

Leader and Cabinet Members Meeting as Cabinet

**Date & time**

Tuesday, 31 March
2020 at 2.00 pm

Place

Remote meeting

Contact

Vicky Hibbert or Angela
Guest

Room 122, County Hall

Tel 020 8541 9229 or

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Chief Executive

Joanna Killian



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or

angela.guest@surreycc.gov.uk

Cabinet Members: Mr Mel Few, Mr Matt Furniss, Mr Mike Goodman, Dr Zully Grant-Duff, Mrs Julie Iles, Mr Colin Kemp, Mrs Mary Lewis, Mrs Sinead Mooney, Mr Tim Oliver and Ms Denise Turner-Stewart

Deputy Cabinet Members: Mrs Natalie Bramhall, Miss Alison Griffiths and Mr Mark Nuti

This meeting will not be held in public due to special provision made in response to the Covid 19 situation and Government advice.

If you would like a copy of this agenda or the attached papers in another format, e.g. 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 angela.guest@surreycc.gov.uk.

Note: *This meeting may be filmed for subsequent broadcast via the Council's internet site.*

AGENDA

1 APOLOGIES FOR ABSENCE

2 MINUTES OF PREVIOUS MEETING: 25 FEBRUARY 2020

(Pages 1
- 6)

To approve the Minutes of the meeting held on 25 February 2020.

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

Due to the Covid-19 pandemic all questions and petitions received will be responded to in writing and will be contained within the minutes of the meeting.

a Members' Questions

The deadline for Member's questions is 12pm four working days before the meeting (25 March 2020).

b Public Questions

The deadline for public questions is seven days before the meeting (24 March 2020).

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 SELECT COMMITTEES, TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL (Pages 7 - 22)

Cabinet to consider the following:

- A. Special Educational Needs and Disabilities (SEND) Task and Finish Group Report.

6 LEADER / DEPUTY LEADER / CABINET MEMBER/ STRATEGIC INVESTMENT BOARD DECISIONS TAKEN SINCE THE LAST CABINET MEETING (Pages 23 - 26)

To note any delegated decisions taken since the last meeting of the Cabinet.

7 URGENT ITEM - COVID-19 SURREY COUNTY COUNCIL RESPONSE TO COVID

This paper is being presented under the General Exception Standing Order as it has not been possible to give 28 days' notice of decisions to be taken.

a Surrey County Council Response to Covid 19 - To Follow

- a. The report will seek approval to i) adopt the relevant new national guidance, legislation, etc; ii) permit us to spend new money, adopting a process to govern and count extra spend and activity; iii) update our own service plans and priorities; iv) provide an update from the Director of Public Health and v) introduce a Surrey economic and community stimulus package.

[Where necessary a waiver for call-in will be sought from the relevant Select Committee Chairman.]

b Covid 19 - urgent decisions taken by officers (Pages 27 - 32)

- (b) An update paper for noting urgent decisions taken by officers under Standing Order 54 in response to the Covid pandemic.

8 RETURNING THE COUNTRYSIDE TO RESIDENTS (Pages 33 - 42)

This report sets out a proposed new delivery model for SCC's Countryside Estate (CE) which returns the responsibility for visitor services and access to the Council. The CE was purchased 90 years ago to provide public benefit, recreation and landscape conservation. A free resource for residents, it offers 10,000 acres of accessible land and extensive opportunities to boost the health and wellbeing of residents. The proposed new model, alongside a new programme to enhance visitor experience and access, will return the countryside to the residents of Surrey.

[The decisions on this item can be called in by the Communities, Environment & Highways Select Committee]

- 9 GREENER FUTURES INVESTMENT PROGRAMME** (Pages 43 - 56)
- To deliver action to mitigate climate change a number of initiatives have been collated into an initial carbon reduction programme. These initiatives are in alignment with the Greener Futures programme and emerging climate change strategy. Some of the initiatives are at delivery stage however the majority require further development before the costs can be confirmed and named in the Medium Term Financial Strategy and Transformation fund.

[The decisions on this item can be called in by the Communities, Environment and Highways Select Committee]

- 10 DIGITAL STRATEGY 2025** (Pages 57 - 82)
- The Digital Strategy 2025 sets out the Council's ambition for digital over the next five years and the direction of the Digital Transformation Programme, including the prioritisation of activity and resource deployment. It forms part of a suite of strategies that will direct the Council service design and delivery to achieve the objectives of the Organisation Strategy 2025.

[The decisions on this item can be called in by the Resources & Performance Select Committee]

- 11 2019/20 MONTH 10 (JANUARY) FINANCIAL REPORT** (Pages 83 - 92)
- This report provides the details of the County Council's 2019/20 financial position as at 31 January 2020 (M10) for revenue and capital budgets, and the expected outlook for the remainder of the financial year. Further details on Service budgets are to be found in **Annex 1**.

[The decisions on this item can be called in by the Resources and Performance Select Committee]

- 12 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

- 13 COMMERCIAL PROGRAMME (WASTE) UPDATE** (Pages 93 - 98)
- This Part 2 report 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).

[The decisions on this item can be called in by the Communities, Environment and Highways Select Committee]

14 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.

**Joanna Killian
Chief Executive
Monday, 23 March 2020**

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.
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. The Chairman or Cabinet Members may decline to answer a question, provide a written reply or nominate another Member to answer the question.

**MINUTES OF THE MEETING OF THE CABINET
HELD ON 25 FEBRUARY 2020 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
*Dr Zully Grant-Duff	*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

Members in attendance:

Mr Keith Taylor (Shere)
Mrs Fiona White (Guildford West)

21/20 APOLOGIES FOR ABSENCE [Item 1]

There were none.

22/20 MINUTES OF PREVIOUS MEETING: 28 JANUARY 2020 [Item 2]

The Minutes of the meeting held on 28 January 2020 were approved as a correct record and signed by the Chairman.

23/20 DECLARATIONS OF INTEREST [Item 3]

There were none.

24/20 MEMBERS' QUESTIONS [Item 4a]

There were none.

25/20 PUBLIC QUESTIONS [Item 4b]

There was one question from a local resident. This and the response are attached as an annex to these minutes.

26/20 PETITIONS [Item 4c]

There were none.

27/20 REPRESENTATIONS RECEIVED ON REPORTS TO BE CONSIDERED IN PRIVATE [Item 4d]

There were none.

28/20 REPORTS FROM SELECT COMMITTEES , TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL [Item 5]

There was one report from the Guildford Joint Committee which was discussed with item 7 (Bus Lane Enforcement), to which it related.

29/20 LEADER / DEPUTY LEADER / CABINET MEMBER/ STRATEGIC INVESTMENT BOARD DECISIONS TAKEN SINCE THE LAST CABINET MEETING [Item 6]

RESOLVED:

That the delegated decisions taken since the last meeting of the Cabinet be noted.

Reason for decision:

To inform the Cabinet of decisions taken by Cabinet Members, Strategic Investment Board and the Committee in Common subcommittee under delegated authority.

30/20 BUS LANE ENFORCEMENT [Item 7]

Mr Keith Taylor introduced the report from the Guildford Joint Committee and explained the work around enforcement that was being planned locally and that this work was now in jeopardy due to a change in county policy. He went on to say that the Joint Committee had received late notice of the proposed changes and requested that money raised in Guildford be used on traffic alleviation in Guildford. He also requested that Guildford be treated the same as Woking where there was bus lane enforcement in its High Street.

Mrs Fiona White also spoke of the Guildford Joint Committee meeting and raised the issue of the short notice given on changes to the financial arrangements. She went on to talk about localism and how this policy change removed localism and questioned the committee's ability to take local decisions. She requested that the policy be changed or at least deferred until all boroughs had discussed the proposed changes.

The Cabinet Member for Highways introduced the main report and explained how in 2019 the County Council declared a climate emergency and was developing detailed plans to support the Greener Futures agenda. He spoke of the need for a consistent county-wide policy and that properly located and managed bus lanes would help improve bus transport efficiency and hence impact on the usage of private motor vehicles, potentially aiding both congestion and emissions. High Street, Woking would be brought in line with the new policy and any surplus revenue would be used for walking, cycling and buses across the county. The bus operators had seen the paper and welcomed the proposals.

Six other Cabinet Members spoke in support of the proposals.

The Leader responded to the Guildford Joint Committee report stating that he understood the concerns and recognised the issues raised about process; from which learning would be taken. He reiterated that Woking would be brought into line so there would be consistency across the county. He apologised if the report had not satisfied the Guildford Joint Committee but there was a need to move at pace and with consistency and fairness regarding revenue generated.

RESOLVED:

1. That the revised Bus Lane and Camera policy (Feb 2020) attached as Annex A to the submitted report be agreed.
2. That authority be delegated to the Director for Infrastructure & Operations in consultation with the Cabinet Member for Highways to introduce Bus Lane Enforcement.
3. That authority be delegated to the Cabinet Member for Highways to introduce new or amend existing bus lanes and determine any formal objections through the public formal Cabinet Member decision making meeting.
4. That the Cabinet Member for Highways enter into any new bus lane enforcement agency agreements or external enforcement contracts, subject to County Council procurement and governance processes and procedures.

Reason for decisions:

To ensure the County Council can effectively, efficiently and consistently manage bus lane enforcement and bus lane provision to support the growth of bus use in Surrey as a part of our Greener Futures agenda.

31/20 2019/20 MONTH 9 (DECEMBER) FINANCIAL REPORT [Item 8]

The Cabinet Member for Finance gave a detailed overview of the report which reflected revenue and capital budgets, the expected outlook for the remainder of the financial year and, also as a quarter-end report. It also included Treasury Management and Debt. Whilst there had been a negative movement on the revenue outlook since last month's report the Cabinet Member confirmed that a balanced budget still looked achievable.

RESOLVED:

To note the Council's forecast revenue and capital budget positions for the year.

Reason for decision:

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

2

Meeting closed at 2.32 pm

Chairman

CABINET – 25 FEBRUARY 2020**PROCEDURAL MATTERS****Public Questions****Question (1) Resident:**

Please can the committee explain to me why families are having to wait unacceptable times for Post Mortem's to be carried out? Please discuss, debate and sort this problem within the Coroner's Department.

Reply:

The Coroners service has experienced an unusually high number of referrals during the winter months, at the same time as there has been a reduction in the numbers of pathologists prepared to undertake post-mortems. This has regrettably resulted in a number of post-mortems having to be cancelled and rescheduled, leading to unavoidable delays.

Recent discussions with pathologists working in Surrey (including an additional two) have concluded with new agreements and terms being put in place that will give greater certainty over post-mortem arrangements going forwards. In addition, the Coroner's service has allocated more staff to deal with the high number of referrals.

These measures have led to an ongoing improvement in the situation since January. The steps being taken will continue to reduce the time between a referral being received and it being actioned.

Dr Zully Grant-Duff
Cabinet Member for Corporate Support
25 February 2020

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SURREY COUNTY COUNCIL

CABINET

DATE: 31 MARCH 2020

SUBJECT: REPORT OF SPECIAL EDUCATIONAL NEEDS AND DISABILITIES TASK GROUP



SUMMARY OF ISSUE:

In comparison to its statistical neighbours, Surrey has a large number of children receiving Special Educational Needs (SEN) support both with and without statutory Education Health and Care Plans (EHCPs). Outcomes for children in Surrey with Special Educational Needs and Disabilities (SEND) are lower than comparator authorities and require improvement.

Surrey County Council has experienced significant financial pressures due to significant growth in demand for SEND services, increases in more complex needs, changes to legislation, and population growth.

On 14 October 2019, the Children, Families, Lifelong Learning and Culture Select Committee established a Task Group to investigate the provision of SEN support services.

This Report contains nine recommendations, which are informed by evidence gathered over three sessions involving council officers, educators and SEN practitioners.

RECOMMENDATIONS:

It is recommended:

1. *That, as soon as is reasonably practicable, nurseries be supported to provide appropriate support to children in early years through commissioning of outreach interventions into nursery settings.*
2. *That the funding arrangements for specials schools that provide outreach services for SEN children in mainstream schools be reviewed; and that the Executive Director of Children, Families, Lifelong Learning and Culture Directorate report with the findings of that review to the Children, Families, Lifelong Learning and Culture Select Committee no later than September 2020.*
3. *That, with immediate effect, the Children, Families, Lifelong Learning and Culture Directorate work with independent providers of SEN support to ensure that there is adequate, cost-effective provision to meet the needs of service users; and officers work with independent providers of SEN support to develop robust systems for contract management to prevent supply-driven demand caused by the overstatement of service users' educational needs.*
4. *That, to reduce journey times for service users, the commissioning of SEN provision closer to demand and the development of outreach services in mainstream schools under the capital programme be accelerated with immediate effect.*

5. *That, with immediate effect, commissioners work with SEND case officers to provide alternative pathways to support that do not require an Education, Health and Care plan.*
6. *That a review of the implementation and effectiveness of the Graduated Response be conducted; and that the Executive Director of Children, Families, Lifelong Learning and Culture Directorate report with the findings of that review to the Children, Families, Lifelong Learning and Culture Select Committee no later than October 2020.*
7. *That, with immediate effect, the development of, and communication with, Special Educational Needs Coordinators be improved to support the implementation of the Graduated Response Approach.*
8. *That, with immediate effect, to assist schools to use their budgets to appropriately resource SEND provision, Special Educational Needs Coordinator networks be invested in to ensure SEND staff and Governors are engaged and aware of the challenges faced by the education system.*
9. *That the Children, Families, Lifelong Learning and Culture Directorate report by no later than December 2020 to the Children, Families, Lifelong Learning and Culture Select Committee on the implementation of recommendations 1, 3, 4, 5, 7 and 8 of this Report.*

REASON FOR RECOMMENDATIONS:

The rationale for the Task Group's recommendations can be summarised as the need to provide early intervention which can prevent the need for more intensive support; the need to ensure that support is cost effective, appropriate to service user needs, and promotes positive outcomes; and the need to ensure that policies are well implemented and well understood.

DETAILS:

Details of the Task Group's methodology and findings may be found in its Report in Annex 1 to this Report.

WHAT HAPPENS NEXT:

The Children, Families, Lifelong Learning and Culture Directorate implement the recommendations of this Report and report back to the Children, Families, Lifelong Learning and Culture Select Committee in line with the timescales contained in those recommendations.

Contact Officer:

Ross Pike, Committees Business Manager, tel: 020 8541 7368

Consulted:

Cabinet Member for All-Age Learning

Council officers, educators, SEN practitioners, and other stakeholders as outlined in the Task Group's Report (Annex 1)

Annexes:

Annex 1 – Report of the Special Educational Needs and Disabilities Task Group

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CHILDREN, FAMILIES, LIFELONG LEARNING AND CULTURE SELECT COMMITTEE



THURSDAY 26 MARCH 2020

Special Educational Needs and Disabilities Task Group Report

Purpose of report:

To provide the Children, Families, Lifelong Learning and Culture Select Committee with a report of the findings and recommendations of the Special Educational Needs and Disabilities Task Group which was established to evaluate the support provided to children with Special Educational Needs (SEN).

Introduction

Context

1. Currently, there are approximately 27,000 children and young people requiring SEN support and over 9,500 with a statutory Education Health and Care Plan (EHCP) in Surrey. Outcomes for children with Special Educational Needs and Disabilities (SEND) in Surrey are lower than in comparator authorities and need to improve. Moreover, feedback from children, young people and families as well as our regulators highlights that services need to improve.
2. There has been, and continues to be, significant growth in demand for SEND services, both nationally and locally due to increases in more complex needs, changes to legislation, and population growth. However, the growth in demand for SEND services in Surrey has outpaced the growth of the underlying population. Furthermore, Surrey places twice as many children in non-maintained and independent sector schools as its statistical neighbours.
3. The combination of the factors above has led to significant financial pressures. Surrey, along with its peers, has seen a net increase in EHCPs in 2019, leading to further financial pressures in 2019/20.
4. Within the Children, Families, Lifelong Learning and Culture Directorate, the cost of pupil's requiring SEN transport continues to rise from its 2018/19 level and in excess of this year's budget provision. This is forecasted to rise further and, without mitigation, will lead to an overspend of £4m.
5. Improving educational and social outcomes for children and young people with SEND is highly consistent with, and will help achieve, Surrey County Council's Vision for Surrey 2030, particularly its ambitions for people:

[Surrey County Council's] ambitions for people are:

- *Children and young people are safe and feel safe and confident.*
- *Everyone benefits from education, skills and employment opportunities that help them succeed in life.*

- *Everyone lives healthy, active and fulfilling lives, and makes good choices about their wellbeing.*
- *Everyone gets the health and social care support and information they need at the right time and place.*
- *Communities are welcoming and supportive, especially of those most in need, and people feel able to contribute to community life.¹*

The objectives of the Community Vision for 2030 also informed the development of the recommendations contained in this Report.

The Task Group

6. On 14 October 2019, the Children, Families, Lifelong Learning and Culture Select Committee agreed to establish a Task Group to investigate the provision of Special Educational Needs (SEN) services. The Task Group comprised:
- Chris Botten (Chairman)
 - Chris Townsend
 - Barbara Thomson
 - Kay Hammond (ex-officio)

Methodology

7. The Task Group agreed the following objectives:
- *To understand key details of SEND placements including where they are placed, what form of placements and what cost there is to the Council.*
 - *To understand what streams of work are in place to provide mainstream primary schools with support for the early intervention of children with SEND.*
 - *To confirm whether any early intervention support can be further expanded, publicised and resourced through the work of the Select Committee.*
 - *To review any issues caused by the resource gap and the impact it has on SEND services as demand continue to rise.*
8. The Task Group agreed it was to informally meet with and hear oral evidence from council officers, SEN professionals, and senior members of partner organisations.
9. The Task Group held three evidence sessions, each with a different focus:

Session 1 — 29 October 2019

Theme: The quadrant based model and the commissioning of SEND placements.

- Eamonn Gilbert, Assistant Director – Commissioning
- Mike Singleton, Service Manager for Place Planning and School Organisation
- Teresa Prior, Head Teacher of Brooklands School

Session 2 – 4 December 2019

Theme: Early intervention in mainstream primary schools and the Graduated Response Approach.

