room in the budget for any further support to SEND. The intention was that SEND spend would reduce to grant levels over three years, so the budgeted contribution to the reserve could then be used for other purposes. Secondly, the direction from the DfE had indicated that the intention was for councils not to use general fund resources to fund DSG deficits.

The Leader confirmed that the Council would continue to lobby for SEND funding.

RESOLVED:

That the proposals set out in Annex 3 to the submitted report be approved, namely that:

1. An appeal be lodged with the Secretary of State for Education to overturn the decision of the Schools Forum and permit the transfer of 0.5% of the schools block (estimated at £3.3 million) to support high needs SEND (Special Education Needs & Disabilities).
2. The transition to the National Funding Formula (NFF) progresses at a steady rate to an estimated 92.5% of published 2020/21 NFF values.
3. The council implement the DfE's recommended Minimum Per Pupil Level in full.
4. the Schools Forum's formula recommendations for Schools and early years funding as set out in Annex 3 of the submitted report be approved.
5. the cost of additional Special Education Needs (SEN) funding for inclusive schools be contained within £0.9 million per year. To achieve this, authority was delegated to the Director of Education, Lifelong Learning & Culture in consultation with the Cabinet Member for All-Age Learning to approve amendments to the schools and early years additional SEN funding and notional SEN funding formula, following discussion with Schools Forum in December.
6. authority be delegated to the Director of Education, Lifelong Learning & Culture in consultation with the Cabinet Member for All-Age Learning to approve amendments to the schools and early years formulae as appropriate following receipt of the Dedicated Schools Grant (DSG) settlement and Department for Education (DfE) pupil data in December 2019. This was to ensure that total allocations to schools under this formula remain affordable within the council's DSG settlement.

Reasons for decision:

To comply with DfE regulations requiring formal council approval of the local funding formula for Surrey's primary and secondary schools.

The Cabinet Member for Environment & Waste introduced a report that set out details of the modifications to the new Surrey Waste Plan. The final draft of the Plan (the 'Submission' draft) was approved by Cabinet in December 2018. The Plan was now in the process of being examined by an independent Inspector appointed by the Secretary of State. As part of the examination process public hearings were held over a two-week period from 17 – 26 September 2019. A number of modifications were proposed and have been agreed with the Inspector. These were considered necessary to make the Plan sound and are known as Main Modifications. These Main Modifications would be subject to further six week consultation before the Inspector could make a final recommendation.

The Deputy Leader reiterated that the Plan identified potential sites and not which sites would actually be used.

RESOLVED:

1. That the proposed Main Modifications to the Surrey Waste Local Plan (Submission Draft) be agreed.
2. That the Main Modifications be published for consultation, together with a revised Environmental & Sustainability Report, from 13 January – 23 February 2020.

Reason for decision:

Main Modifications identified as part of the examination process are being proposed in order to ensure the Plan is legally compliant and sound. In accordance with the December 2018 report to Cabinet, the proposed Main Modifications to policy need to be agreed by Cabinet prior to their publication for comments.

The Cabinet Member for Finance declared an interest in this item in that he had been actively opposing elements of the Local Plan alongside local residents. He left the room during discussion on this item.

217/19 APPROVAL OF COMMISSIONING AND PROCUREMENT STRATEGY FOR THE COUNTRYSIDE WORKS SERVICES FRAMEWORK RE-PROCUREMENT [Item 9]

The Cabinet Member for Highways introduced a report that described how the current Countryside Works Framework was used by Highways and Countryside to provide services for the maintenance of Surrey's countryside and that the Framework Agreement would expire on 31 March 2020. A replacement Agreement was required to enable continued provision of these services. The Cabinet Member for Community Safety, Fire & Resilience supported the commitment to the countryside.

RESOLVED:

That the commissioning and procurement strategy developed by Highways, Countryside and Procurement for the re-procurement of the Countryside Works Framework Agreement was approved.

Reason for decision:

We are requesting approval of the commissioning and procurement strategy for the Countryside Works Framework Agreement to enable Highways and Countryside to continue providing the services required to maintain Surrey's countryside in accordance with the relevant procurement regulations.

218/19 ANNUAL PROCUREMENT FORWARD PLAN 2020-21 [Item 10]

The Cabinet Member for Corporate Support explained how the revised Procurement and Contract Standing Orders agreed by the Council in May 2019 required the preparation of an Annual Procurement Forward Plan (APFP) during the business planning cycle. The APFP has been developed for 2020/21 and Cabinet was asked to approve the Plan to allow implementation of the identified procurement activity. She explained how item that were highlighted in the annexes to the report would come back to Cabinet for decision. This report also had a Part 2 annex at Item 14.

The Leader spoke of the good conversation had with the Resources & Performance Select Committee at its meeting on 16 December 2019.

