Cabinet

SURREY
COUNTY COUNCIL

Date & time	**Place**	**Contact**	**Chief Executive**
Tuesday, 21 July 2020 at 2.00 pm	REMOTE	Vicky Hibbert or Huma Younis Room 122, County Hall Tel 020 8541 9229 or 020 8213 2725	Joanna Killian

We're on Twitter:
@SCCdemocracy

vicky.hibbert@surreycc.gov.uk or huma.younis@surreycc.gov.uk

Cabinet Members: Mrs Natalie Bramhall, Mr Mel Few, Mr Matt Furniss, 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: Miss Alison Griffiths, Miss Marisa Heath, Mr Mark Nuti and Mrs Becky Rush

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Please note that due to the COVID-19 situation this meeting will take place remotely.

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1 **APOLOGIES FOR ABSENCE**

2 **MINUTES OF PREVIOUS MEETING: (23 JUNE 2020)** (Pages 1 - 12)

To approve the minutes of the 23 June 2020 meeting as a correct record.

3 **DECLARATIONS OF INTEREST**

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

(i) Any disclosable pecuniary interests and / or

(ii) Other interests arising under the Code of Conduct in respect of any item(s) of business being considered at this meeting

NOTES:

- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest

- As well as an interest of the Member, this includes any interest, of which the Member is aware, that relates to the Member's spouse or civil partner (or any person with whom the Member is living as a spouse or civil partner)

- Members with a significant personal interest may participate in the discussion and vote on that matter unless that interest could be reasonably regarded as prejudicial.

4 **PROCEDURAL MATTERS**

a **Members' Questions**

The deadline for Member's questions is 12pm four working days before the meeting (15 July 2020).

b **Public Questions**

The deadline for public questions is seven days before the meeting (14 July 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**

Cabinet to consider the following:

A. Community Projects Fund Task and Finish Group report.

6 **LEADER / DEPUTY LEADER / CABINET MEMBER/ STRATEGIC INVESTMENT BOARD DECISIONS TAKEN SINCE THE LAST CABINET MEETING**

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

7 **CABINET MEMBER UPDATE**

To note the report from Sinead Mooney, Cabinet Member for Adults and Health.

8 **COVID- 19 DELEGATED AND URGENT DECISIONS TAKEN**

To ensure transparency of decisions taken in response to COVID-19, Cabinet are asked to note the attached decisions taken since the last meeting.

9 **DECISION ON THE CHANGE OF ROUTE TO MARKET FOR TWO EXTRA CARE HOUSING SITES**

This paper sets out Surrey County Council's necessary and recommended change of delivery approach for two Council owned sites; the former Pinehurst Resource Centre (Camberley) and the former Brockhurst Care Home (Ottershaw). Both sites have already been allocated for Extra Care Housing. These sites will be integral in supporting the Council's strategy to deliver accommodation with care and support by 2030.

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

NB: There is a part 2 annex at Item 16.

10 **COMMUNITY PROJECTS FUND**

The report sets out the proposed approach to the development of the Community Project Fund (CPF) in readiness for it to be launched in the Autumn. It sets out the aims of the Fund to bring community-led place-making or place-improving projects to life at a scale to make a significant impact and deliver a real legacy in communities.

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

11 **DIGITAL BUSINESS & INSIGHT PROGRAMME FULL BUSINESS CASE**

This report presents the full business case for awarding a contract to the

preferred supplier and progressing an implementation project to replace the council's existing corporate (enterprise resource planning or ERP) system. This is the system used to manage the organisation's business critical Finance, HR, Payroll and Procurement processes.

NB: There is a part 2 Annex at Item 17.

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

12   2020/21 MONTH 2 (MAY) FINANCIAL REPORT

This report provides the details of the County Council's 2020/21 financial position as at 31st May 2020 (M2) for revenue and capital budgets, and the expected outlook for the remainder of the financial year, as well as proposing a budget reset to take account of COVID-19 pressures.

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

13   LOOKED AFTER CHILDREN PROPERTY PROJECTS - NEW CHILDREN'S HOMES AND SHAW FAMILY CENTRE

This report seeks Cabinet's approval to progress the delivery of two children's homes and the re-provision of the Shaw Family Contact Centre, in support of the Looked After and Adopted Children's (LAAC) Service strategy for children growing up in the care of the council.