- Suzie Andrews – Special Educational Needs Coordinator
- Helen Cross, Service Manager
- Eamonn Gilbert, Assistant Director – Commissioning

Session 3 – 16 December 2019

Theme: The SEND services resource gap and its impact on support.

¹ <https://www.surreycc.gov.uk/council-and-democracy/finance-and-performance/our-performance/our-organisation-strategy/community-vision-for-surrey-in-2030>

- Daniel Peattie, Strategic Finance Business Partner
 - Liz Mills, Director – Education, Learning and Culture
 - Eamonn Gilbert, Assistant Director – Commissioning
 - Maria Dawes, Chief Executive of Schools Alliance for Excellence
 - Rhona Barnfield, the Chair of Schools Forum
10. The Task Group thanks those who contributed invaluable evidence to its inquiry, informing the conclusions and nine recommendations regarding the future delivery of SEND services.
11. Any errors, factual inaccuracies or inconsistencies contained within the report are the responsibility of the Task Group alone and not of those who contributed their knowledge, insight and experiences to the formation of this Report.

SEND provision

12. SEN learners are generally supported in one of three ways:
- through SEN support in mainstream education without an EHCP;
 - SEN support in mainstream education consistent with the requirements of an EHCP; or
 - in a specialist placement to satisfy an EHCP.
13. Where a child or young person has undergone an Education, Health and Care needs assessment, they may be issued with an EHCP – a legal document which describes the child or young person’s special educational needs, the support they need, and the outcomes they should achieve. The EHCP and the child or young person’s progress should be reviewed on an annual basis to consider if their provision is meeting their needs, if different provision is required, or if the child or young person’s needs have been met and the EHCP is no longer required. When an EHCP is no longer required, or where a young adult reaches 25 years old, the EHCP ceases. The special educational provision detailed in an EHCP, which may involve the child or young person attending a specialist SEN school, must be provided by the child or young person’s local authority.
14. As of October 2019, there were 3,091 young people in Surrey who were over the age of 16 with an EHCP. The council’s analysis indicated that their future adult pathways were likely to be:
- 5% on a Continuing Healthcare Pathway (provided by the Clinical Commissioning Group)
 - 11% on an Adult Social Care Pathway

Therefore, between 80% and 84% would not be suitable for either of the above pathways and therefore, in line with the SEND Code of Practice, would be supported by officers to follow an employment pathway. It was noted that, prior to the expiry of ECHPs, to facilitate smooth transitions off of plans, Children, Families, Lifelong Learning and Culture officers would undertake career reviews and conversations with service users and their families to identify service users’ aspirations and how they might be achieved.

15. On 1 September 2019, the Profile of Need and corresponding Graduated Response Approach were rolled out:
- i. *Universal – children and young people who make good overall progress in most areas of development.*

- ii. *SEN support – children and young people whose needs require some extra support, which can be managed within a school setting.*
 - iii. *Specialist SEN (special educational needs) support – children and young people whose needs are more complex. They require support from external professionals and often more than one service is involved.*
 - iv. *Education Health and Care Plan (EHCP) threshold level – children and young people whose needs are complex, enduring and cross many domains.*
16. The Task Group welcomes and supports the introduction of the Profile of Need and Graduated Response; it is essential that it be consistently and comprehensively promoted to schools and sufficiently resourced by the council.
 17. The Task Group noted that the current diagnostic process for Autistic Spectrum Disorder (ASD) could often take 18 months to complete. However, it welcomes the efforts taken to diagnose cases of ASD more quickly.
 18. The evidence heard by the Task Group identified a strained relationship between the council and the independent providers of SEN support who add essential capacity to SEN support services.

Specialist support

19. Many children and young people with special educational needs, including those with an EHCP, are capable of being educated in mainstream settings. Where this is the case, they are more likely to be educated closer to home and be able to pursue academic pathways that will deliver good outcomes for them.
20. Outcomes for young people receiving specialist provision are often suboptimal; and parents should be better supported to understand that an EHCP is not always helpful in securing positive outcomes for children. High-quality specialist support which is appropriate to the needs of the service user has been shown to generate positive outcomes.
21. Best practice indicates that specialist provision should be reviewed annually as, in some cases, continuing to receive the same specialist support can hold the child back and harm their outcomes compared to if they were to receive different, more appropriate support or attend a mainstream school.
22. Additionally, the long journeys sometimes necessitated by specialist placements can impact significantly on a child's progress and should be avoided where possible.
23. The recruitment of specialist staff, particularly Speech and Language Therapists and Educational Psychologists, is a significant challenge for the council – as it is nationwide. Children and young people could be better supported if further Speech and Language Therapists, Educational Psychologists and other professionals with specialist skills were recruited to establishment.
24. The Task Group welcomes the ongoing joint work between Surrey County Council and South Bank University to better understand the rising demand for SEND support, and believes the findings should be widely shared and discussed. Understanding such growth is essential to enable children's needs to be well supported in the future.

Support in mainstream schools

25. Small schools can struggle to support children with special educational needs as they have more limited capacity and budgets.
26. Special Educational Needs Coordinators (SENCOs) are a valuable resource for the school system.
27. Efforts to support schools to meet the needs of SEND pupils through the development of local shared capacity should be increased.

Early intervention

28. There is demand for specialist provision which engages with mainstream schools and communities to provide high-quality outreach support to allow for an early years intervention for a child with SEN. Research has found that early intervention which provides a child displaying early signs of SEN with the right support can prevent that child from requiring a specialist pathway in the future, such as when they reach the compulsory school age; the Task Group was told of cases where, owing to a lack of early intervention, children in Surrey had required specialist support upon beginning primary school.
29. The Task Group supports the continued efforts to ensure that health funding for children under the age of five is available to meet SEN requirements at an early stage.

Funding SEND support

30. The Task Group shares the concerns of the Director – Education, Learning and Families that some interventions may not offer value for money.
31. The Task Group welcomes the introduction of the Local Learning Fund, which enables schools to bid for additional support, and hopes that it will be well publicised and that take-up will help to alleviate the resource constraints experienced by schools. Schools must be supported to make effective use of the Local Learning Fund.
32. The Task Group encourages schools to use Pupil Premium funding in a targeted manner to support disadvantaged learners with SEND.
33. The Task Group noted that high SEND spending does not necessarily generate positive outcomes. For example, specialist placements which incur long travel times or specialist placements which provide service users with more support than is necessary are fiscally expensive and do not enable, and in fact may limit, the attainment of positive outcomes.

Cultural issues

34. There is an urgent need for officers to work to repair and sustain the relationship with the Schools' Forum, particularly in light of disagreement regarding the use of the high needs block.
35. The evidence taken in the third Task Group meeting indicated that the relationships between the Authority, schools and parents are damaged and may adversely affect the way stakeholders view council policies such as the Graduated Response Approach.

36. Strong relationships between the authority, schools and parents are important to ensuring support for and effective implementation of council policies such as the Graduated Response Approach.
37. The relationships between the Authority, schools and parents need to be restored to ensure stakeholders support the implementation of the Graduated Response Approach.
38. The fostering of trust across the education system is essential to ensure positive outcomes for children.

Recommendations

Recommendation 1:

That, as soon as is reasonably practicable, nurseries be supported to provide appropriate support to children in early years through commissioning of outreach interventions into nursery settings.

Recommendation 2:

That the funding arrangements for specials schools that provide outreach services for SEN children in mainstream schools be reviewed; and that the Executive Director of Children, Families, Lifelong Learning and Culture Directorate report with the findings of that review to the Children, Families, Lifelong Learning and Culture Select Committee no later than September 2020.

Recommendation 3:

That, with immediate effect, the Children, Families, Lifelong Learning and Culture Directorate work with independent providers of SEN support to ensure that there is adequate, cost-effective provision to meet the needs of service users; and officers work with independent providers of SEN support to develop robust systems for contract management to prevent supply-driven demand caused by the overstatement of service users' educational needs.

Recommendation 4:

That, to reduce journey times for service users, the commissioning of SEN provision closer to demand and the development of outreach services in mainstream schools under the capital programme be accelerated with immediate effect.

Recommendation 5:

That, with immediate effect, commissioners work with SEND case officers to provide alternative pathways to support that do not require an Education, Health and Care plan.

Recommendation 6:

That a review of the implementation and effectiveness of the Graduated Response be conducted; and that the Executive Director of Children, Families, Lifelong Learning and Culture Directorate report with the findings of that review to the Children, Families, Lifelong Learning and Culture Select Committee no later than October 2020.

Recommendation 7:

That, with immediate effect, the development of, and communication with, Special Educational Needs Coordinators be improved to support the implementation of the Graduated Response Approach.

Recommendation 8:

That, with immediate effect, to assist schools to use their budgets to appropriately resource SEND provision, Special Educational Needs Coordinator networks be invested in to ensure SEND staff and Governors are engaged and aware of the challenges faced by the education system.

Recommendation 9:

That the Children, Families, Lifelong Learning and Culture Directorate report by no later than December 2020 to the Children, Families, Lifelong Learning and Culture Select Committee on the implementation of recommendations 1, 3, 4, 5, 7 and 8 of this Report.

Next steps:

The Task Group will review the impact of its recommendations at its December 2020 meeting.

Report author: Chris Botten, Vice Chairman of the Children, Families, Lifelong Learning and Culture Select Committee

Report contact: Ross Pike, Committees Business Manager, Democratic Services, ross.pike@surreycc.gov.uk

Annexes:

Annex 1 – SEND Task Group Scoping Document

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Special Educational Needs and Disabilities Working Group

The process for establishing a Task and Finish Group is as follows:

1. The Select Committee identifies a topic that requires detailed consideration and examination.
2. The Select Committee Chairman and DSO complete the scoping template.
3. The Select Committee agrees membership of the Task and Finish Group.

Review Topic: Special Educational Needs and Disabilities (SEND) Services in Surrey.

Select Committee: Children, Families, Lifelong Learning and Culture Select Committee

Relevant background:

Currently, there are 27,000 children and young people requiring SEN support and over 9,500 in receipt of an education health and care plan (EHCP) in Surrey. Outcomes for SEND children in Surrey are lower than our peers and need to improve. Feedback from children, young people and families as well as our regulators also highlight that the service needs to improve.

There has been, and continues to be, significant growth in demand both national and locally, including increases in more complex needs as well as changes to legislation which further drives demand. Surrey's diverse population and needs have resulted in higher growth than that in the underlying population. Furthermore, Surrey places twice as many children in the non-maintained and independent sector as statistical neighbours.

The combination of the factors above has led to significant financial pressures. Surrey, along with its peers has seen an increase in the number of EHCPs in 2019 leading to further financial pressures in 2019/20.

Why this is a scrutiny item

There are significant number of children within Surrey that receive support from the Council and areas within this where performance could be improved.

Furthermore, within Children, Families, Lifelong Learning and Culture, the cost of pupils requiring SEN transport continues to rise from its 2018/19 level and in excess of this year's budget provision. This is forecast to rise further and without mitigation this would lead to an overspend of £4m on its budget.

The Council has also identified this as one of its key transformation plans.

<p>What questions are the group aiming to answer?</p> <ol style="list-style-type: none"> 1. How has the commissioning of SEND placements been successful to date in delivering the needs of service users, what are the mile stones for improvement and what assurances can be provided that they will be met within a sufficient timeframe? 2. What support is provided to mainstream primary schools for the early intervention of children with SEND and is the support sufficiently publicised and resourced? 3. In terms of SEND services, how is the resource gap in the school sector being addressed, and what impact does it have on SEND services as demand continues to rise.
<p>Aim</p> <p>To provide Member-led support to the above areas of SEND services to help achieve improvements to the experience of the child and meet service targets</p>
<p>Objectives</p> <ul style="list-style-type: none"> • To understand key details of SEND placements including where they are placed, what form of placements and what cost there is to the Council. • To understand what streams of work are in place to provide mainstream primary schools with support for the early intervention of children with SEND • To confirm whether any early intervention support can be further expanded, publicised and resourced through the work of the Select Committee. • To review any issues caused by the resource gap and the impact it has on SEND services as demand continue to rise.
<p>Scope (within / out of)</p> <p>In scope: Strategy for Specialist Placements Work currently in development to develop county provision Work in development to address the increase of EHC Plans in the County SEND Budget</p> <p>Out of scope: Home to School Transport Consultation</p>
<p>Outcomes for Surrey / Benefits</p> <p>Options for:</p> <ul style="list-style-type: none"> - the delivery of better placement outcomes - a better experience for the child - value for money for the County Council

Proposed work plan

Timescale	Task	Responsible
October 2019	<p>Session 1</p> <p>Some children are traveling 80 miles a day, round trip, to access SEND services. First session to looking into the quadrant based model and the commissioning of SEND places.</p>	<p>Committee Manager</p> <p>AD – Education</p> <p>AD - SEND</p>
November 2019	<p>Session 2</p> <p>To be focused on what support is provided to mainstream primary schools for early intervention of children with SEND. To include details of the graduated approach, which was jointly developed with schools and draws on approaches that are more detailed, more frequent review and more specialist expertise to support the needs of children with special educational needs.</p>	<p>Committee Manager</p> <p>AD – Vulnerable Learners & AD SEND</p>
December 2019	<p>Session 3</p> <p>To consider the resource gap and the impact it has on SEND services as demand continues to rise.</p>	AD Finance
January 2020	Compile report to Select Committee for consideration	Committee Manager/Task Group
<p>Potential Witnesses</p> <p>Session 1 Special school head teachers Relevant Council Officers</p> <p>Session 2 SENDCos in Primary and Secondary sector Relevant Council Officers</p> <p>Session 3 Chief Executive of Schools Alliance for Excellence Chair of Schools Forum Relevant Council Officers</p>		
<p>Useful Documents</p> <p>SEND place-planning strategic approach for a ten-year period (2019 to 2029)</p> <p>SEND Strategy</p>		
<p>Potential barriers to success (Risks / Dependencies)</p> <p>Officer and Member availability Lack of officer resources including committee support and officers with SEND expertise Lack of engagement from Members and Witnesses Number of project work streams to consider</p>		

Equalities implications

The Working Group recognises that there are a number considerations around equalities when conducting its work, and there are a number of people with various needs that will be contributing to this process. It will be mindful of how it conducts its work in order to ensure people are provided the opportunity to contribute, and that any barriers to doing so are mitigated.

The Group will monitor the equalities implications emerging from its recommendations with officers, and will work to identify mitigation measures for those with a potentially negative impact.

Task Group Members	Chris Botten Chris Townsend Barbara Thomson
Spokesman for the Group	To be decided at first meeting
Democratic Services	Joss Butler

SURREY COUNTY COUNCIL**CABINET****DATE:** 31 MARCH 2020**REPORT OF:** N/A**LEAD OFFICER:** JOANNA KILLIAN, CHIEF EXECUTIVE**SUBJECT:** LEADER/DEPUTY LEADER/CABINET MEMBER/ STRATEGIC INVESTMENT BOARD AND COMMITTEE-IN-COMMON DECISIONS TAKEN SINCE THE LAST CABINET MEETING**SUMMARY OF ISSUE:**

To note the delegated decisions taken since the last meeting of the Cabinet.

RECOMMENDATIONS:

It is recommended that the Cabinet note the decisions taken by Cabinet Members since the last meeting as set out in Annex 1.

REASON FOR RECOMMENDATIONS:

To inform the Cabinet of decisions taken by Cabinet Members, Strategic Investment Board and the Committee in Common subcommittee under delegated authority.

DETAILS:

1. The Leader has delegated responsibility for certain executive functions to the Deputy Leader and individual Cabinet Members, and reserved some functions to himself. These are set out in Table 2 in the Council's Scheme of Delegation.
2. The Leader has also delegated authority to the Strategic Investment Board to approve property investment acquisitions, property investment management expenditure, property investment disposals and the provision of finance to its wholly owned property company, Halsey Garton Property Ltd.
3. Delegated decisions are scheduled to be taken on a monthly basis and will be reported to the next available Cabinet meeting for information.
4. **Annex 1** lists the details of decisions taken since the last Cabinet meeting.

Contact Officer:

Angela Guest, Democratic Services Officer, Tel: 020 8541 9075

Annexes:

Annex 1 – Decisions taken

Sources/background papers: Agenda, minutes and decision sheets from the relevant meetings (available on the Council's website)

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CABINET MEMBER DECISIONS MARCH 2020

CABINET MEMBER FOR ALL-AGE LEARNING

1. PROPOSAL TO CREATE A NEW SCHOOL AMALGAMATING CHRIST CHURCH C OF E INFANT SCHOOL AND ENGLEFIELD GREEN INFANT SCHOOL AND NURSERIES

Details of decision

1. The Lead Cabinet Member for All Age Learning approved the publication of statutory notices
2. Following approval, Surrey County Council will publish statutory notices to close Christ Church C of E Infant School and Englefield Green Infant School and Nurseries at the same time as the Diocese of Guildford publish related statutory notice to open a new voluntary aided infant school on the site at Englefield Green Infant School and Nurseries.

Reasons for decision

Both Christ Church C of E Infant School and Englefield Green Infant School and Nurseries have experienced a decline in admissions in recent years. This has meant there has been a surplus of places and the school budget has reduced as school budgets are based on the number of pupils on roll, in the schools.

Forecasts are showing that whilst pupil numbers are expected to increase in more urban parts of Runnymede they are not expected to increase in Virginia Water and Englefield Green.

The new infant school would work closely with the local junior school, St Jude's C of E Junior School, with potential for a more formal partnership in the future.

The leaders from all three schools have worked closely for a number of years and share similar values and educational expectations. Each school is rated 'Good' by Ofsted. By amalgamating the two infant schools, opportunities for further joint working are offered in a more cost effective and strategic manner than at present with two separate infant schools. This will, in turn, make the school more sustainable in the long-term.