RESOLVED:

1. That approval to Procure for the projects listed in Annex 1 of the submitted report – “Annual Procurement Forward Plan for 2020/21” in accordance with the Council’s Procurement and Contract Standing Orders was agreed.
2. That where the first ranked tender for any projects listed in Annex 1 of the submitted report is within the +/-5% budgetary tolerance level, the relevant Executive Director, Director or Head of Service (as appropriate) is authorised to award such contracts was agreed.
3. That the procurement activity that will be returned to Cabinet for review of the commissioning and procurement strategy prior to going out to market, and which is highlighted in grey in Annex 1 of the submitted report was agreed.

Reasons for decision:

- To comply with the Procurement and Contract Standing Orders agreed by Council in May 2019.
- To provide Cabinet with strategic oversight of planned procurement projects for 2020/21.
- To ensure Cabinet oversight is focussed on the most significant procurements.
- To avoid the need to submit multiple individual requests for Approval to Procure as well as individual contract award approvals for work taking place in 2020/21.

219/19 SUPPLY OF FROZEN AND GROCERY PRODUCTS FOR THE DELIVERY OF TWELVE15 CATERING SERVICES [Item 11]

The Cabinet Member for Corporate Support introduced a report that explained how Twelve15, a trading department of the Council, provided catering services to schools against an agreed Service Level Agreement to both free and paying pupils and students and in order to facilitate the delivery of this service a decision was requested to re-procure the frozen and grocery supplies as a fundamental requirement of the activity.

RESOLVED:

To Procure be approved and agreed the proposed route to market of a full open competitive tender process that Procurement, Pelican (the appointed Food Buying Agent) and Twelve15 will effect to obtain the best value catering service for schools with an efficient supply and distribution of frozen and grocery supplies across the Twelve15 contract portfolio.

Reasons for decision:

The existing contract for the supply of frozen and grocery supplies to facilitate the service expired in October 2020.

In order to ensure the provision of the catering service continued to evolve with the change of customer expectation and ever changing food trends, Twelve15 had undertaken an extensive supplier engagement process to fully engage with the market and ensure the future contract for the supply of frozen and grocery products fully reflected the need of the business. In July 2019, Twelve15, Pelican and Procurement undertook a supplier engagement exercise whereby 5 suppliers in the market were invited to present against a prescribed brief setting out 5 key priority areas:

1. Flexibility of supply chain
2. Carbon Footprint
3. Innovation in the Market
4. Sourcing
5. Engagement

The information gleaned from the supplier engagement exercise will be used to inform the tender specification to ensure the commissioning of a supplier is in line with the needs of Twelve15's business. The successful supplier will be expected to deliver food innovation and development concepts, support promotional and marketing activity to increase business uptake, promote and encourage healthy eating and to supply product that fully comply with food safety legislation and offer a value for money ethos.

220/19 MONTHLY BUDGET MONITORING [Item 12]

The Cabinet Member for Finance introduced a report that detailed the Council's 2019/20 financial position as at 31 October 2019 (M7) for revenue and capital budgets, the expected outlook for the remainder of the financial year and also as a quarter-end report. He explained that the overall position was improving but pressures continued with adult social care and special education needs & disabilities funding. He complimented all the work undertaken to get the savings achieved so far.

The Leader spoke of the effort by Members and officers to get to the point of being able to speak of a balanced budget. The full budget was due in January and this would build on work done over the last year.

RESOLVED:

1. That Local Learners Fund expenditure of £0.6m funded from the 2018/19 Schools and Early Years block Dedicated Schools Grant carry forward be approved;
2. That the transfer of the balance of the contingency to reserves (£8.9m) to support future revenue budgets be approved;
3. That the re-profiled 2019/20 capital budget of £120.3m be approved; and
4. That the Council's forecast revenue and capital budget positions for the year be noted.

Reason for decision:

This report complied with the agreed policy of providing a monthly budget monitoring report to Cabinet for approval of any necessary actions.

221/19 EXCLUSION OF THE PUBLIC [Item 13]

RESOLVED: That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information under the relevant paragraphs of Part 1 of Schedule 12A of the Act.

222/19 ANNUAL PROCUREMENT FORWARD PLAN 2020-21 [Item 14]

This Part 2 annex contains information which is exempt from Access to Information requirements by virtue of paragraph 3 – Information relating to the financial or business affairs of any particular person (including commercially sensitive information to the bidding companies).

See Minute 218/19.

223/19 URGENT ITEM - COMMERCIAL PROGRAMME (WASTE) UPDATE [Item 15]

This Part 2 annex contains information which is exempt from Access to Information requirements by virtue of paragraph 3 – Information relating to the financial or business affairs of any particular person (including commercially sensitive information to the bidding companies).

In accordance with Standing Order 56.1 (Special Urgency), the Chairman of the Environment Select Committee has agreed that the decision cannot reasonably be deferred because there is an urgent need for the Cabinet to be updated on latest developments.

See [Exempt Minute E-20-19]

224/19 PUBLICITY FOR PART 2 ITEMS [Item 16]

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

Meeting closed at 2.40 pm

Chairman