[The decisions on this item can be called in by the Resources and Performance Select Committee and/ or the Childrens, Families, Lifelong Learning and Culture Select Committee]

14   RECOVERY AND DEVOLUTION WHITE PAPER: OPPORTUNITIES AND BENEFITS FOR SURREY

Cabinet are asked to note the preparations in hand to respond to the Government's anticipated Recovery and Devolution White Paper, due to be published in autumn 2020.

This report will be dealt with under the General Exception rule as it has not had the required 28 days' notice on the Forward Plan. The Chairman of the Resources and Performance Select Committee has been notified of the intention to make this decision.

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

15   EXCLUSION OF THE PUBLIC

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

PART TWO - IN PRIVATE

16 **DECISION ON THE CHANGE OF ROUTE TO MARKET FOR TWO EXTRA CARE HOUSING SITES** (Pages 171 - 180)

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

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

17 **DIGITAL BUSINESS & INSIGHT PROGRAMME FULL BUSINESS CASE** (Pages 181 - 210)

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

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

18 **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 13 July, 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. Questions are asked and answered in public and so cannot relate to "confidential" or "exempt" matters (for example, personal or financial details of an individual – for further advice please contact the committee manager listed on the front page of this agenda).
2. The number of public questions which can be asked at a meeting may not exceed six. Questions which are received after the first six will be held over to the following meeting or dealt with in writing at the Chairman's discretion.
3. Questions will be taken in the order in which they are received.
4. Questions will be asked and answered without discussion. The Chairman or Cabinet Members may decline to answer a question, provide a written reply or nominate another Member to answer the question.
5. Following the initial reply, one supplementary question may be asked by the questioner. The Chairman or Cabinet Members may decline to answer a supplementary question.

**MINUTES OF THE REMOTE MEETING OF THE CABINET
HELD ON 23 JUNE 2020 AT 2.00 PM**

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

Members:

*Mr Tim Oliver (Chairman)	*Mrs Natalie Bramhall
*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 Becky Rush	*Miss Alison Griffiths
*Mr Mark Nuti	*Miss Marisa Heath

* = Present

Members in attendance:

Mr John O'Reilly, Chairman of Communities, Environment & Highways Select
Committee
Mrs Kay Hammond, Horley West, Salfords & Sidlow
Mr Jonathan Essex, Redhill East

**PART ONE
IN PUBLIC**

82/20 APOLOGIES FOR ABSENCE [Item 1]

There were no apologies.

83/20 MINUTES OF PREVIOUS MEETING: 26 MAY 2020 [Item 2]

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

84/20 DECLARATIONS OF INTEREST [Item 3]

There were none.

85/20 MEMBERS' QUESTIONS [Item 4a]

There were four Member questions, one from Mrs Kay Hammond and three
from Mr Jonathan Essex. These and the responses were published as a
supplement to the agenda.

There was no supplementary question from Mrs Hammond but she wanted,
on behalf of her select committee, to pass on the gratitude for the support
from all staff who were caring for the most vulnerable.

Mr Essex asked how the council would re-establish youth work and youth centres and highlighted the recent reports of large gatherings of young people. The Cabinet Member for Children, Young People & Families responded that the youth team were eager to work with distancing measures and were looking at activities that could be undertaken. Summer activities were being organised for vulnerable children that had missed out on schooling. She also stated that large gatherings were a matter for the police who were trying to deal with it sensitively.

In relation to Mr Essex's third question he asked for a further written response to part 2 of that question. The Cabinet Member for Adults & Health undertook to provide this.

86/20 PUBLIC QUESTIONS [Item 4b]

There were no public questions.

87/20 PETITIONS [Item 4c]

One petition of 1,348 signatories has been received.   It requested that the Council; a) Halt the demolition of Longmead Adult Education Centre in Redhill, b). Retain the Edwardian character of the building, and c) Develop it into a community hub. The response to the petition was published as part of the supplementary agenda and on the petitions website.

Ms Maulucci presented the petition and included the following points:
- That this was a historical building that should not be lost to the area
- The building was structurally sound.
- Local architects had designed a community function and restored the historical features.
- The local council had objected to the demolition.

She also requested a written response to several questions:
- Have you considered using Longmead outside space or another car park or other location to temporarily house Colebrook? Please share you viability study with the public?
- Please can you share publicly full details of the grant form Homes England including which site it is for, what conditions and what type of homes it will deliver?
- Please confirm that this will be for truly affordable homes, NOT shared ownership and NOT feudal and unfair residential leasehold with abhorrent ground rent?