This proposal is supported by the governors of Englefield Green Infant School and Nurseries, Christ Church C of E Infant School and St Jude's C of E Junior School. The result of the amalgamation and continued collaboration with St Jude's will be that there will be provision for 60 places for children in newly amalgamated infant school in Englefield Green from reception to year two matching the PAN of 60 places at St Jude's Junior School from year 3 to year 6.

(Decision taken by the Cabinet Member for All-Age Learning – 10 March 2020)

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SURREY COUNTY COUNCIL**CABINET****DATE:** 31 MARCH 2020**REPORT OF:** N/A**LEAD OFFICER:** JOANNA KILLIAN, CHIEF EXECUTIVE**SUBJECT:** SURREY COUNTY COUNCIL RESPONSE TO COVID 19
– URGENT DECISIONS TAKEN BY OFFICERS UNDER
STANDING ORDER 54**SUMMARY OF ISSUE:**

To note the officer delegated decisions taken in response to COVID-19.

RECOMMENDATIONS:

It is recommended that the Cabinet note the two decisions taken by officers as set out in Annexes 1 and 2.

REASON FOR RECOMMENDATIONS:

To inform the Cabinet of decisions taken officers under delegated authority.

DETAILS:

1. The Council is responding to the COVID-19 major incident and therefore needs to make urgent decisions to ensure that residents are protected. Urgent decisions taken under Standing Order 54 are attached.
2. Delegated decisions will be reported to the next available Cabinet meeting for information.
3. The Audit and Governance Committee will monitor the use of the new meetings protocol and make recommendations on any required amendments to the protocol to ensure that Members remain informed in relation to council decision making.

Contact Officer:

Angela Guest, Democratic Services Officer, Tel: 020 8541 9075

Annexes:

Annex 1 – Closure of libraries

Annex 2 - Expenditure required to address the impacts of COVID-19

Sources/background papers: None

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Record of decisions taken by an officer under Standing Order 54 – urgent decision making



Title:	COVID-19 Surrey County Council Response to Covid
Divisions Affected:	All
Key Decision:	Yes
Reason Key:	Affects two or more Divisions
Decision taken under delegation by virtue of:	Standing order 54 – urgent decision making

Meeting date/time	19 March 2020 14:30-16:30
Meeting title	Cabinet/CLT COVID-19 teleconference

Summary

The Council is responding to the Covid-19 major incident and therefore needs to make urgent decisions to ensure that residents are protected. Urgent decisions taken at the above named meeting are listed below with reasons.

Decision made

Decision made:

It was AGREED that:

1. Libraries are to be closed by Sunday 22 March 2020

Reasons for Decision:

1. On 18 March 2020, the [Prime Minister's statement on coronavirus](#) advised that all "unnecessary gatherings" should be avoided. In line with government guidance to [reduce the risks of exposure to COVID-19 in the workplace](#) and [social distancing for everyone in the UK](#), it was decided to close Surrey County Council's libraries to help prevent the spread of the virus and reduce the risks to vulnerable people. This decision is consistent with how other county councils such as West Sussex and Hertfordshire are responding to the pandemic. The timing of the closure is designed to provide notice to

residents while still adhering to government guidance. Other measures such as promoting access to e-books are being developed as potential mitigations to the temporary loss of the library service.

Decisions taken by:	Joanna Killian Chief Executive
Decisions taken on:	19 March 2020
To be implemented on:	19 March 2020

Decision taken in consultation with

List those in attendance

Cllr Tim Oliver
 Joanna Killian
 Cllr Colin Kemp
 Cllr Mary Lewis
 Cllr Natalie Bramhall
 Cllr Mike Goodman
 Cllr Allison Griffiths
 Cllr Mel Few
 Cllr Matthew Furniss
 Cllr Julie Iles
 Cllr Zully Grant Duff
 Cllr Mark Nuti
 Cllr Denise Turner Stewart
 Cllr Sinead Mooney
 Leigh Whitehouse
 Katie Stewart
 Rachel Crossley
 Simon White
 Jacquie Burke
 Patricia Denney
 Hannah Futter
 Piali Das Gupta

Record of decisions taken by an officer under Standing Order 54 – urgent decision making



Title:	COVID-19 Surrey County Council Response to Covid
Divisions Affected:	All
Key Decision:	Yes
Reason Key:	Affects two or more Divisions
Decision taken under delegation by virtue of:	Standing order 54 – urgent decision making

Meeting date/time	19 March 2020 14:30-16:30
Meeting title	Cabinet/CLT COVID-19 teleconference

Summary

The Council is responding to the Covid-19 major incident and therefore needs to make urgent decisions to ensure that residents are protected. Urgent decisions taken at the above named meeting are listed below with reasons.

Decision made

Decision made:

It was AGREED that:

- . Expenditure required to address the impacts of COVID-19 on residents and support the sustainability of service providers is authorised, subject to costs being tracked in order to seek government reimbursement in due course

Reasons for Decision:

1. In an [address to council Leaders](#) on 16 March 2020, Local Government Secretary Rt Hon Robert Jenrick MP committed to giving councils the support they need to contribute to the national effort to respond to coronavirus. The Government has committed to providing local authorities:
 - £1.6 billion to help them respond to other coronavirus (COVID-19) pressures across all the services they deliver
 - £500 million to support economically vulnerable individuals and

households

- Compensation to increase the Business Rates retail discount to 100% for one year and expand it to the leisure and hospitality sectors, and increase the planned rates discount for pubs to £5,000.
- an additional £2.2 billion to support small businesses that already pay little or no Business Rates because of Small Business Rate Relief

2. The Government has encouraged support to be provided swiftly and offered assurance that local authority costs will be fully compensated. Although specific allocations and funding mechanisms have not yet been announced, it was agreed that spending to enable residents to access the support they need and help ensure the sustainability of providers should start to be delivered with immediate effect. An urgent report will be taken to Cabinet on 31 March 2020 to seek approval to adopt provisions in government guidance that provide new flexibilities in relation to specific services and duties; secure permission to incur new expenditure to respond to the impacts of COVID-19 within the county in line with government guidance, and adopt a process to govern and track extra spending and activity.

Decisions taken by:	Joanna Killian Chief Executive
Decisions taken on:	19 March 2020
To be implemented on:	19 March 2020

Decision taken in consultation with

Cllr Tim Oliver
 Joanna Killian
 Cllr Colin Kemp
 Cllr Mary Lewis
 Cllr Natalie Bramhall
 Cllr Mike Goodman
 Cllr Allison Griffiths
 Cllr Mel Few
 Cllr Matthew Furniss
 Cllr Julie Iles
 Cllr Zully Grant Duff
 Cllr Mark Nuti
 Cllr Denise Turner Stewart
 Cllr Sinead Mooney
 Leigh Whitehouse
 Katie Stewart
 Rachel Crossley
 Simon White
 Jacquie Burke
 Patricia Denney
 Hannah Futter
 Piali Das Gupta

SURREY COUNTY COUNCIL**CABINET****DATE: 31 MARCH 2020****REPORT OF: MS DENISE TURNER-STEWART, CABINET MEMBER FOR COMMUNITY SAFETY, FIRE & RESILIENCE****LEAD OFFICER: KATIE STEWART, EXECUTIVE DIRECTOR OF ENVIRONMENT, TRANSPORT & INFRASTRUCTURE****SUBJECT: RETURNING THE COUNTRYSIDE TO RESIDENTS****SUMMARY OF ISSUE:**

This report sets out a proposed new delivery model for Surrey County Council's (SCC) Countryside Estate (CE) which returns the responsibility for visitor services and access to the Council. The CE was purchased 90 years ago to provide public benefit, recreation and landscape conservation. A free resource for residents, it offers 10,000 acres of accessible land and extensive opportunities to boost the health and wellbeing of residents. The proposed new model, alongside a new programme to enhance visitor experience and access, will return the countryside to the residents of Surrey.

RECOMMENDATIONS:

It is recommended that Cabinet:

1. Agrees the variation of the agreement with Surrey Wildlife Trust (SWT) for the management of the Countryside Estate in accordance with the proposals detailed in the report, noting the cost implications outline in paragraphs 34-38.
2. Delegates authority to the Executive Director for Environment, Transport and Infrastructure and the Executive Director for Resources in consultation with the Cabinet Member for Community Safety, Fire & Resilience and the Cabinet Member for Finance:
 - a. to enter into final negotiations with Surrey Wildlife Trust and complete the variation to the agreement, including the surrender of Phase 1 and 2 leases and regrant of lease.
 - b. to agree the implementation of transitional arrangements with Surrey Wildlife Trust for the management of Countryside Visitor Services and property management responsibilities pending completion of the variation.
 - c. to transfer the responsibilities for visitor services to Surrey County Council on the 1 April 2020 subject to 'call-in' arrangements.

REASON FOR RECOMMENDATIONS:

Approval of the recommendations to implement changes to the agreement with SWT, improves its effectiveness and efficiency. SWT are fully supportive of the proposed changes

as set out in this report. The countryside is a natural resource offering significant opportunities to support and benefit the health and wellbeing of residents.

DETAILS:

1. The Council's Countryside Estate (CE) comprises 6,206 acres (2,514 hectares) of land owned by the County Council, with a further 2,538 acres (1,028 hectares) managed under Access Agreements. The Estate has five farms, woodland, heathland, downland and a number of residential and commercial properties held by the Council for public benefit, recreation and landscape conservation.
2. Since 2002, the Surrey Wildlife Trust has been managing the CE on behalf of SCC under a contract which includes responsibilities for delivering conservation and habitat management, visitor services, and managing a portfolio of residential and commercial properties that occupy land within the principal lease between SWT and the Council.
3. At the start of the contract in 2002, only 8% of habitat sites were deemed to be in a favourable condition, as monitored by Natural England. Due to the work of SWT, all sites are now in a favourable or recovering condition. Because of these improvements in the nature conservation of our sites, focus is beginning to shift to more effective maintenance of the sites and improving the visitor experience at these sites, ensuring residents are given the opportunities and means to access the countryside.
4. This approach has been adopted in order that the CE can make a more positive and direct contribution to the Council's 2030 Vision, and in particular the following objectives.

'Residents live in clean, safe and green communities, where people and organisations embrace their environmental responsibilities.'

'Everyone lives healthy, active and fulfilling lives, and makes good choices about their wellbeing.'

5. The current contract provides for the delivery of a range of conservation and habitat management outcomes, and includes responsibility for managing and maintaining all residential, commercial and other operational buildings located on the countryside estate.
6. Since 2015, SWT have operated within the terms of a separate Memorandum of Understanding (MoU) that implemented a financial framework that would enable the CE to become self-financing, reducing the burden on annual funding from the Council. It has seen the annual contribution from the Council for managing the CE reduce from over £1.2m per annum to £425,000 in 2018/19. This was further reduced to £250,000 in 2019/20, is scheduled to reduce to £100,000 in 2020/21 and nil in 2021/22.
7. Following the introduction of the MoU, the partnership pursued an active programme of developing new commercial opportunities including the introduction of charges for visitors to park in designated CE car parks, with the aim of bridging the financial gap between the overall costs of managing the CE and the annual budget contribution from the Council. However, despite these efforts, SWT have not been able to run the estate without a contribution of at least £400,000 from SCC. Therefore, reductions in service

delivery have been necessary in 2019/20 to accommodate SCC's reducing contribution as agreed above. A new delivery model is needed to ensure the estate can become self-sufficient.

8. The proposed new model, as set out below, is the result of negotiations between a multi-disciplinary team of SCC officers and SWT to realign management functions and responsibilities to best deliver the Council's 2030 Vision. SWT are fully supportive of the proposed new arrangements as it allows them to continue to focus on their core mission of delivering high quality conservation and habitat management, supported by the externally funded Natural England grant regime which will cover the full costs of the conservation activities going forward.
9. The current services provided by SWT on the CE will be realigned as follows:
 - **Conservation & Habitat Management:** Managed by SWT under a Deed of Variation to the current contract.
 - **Visitor Experience and Visitor Services:** Transferred back to the Council and managed in-house as part of a newly-formed Countryside Estate Operational Team.
 - **Property Management:** The transfer of relevant Countryside Estate properties to the Council or any directly or wholly owned subsidiary.

Conservation and Habitat Management

10. Conservation activities include restoring, recreating and improving habitats, supporting native species and halting the decline of threatened flora and fauna. The nature of the conservation functions to be delivered by SWT are subject to external funding from Natural England (and other external funding bodies). The funding criteria gives preference to applicants holding charitable status. Due to the nature of the associated funding regime and its application across the proposed new arrangements with SWT, the delivery and management of conservation & habitat management functions will be delivered at nil cost to the Council.
11. Funding from Natural England is conditional on SWT continuing to deliver conservation outcomes as set out in the 23 separate management plans that operate across the Countryside Estate. The management plans will form the core mechanism against which the Council will scrutinise and hold SWT to account for its performance under the terms of the new arrangements.
12. In order to allow SWT to focus on delivering conservation and habitat management it is proposed that the Council assumes responsibility for two key areas: the visitor experience, and property management services. Sections 13 to 22 of this report set out more details of what responsibilities will transfer to the Council and how they will be managed going forward.

The Visitor Experience and Visitor Services

13. How local residents and visitors experience our countryside is fundamental to the rationale for bringing visitor experience services back under the direct control of the council. In particular, creating an improved experience for all visitors will enhance the ability of residents to connect with their countryside in a range of ways, which will improve the current situation where much of the land and assets managed by SWT are considered to be 'not open to the public' because of their conservation designations.

14. From 1 April 2020 (subject to call in arrangements), the Council will assume responsibility for managing and delivering the following day-to-day functions and responsibilities:
- Providing **access for recreational purposes** – public rights of way (PROWs), permissive routes/horse rides/cycle routes, easy-access trails, promoted routes & trails, and the potential for hosting activities like community activities and physical activity programmes as typically run by organisations like the Scouts.
 - Providing **informed access** - information and signage, visitor centres (Newlands and Ockham).
 - Providing **safe access** – e.g. managing tree safety, bridges, fires on site, etc.
 - Providing **clean access** by collecting litter and managing fly tipping.
 - Providing car parking.
 - Providing on site services such as seating, cafes and toilets (Newlands and Ockham).
 - Protecting the estate from any encroachments by traveller incursions or adjacent landowners.
 - Responding to planning consultations which impact on the estate.
 - Customer liaison via all relevant channels.
15. In order to deliver the range of visitor services a new Countryside Estate Operational Team is being established, managed by the current Countryside Access and Operations Manager.
16. The proposed changes to visitor services will allow for the improvements in CE physical infrastructure and in key messaging to enable Countryside Estate to:
- provide experiences for local communities because it is locally accessible
 - support and promote health, well-ness and wellbeing
 - provide access to information in a range of formats about how to connect with nature and the countryside
17. In order to maximise the value of the CE in this way we will make substantial improvements to current visitor services. Therefore, the service has prepared a **Visitor Services Enhancement Programme** that supports a number of key objectives:
1. to make infrastructure improvements on every site so a visitor is able to make the most of their visits
 2. to promote the estate for use by residents
 3. to promote a wider range of activities available so there is something for every visitor
 4. to invest in the property on the estate where appropriate to enhance the visitor experience
18. The Medium Term Financial Strategy (MTFS) includes capital funding of £1.1m (£0.76m in 2020/21) and revenue transformation funding of £0.3m in 2020/21 to support the Visitor Services Enhancement Programme.

Property Management

19. The Countryside Estate comprises a diverse series of landholdings to protect the countryside and provide public recreational access for residents. Under the current contractual arrangements, the estate has been managed by SWT under a 50 year agreement and lease. SWT have no responsibilities for dilapidations, save for handing the properties back in a safe condition. Under the proposed changes the current

agreement will be amended, and a new lease issued for conservation works on land carried out by SWT. The commercial and residential properties will return to the Council, or its wholly owned subsidiaries, with SWT retaining one farm under lease – Pond Farm, required for operational reasons in pursuit of the delivery of their conservation and habitat management responsibilities.

20. In order to support the proposed changes, property condition surveys have been completed for all transferring residential properties (with similar surveys due to be completed for all transferring commercial properties by mid-March 2020).
21. The property surveys for the residential stock (not including the commercial units), shows that a significant initial investment is required to bring the properties up to a strong lettable standard. Consequently, further work is required to establish a robust and financially sustainable 'business case' that aligns with the Council's Corporate Landlord policy.
22. Work has already commenced to evaluate the optimal solution for the Council to hold, manage and invest in the homes in the longer term including whether to sell the homes when lettings vacancies occur. The review will investigate:
 - Whether the rental income from the property portfolio is sufficient to provide a good landlord service and fund the functions and responsibilities as set out in paragraph 14?
 - Will disposal options increase value to the Council including potential mitigations to prevent the Assured Tenancies becoming Secured Tenancies?
 - Whether there are opportunities for development or alternative use of properties on the estate that would complement the Visitor Enhancement Programme and create value to the Council?

CONSULTATION:

23. Consultation with residents during the 2030 Vision, revealed one of the most important aspects of Surrey that residents care about is the quality of Surrey's natural environment. Nearly 30% of survey respondents said they valued the green and open spaces in Surrey. Many people commented that having access to this green space and nature was a key part of the attraction of living in Surrey, and there was a strong desire to see this preserved. There were views that these spaces are essential to the health and wellbeing of people in Surrey, and offer families the opportunities to relax, explore and appreciate the natural environment.
24. However, an annual survey of visitors to the CE shows a stagnant pattern of visitors over the last 5 years. A visitor is typically an adult walking their dog. The number of children visiting the sites is particularly low at 17% compared with Country Parks nationally where this is 55%. Consultation with the Surrey Hills Areas of Outstanding Natural Beauty (AONB), Surrey Choices, Surrey Outdoor Learning Development (SOLD), SCC's Children's Families and Learning and Communities Department, and Active Surrey shows this pattern is replicated in their use of the sites. They are all keen to work with SCC to address this as well as ensuring the sites are fully accessible to and enjoyed by all Surrey residents.

25. Consultation with SWT has been extensive during the last 12 months in assessing the viability of the new delivery model, including a meeting with SCC's Leader and Cabinet Member for the Countryside in Autumn 2019. Agreement on the Heads of Terms demonstrates their commitment to varying the contract. Their Chief Executive has worked closely with their Chair of Trustees and SWT's Board of Trustees will formally approve the Heads of Terms on 23 March 2020.
26. SCC has Access Agreements with the Albury Estates, the Hampton Estate and the Wootton Estate. We have also consulted with these landowners who are all supportive of a vision to improve and enhance visitor services on the sites SCC manage.
27. Tenants of the property on the CE have also been consulted. A letter was circulated to all tenants in January 2020 when access to carry out structural surveys was requested, to inform them of the change in tenure and return of the management of the built property to SCC.
28. Internal consultation has taken place with the Council's Legal Service, Property Services, and Procurement, and the Cabinet Member for Community Safety, Fire and Resilience has been involved throughout the negotiations. The Cabinet Member for Community Safety, Fire and Resilience has also consulted with the Cabinet Member for Finance.

RISK MANAGEMENT AND IMPLICATIONS:

29. The main financial risk is securing funds from the property portfolio to support the ongoing revenue budget for visitor services. Current rental income from the estate is sufficient, although significant investment in the properties is necessary. As set out in paragraph 34 below, these costs can be accommodated within the Council's approved Medium Term Financial Plan. This risk needs to be balanced with the liabilities under the current contractual arrangements.
30. The working partnership between SWT and SCC is well established, reducing any reputational risk around delivery. Developing a new delivery model has shown that a variation to the agreement can be made to work for both parties providing we work collaboratively. A robust governance plan has been agreed by both parties in the Heads of Terms. SWT performance will continue to be monitored through the Service Delivery Specification and Key Performance Indicators as well as the Site Management Plans agreed with Natural England.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

31. The Council's Medium Term Financial Strategy (MTFS) includes a **revenue** budget of £0.125m in 2020/21 for the countryside estate, primarily to meet SCC's anticipated contribution to SWT under the current arrangement. The proposal set out in this report is that conservation and habitat management continues to be undertaken by SWT, funded by them or through grants that they will access. Visitor experience and property management services will return to SCC. The estimated revenue cost to SCC of providing visitor experience services, including countryside access and woodland management, is £0.486m for 2020/21, net of income from activities such as events, weddings, filming and timber sales. Property management services are expected to generate an income to SCC, currently estimated at £0.361m net of property management costs. Transfer costs are anticipated to be nil for each party, apart from the legal cost of varying the contract where each party will bear their own costs. Therefore, the net cost of services and properties proposed to return to SCC is £0.125m which is in

line with the council's approved budget, as set out in the table below. The new arrangements are supported by one-off transformation funding of £0.3m in 2020/21.

Revenue funded countryside activity	2020/21 Expected cost to SCC £000
Conservation & Habitat Management: Managed by SWT under a Deed of Variation to the current contract. Costs are estimated at £0.58m and are expected to be met from SWT funds, and grants that SWT will access.	0
Visitor Experience Services: Transferred back to the Council, with costs partially offset by income from activities such as events, weddings, filming and timber sales.	486
Property Management: Transfer of relevant Countryside Estate properties to the Council, where they are currently expected to generate a net income, after meeting property management costs. Actual costs may vary from year to year depending on maintenance requirements, so this represents the expected average cost, and is subject to an assessment of options (paragraph 22).	(361)
Countryside estate revenue budget	125

32. Provision has also been made within the council's approved MTFs for **capital** investment. The capital budget includes funding for the Visitor Services Enhancement Programme of £1.1m across 2020-25 (£0.76m in 2020/21). Further, the capital pipeline (comprised of schemes which require further development) includes provision for investment in countryside properties of £8m across 2020-25. At this point, subject to further property surveys and consideration of investment options, costs are not expected to exceed this amount.
33. As outlined in paragraph 22, further work will be undertaken to determine future options for properties returning to SCC, including establishing the requirement and business case for any investment in those properties, and whether any retained properties would be managed by the council directly or through a trading subsidiary. The financial operating model outlined above includes assumed net property rental income of £0.361m in 2020/21. If the property options review determines that properties are no longer available to generate rental income, or should the level of property management costs and/or rental income vary significantly, then a shortfall may arise. In that case additional funding may need to be identified to support visitor activities, or the extent and cost of those activities may need to be reviewed in line with available funding.
34. Should the contract continue under its current arrangements, the likely ongoing revenue cost to SCC until 2052 would be a minimum of £0.4m per annum, in addition to liabilities associated with properties.
35. Transfer of Undertakings (Protection of Employment) (TUPE) requirements have been assessed and SWT have provided written confirmation they do not consider TUPE to apply.

36. SCC has agreed with SWT to absorb the pension assets and liabilities of the SWT pension members (in surplus on an ongoing funding basis as of the 2019 valuation. This absolves the SWT of a pension deficit. The Surrey Pension Fund is agreeable to this proposal.

SECTION 151 OFFICER COMMENTARY

37. Although significant progress has been made over the last twelve months to improve the Council's financial position, the medium term financial outlook is uncertain as it is heavily dependent on decisions made by Central Government. With no clarity on these beyond 2020/21 our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.
38. The Section 151 Officer supports the recommended changes, which are consistent with financial provision made within the Council's Medium-Term Financial Strategy. However, it should be noted that a number of assumptions have been made in relation to services transferring back to the Council, in particular property income and expenditure, and the actual costs will not be clear until a full review of property condition and options has been completed.
39. Section 123 Local Government Act 1972 provides that Local authorities have the power to dispose of land in any manner they wish, subject to the disposal being for the "best consideration reasonably obtainable". This project, that is, the surrender of Phase 1 and 2 leases and regrant of lease satisfies section 123 of the Local Government Act 1972.

LEGAL IMPLICATIONS – MONITORING OFFICER

40. The Council entered into a contract with Surrey Wildlife Trust Limited (SWT) which commenced on 1 May 2002, the agreement was subsequently varied on 24 September 2004 to reflect changes to the service delivery specification. It has been agreed between the two parties that a further revision is required to reflect the transfer of Phase 1 and 2 leases back to the Council and also to formalise a further revision to the service specification - Clause 2.1 of the contract allows for those changes to happen.
41. The required document to reflect any contractual amendments is a Deed of Variation (DOV) as the original contract was signed and sealed as Deed, thus, any subsequent changes must be reflected in the format of a deed. In this instance, Heads of Terms (HOT), have been used to help facilitate the detail which needs to be contained within the DOV, and allows the parties to specify their requirements associated with the areas within the contract that require varying.

EQUALITIES AND DIVERSITY

42. The new model makes appropriate provision for equality and diversity issues in terms of recruitment and public engagement. There are no discernible impacts arising from the changes to the Agreement at this stage. Equality Impact Assessments will be carried out as improvements arising from the Visitor Enhancement Programme are proposed.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS:

43. A full Environmental Sustainability Assessment (ESA) will be completed as part of the options appraisal arising from the planned transfer of residential and commercial properties to the Council currently managed under lease by Surrey Wildlife Trust.

PUBLIC HEALTH IMPLICATIONS:

44. Over 400,000 visitors access Surrey's countryside estate each year, participating in a range of physical and well-being activities. Any measure that retains and promotes access to the countryside is likely to generate positive public health outcomes.

WHAT HAPPENS NEXT:

45. Implementation of the transfer will consist of four different work streams:

- a) On the 1 April (subject to call in arrangements):
 - i) the new Countryside Operational team will take on the day to day responsibilities for visitor services on the estate
 - ii) at the same time, the Visitor Services Enhancement Programme for 2020/21 will commence
- b) Preparation for the formal transfer:
 - i) SWT will apply to the Charities Commission for permission to sign the deed of variation
 - ii) An options appraisal for the transfer of property will be carried out and arrangements for the formal transfer of property prepared
- c) Transitional arrangements for the management of the property and Norbury Park Sawmill by SWT whilst the legal transfer is being prepared.
- d) The deed of variation, surrender of the current lease and new lease will be signed with SWT which reflect the proposed new delivery model as set out in the report. Where relevant, new tenancies will be signed with tenants.

Contact Officer:

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Consulted:

Councillor Denise Turner Stewart, Cabinet Member for Community Safety, Fire and Resilience

Sources/background papers:

None

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SURREY COUNTY COUNCIL

CABINET

DATE: 30 MARCH 2020



REPORT OF: MR MIKE GOODMAN, CABINET MEMBER FOR ENVIRONMENT AND WASTE

LEAD OFFICER: KATIE STEWART, EXECUTIVE DIRECTOR ENVIRONMENT, TRANSPORT & INFRASTRUCTURE

SUBJECT: GREENER FUTURES INVESTMENT PROGRAMME

SUMMARY OF ISSUE:

In 2018, the United Nations (UN) Intergovernmental Panel on Climate Change (IPCC) released a landmark report highlighting that even half a degree rise in global temperatures beyond 1.5C would significantly worsen the risks of drought, floods, extreme heat and poverty for hundreds of millions of people. This was supported by the UK Climate Change Commission in their Reducing UK Emissions report to the Government in 2019. In June 2019, the Government, in a landmark move, committed that the UK would be net zero carbon by 2050.

In July 2019 Surrey County Council followed the Government's lead by declaring a Climate Emergency and committing to becoming net zero carbon by 2050. In order to meet this challenging target, the Council recognises that we must work with partners, residents, businesses and Government to deliver urgent action to reduce carbon emissions produced in our county. The Council is currently finalising an ambitious and forward-thinking climate change strategy for the county, working closely with our borough and district partners. The strategy will be published in April and will set out an emissions reduction pathway for a number of strategy themes, including transport, energy, housing and development and buildings and infrastructure. The strategy will commit Surrey County Council to reduce carbon emissions from our corporate estate to net zero by 2030. This target, although challenging, can be achieved as these emissions fall completely within our control, and this would demonstrate the Council's commitment to this agenda.

In addition to the strategy, which will ensure that climate change is embedded within all our decisions corporately, the Council recognises that significant investment will be required to trigger the step change required to reach net zero carbon in Surrey. This level of investment will far surpass previous investment by the Council in mitigating the effects of climate change and should place the Council in a strong position to leverage in additional funding from public and private sector partners and Government.

The Greener Futures Investment Programme (GFIP) proposed in this report sets out our initial investment approach over the next five years, but will continue to evolve as the climate change strategic framework is developed. An outline of the GFIP is set out in Annexes 1, 2 and 3 below. It includes funding for the following agendas:

- ***Re-thinking Transport***
- ***Renewable energy production and energy efficiency***
- ***Resources and waste management***
- ***Environmental protection and enhancement***

In January the Council committed to invest £84m in response to the climate change emergency. Since that initial commitment was made, further work has been done to identify schemes which will help Surrey to adapt to a changing climate. As a result the proposed level of investment in the GFIP equates to an approximate total sum of £297.2m over five years. This is made up of the following:

- £173.9m - 2020-25 capital budget (shown in annex 1)
- £121.7m - 2020-25 capital pipeline projects (shown in annex 2)
- £1.6m - 2020/21 one off revenue investment (shown in annex 3)

The revenue allocation is predominantly from the Council's Transformation Fund or Feasibility Fund and has been allocated for new, one off initiatives and/or to support the development of capital schemes.

As this investment programme evolves, further investment may be required, and as such, would be subject to further decisions as necessary.

RECOMMENDATIONS:

It is recommended that Cabinet:

1. Endorse the proposed investment in our Greener Futures Investment Programme.
2. Note that officers will further develop the pipeline capital schemes so that they are fully scoped and costed, refining the information contained in Annex 2. Individual schemes will be brought to Cabinet for approval when they are developed to business case stage.

REASON FOR RECOMMENDATIONS:

Surrey County Council is directly responsible for carbon emissions resulting from our own estate and operations. Due to the nature of the services we provide, there are also carbon emissions within the county which we can reduce through investment in infrastructure, planning policy and other measures.

To tackle our own emissions, and those which fall within our scope of influence, to meet our 2030 and 2050 carbon reduction targets, we will be required to make significant changes to the way we deliver services across the spectrum of local authority activities. This will require additional resource, significant investment in our buildings and infrastructure and other associated costs.

The Council is not starting from scratch in our efforts to reduce carbon and adapt to a changing climate. Many of our approved capital schemes will directly reduce carbon emissions. A list of these schemes is included in Annex 1.

However, there is more that the Council will need to do to ensure that our capital investment maximises carbon reduction opportunities and that these schemes, once delivered, are monitored to determine that expected carbon reductions are realised. Baseline emissions research for Surrey, produced by Leeds University, has identified that there are a number of proven cost-effective and technically viable carbon reduction options that the County Council could deliver in addition to our existing capital programme to reduce carbon emissions. These types of initiatives and schemes are included below in Annexes 2 and 3. The majority of these schemes are still at feasibility stage and so further work is required by officers to

develop these to business case stage with accurate costings. This report requests approval from Cabinet to continue to develop these initiatives.

DETAILS:

Context

1. Surrey County Council recognises that climate change will directly impact upon the lives of our residents. This is reflected in the Community Vision for Surrey in 2030, which includes a clear ambition that 'Residents live in clean, safe and green communities, where people and organisations embrace their environmental responsibilities'. Tackling climate change is a key part of this ambition.
2. In June 2019, the Government announced that the UK would be net zero carbon by 2050. The following month in July 2019 Surrey County Council declared a climate change emergency and made a commitment that the county would be zero carbon by 2050, in line with Government's target. Since the declaration, a focused programme of work has been undertaken to develop the climate change strategy and to understand the issues from a Surrey context, involving residents, partners and experts in shaping an approach.
3. A cross party Scrutiny Task Group was established to conduct research and produce a Call to Action, consisting of 17 recommendations for the County Council to further explore, develop and cost up. These recommendations have informed the development of the emerging climate change strategy, within which, one key recommendation was that Surrey County Council will be zero carbon across our organisational emissions by 2030. Although this is a challenging target, these emissions are fully within the control of the Council and this target sends a clear message to our residents and partners of our commitment to mitigating climate change.
4. To provide a robust emissions baseline and emissions reduction pathway, the Council commissioned Leeds University, who are leaders in this agenda. The research produced by Leeds University identifies that the county currently emits approximately 6.4 million tonnes of carbon a year from our buildings, transport and commercial and industrial operations. These carbon emissions have fallen by 35% since 2005, due largely to the decarbonization of the national grid; however, projections show that following a 'business as usual (BAU) approach' will only achieve a carbon reduction of 44% against Surrey's 2005 level of emissions by 2050, which falls far short of the target.
5. Leeds University have calculated that the gap between Surrey's BAU emissions in 2050 and the net zero target could be closed by 65% through the adoption of both cost-effective and technically viable low carbon options. This means that there are many opportunities for investment in schemes and initiatives which will result in carbon savings, many of which will pay for themselves over the lifetime of the programme (or less) from the resulting reductions in energy costs.
6. The Greener Futures Investment Programme (GFIP) proposed in this report brings together a list of schemes and initiatives which will result in carbon reductions and/or will better enable the county to adapt to climate change. They fall within four groups which align closely with the emerging climate change strategy and action plan. This

programme will continue to evolve as the county's climate change strategic framework is further developed, and includes:

- Re-thinking Transport
- Renewable Energy Production and Energy Efficiency
- Resources and waste management
- Environmental protection and enhancement

7. Many of these initiatives will result in revenue savings and will have additional benefits beyond carbon reduction including: improving air quality, health and wellbeing benefits associated with more active travel, economic benefits, and biodiversity and habitat creation benefits.
8. The four GFIP themes are described in more detail below.

Re-thinking Transport

9. Currently 46% of Surrey's emissions come from the transport sector and transport represents Surrey's biggest challenge in the journey to become a net zero carbon county. Surrey has a high dependency on car use, with 86% of households in Surrey owning a car, compared to 73% nationally.
10. Reliance on private car use in Surrey has a multitude of impacts. Congestion has grown to the extent that Surrey has the lowest mean traffic speeds during peak times outside of London. In addition, there are 27 Air Quality Management Areas in Surrey due to excessive levels of nitrogen dioxide and particulate matter caused by traffic. Furthermore, concerns over transport difficulties are starting to have an impact on economic development and are increasing costs to businesses, with negative impacts on people and places.
11. As part of its Rethinking Transport work, Surrey County Council is working with its partners to ensure that policy, planning and investment decisions are coordinated and help to achieve that ambition, supporting a 'modal shift' away from single-occupancy journeys in high-emitting vehicles towards multiple-occupancy journeys, public transport and active travel (e.g. walking and cycling). The county's transport infrastructure also needs to enable a step change in the introduction of ultra-low emitting vehicles. The schemes and initiatives in the annexes below will contribute towards the required modal shift and move toward ultra-low emitting vehicles, as well as facilitating increased walking, cycling and public transport use. The Council is also committed to increasing the electric vehicle (EV) charging infrastructure across the county.
12. The Council is also committed to improving public transport and is working closely with the bus companies that serve the county to achieve this ambition. Funding has been identified in both the capital budget and capital pipeline for improvements in bus corridors as well as improvements in the customer experience, such as real time information and mobile apps, to make buses more attractive and increase passenger numbers.
13. The ultra low emission schemes set out in Annex 2 below, involve the Council using its unique position to accelerate the introduction of ultra low emission buses into community transport (including SEND) services and public transport. This involves

exploring different partnership and commissioning models and working with partners to lever in significant sums of Government funding for low emission/electric buses.