The Cabinet Member for Resources stated that he would provide Mrs Maulucci with the additional information requested and also confirmed that the building was in a significant state of disrepair.

Mrs Natalie Bramhall, as the local Member, stated that The Reigate Society had never taken any interest in this building and Reigate & Banstead Council had locally listed the building, but it was not protected. It was suitable for provision of affordable housing but not a fit for purpose community hub which will be provided elsewhere. She went on to say that council needed to take difficult decision sometimes and that provision of housing was what Redhill really needed.

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The Leader added that he accepted that the situation needed better explanation to residents and hoped that Mrs Maulucci would help in that regard. He also explained that the demolition had stopped whilst the council waited for the determination from Historic England in response to the application.

88/20 REPRESENTATIONS RECEIVED ON REPORTS TO BE CONSIDERED IN PRIVATE [Item 4d]

There were none.

89/20 REPORTS FROM SELECT COMMITTEES , TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL [Item 5]

Cabinet considered a report received from the Communities, Environment & Highways Select Committee (CEHSC) in relation to Item 12 - Rethinking Waste – Surrey County Council's Waste Commissioning Strategy.

Mr John O'Reilly, Chairman of the CEHSC, presented the report and explained the recommendations to Cabinet. He highlighted that the select committee were of the opinion that the next waste contract should not last for 25 years and should be for a shorter period. He was aware that the waste strategy was a work in progress and informed Cabinet that the CEHSC were setting up a Waste Task Group to look at the future in regards to waste and recycling. He wanted the council to be a vanguard in this area and praised the work undertaken so far under the new Leader and Chief Executive.

The Cabinet Member for Waste & Climate Change requested the following change to Recommendation 2 of the CEHSC report which was agreed:

> *'That the Cabinet Member provide ~~assurances~~ **due consideration** that the recommendations made by the Waste Task Group in September 2019 and reported to Cabinet in October 2019 are inputted into the development of the new Waste Commissioning Strategy'*

She went on to say that many of the recommendations had already been included in the strategy.

The Leader thanked Mr O'Reilly for the work of the CEHSC and that the recommendations would be considered in work going forward.

90/20 LEADER / DEPUTY LEADER / CABINET MEMBER/ STRATEGIC INVESTMENT BOARD DECISIONS TAKEN SINCE THE LAST CABINET MEETING [Item 6]

The Cabinet Member for Transport highlighted the decision taken regarding bus lanes in that they would operate for 24 hours and would only be accessible to buses, bicycles and taxis. Heavy Goods Vehicles usage had been removed.

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.

91/20 CABINET MEMBER UPDATE [Item 7]

The Cabinet Member for Transport presented a portfolio update that detailed some of the work that had been undertaken to support the transport and highways system. Covid-19 and the resulting lockdown had created challenges, but also unlocked new opportunities to promote low and zero carbon modes of transport, enabling the council to be proactive in tackling the climate emergency.

The update was published as a supplement to the agenda.

RESOLVED:

The Cabinet Member for Transport portfolio update was noted.

92/20 COVID-19 UPDATE [Item 8]

The Leader presented a detailed briefing on the work undertaken to support residents during this time and work to do over the coming months. He highlighted the test and trace system and encouraged anyone with symptoms to get tested. Those that test positive would be contacted by the test and trace team and whilst voluntary, it was important for those people to give details of contacts. It was expected that analysed data would be available down to postcode level soon and even more locally in the near future. If a particular location is identified by the data then the council would post information and advice through social media and mainly via the council's Facebook page. Lastly, he explained that there was a Local Outbreak Plan which was to be submitted to Government and would be available on the council's website soon.

RESOLVED:

1. That the latest public health situation nationally and in Surrey with regard to COVID-19 and the latest information regarding the government's Test and Trace programme be noted.

2. That the financial support being provided to social care providers and Care Homes be noted.

3. That the support being provided to local businesses through a range of grants, guidance and signposting be noted.

4. That the activity underway across the county to restore and restart services, activities and the economy, as national lockdown measures were eased be noted.

5. That a contribution of £200,000 to the Community Foundation Surrey Coronavirus Support Fund was approved to provide additional

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financial support to the Voluntary, Community and Faith Sector, match-funded where possible.

Reason for decision:

The county and council continue to face unprecedented challenges due to the COVID-19 crisis. In addition to response activity, attention is turning to the re-starting, restoration and recovery of services and day-to-day life, as lockdown measures are eased nationally.

The recommendations set out in this report ensure Cabinet are appraised of the work going on across the council to protect, sustain and support our residents and communities and the economy of Surrey.

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

93/20 CHILDREN'S IMPROVEMENT UPDATE [Item 10]

The Cabinet Member for Children, Young People & Families gave a detailed precis of the submitted report and highlighted that since last reporting to Cabinet at the 28 January 2020 meeting, the fifth scheduled Ofsted Monitoring Visit had been cancelled as all Ofsted inspections were suspended due to the COVID-19 pandemic. The improvement programme was continuing to be delivered at pace despite the impact from the pandemic and shift of resources to support frontline services.

The submitted report provided further information on the impact of the pandemic on the improvement programme and the priorities for the Children, Families, Lifelong Learning & Culture (CFLLC) directorate. The directorate plan had been revised this month and further detail was included in the report.

The Cabinet Member for All-Age Learning stated that it was a strong report detailing the improvements made and the planned activities, highlighting the 1000 day programme, our graduated response model and early help and support services enabling children to live, learn and grow up locally and achieve their full potential, due to the right support being available in education settings.

In response to a question put by a Deputy Cabinet Member regarding improving handovers the Cabinet Member for Children, Young People & Families explained that there were still some inadequate cases identified where handovers were not good between social workers and team managers. She explained the ongoing improvements in management oversight and stated that supervision levels were up. Vacancy levels were reduced which would help to eliminate inadequate practices and there was a robust induction programme in place.

RESOLVED:

1. That the revised priorities and directorate plan for the Children, Families, Lifelong Learning & Culture directorate be agreed.

2. That the overall findings and feedback from the recent quality assurance activity included in this report and the impact on frontline

children's services resulting from delivery of the Children's Improvement Plan be noted.

3. That a further report to come to the September 2020 meeting was agreed – to include an update on the children's improvement programme and the next steps for the re-inspection of Surrey's children's services by Ofsted.

Reason for decision:

It is not yet known when the next Ofsted Monitoring Visit or full re-inspection will take place following cancellation of the 7 & 8 April 2020 visit.

The revised directorate plan has been updated to reflect the evolving situation with the COVID-19 pandemic. While significant effort and resources are working to manage and mitigate the impact of the pandemic, we are committed to delivering the vital improvement priorities also included in the directorate plan.

As outlined in the main section of the report, the improvement programme is progressing well with Surrey's children's services successfully delivering the actions from the improvement plan to address Ofsted recommendations from the 2018 full inspection. There are comprehensive scrutiny arrangements already in place for 2020 with involvement from Surrey County Council (SCC) officers, Members, partner agencies, the Department for Education (DfE) and other key stakeholders.

[The decisions on this item can be called in by the Children, Families, Lifelong Learning & Culture Select Committee]

94/20 COVID-19 DELEGATED AND URGENT DECISIONS TAKEN [Item 9]

The Leader highlighted the continuing support to care homes which amounted to £14m so far and that there was further funding available for discretionary use.

RESOLVED:

That the seven decisions taken by officers since the last meeting be noted.

Reason for decision:

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

[This decision is subject to call-in by the relevant Select Committee Chairman dependent on the recommendation.]

95/20 HOUSING INFRASTRUCTURE FUND FORWARD FUNDING - FUNDING ALLOCATION OF £41.8 MILLION TO THE A320 NORTH OF WOKING [Item 11]

The Deputy Leader introduced a report that explained how Surrey County Council (SCC) in conjunction with Runnymede Borough Council (RBC) submitted a bid to the HIF in March 2019 to facilitate the provision of 3,687 additional homes currently included within the Runnymede Local Plan. He

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explained that there were several risks currently with the project that needed to be mitigated and which officers were working to resolve before SCC signs the Funding Agreement.

However, in the interim, there is a need to commence work on the project as early as possible, to ensure the project could be delivered to the required timetable. Approval was sought to incorporate the Scheme within the Council's capital delivery programme to allow preliminary design to be undertaken in the development of the scheme prior to the signing of the Funding Agreement with MHCLG. A further report would be brought to Cabinet in September 2020 with recommendations on the signing of the Funding Agreement.