Renewable Energy Production and Energy Efficiency

14. Renewable energy and energy efficiency advances realised since 2005 have made the greatest contribution of any sector to the 35% reduction in carbon emitted within Surrey's borders over the same period. However, energy from homes and commercial (including public) buildings currently accounts for 43% of Surrey's emissions and this is due to increase to 47% by 2050 in a business as usual scenario due to the projected increases in housing.
15. In order to meet our 2030 carbon reduction target for Surrey's corporate estate it will be necessary that all of our buildings are powered, heated and/or cooled via renewable energy sources or 100% renewable energy gas/electricity tariffs. Currently only 9% of the Council's corporate electricity use is from renewable energy sources (via our electricity tariff) which demonstrates the extent of the challenge. From 1 April 2020, the Council's energy will be 100% green energy.
16. The initiatives and schemes in the GFIP demonstrate our commitment to reducing emissions from energy use in Surrey through the generation of renewable energy and/or energy efficiency measures. These measures will result in carbon savings as well as reductions in energy expenditure. The Council's street light LED replacement scheme will replace 89,000 street lamps with LEDs over the next three years. This will result in savings of £2M p/a and annual carbon reductions of 6200 TCO₂.
17. We are also committed to reducing emissions from our corporate estate and using the Moving Closer to Residents programme as an opportunity to do so. Over the coming months, the Council will have a clearer idea of the investment it will make in Midas House to improve the energy efficiency of the building. This includes an opportunity to connect to the new Combined Heat and Power plant in Woking town centre in order to access low carbon heat.
18. The Council is also committed to generating its own energy and will be developing an initiative to install a 5MW solar PV array on a closed landfill site in the county, sleeving the electricity produced to the grid to offset the electricity used in on our corporate estate. This will be the first of a number of renewable energy installations that the Council will explore.
19. We will also seek every opportunity to enable households and the public and private sector organisations that are located in the county to reduce their reliance on high carbon sources of heat and power through energy efficiency measures, switching tariffs and investing in zero carbon technologies and renewable energy generation. Step change initiatives, such as this are much more effective when done at scale and through partnership working.
20. In addition, Surrey County Council is a named delivery partner on an exciting European Regional Development Fund (ERDF) bid called Low Carbon in the South East (LoCASE). The purpose of the programme is to radically increase the uptake of energy efficiency and low carbon technologies by SME businesses through match funding support, in order to reduce CO₂, reduce overheads for small businesses, create green job opportunities and skills etc. LoCASE also offers match funding for

the public sector to install zero carbon technologies in buildings and can therefore help us to reduce our corporate CO2 emissions. The LoCASE funding bid has been shortlisted and the final bid is due in March, and if successful funding will be available from Autumn 2020. As Surrey is a named delivery partner, this opportunity is open to all boroughs and districts in the county.

Resources and waste management

21. The waste management sector was responsible for 4% of UK greenhouse gas (GHG) emissions in 2016, amounting to 19.9MtCO₂e – mainly arising from methane released from landfill sites.
22. Research prepared by Leeds University shows that emissions from waste in Surrey have dropped from 644ktCO₂e in 2005 to 138ktCO₂e at present, a reduction of nearly 79%. However, due to levels of incineration, production of waste per capita and rates of effective recycling and composting, emissions of the waste sector in Surrey are projected to grow slightly year on year in a business as usual scenario. It is therefore imperative that we take action to reduce waste produced in Surrey and to increase recycling rates, which, although are high compared to performance of other counties, have plateaued in recent years.
23. The Greener Futures investment initiatives proposed below will make a significant contribution towards this improved resource and waste management in the county. On one level, our resident campaigns and marketing will have a renewed focus on waste minimisation and re-use as the priority.
24. The proposed Surrey-based Materials Recycling Facility (MRF) (identified in Annex 2) is a pipeline project which would reduce emissions in the transport of waste and maximise the quantity and quality of recyclables processed (avoiding unnecessary disposal to landfill), while producing materials that will generate the highest possible revenues in the market.

25. Environmental protection and enhancement

26. Looking ahead to how land will be used in Surrey by 2050 reveals a number of challenging issues. Alongside the current issues associated with balancing protection of the green belt and maintaining habitats and biodiversity with development pressures, it is also necessary to consider the role that the land and natural environment plays in mitigating climate change through carbon capture and storage. In addition, whilst our land and countryside will be vulnerable to a changing climate such as adverse weather patterns including flooding and heatwaves, the decisions that we make about our countryside will also help us adapt to climate change. For example, planting trees in areas of flood plains can help reduce flooding by soaking up water and keeping soil in place.
27. Surrey is already suffering the consequences of climate change and extreme weather events, and we are investing in measures to minimise these impacts where possible. Our largest capital scheme is the Surrey Flood Alleviation programme, which has been allocated £135M over the five year Medium Term Financial Strategy (with further funding allocated beyond 2025) to put in place protections from the River Thames flooding between Teddington and Datchet in order to protect 15,000 homes

which are directly at risk. An additional £15M funding has also been allocated for a number of smaller scale local flood alleviation schemes designed to reduce flooding risk for residents, businesses and infrastructure across the county.

28. Further, the Council recognises the important role that trees play in mitigating climate change through the capture and storage of carbon emissions as well as the role that they play in adapting to climate change, by minimising the impacts of flooding and providing shading and cooling in hot temperatures. Due to these benefits, along with biodiversity benefits, the Council has committed to facilitate the planting of 1.2M new trees by 2030, one for every head of the population. This ambitious initiative will result in an additional 800 hectares of trees planted in the county and will result in approximately 300,000 tonnes of carbon captured and stored over the lifetime of the trees. To align with this initiative, the Council is planting a new area of woodland in Elmbridge, along the A309 Kingston bypass, consisting of 40,000 whips, before the end of the current planting season. Once these trees mature, they will have the potential to sequester approximately 10,000 TCO₂.
29. To this end, the Council's New Tree Strategy will be launched in April and will set out the Council's position on ensuring that the right trees are planted in Surrey and that they are planted in the right places to ensure that they grow to maturity and subsequently sequester the maximum possible carbon.

CONSULTATION:

30. In preparing this report Select Committee has been consulted. Further consultation will be required for each pipeline capital scheme on a case by case basis.

RISK MANAGEMENT AND IMPLICATIONS:

31. The Greener Futures Investment Programme pulls together a set of schemes and initiatives which will result in carbon savings and climate change adaptation. These schemes and initiatives are being delivered and developed by different services across the Council and, in some instances, partners.
32. Financial and non-financial risks will be considered by programme managers for each of the schemes and initiatives independently.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

33. The report sets out the initial proposed investment programme. In some cases, proposals are at an early stage of development and estimated costs are therefore subject to change as plans evolve.
34. Annex 1 includes the Greener Futures schemes within the approved capital budget which will reduce carbon emissions in the county and which will help Surrey to adapt to the impacts of climate change.
35. Annex 2 lists the capital "pipeline" schemes which are proposed to be added to the existing capital programme as part of the proposed GFIP. The pipeline is comprised of schemes which are at feasibility stage and so further work is required by officers to develop business cases, including accurate costings. As a result, these figures will evolve as the schemes are developed.

36. Annex 3 lists the estimated revenue expenditure for the 2020/21 financial year. This is predominantly from the SCC Transformation Fund or Feasibility Fund and is for new initiatives and/or to support the initial development of capital schemes.
37. This programme will continue to evolve as the climate change strategic framework is developed, and as such, further investment may be required, which would be subject to further decisions as necessary.
38. It is important to note that the County Council alone does not have access to the level of resources and investment required to achieve our net zero targets for Surrey and so it will be necessary to work in partnership with public and private sector partners as well as Government.

SECTION 151 OFFICER COMMENTARY

39. Although significant progress has been made over the last twelve months to improve the Council's financial position, the medium term financial outlook is uncertain as it is heavily dependent on decisions made by Central Government. With no clarity on these beyond 2020/21, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term. In agreeing its Medium Term Financial Strategy, the Council recognised the importance of responding to the climate change emergency. As such, the Section 151 Officer supports the proposals in this report, which are consistent with the approved Medium Term Financial Strategy.

LEGAL IMPLICATIONS – MONITORING OFFICER

40. In carrying out its many functions, the Council has the ability via the wellbeing power contained in the 2000 Local Government Act, supplemented by Local Government & Public Involvement in Health Act 2007 and Sustainable Communities Act 2007, to engage directly and work with other agencies in helping to tackle climate change.
41. The specific legal implications of the projects identified in the report will be identified as the projects progress.

EQUALITIES AND DIVERSITY

42. Each of the schemes listed in the annexes below will need to be assessed to determine their impact, if any, on residents and staff with different protected characteristics.
43. EIAs will be completed as each scheme is developed to business case phase.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

44. An Environmental Sustainability Assessment (ESA) will be required for many of the schemes listed in Annex 2. This will be produced as and when these schemes are further developed.

PUBLIC HEALTH IMPLICATIONS

45. Some of the initiatives and schemes will have public health benefits. These will be highlighted in the relevant reports as these initiatives and schemes are further developed.

WHAT HAPPENS NEXT:

- 46.
 - a. Officers will continue to deliver the schemes in the approved capital budget and revenue funded initiatives
 - b. Pipeline capital schemes will further developed by officers to business case stage including accurate costings and will then be brought to Cabinet for approval

Contact Officer:

Katie Sargent, Environment Group Commissioning Manager, 07754 387029

Consulted:

Officers from Finance, Transport, Property and Waste services
Select Committee

Annexes:

- Annex 1: Schemes in Capital Budget 2020/21 - 2024/25
- Annex 2: Schemes in Capital Pipeline 2020/21 - 2024/25
- Annex 3: Revenue 2020/21

Sources/background papers:

- N/A
-

Annex 1: Schemes in Capital Budget 2020/21 - 2024/25

Theme	Scheme Name	Description	Total scheme costs	2020/21 estimated spend
			£m	£m
Resource and Waste Management	Automatic number plate recognition cameras at CRCs	Installation of Automatic Number Plate Recognition cameras at our community recycling centres to prevent unauthorised waste.	0.150	0.150
	Closed landfill sites	Maintenance and enhancement of pollution control systems including for the reduction of fugitive emissions of landfill gas which is a powerful greenhouse gas	0.200	0.050
Energy	Street Lighting LED Conversion	Converting 89,000 street lights to LED luminaires to reduce electricity consumption by 60%	16.275	5.741
Re-Thinking Transport	Electric Vehicle Charging Point Pilot Study	Pilot project to install 80 on-street fast charge EV points	0.500	0.500
	Surrey Quality Bus Corridor Improvement	Bus route improvements	0.850	0.345
	A series of active travel schemes	Schemes which facilitate walking, cycling or public transport	3.306	3.306
	Public Rights of Way	Improving footpaths and bridleways across the county to encourage active travel	2.200	1.300
Environmental Protection and Enhancement	Surrey Flood Alleviation - Wider Schemes	Range of measures to reduce flooding risk for residents, businesses and infrastructure	15.320	1.100
	Surrey Flood Alleviation - River Thames	To reduce the risk of flooding for 15,000 homes between Datchet and Teddington (this figure is for the period between 2020-2025)	135.100	2.600
Total			173.901	15.092

Annex 2: Schemes in Capital Pipeline 2020/21 - 2024/25

Theme	Scheme name	Description	Total scheme costs £m
Resource and Waste Management	CRC Improvements	Construction of two new CRCs and a new waste transfer station	23.100
	Materials Recovery Facility	The facility is needed to contain the future costs of dealing with recyclables and to respond to the opportunities that are likely to arise from the Government's Resources and Waste Strategy	27.800
Renewable Energy Production and Energy Efficiency	Solar Farm on SCC land	Installing a 5MW solar PV farm on SCC land and virtually sleeving the electricity to offset SCC's corporate electricity consumption	5.000
Re-Thinking Transport	A series of active travel schemes	Schemes which facilitate active travel	16.800
	Passenger Transport Information	Providing more in time information for Bus Journeys and Investing in Route Planning to enable to travel more sustainably.	1.400
	Ultra Low Emission Vehicles - Bus Companies	Accelerate the introduction of Electric or Ultra Low Emission vehicles into Community Transport (SEND) and Public Transport	41.300
	Ultra Low Emission Vehicles - Community Transport - In House		3.000
	Ultra Low Emission Vehicles - Community Transport - Third Sector		3.300
Total			121.700

Annex 3: Revenue 2020/21

Theme	Scheme Name	Description	Estimated Revenue 2020/21 £m
Resources and Waste Management	Refocused and Additional Campaigns and Marketing	Initiatives aimed at encouraging residents to reduce, reuse and recycle their waste	0.050
	Re-thinking the way we manage waste	Revenue funding required to develop the waste schemes in the capital pipeline	0.150
Renewable Energy Production and Energy Efficiency	Solar PV farm on SCC land	Development of a proposal to install a 5MW solar PV farm on SCC land and virtually sleeving the electricity to offset SCC's corporate electricity consumption	0.210
	MCTR	Investigating energy efficiency and low carbon improvements to Surrey's New County Hall building	TBC
	Low Carbon in the South East (LoCASE)	SCC match funding to administer the LoCASE programme which offers grant funding (from EU ERDF programme) for SME businesses for investment in energy efficiency and low carbon technologies. County wide programme to be administered by SCC, subject to funding award.	0.150
	Renewable energy strategy	A Surrey wide strategy which assesses the opportunities for renewable energy infrastructure in the County and identification of suitable sites	0.050
	Renewable electricity offset opportunities	Energy efficiency measures for SCC's corporate estate (possible match funding for Salix finance investment) and energy tariff offset opportunities	0.080
Re-Thinking Transport	Ultra low emission community transport	Development of projects to accelerate the introduction of Electric or Ultra Low Emission vehicles into Community Transport (SEND) and Public Transport	0.200
	Rethinking Transport Pilot 2	This pilot aims to shift transport use by private sector employees from to modes that reduce pollution and congestion, where possible, journeys will be avoided altogether. The target group for this pilot consists of employees of businesses based at the Surrey Research Park. Funded by LGA.	0.030

	Improvements to bus journeys	Providing more in time information for Bus Journeys and Investing in Route Planning to enable to travel more sustainably.	0.100
	Planning Policy Framework	Revising our Planning and Policy framework as a Highway Authority and in our Transport Planning advice	0.050
	On street parking and highways enforcement	Improved enforcement to keep traffic moving (for example bus lane enforcement) to reduce emissions resulting from congested traffic	0.100
	Low Emission Zones	Develop a more coordinated approach to air quality – Low Emission (LE) zones	0.100
	Low Emissions / Electric Vehicle strategy	Surrey Wide Low Emissions / Electric Vehicle strategy and review of future EV charging options to inform the Council's approach	0.100
Environmental Protection and Enhancement	1.2M New Trees	SCC to facilitate the planting of 1.2M new trees by 2030 to mitigate carbon	0.120
	Land use strategy	Review planning and policy framework for land to adapt to and mitigate the effects of climate change	0.100
TOTAL			1.590

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SURREY COUNTY COUNCIL**CABINET****DATE: 31 MARCH 2020****REPORT OF: DR ZULLY GRANT-DUFF, CABINET MEMBER FOR CORPORATE SUPPORT****LEAD OFFICER: MICHAEL COUGHLIN, EXECUTIVE DIRECTOR OF TRANSFORMATION, PARTNERSHIPS AND PROSPERITY****SUBJECT: DIGITAL STRATEGY 2025****SUMMARY OF ISSUE:**

The Digital Strategy 2025 sets out the Council's ambition for digital over the next five years and the direction of the Digital Transformation Programme, including the prioritisation of activity and resource deployment. It forms part of a suite of strategies that will direct the Council service design and delivery to achieve the objectives of the Organisation Strategy 2025.

RECOMMENDATIONS:

It is recommended that:

1. Cabinet approves the Digital Strategy 2025.
2. The Digital Strategy 2025 sets the direction for the Digital Transformation Programme, ensuring that resources deployed on the programme are core contributors to the delivery of the strategy.

REASON FOR RECOMMENDATIONS:

To enable the Council to adopt a consistent approach and level of ambition to the use of digital technology, and to ensure that the Digital Transformation Programme contributes directly to the outcomes described in the Organisation Strategy 2025.

DETAILS:

1. The digital strategy forms part of the suite of strategies that set out how Surrey County Council will deliver the Vision for Surrey 2030. In 2019 the Organisation Strategy 2025 was approved, which highlighted a 'digital revolution' as one of the eight areas of focus for the organisation between now and 2025.
2. In the Council's transformation programme to date, digital has acted as an enabler to unlock efficiencies within services. There has been no consistent organisation-wide vision for how digital can be used to drive transformation and redesign our services and ways of working in order to deliver better outcomes for our residents.

3. This strategy sets out our vision to become a 'living digital' organisation by 2025 by using digital technologies to transform our services and to support our becoming a modern and agile organisation. This vision has been created using feedback from residents, Members and staff.
4. The strategy identifies seven strategic priorities where we will focus investment in digital which align with the Organisation Strategy 2025, Supporting Independence, Tackling Inequality, Investing in Digital Infrastructure, Connecting Communities, Agile Workforce and Empowering Staff. These priorities will provide the direction for the Digital Transformation Programme, ensuring that resources deployed on the programme contribute directly to delivering the Organisation Strategy 2025.
5. A separate digital strategy will be developed for Surrey Heartlands; however, this strategy acknowledges our shared priorities.
6. Significant parts of the strategy will be delivered using a 'lightning sprint' methodology whereby solutions are developed in a rapid and iterative way, using and applying learning to develop and refine solutions. This approach reflects industry best practice and we have been working with our digital partner, Rainmaker Solutions Ltd, to embed this approach within the organisation over the last six months, focusing initially on five opportunity areas (Annex B).
7. Over the last 18 months the Council's IT and Digital Service has been developing many of the infrastructure, systems and device options that will provide the capabilities to deliver the digital strategy. These are already having an impact on resident experience. For example:
 - a. A dashboard for tracking activity, performance and spend on our adult social care clients. We have done this using our integration platform, Del Boomi, which has enabled us to pull data from a variety of disparate case management systems and interfacing it with Tableau, our presentation tool enabling officers to pull together critical information at a touch of a button.
 - b. An automated email management system that uses a robot to upload emails to a task management system, thereby freeing up staff time to undertake higher value tasks and improve the resident experience.
 - c. Bringing together process improvement and a variety of digital technologies to produce an app that enables residents to report potholes using their mobile phones, making the customer experience quicker and more convenient.
8. Successful delivery of the digital strategy is dependent on other factors such as effective connectivity (particularly in our rural areas) and digital skills. The strategy has been developed in consultation with colleagues with expertise in these areas and we will continue to work closely with them in delivery.
9. Delivery of the strategy and realisation of benefits will be managed and tracked as part of the Digital Transformation Programme.

CONSULTATION:

10. The following stakeholders have been engaged throughout the development of the strategy:
 - a. Cabinet Member for Corporate Support

- b. Corporate Leadership Team
- c. Economic Development
- d. HR&OD
- e. Insight, Analytics & Intelligence
- f. Surrey Heartlands, via the Joint Strategic Chief Digital Officer
- g. Transformation Support Unit

11. In addition, the content of the strategy was developed using the outputs of resident and staff surveys.
12. The strategy is due to be considered by the Resources and Performance Select Committee on 23 April 2020.

RISK MANAGEMENT AND IMPLICATIONS:

13. Without this strategy there is a risk that the Council's investment in digital technologies will not be aligned with the Organisation Strategy.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

14. There are no direct financial implications. However, the strategy will inform how the investment allocated to the Digital Transformation Programme is deployed (£2.3m for the financial year 2020/21).

SECTION 151 OFFICER COMMENTARY

15. Although significant progress has been made over the last 12 months to improve the Council's financial position, the medium term financial outlook is uncertain as it is heavily dependent on decisions made by Central Government. With no clarity on these beyond 2020/21, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.
16. As such, the Section 151 Officer supports the approval and publication of the Digital Strategy, which will ensure that digital technologies are focused on transforming our services and contributing to the Council's ambitions. Investment in the delivery of the strategy has been allocated from the transformation funding approved by Council, as part of the 20/21 revenue budget. Delivery of the Digital Strategy and realisation of benefits will be managed and tracked as part of the Digital Transformation Programme and will be factored into the Medium Term Financial Strategy.

LEGAL IMPLICATIONS – MONITORING OFFICER

17. There are no legal implications for Cabinet to consider at this stage.

EQUALITIES AND DIVERSITY

18. Equality Impact Assessments will be developed for Digital Transformation Programme and its component projects as required.

WHAT HAPPENS NEXT:

19. The Digital Transformation Programme will be refreshed to ensure it aligns with this strategy. The strategy and programme will be reviewed at regular points to ensure continued alignment with the Organisation Strategy and the effective use of emerging technologies.

Contact Officer:

Lorraine Juniper, Head of Strategy & Engagement. 07968 832 908

Annexes:

Annex A: Digital Strategy

Annex B: Rainmaker sprints

Digital Strategy 2025

Surrey County Council

Introduction

Introduction:

This strategy sets out how our approach to digital will help enable improved outcomes for our residents in Surrey over the next five years. It responds to the Organisation Strategy 2025 which describes the areas the Council needs to focus on between 2020-2025 in order to deliver the 2030 Community Vision for Surrey (see right).

We aspire to be a 'living digital' organization by 2025 and we set out what this means and will look like later in this strategy (see Figure 2). The Strategy itself sets out the priority we will afford to key outcomes enabled by digital and the high-level activity that will deliver them, including the technology, new ways of working and culture change required.

Infrastructure and digital connectivity are key enablers of digital public services and are covered separately in the Economic Development Strategy.

The Surrey County Council Digital and Agile transformation programmes, as well as the Surrey Heartlands Digital Workstream, will provide the robust and disciplined approaches to manage and monitor progress in delivering this strategy. It will be reviewed annually to ensure it remains relevant and up to date with emerging technologies.

Organisation Strategy 2025:

- We are being proactive in tackling the climate emergency and will lead by example through a practical and proactive response.
- We will support residents' independence and help them to help themselves and each other within their communities.
- We will make the most of digital technology to change how we work and innovate and improve our services to help Surrey and its residents thrive.
- We will work with residents in every area of Surrey to identify and address causes of inequality, especially in life expectancy.
- We will focus on stronger partnerships with residents, businesses, partners and communities to collectively meet challenges and take opportunities.
- We will speed up plans with partners to join up health and social care by integrating services so residents get more effective, efficient and seamless services.
- We will support the local economy to be strong and resilient, by investing in the infrastructure Surrey needs.
- We will embrace diversity in Surrey to ensure the county is a place full of opportunity for everyone by recognising the benefits of a diverse population

What is 'digital'?

We recognise that in a digital era, resident expectations are changing and we need to continue to adapt to this. Digital has huge potential to enable us to redesign the services we deliver, how we deliver them and how we operate as an organisation in order to have a positive impact on the lives of our residents in Surrey.

This is summed up in our vision for digital:

Digital is our approach to enabling better lives for all

Technology is the enabler of digital transformation rather than the focus. When combined with data, behaviour change and the right skills and culture it provides the organisational capability and capacity to fundamentally transform how we work and what we do. This requires dynamic change both at council and county level, looking at people, processes, governance and organisation design. It will involve the whole council, including our Members, leaders and wider workforce as well as our partners in order to make it a reality.

For a summary of digital transformation in local government, please see Nesta's report *A Brief Introduction to Digital Government*:

https://media.nesta.org.uk/documents/A_Brief_Introduction_to_Digital_Government_v5.pdf

To become a truly digital council we need an organisation-wide approach that includes:

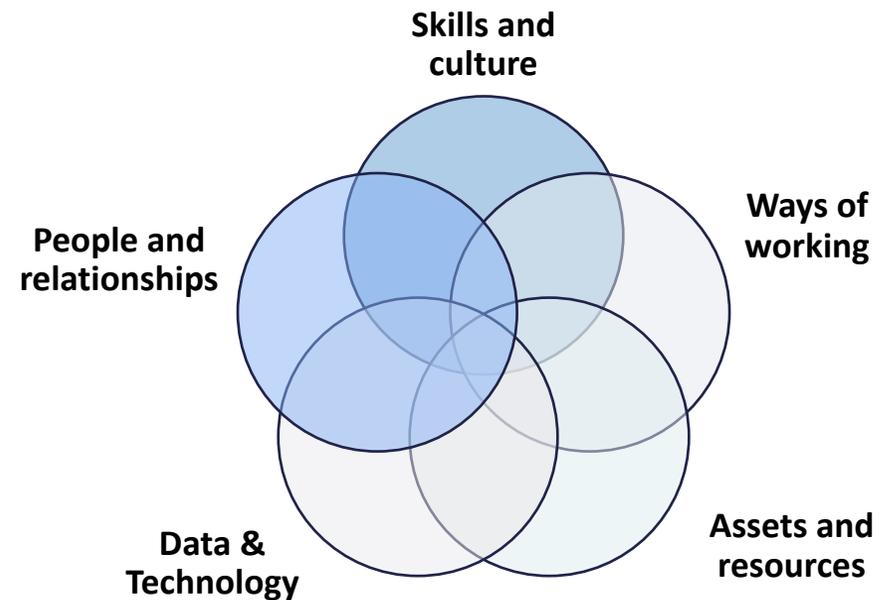


Figure 1

Our Digital Maturity:

- The majority of our staff have at least basic digital skills, with approximately 40% having more advanced skills. Staff are ambitious for us to transition from ‘exploring’ to ‘living’ digital, however they also feel that more support is needed.
- Over the last 18 months we have put in place some of the technology that will provide the foundation of digital capability that can be extended more widely across the organisation. This includes:
 - Integration platform, enabling join up of data from different sources
 - Data management platform, supporting the single view of resident and asset information, automated data analytics and dashboards
 - Robotic automation technology, enabling automation of repetitive tasks to free up staff time
 - Chatbot, smart form, and webchat technology, enabling an improved access to services for residents when they contact the Council online
 - A single resident account that can be deployed across a range of services
- Our county is broadly well connected however we have pockets in rural areas that are less connected. We need to ensure that our approach does not exclude people or businesses in these areas.
- Whilst many of our residents regularly use digital in their day-to-day lives (e.g. social media, messaging apps, online shopping and bookings, etc.) there are also people in Surrey who are not confident using the internet. Our approach to digital must ensure that these groups are not left behind.
- Based on these factors, we have assessed our digital maturity as being at an ‘exploring digital’ level (See Figure 2).

Our digital ambition

From workshops, interviews and research conducted as part of developing this strategy we know that there is appetite from our residents, partners and staff to become a more digital council. We recognise the huge potential for digital to transform the services we offer, to support the Council's financial sustainability and contribute to the prosperity of the county. Our aim is to be a council 'living' our digital ambitions by 2025 (see Figure 2).

See appendix A, Our Digital Journey, for detailed transition states and success measures.

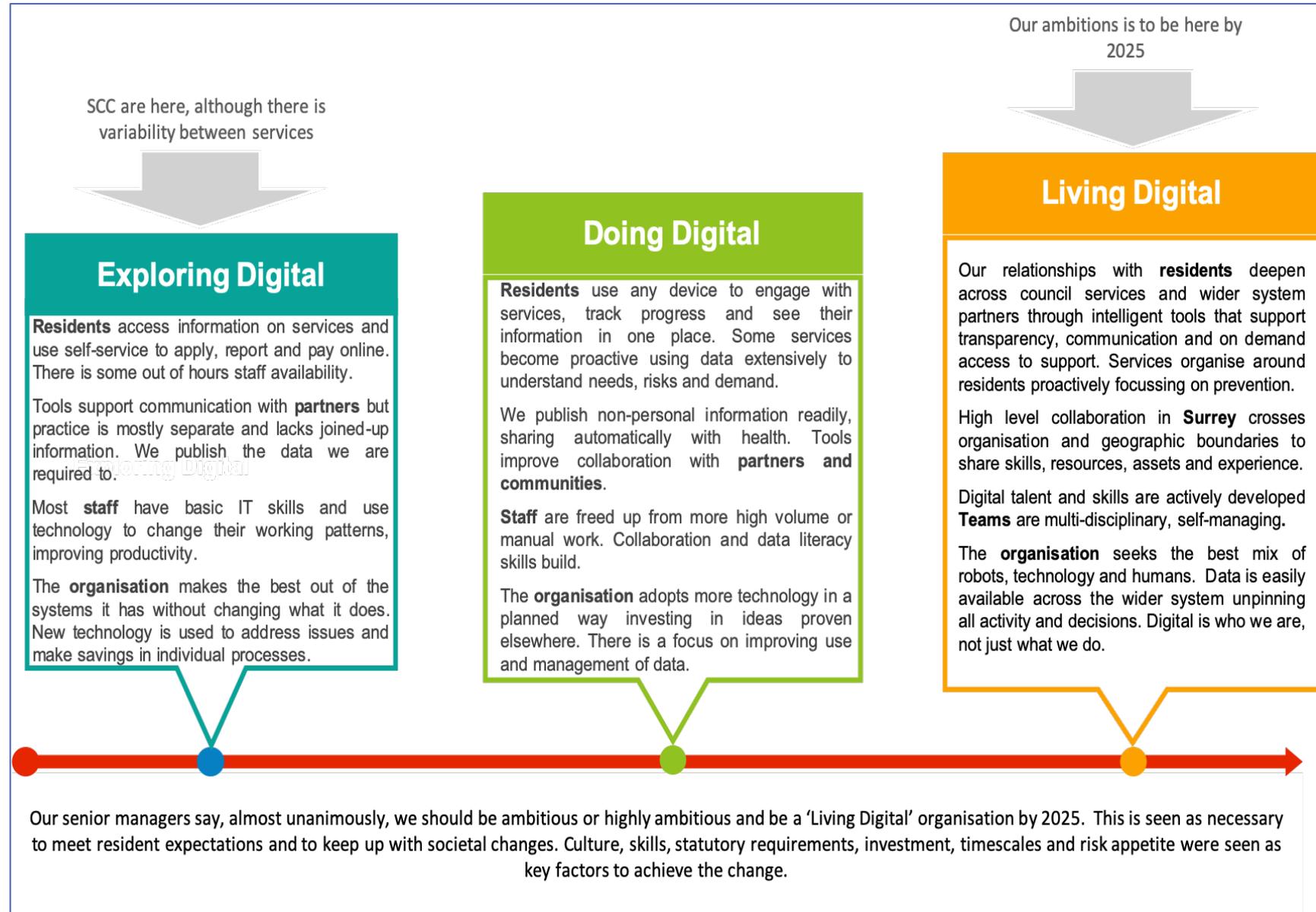


Figure 2

Digital Strategic Priorities

The following strategic priorities demonstrate the ambitions of the council and the areas where we will focus investment and resource over the next five years in order to support the delivery of the organisation strategy. Mirroring the organisation strategy, these priorities relate to people, place and organisation, with a seventh priority focusing on the data and insight that underpins all three areas.

These priorities are aligned with the strategic priorities of Surrey Heartlands Integrated Care System and whilst we jointly develop the transformation and delivery model across joint areas of social and health care integration, this strategy highlights the core focus areas for transformation.

1. Supporting independence

We will work with Surrey Heartlands to use digital technologies to support residents to be independent wherever possible. Transactional services will be easy and quick to access, available 24/7 and provide a seamless experience.

This is a core joint Health and Social Care priority which we are developing integrated solutions to deliver across digital and care pathways.

Strategic Actions:

- Provide residents with a simple way to manage their information and access a range of online services from the council and its partners in one place.
- Support residents to maintain independence through personal technology in the community.
- Provide greater choice of communication channels to support residents in finding the information or services needed.

2. Tackling Inequality

We will make best use of technology and data to understand individual needs and put in place appropriate support. Our approach to digital will be inclusive and with a focus on leaving no one behind.

This strategic priority is well aligned with the outcomes sought by the Surrey Heartlands partnership and to be delivered via the Digital Programme.

Strategic Actions:

- Establishing a network of digital champions to support and advocate digital services and promote digital skills training opportunities.
- Join-up data with health and other partners to identify vulnerable residents most at risk and in need of support.
- Using digital technologies to identify need at the earliest opportunity and help people to find and manage the right support for themselves or those they care for.

3. Investing in digital infrastructure

Working with partners, we will ensure that Surrey is ready to take advantage of the digital capabilities of the future to ensure a strong economy, protecting our environment and tackling the climate emergency.

The implementation of digital infrastructure will create a resilient and high performing digital platform upon which connected devices and advanced telemedicine can be layered to enhance citizen and patient outcomes.

Strategic Actions:

- Partner with commercial and/or public organisations to establish county wide digital infrastructure including 5G, ensuring that we take an inclusive approach that does not leave our rural areas behind.
- Explore use of new technologies to create a smart county and help to address our environmental challenges, e.g. developing sustainable transport approaches, smart mobility and energy efficiency.

4. Connecting communities

We will take advantage of social technologies that help residents to connect with, contribute to or seek support from their local communities.

Strategic Actions:

- Engaging communities through social media tools to involve residents in public services and create community resilience and promote platforms for residents to seek and provide support within their local community.
- Use data to identify needs of our communities early and inform local commissioning.

5. Agile workforce

We will create an adaptive and diverse workforce with the ability to work collaboratively with our partners in providing services to residents.

Strategic Actions:

- Improve partnership working through sharing of data and facilitating effective day to day working practices such as access to connectivity.
- Develop innovation practices and take an agile approach to delivering change.
- Support the development of more flexible job roles and enabling increased multi-disciplinary team working.

6. Empowering staff

Staff will be empowered to better serve their communities from the most appropriate place at the most appropriate time. Access to the right information at the right time will enable faster and more effective decision making.

Strategic Actions:

- We will digitise processes wherever possible to free up staff time and create increased capacity for services to focus on residents as oppose to administrative processes.
- We will support staff to develop their digital skills to make effective use of emerging technologies.
- Empower front line workers with real time information.

7. Data and Insight

We will better share data and intelligence across our organisation and with partners, embracing digital technology, data and analytics capabilities to drive insight-led decision making, demand management and behavioural change.

Creating actionable insight across the health and care system is critical to the effective design and delivery of joined up services across service boundaries.

Strategic Actions:

People:

- Align information on services delivered to residents in order to better model our understanding of need, risk and appropriate support.
- Provide access to, update and manage personal information and preferences.

Place:

- Develop our understanding of local communities that live and work in Surrey to put them at the heart of all decision making.
- Make non-personal information available through open data for social innovation and benefit.

Organisation:

- Use data to understand our workforce and apply digital technologies to engage with and develop staff in more effective ways.

Delivering the strategy

Guiding principles:

The practical delivery of this Digital Strategy will be supported by our guiding principles, which set out the approach we will take to developing ourselves as a living digital organisation. While they are at one level generic, in the context of this strategy they will be used to guide and assure our approach, rather than dictating it.



Figure 3: Guiding Principles

If we want to achieve different results, we need to do things differently.

Our approach to digital transformation will be:

- Embedded in the governance and plans for the wider transformation of the council.
- Based on established and proven digital design methodology.
- Truly collaborative co-design digital services; involving multi-disciplinary teams of service practitioners, service designers and technology experts.
- Focused on resident outcomes with residents and partners involved in the design as much as possible.
- Adopting investment and financing models appropriate for digital design and delivery.
- Focused on implementing IT components that build towards a common set of technologies, as part of a planned IT architecture, that can be re-used multiple times across different services. This will accelerate the adoption of new tech to support organisation-wide service redesign.
- Service driven and owned with continuous involvement to ensure relevance and deliver change.
- Adaptive, innovative and iterative, being quick to test ideas and learn from successes and mistakes and apply these to future work.
- Use digital development practices such as working out loud and stand-ups to promote the results of digital transformation to other services, creating momentum for change across the organisation.
- Aligned with best practice in relation to digital governance, security and ethics.

Lightning Sprints

Delivery of the strategy is also being supported by a 'lightning sprint' methodology, whereby discrete issues and/or services are identified through a process of prioritisation against a set of criteria for intense review and analysis, in order to determine opportunities for the application of digital.

Enabling technology

To support the delivery of the strategic priorities we need to realise digital capabilities through investing in the technologies outlined in figure 4. To avoid some of the common pitfalls of taking a technology driven approach to digital government (see Nesta report referenced on page 4) we will continue to invest in scalable capabilities that can mature and adapt in line with our ways-of-working.