A discussion was had about the wording of the third recommendation and it was agreed that the following changes be made:

> '*Authority be given to officers to commence* ~~*initial negotiations*~~ *early discussions with landowners in respect of the* ~~*for the*~~ *acquisition of third-party land, it being understood that this may need to progress to compulsory purchase where necessary, which would be subject to both the signing of the Funding Agreement by SCC and a further Cabinet Member resolution.*'

RESOLVED:

1. That an appropriate and suitable design consultancy be appointed to undertake the preliminary design work, with an estimated cost of £0.73m incurred by Surrey County Council, in advance of a full funding agreement being entered into with the Ministry of Housing, Communities & Local Government.

2. That a further report be brought to Cabinet in September 2020 regarding progress with the terms and conditions of the funding agreement and to seek full approval for the scheme.

3. That authority be given to officers to commence early discussions with landowners with respect to the acquisition of third-party land, it being understood that this may need to progress to compulsory purchase where necessary, which would be subject to both the signing of the Funding Agreement by the Council and a further Cabinet Member resolution.

Reason for decision:

The decisions recommended will enable the early work to develop the project to commence in a way that will ensure that the project has the best opportunity to meet the challenging HIF spend timetable of March 2024. It will also enable some of the currently identifiable risks to be better understood and mitigated before Cabinet are asked for a decision for SCC to give full approval for the scheme and to sign the proposed funding agreement.

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

96/20 RETHINKING WASTE - SURREY COUNTY COUNCIL'S WASTE COMMISSIONING STRATEGY [Item 12]

The Cabinet Member for Waste & Climate Change presented a report that explained how the current Waste PFI contract with Suez provided for the treatment and disposal of all local authority collected waste arising within the county. That contract expired in 2024, and Surrey County Council (SCC) needed to commission new service arrangements. In order to ensure that SCC commissioned an effective approach to the treatment of waste moving forward, it was proposed that a Waste Commissioning Strategy be developed to identify how to minimise the amount of residual waste treated, the infrastructure required, and options for delivering waste management system efficiencies with district and borough councils, to deliver the desired outcomes, the procurement process, and a timeframe. The Cabinet Member also explained the distinctions between the Strategy and the Waste Local Plan.

RESOLVED:

1. That the development of a Waste Commissioning Strategy be approved;

2. That the proposed outcomes for the Waste Commissioning Strategy be approved, to:

   a) Meet Surrey County Council's Waste Disposal Authority (WDA) statutory duties.
   b) Maximise the financial sustainability of waste management in Surrey.
   c) Reduce the carbon impact of waste collection and disposal.
   d) Maximise the integration of waste management in the county.

3. That the programme proposed for the development of the strategy and re-procurement of the waste disposal contract be approved; and

4. That the review of the variable elements of the funding mechanism through which the county council funds the Surrey Environment Partnership and the Waste Collection Authorities, within this programme, be approved.

Reason for decision:
The development of a Waste Commissioning Strategy as set out will enable the Council to fulfil its statutory obligations as a Waste Disposal Authority more effectively and will set a framework in which to work with partners and districts and boroughs in achieving a more efficient and financially sustainable approach to the management of waste in the county. Further, it will enable the Council to properly assess and identify ways of achieving the carbon reduction targets set out in the Council's recently adopted Climate Change Strategy.

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

97/20 SURREY LANE RENTAL SCHEME [Item 13]

The Cabinet Member for Transport introduced a report that described how Surrey suffered with traffic congestion during peak periods, particularly at congestion hotspots. Surrey's congestion levels were 25% higher than the average for the South East region as a whole. This congestion was exacerbated when utility companies and highway authorities, undertook works on the highway, closing or limiting traffic flows, particularly at peak times. It was therefore proposed to introduce a lane rental scheme, by which organisations working on the highway paid into a fund for such usage, and could be applied to the most congested sections of the road network. He cited the positive outcomes for both Transport for London and Kent County Council who had both introduced lane rental schemes.

RESOLVED:

1. That Surrey County Council undertake a consultation as prescribed in the Department for Transport Lane Rental Schemes Guidance for English Local Highway Authorities with a view to introducing a lane rental scheme. Subject to the results of that consultation having been taken into account and a scheme being considered appropriate to make a submission to the Secretary of State for an Order to bring a scheme into legal effect.

2. That delegated authority be given to the Director for Infrastructure and Delivery in consultation with the Cabinet Member for Transport to approve the commencement of a lane rental scheme once the Secretary of State approval has been obtained.