Figure 5 outlines some of the specific technologies that are being or could be exploited in order to deliver services to our community in a different way. Digital is about more than simply implementing technologies, we will need to develop our organisational capability to take advantage of the opportunity that these advancements present. Our Digital Journey (Appendix A) outlines how we seek to grow our council maturity across; Culture, Skills and Leadership; Working Practices and Processes; Data and Information and Technology.



Figure 4: 8 Dimensions of Digital

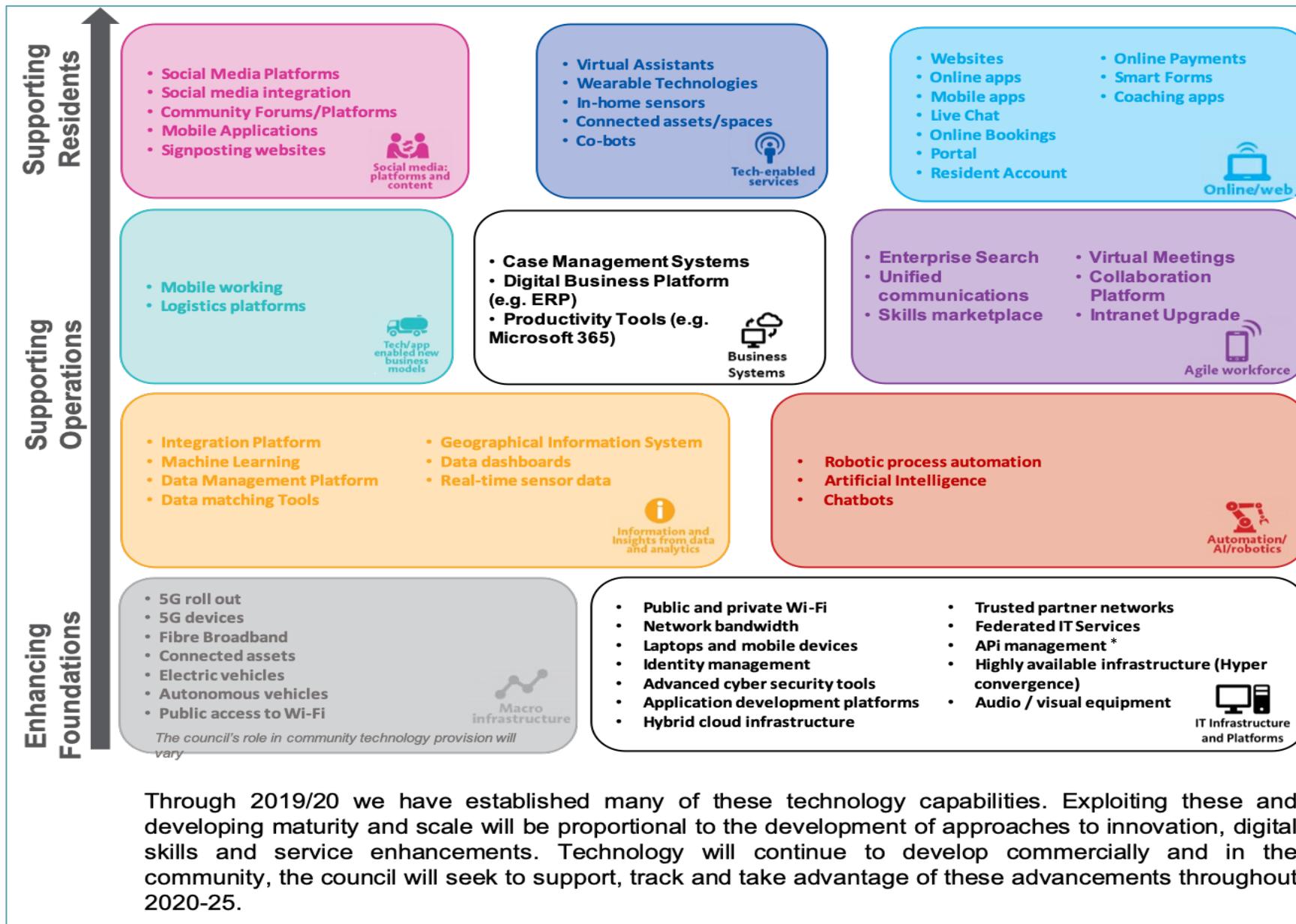


Figure 5: Enabling Technology

*API is the acronym for Application Programming Interface, which is a software intermediary that allows two applications to talk to each other. This reduces the need for double entry of data by residents or staff and facilitates sharing of data.

Governance

This Digital Strategy forms part of a suite of strategies that will direct the council service design and delivery to achieve the objectives of our Organisation Strategy 2025 and the Community Vision 2030.

- This strategy will provide the direction for the Digital Transformation Programme, which is part of Council-wide [Transformation Programme](#) and delivery of the [Organisation Strategy 2025](#) and [Vision for Surrey 2030](#).
- Governance for this strategy will therefore be provided through the Council’s existing transformation governance, which includes Member and Officer oversight and scrutiny.
- Delivery of the strategy will be overseen and assured through our Transformation Portfolio, including the Digital and Agile programmes and the Surrey Heartlands Digital workstream.
- The development of the Integrated Transformation Unit will offer assurance and program management across priority health and social programs in line with the design methodology outlined in this document.
- Some components of digital transformation will be delivered by working closely with other SCC services, for example HR for the skills and leadership programmes required (see Our People 2025) and Economic Growth for digital infrastructure (see Economic Development Strategy).
- We will also need to work closely with partners, particularly Surrey Heartlands through the Joint Strategic Chief Digital Officer.

There is a strong interdependency with the IT & Digital portfolio governance to be managed across the People and Place IT Change Boards (see Appendix B for overview). Prioritisation of activity, business change and individual project assurance will be required at the IT Change Boards and the Digital / Agile Programme Boards.



Figure 6: Strategic Context

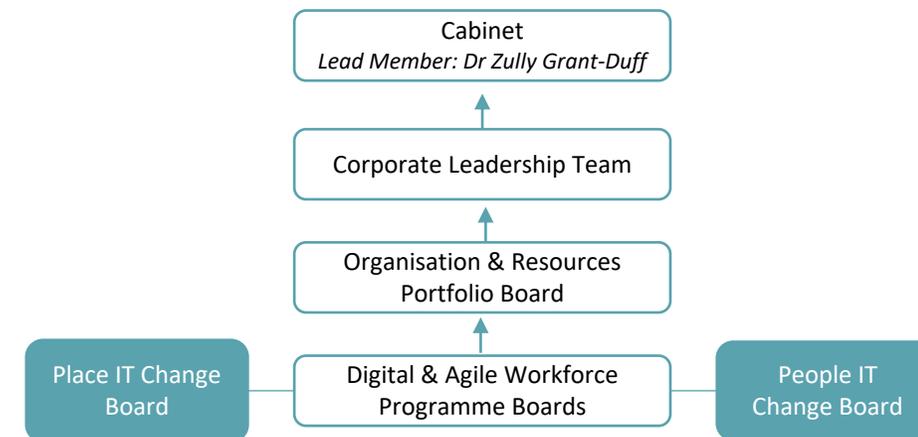


Figure 7: Delivery Governance

Appendices

Our Digital Journey: Transition States & Success Measures

	Doing digital by 2022/23		Living Digital by 2024/5	
	Transition state	Success measures	Transition states	Success measures
Culture, leadership & skills	<ul style="list-style-type: none"> Digital plays a key role in supporting the ambitions of the council. Our change approach to delivering digital government is service-driven and is adaptative and iterative to ensure relevance and continuous improvement of solutions. Staff are supported in their use of technology through a digital skills and adoption programme centred on virtual workplace technology to enhance confidence in agile-working practices. 	<ul style="list-style-type: none"> <i>Digital is embedded in directorate business planning.</i> <i>HROD & IT&D network established and roadmap of activity prepared to manage dependencies between Our People 2025 and Digital Strategy e.g. Digital leadership & digital skills.</i> 	<ul style="list-style-type: none"> Digital service-design is embedded across council services. Our approach to service delivery is user-centred and is adaptive and iterative being quick to experiment, test ideas and learn from successes and mistakes. Staff are empowered and equipped with skills to use technology to deliver and innovate within their roles. Skills are shared across the organisation to deliver outcomes that span multiple services. 	<ul style="list-style-type: none"> <i>Senior managers across the organisation use digital design techniques as part of service design, shown through an audit of transformation methodologies used.</i> <i>There is high and comprehensive proficiency in use of digital tools such as data analytics and collaboration across the organisation with IT&D providing technical and professional support.</i>
Working Practices & Processes	<ul style="list-style-type: none"> Automation, streamlined processes and integration are used to make processes more efficient releasing capacity within the workforce to manage demand. Staff work readily from a variety of locations sharing knowledge and collaborating with other services and partner organisations. Staff use process automation and chatbots to augment their capacity, get and deliver a faster response to service requests. 	<ul style="list-style-type: none"> <i>Automation features as one of the key enabling capabilities to support service redesign and delivery of efficiencies.</i> <i>MCTR has been delivered and staff are working in a Smarter way (see Agile Working programme).</i> 	<ul style="list-style-type: none"> Paper processes are an exception and intelligent systems automatically schedule and plan work to make best use of staff time and skills. Staff use a combination of virtual and physical workspaces as well as digital tools to drive productivity and deliver services in collaboration with other agencies. 'In the moment' decision-making and preventative services are supported by the availability of real-time case level insight and intelligence. 	<ul style="list-style-type: none"> <i>Staff are working in an Agile way, exploiting collaboration tools and using data to manage decision making and workload (see Agile working programme).</i>
Data & Information	<ul style="list-style-type: none"> Data is shared with health and other services to support case work and local commissioning insight. Residents can access services and manage personal data through an online account. Real-time sensor data supports case management for vulnerable residents. Data is broken out of silos in some areas and being used to inform operational and strategic decisions and predictive modelling. Data matching technologies develop a single view of resident data across council services, enhancing quality and supporting decision making. Diversity and staff engagement insights inform organisation development and future workforce planning. 	<ul style="list-style-type: none"> <i>Key end-to-end processes across health and SCC will be supported by shared data and integrated systems (see Surrey Heartlands Digital Workstream).</i> <i>Corporate and service planning is data led using predictive modelling capabilities, data and insight modelling is a core capability.</i> 	<ul style="list-style-type: none"> Non personal data is published on our open data platform and social/commercial innovation is encouraged to benefit local communities. Machine learning and artificial Intelligence are deployed to support insight and decision making. Real-time sensor data supports the management of our communities and transport networks. Data matching technologies develop a single view of asset and staff data across the council. 	<ul style="list-style-type: none"> <i>Multiple data sources will be brought together and used to inform both operational and strategic decision making, using technologies such as sensors to provide near real time data.</i>
Technology	<ul style="list-style-type: none"> Residents have increased access to services online and through more channels (mobile apps, virtual assistants, webchat, social media etc). A single resident account supports multiple services and management of personal information. Staff are equipped with mobile technology and the ability to work from any location. Virtual working technologies are in place supporting cross service and multi-location working. Service systems are integrated to business systems to provide real-time financial information. Technology infrastructure is highly available and scalable through cloud technologies Sensors, wearables and personal technology are used to support independent and safe living in the community. Coaching apps and sign-posting services help residents find support. 	<ul style="list-style-type: none"> <i>New technologies such as sensors and wearable technology will have been piloted and the learning will be being applied to the design of business models.</i> <i>A single resident account for SCC services will be in place.</i> 	<ul style="list-style-type: none"> Logistics technologies support planning and demand management in real time. Systems are integrated across organisations to deliver data insights and seamless services. Sensors support the council to manage the spaces and assets of the county with real-time data feedback. Online community platforms connect residents with the needs of their locality. New business systems are open and adaptable and present real-time data insights to staff as work is processed. Surrey communities are better connected through high-speed, high capacity data services (5G, Fibre Broadband), supporting local, commercial and public service innovations. 	<ul style="list-style-type: none"> <i>New technologies such as sensors and wearable technology will be embedded within our service offer. A range of core services will be available through voice-activated devices.</i>

IT Change Board – Governance Overview			
Standing Agenda	ITCB Steer	Input & Controlling Artefacts	Actions & Decision Artefacts
1. Service IT&D Objectives and Priorities	<i>Service Strategy Alignment & Priorities (IT&D)</i>	<ul style="list-style-type: none"> IT&D key objectives (Service) Applications roadmap Digital & Agile Workforce Programme Plan 	<ul style="list-style-type: none"> Defined plans and key priorities Service strategic IT roadmap Validated roadmap assessment Shared digital objectives
2. Projects & Portfolio Review	<i>Reviews / Approvals</i>	<ul style="list-style-type: none"> Project requests Portfolio view Business case 	<ul style="list-style-type: none"> Tactical projects decisions Approvals log Progress review plan Strategic project escalations
3. Change Management	<i>Service Change</i>	<ul style="list-style-type: none"> Service change plans Training plans 	<ul style="list-style-type: none"> Change communication plans
4. Digital Assurance	<i>Process / Assurance</i>	<ul style="list-style-type: none"> Governance (by exception) Digital design principles Service value proposition 	<ul style="list-style-type: none"> Digital compliance recommendations Service value model
5. Budget	<i>Return on Investment</i>	<ul style="list-style-type: none"> Project budget risks/variances Funding provision Business case 	<ul style="list-style-type: none"> Budget oversight Approved benefits realisation plan
6. Risk	<i>Tactical risk (IT&D)</i>	<ul style="list-style-type: none"> Change impact Risk assessment & management 	<ul style="list-style-type: none"> Updated risk register

Annex B: Lightning Sprints

Rainmaker Solutions Ltd conducted interviews with internal stakeholders to identify a long list of potential opportunity areas to pilot the lightning sprint methodology within Surrey County Council.

1. Libraries: future of offering
2. Libraries: Community hub
3. Education, Health and Care journey
4. Education, Health and Care Plan assessment
5. Education, Health and Care Plan creation
6. SEND School Placements
7. SEND Transport
8. Education, Health and Care Plan Annual Reviews
9. Transition (adult social care front door)
10. Adult Social Care end-to-end user journey
11. Single view of a child
12. Trusted Assessor
13. Online resident balance
14. Pre and post hospital care (Including Reablement)
15. Single view of the resident
16. Integrated front door (SEND & CAMHS) and replacement of Family Information Service
17. Council-wide internal comms
18. How we take/make payments
19. Educational spend reconciliation (SEND finance vs Schools records)
20. Early Identification of children's needs
21. Resident 'reporter of issues'

The Corporate Leadership Team discussed each of these areas and identified five priority digital accelerator opportunities based on the following considerations:

- Alignment with Organisation Strategy priorities
- Scale of potential financial efficiencies
- Customer experience benefits
- Enabling demand to be managed more effectively
- Where there was already an appetite for, or early work being done on digital enablers
- Where 'quick wins' might be achieved

1. Education, health & care journey

The end-to-end process from the statutory request for an assessment, through to provision of SEND support. This includes placement in schools, specialist support (educational psychologists, speech and language therapists etc.).

2. Early identification of children's needs

Exploring the disconnect between third parties who have visibility of children early in their lives and the Council. The disconnect leads to lack of sight over potential need that creates demand later in the user journey (SEND instance, EHCPs).

3. Pre and post hospital care (including Reablement)

Supporting the teams to match the need between user and resource (often third parties), allocating work more intelligently and enabling better data sharing to provide a joined up user experience. Applies to the 6-8 weeks of intensive home care.

4. Single view of the resident (including single view of the child)

It is currently difficult to make effective service decisions without a single view of a resident (and relatives) across Council and third party services. A single view will enable better decision making – specific user journey/service to be defined in phase two.

5. Resident 'reporter of issues'

Encourage and enable citizens to report issues on highways directly to the Council and improve the Council's visibility of maintenance issues; reducing Council effort and utilizing citizen engagement.

Pilots are being run in these 5 areas to embed the approach and transfer knowledge of the methodology to SCC officers. Subsequent areas will then be identified and prioritised according to alignment with the Digital Strategy.

SURREY COUNTY COUNCIL

CABINET

DATE: 31 MARCH 2020



**REPORT OF: MR MEL FEW, CABINET MEMBER FOR FINANCE AND
LEIGH WHITEHOUSE, EXECUTIVE DIRECTOR OF RESOURCES**

LEAD OFFICER: EXECUTIVE DIRECTOR RESOURCES (S151 OFFICER)

SUBJECT: 2019/20 MONTH 10 (JANUARY) FINANCIAL REPORT

SUMMARY OF ISSUE:

This report provides the details of the County Council's 2019/20 financial position as at 31 January 2020 (M10) for revenue and capital budgets, and the expected outlook for the remainder of the financial year. Further details on Service budgets are to be found in **Annex 1**.

Key Messages - Revenue

- To achieve a balanced budget for the year a programme of efficiencies including transformation activities totalling £82m was established. The Council is more than three quarters of the way through the financial year, with £72m (88%) of the £82m target on track to be achieved or delivered.
- The latest forecast for the year-end is for a Revenue deficit of £1.3m, an improvement of £1.1m since month 9. The deficit is broadly due to planned efficiencies not being achieved; emerging pressures mainly in waste; and indicative carry forwards, offset by various mitigating actions.
- The revenue projection currently forecast at £1.3m is mainly due to:
 - Underlying overspends of £17.7m:
 - £8.8m unachieved/black efficiencies in the programme of £82m set for this year;
 - £4.4m in Waste Management, due to increased costs of recycling and disposing of waste, and the decision not to implement changes at community recycling centres, including closures;
 - £3.2m in Special Educational Needs (SEN) and mainstream schools transport, from a growth in pupil numbers and increased costs; and
 - £1.3m of proposed carry forwards which have been taken to corporate contingency for services to bid against in 2020/21.
 - Offsets and mitigating actions of c£16.4m include:
 - £5.3m highway repairs reclassified as capital expenditure, and therefore funded from borrowing or capital receipts;

- £2m additional government grants - Section 31 Business Rates grants and New Homes Bonus;
 - £1.5m reduced forecast for the Corporate Redundancy budget;
 - £1.4m contingency draw down to support the Environment, Transport and Infrastructure LED delayed efficiencies;
 - £1m reduced contribution to the Self-Insurance Fund following the actuarial review showing there was sufficient funding to reduce the contribution;
 - £0.9m underspend on capital financing costs due to slippage in the 2018/19 capital programme;
 - £0.5m underspend in Public Health due to reduction in anticipated costs for out-of-county sexual health placements; and
 - £3.8m other Children, Families, Lifelong Learning and Culture (CFLC) mitigating actions including £0.9m from reduced costs within supplies and services; £0.8m from staffing underspends within education; £0.6m above target efficiencies on Libraries and culture; £0.6m on lower than expected school redundancy costs; and £0.9m on other smaller mitigating items.
- The projected year end outturn position has been determined, taking into account seasonal spending profiles.
 - The overall financial position for Month 10 includes indicative service carry forwards. There remains some vulnerability in the outlook going forward due to some red risks which are not factored into the current forecast, and any impact from the current COVID-19 developments, which are likely to materialise by outturn (paragraph 6-7).