Reason for decision:

Surrey County Councils' Community Vision for Surrey in 2030 has an aspiration that "Journeys across the County are easier, more predictable and safer". A lane rental scheme will help us achieve this aspiration. Analysis from pioneer lane rental schemes, introduced by Transport for London (2012) and Kent County Council (2013) demonstrate clear benefits from a scheme. These benefits are derived from behaviour changes by organisations undertaking works, to avoid lane rental charges, and additional control by both Authorities to coordinate works.

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

98/20 2020/21 MONTH 1 (APRIL) FINANCIAL REPORT [Item 14]

The Cabinet Member for Resources gave a detailed overview of a report that provided details of the County Council's 2020/21 financial position as at 30 April 2020 (M1) for revenue and capital budgets, and the expected outlook for the remainder of the financial year. M1 is a high-level review focussing on risks, opportunities and the impact of COVID-19.

RESOLVED:

1. That the Council's forecast revenue and capital budget positions for the year be noted.

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2. That the confirmed increase to the Public Health grant due to the initial Agenda for Change (AfC) uplift and the revision to the Public Health budget approved by the Executive Director – Resources be noted.

3. That the transfer of the school surplus balance relating to Darley Dene Primary School to its successor academy of £427,554 revenue and £11,543 capital was supported.

Reason for decision:

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

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

99/20 FINANCE IMPROVEMENT PLAN UPDATE [Item 15]

The Cabinet Member for Resources presented a report that gave details of why the Finance Improvement Programme was set up alongside a performance board and an external assurance panel. It also detailed improvements made and the success of the Finance Team who had been nominated for the Finance Team of the Year Award. The report sought closure of the Programme.

Several Members thanked the Finance Team, Director of Resources and Cabinet Member for Resources highlighting the improved change of culture and driving through efficiency savings.
Thanks was also extended to the external chairman, Mike Lockwood.

RESOLVED:

1. That the closure of Finance Improvement Programme be approved.

2. That the continued focus of the Finance Service on improvements (both people and process), learning from others and a culture of no complacency was endorsed.

3. That the importance of the organisation's continued focus on its financial discipline was recognised and the further development of the Finance Academy to continue to address and develop financial management capabilities across the organisation was endorsed.

4. That the progress made on the Digital, Business & Insights programme and recognises the importance of this programme in the further work required to improve financial processes and data insights was noted.

5. That thanks be extended to the members of the External Assurance Panel, recognising the importance of their involvement, honest feedback, experience and expertise throughout the programme was agreed.

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Reason for decision:

The collective commitment to stabilising the financial position of the Council was demonstrated when the finance improvement plan was supported by the Cabinet in September 2018. Since then a new medium-term financial strategy has been developed, aligned to the Community Vision for Surrey and a balanced budget has been set for consecutive years that does not rely on the use of reserves.
Having achieved the ambitions of the action plan and addressed the issues raised by the CIPFA report, these recommendations enable the closure of the programme and ensure a continued focus on the development of, and investment in, financial management skills across the whole organisation, to ensure that excellent financial management is at the heart of all our decision making.

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

Meeting closed at 3.55 pm

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Chairman

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Communities, Environment and Highways Select Committee

Report of The Community Projects Fund Task Group

Tuesday 21 July 2020

Purpose of report:

To provide an overview of the work and recommendations of the task & finish group which reviewed proposals to set up the Community Projects Fund during June 2020.

Introduction:

1. The Community Projects Fund is a five year £100m capital fund announced by the council in its 2020/21 budget. The Community Projects Fund aims to bring community-led place-making or place-improving projects to life at a scale to make a significant impact and deliver a real legacy in communities. The Fund is also an important tool that will contribute to the recovery phase following the Covid-19 outbreak, helping to support the rebuilding of local communities and groups that have been affected.

2. The Communities, Environment & Highways Select Committee convened a cross-party task & finish group in March 2020 to oversee the development of the Community Project Fund.

3. The Members of the Task Group were:
   - John O'Reilly (Chair)
   - Chris Botten
   - Jonathan Essex
   - Saj Hussain
   - Angela Goodwin
   - Ken Gulati
   - Andy Macleod
   - Fiona White
   - Keith Witham

Task Group Methodology:

4. The task group was aiming to answer the following questions:

   i. How can we tailor our criteria to make sure that the process for applying to the fund is streamline, simple and accessible to as many residents as possible?

    ii.   How can we ensure that our criteria provide us with the highest quality applications and delivery excellent community improvements?"

    iii.   What should be the appropriate and accountable governance of the Fund

5.   The Task Group aimed to steer the working group and the Cabinet generating a clear 'Guide to the Community Project Fund' which outlines the criteria for individuals, groups and strategic bodies to put forward bids into the fund.