Key Messages - Capital

- The Council set a capital budget for 2019/20 of £129.2m in February 2019. Over recent months the budget has been adjusted for an in-year review leading to re-profiling of budgets to future years to reflect the current position on programme delivery, new schemes and reviews. As a result, the current 2019/20 capital budget has been revised to £123.6m, with forecast in-year underspend of £6.3m at Month 10. Details are set out in **Table 3**.

RECOMMENDATIONS:

The Cabinet is asked to:

- Note the Council's forecast revenue and capital budget positions for the year.

REASON FOR RECOMMENDATIONS:

- Note this report is to comply with the agreed policy of providing a monthly budget monitoring report to Cabinet for approval of any necessary actions.

Revenue Budget

1. **Table 1** below shows the forecast revenue budget outturn for the year by Service. **Annex 1** (attached) provides more detail of service forecast outturn.

Table 1 - Summary revenue budget forecast variances as at 31 January 2020

Directorate	Cabinet member(s)	Full year budget £m	Full year forecast £m	Current year variance at month 10 £m	Indicative Carry Forward £m	Current year variance £m	Change in forecast since last month £m
Children, Families, Lifelong Learning & Culture (CFLC)	M Lewis / J Iles	242.9	246.4	3.5	0.0	3.5	(2.3)
Public Health	S Mooney	30.0	29.5	(0.5)	0.0	(0.5)	(0.5)
Adult Social Care (ASC)	S Mooney	364.0	364.0	0.0	0.0	0.0	0.0
Environment, Transport & Infrastructure (ETI)	D Turner-Stewart/ M Furniss/ M	128.4	129.6	1.2	0.3	1.5	1.3
Community Protection	D Turner-Stewart	34.5	34.2	(0.3)	0.3	(0.0)	0.2
Resources (Res)	M Few/ Z Grant-Duff	71.1	71.6	0.4	0.5	1.0	0.2
Transformation, Partnership & Prosperity (TPP)	T Oliver/ Z Grant-Duff/ C Kemp	14.4	15.5	1.1	0.2	1.3	0.3
Central Income & Expenditure (CIE)	M Few	(885.6)	(891.0)	(5.4)	0.0	(5.4)	0.0
		0.0	0.0	0.0	1.3	1.3	(1.1)

Note: The Public Health grant is now shown within Central Income & Expenditure.

Note: All numbers have been rounded which might cause a difference.

Children, Families, Lifelong Learning & Culture (CFLC) Directorate

2. In the CFLC Directorate, the number of pupils requiring SEN transport is continuing to rise in a similar pattern to previous years. The Transport Review has identified mitigations to reduce some of these costs with the forecast overspend for SEN Transport is now assessed at £2.4m. There is also an increase in the cost of mainstream and alternative provision transport leading to an overall budget pressure on transport for this year of £3.3m.
3. There have been reductions in the volume of both external residential placements and external fostering; however, these levels remain above-budget. A key area of risk for the Council is in Special Educational Needs and Disabilities (SEND), which is funded through the Dedicated Schools Grant (DSG). The current projected position assumes an overspend on SEND of £29m in 2019/20 (equivalent to the budgeted contribution to reserves). The main contributor to this overspend is the increase in the number of Non-Maintained Independent (NMI) placements (a significant factor in the cost of SEND) which could rise to 1,216 by the end of the financial year based on the current trajectory compared to 1,030 at the beginning of the year and 1,106 which was forecast in the SEND reset business case. There, however, remains some risk that the projected overspend of £29m could increase and this will likely have an impact on 2020/21 financial year. In order to limit the overspend to £29m, there remains some risk around this forecast and the impact that this could have on 2020/21. As mentioned last month, a Member Board has been established to monitor the transformation programme. There remains a substantial risk around the deliverability of the plans and the impact that this could have on 2020/21.

Adult Social Care (ASC) Directorate

4. In ASC, although the service remains confident that a balanced outturn can be achieved, significant risks remain relating to care package spending. ASC is forecast to under achieve the care package efficiencies budgeted for 2019/20 by some £5.5m. This underachievement is being largely offset by one-off underspends and some additional income.
5. Care package spending continues to be above the profile to achieve the 2020/21 budget, which requires a month-on-month reduction in spending. After three successive months of reductions in care package spending between October and December, spending commitments increased in January. This has therefore increased the risk in the delivery of the 2020/21 budget. The Adults Leadership Team remains focused on trying to reduce care package spending in the remainder of 2019/20 to bring it closer to the profile required to delivery next year's budget.

COVID-19 costs

6. The M10 position outlined in this report does not include any costs directly attributable to the on-going COVID-19 pandemic. However, as the situation is developing the Council is incurring additional expenditure across service lines, which is unbudgeted. There is also likely to be a reduction in budgeted income from fees and charges, as economic activity slows down due to the acceleration of social-isolation measures. This will put pressure on delivering a balanced outturn position.
7. It is anticipated that the financial cost of the pandemic will mostly impact 2020/21. A process to capture all COVID-19 related costs, estimates and risks has been put in place, to assess the impact on the outturn position and also the delivery of the 2020/21 budget. This will be reported to the Corporate Leadership Team. The Council is also seeking clarification on how it can access emergency funding that has been announced in the March 2020 Budget and subsequent government announcements.

2019/20 Efficiency Programme

8. The Council included £82m of efficiency proposals in the annual budget approved by Council in February 2019. At this point in the year £72m (88%) of the plan has been achieved or expected to be delivered. The Council considers £8.8m of the remaining efficiency proposals to be unachievable (black proposals). There continue to be risks around the achievability of remaining efficiencies, which are being managed and monitored.
9. Directorate efficiencies are shown in **Table 2** below.

Table 2 - Efficiency Progress as at 31 January 2020

Directorate	Full Year Target	Full Year Forecast	Forecast variance	Blue Achieved	Green	Amber	Red	Black Unidentified Gap	Last Month
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Children, Families, Lifelong Learning & Culture	21.7	18.9	2.8	15.6	2.2	0.5	0.5	2.8	2.7
Adult Social Care	20.0	20.0	0.0	20.0	0.0	0.0	0.0	0.0	0.0
Public Health	1.0	1.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0
Environment, Transportation & Infrastructure	11.9	9.1	2.8	5.3	1.9	1.9	0.0	2.8	2.8
Community Protection group	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transformation, Partnership & Prosperity	3.4	2.5	0.8	2.2	0.3	0.0	0.0	0.8	0.7
Resources	11.0	8.6	2.4	8.0	0.5	0.1	0.0	2.4	1.9
Central Income & Expenditure	12.6	12.6	0.0	12.1	0.5	0.0	0.0	0.0	0.0
Total	81.6	72.8	8.8	64.3	5.5	2.4	0.5	8.8	8.2

Capital Budget

10. The M9 budget of £123.6m is an increase of £0.6m from M9. This is as a result of additional schools' expenditure of £0.1m, which will be funded by third party contributions, including the Devolved Formula Grant. There is also an increase to the budget for PC renewals within Libraries approved by the Capital Programme Panel in February 2020 (£0.4m).
11. **Table 3** below provides a summary of the forecast outturn for the 2019/20 Capital budget, including the re-profile requests.

Table 3 - Summary capital programme budget forecast as at 31 January 2020

		Full year budget	Year to date actual month 10	Full year forecast outturn at month 10	Full year forecast variance at month 10	Change in forecast since last month	Future years' budget
		£m	£m	£m	£m	£m	£m
Adult Social Care	S Mooney	1.9	0.5	2.2	0.3	0.0	7.6
Children Services	M Lewis / J Iles	7.5	6.6	7.5	0.0	0.0	7.1
Environment	M Goodman	1.1	0.7	0.9	(0.1)	(0.1)	3.8
Highways & Transport	M Furniss	60.0	41.9	54.6	(5.4)	(2.3)	123.5
Information Technology & Digital	Z Grant-Duff	8.0	6.7	8.1	0.2	(0.3)	26.0
Property Services	M Few	23.3	19.9	24.2	0.8	(0.3)	106.6
Schools Basic Need	J Iles	19.5	17.4	19.1	(0.4)	(0.4)	64.6
Fire & Rescue	D Turner- Stewart	2.4	0.5	0.8	(1.6)	(1.7)	7.1
Total Capital		123.6	94.2	117.4	(6.3)	(4.9)	346.3

Note: All numbers have been rounded - which might cause a casting difference

12. For M10, the forecast variance is a £6.3m slippage. This is a deterioration of £4.9m from the M9 position. This is primarily comprised of the following:

Underlying overspends and additional spend of £2.4m:

- **£2.0m overspend in Property:**
 - **£0.8m SEN strategy** - some projects are ahead of schedule. Budgets in future years will be brought forward to reduce future year spend;
 - **£0.8m Priority Schools Building Programme 2** accelerated progress; and
 - **£0.6m The Linden Farm** scheme is complete. Final accounts are currently under negotiation, but there is an expected overspend of £0.6m due to unforeseen ground conditions and planning delays.
- **£0.3m additional spend on the ASC Adaptations Scheme**, which will be met from the revenue budget.

Offset by c£8.7m of slippage:

- **£5.4m slippage in Highways & Transport** primarily due to delays with Network Rail to Farnham Road Rail Scheme (£0.9m); contract negotiations to Street Lighting LED conversion (£1.0m); and land purchase and design work in the Guildford Town Centre (£1.8m) Local Enterprise Partnership (LEP) scheme; and drainage issues in the Wider Staines (£1.3m) LEP schemes.

There is currently a “deep dive” underway to review LEP scheme delivery in order to provide confidence in the forecast for both 2019/20 and 2020/21.

- **£1.6m slippage in Community Protection (Fire & Rescue)** relating primarily to due to Vehicle Replacement (£1.3m) – vehicles have been ordered but will not be delivered in 19/20 – and delayed implementation of the Joint Transport Project (£0.3m).
- **£0.4m Schools Basic Need** delays on Chart Wood project.
- **c£1.2m slippage in Property** primarily due to delays refurbishing the utility blocks at Traveller sites (£0.4m) and Schools Capital Maintenance scheme capacity and resources (£0.9m).

CONSULTATION:

13. Executive Directors and Cabinet Members have confirmed the forecast outturns for their revenue and capital budgets.

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 and the sustainability of the Medium Term Financial Plan. In the light of the financial risks faced by the Council, the Leadership Risk Register will be reviewed to increase confidence in Directorate plans to mitigate the risks and issues.

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 that forecasts have been based on reasonable assumptions, taking into account all material, financial and business issues and risks.
17. The Council has a duty to ensure its expenditure does not exceed resources available. It is drawn to Members' attention that the Council continues to face ongoing uncertainty about future funding, demand pressures and efficiencies. Within this context the Council will continue to develop and implement plans to ensure the delivery of services are contained within resources.

LEGAL IMPLICATIONS – MONITORING OFFICER:

18. The Council is under a duty to set a balanced and sustainable budget. 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 whilst continuing to meet its statutory duties.
19. 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 they 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, whilst complying with its statutory and common law duties.

EQUALITIES AND DIVERSITY:

20. Any impacts of the budget monitoring actions will be evaluated by the individual services as they implement the management actions necessary. In implementing individual management actions, the Council must comply with the Public Sector Equality Duty in section 149 of the Equality Act 2010 which requires it to have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
21. Services will continue to monitor the impact of these actions and will take appropriate action to mitigate additional negative impacts that may emerge as part of this ongoing analysis.

WHAT HAPPENS NEXT:

22. The relevant adjustments from the recommendations will be made to the Council's accounts.

Contact Officer:

Leigh Whitehouse, Executive Director of Resources
020 8541 7246

Consulted:

Cabinet, Executive Directors, Heads of Service

Annexes:

Annex 1 – Detailed Revenue Budget Month 10 (January 2020)

Detailed Revenue Budget as at Month 10 (January 2020)

Service	Cabinet Member	Prior year to date actual £m	Year to date Budget £m	Year to date Actual £m	Year to date variance £m	Full Year Gross budget £m	Full year net budget £m	Full Year net forecast £m	Full year net forecast variance £m
Delegated Schools	J Iles	14.5	1.8	1.8	(0.0)	310.8	0.0	0.0	0.0
Education, Lifelong Learning & Culture	J Iles	(11.9)	80.9	70.3	(10.6)	282.0	96.9	97.1	0.3
Corporate Parenting	M Lewis	1.6	80.5	75.3	(5.2)	110.3	96.0	95.3	(0.7)
Commissioning	M Lewis / J Iles	0.2	4.9	4.7	(0.2)	65.4	6.0	6.3	0.4
Family Resilience	M Lewis	0.0	32.4	32.3	(0.1)	40.6	38.1	39.0	0.9
Quality Assurance	M Lewis / J Iles	0.1	7.2	6.4	(0.8)	10.4	8.6	7.9	(0.7)
Directorate wide savings		0.0	(2.1)	0.4	2.5	(2.5)	(2.6)	0.7	3.3
Children, Families, Life long Learning, and Culture		4.5	205.6	191.4	(14.4)	816.8	242.9	246.4	3.5
Public Health	S Mooney	0.0	(0.0)	0.0	0.0	35.7	30.0	29.5	(0.5)
Adult Social Care	S Mooney	(2.1)	304.4	300.8	(3.6)	488.4	364.0	364.0	0.0
Highways & Transport	M Furniss	0.1	50.1	44.4	(5.7)	73.6	59.0	54.9	(4.0)
Environment	M Goodman	(1.3)	57.4	47.0	(10.3)	73.4	68.9	73.8	4.9
Communities Support Function	D Turner-Stewart	(0.0)	0.3	0.2	(0.1)	0.4	0.4	0.4	(0.0)
Leadership Team (ETI)	M Goodman	(0.0)	0.2	0.7	0.5	0.5	0.3	0.9	0.6
Environment, Transport & Infrastructure		(1.2)	108.0	92.4	(15.6)	147.9	128.4	129.9	1.5
Fire & Rescue	D Turner-Stewart	4.3	26.8	44.5	17.7	36.2	32.1	32.1	0.0
Trading Standards	D Turner-Stewart	(0.0)	1.5	1.5	0.0	3.9	1.7	1.7	0.0
Emergency Management		(0.0)	0.4	0.5	0.1	0.0	0.5	0.5	0.0
Community Protection Support		0.0	0.2	0.0	(0.2)	0.0	0.2	0.2	0.0
Community Protection		4.2	28.8	46.4	17.7	40.1	34.5	34.5	0.0
Human Resources & Organisational Development	Z Grant-Duff	0.1	3.1	2.4	(0.7)	3.7	3.2	3.5	0.3
Insight, Analytics & Intelligence	Z Grant-Duff	(1.7)	2.8	2.4	(0.4)	3.8	3.1	2.7	(0.3)
Customer Services	Z Grant-Duff	(0.0)	2.6	2.4	(0.2)	2.8	2.6	2.9	0.3
Coroner	D Turner-Stewart	0.0	1.5	2.0	0.5	2.3	1.8	2.3	0.6
Strategic Leadership	T Oliver	0.1	0.8	1.1	0.3	0.7	1.2	1.3	0.1
Communications	Z Grant-Duff	(0.0)	1.2	1.0	(0.2)	1.4	1.4	1.4	0.0
Economic Growth	C Kemp	(0.0)	1.0	0.5	(0.5)	1.2	0.9	0.7	(0.2)
Transformation Support Unit		(1.9)	0.7	0.7	0.0	1.1	0.8	0.8	(0.0)
Cross County		0.0	(1.7)	0.0	1.7	(1.5)	(0.7)	0.0	0.7
Transformation, Partnership & Prosperity		(3.5)	12.0	12.5	0.4	15.6	14.4	15.7	1.3
Joint Operating Budget ORBIS	Z Grant-Duff	19.0	26.6	29.0	2.4	31.9	31.8	33.7	1.9
Property	M Few	(0.7)	15.4	15.5	0.2	28.1	19.0	19.0	0.0
Information Technology & Digital	Z Grant-Duff	(0.2)	9.0	7.7	(1.3)	11.5	10.9	10.6	(0.3)
Finance	M Few	(0.1)	2.2	1.3	(0.9)	4.1	2.7	1.6	(1.1)
Legal Services	Z Grant-Duff	0.1	3.0	3.4	0.4	4.0	3.6	4.2	0.6
Democratic Services	Z Grant-Duff	(0.0)	2.8	2.4	(0.4)	3.6	3.2	3.0	(0.2)
Business Operations	Z Grant-Duff	0.0	(0.1)	(0.1)	0.0	(0.1)	(0.1)	(0.1)	0.0
Resources		18.1	59.0	59.4	0.4	83.2	71.1	72.1	1.0
Corporate Expenditure	M Few	(19.3)	32.9	27.0	(5.9)	47.8	34.7	32.9	(1.8)
Total services' revenue expenditure		0.9	750.7	729.9	(20.9)	1,675.4	920.3	925.2	4.9
Corporate funding		(611.9)	(622.5)	(622.4)	0.1	0.0	(920.3)	(923.9)	(3.6)
Total Net revenue expenditure		(611.0)	128.2	107.5	(20.8)	1,675.4	0.0	1.3	1.3

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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