6.   The Task Group met four times to review and comment on proposal papers prepared by officers. Over the course of its meetings the CPF proposal was refined such that the Task Group can fully endorse the Cabinet report recommendations presented in this agenda.

Acknowledgments

7.   The Task Group thanks those who contributed invaluable evidence to its review, informing the conclusions and six recommendations regarding the design and implementation of the Community Projects Fund:

- Mark Nuti, Deputy Cabinet Member
- Katie Stewart, Executive Director – Environment, Transport & Infrastructure
- Jane Last, Head of Community Partnerships & Engagement
- James Painter, Partnerships Manager
- Matthew Snelling, Strategic Lead - Policy & Strategy

8.   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.

Key Areas of Focus:

9.   Over the course of four meetings the group met with the Executive Director – ETI and colleagues to put forward ideas and offer challenge on proposals. At these four meetings the following key areas were debated:

10. **Governance** and **criteria** – the task group was clear that governance must be proportionate to ensure a streamlined process. The group advised officers that the level of governance should diminish in relation to the size of the bid. The group was supportive of proposed Fund Panel but raised questions about how the public process would work, and sought clarity required on how it will operate. The Members endorsed the criteria but recommended that a scale of **environmental sustainability** should be added reinforcing the council's commitment to tackling climate change (this has since been added to the Fund's criteria).

11. The key **principles** behind the fund – the Task Group thought the Fund should consider fairness, flexibility and transparency as its guiding principles.

12. The importance of **Member and community involvement** in the operation of the Fund. Members know their communities and would be able provide oversight of and intelligence on bids. It was agreed that for a streamlined process to be implemented Members should only become involved in the latter stages of any decision-making

process. Community buy-in was considered an obvious prerequisite of any successful fund and that work should be undertaken to scope how communities can be involved in the decision making process too.

13. **Communications** – messages need to be clear and visible to ensure that the Fund is used and accessed by as many Surrey residents as possible. Guidance should be written that includes case studies and checklists to aid people drafting bids for projects.

14. **Financial sustainability** – this was discussed in the context of due diligence of organisations applying for capital but also a measure of success for the Fund itself. It was considered important that organisation were able to deliver on their bids.

15. Council **resources** will be required to set up and run the Fund. Is there the right capacity available at the council to do so at present? Members considered the idea of a third party administering smaller bids considering this to be an option as long the public saw no difference in process.

16. **Statutory duties** – the Task Group agreed that the fund should not be used for the delivery of statutory council functions but accepted there will be overlap in the purpose of projects and that the Fund might have complementary outcomes to the statutory work carried out by the council.

Conclusions:

17. The Task Group agreed that the foundation of the Fund should be the Council's Vision 2030 and supported the aims of the Fund as outlined in the Cabinet report. Key principles for a successful fund in the Task Group's assessment were: fairness, flexibility and transparency.

18. Members acknowledged that the Fund is capital based but saw a case for making revenue support available or, at least, signposting bidders to other sources of funding to maximise the value and sustainability of projects for Surrey communities.

19. The Task Group agreed that there must be public visibility of significant funding awards by the CPF Panel and attendant scrutiny arrangements must be put in place to review the performance and impact of the CPF annually.

Recommendations:

The Task Group recommends:

a) That the Fund includes scalable governance measures that reflect the scope of the bids made to the Fund;

b) That the funding thresholds and timing of funding rounds can flex to approve suitable projects that may fall slightly outside the proposed rules;

c) From the beginning of the Fund, the council actively engage with residents and communities to offer support and feedback to those interested in accessing the fund

to ensure that less experienced members of the community are able to access the Fund in the same way as more developed community or charitable organisations;

d) The council's communication plan must include widespread publicity and that bespoke branding be developed to promote the Fund;

e) That an annual review mechanism is developed to allow for public scrutiny of the activity, delivery and performance of the fund, for example via an annual report that is scrutinised by the Communities, Environment & Highways Select Committee at a future meeting

Next steps:

The Communities, Environment & Highways Select Committee to schedule scrutiny of the implementation of the Fund within the first year of operation.

Report author: John O'Reilly, Chairman – Communities, Environment & Highways Select Committee

Report contact: Ross Pike, Scrutiny Business Manager, Democratic Services

Contact details: ross.pike@surreycc.gov.uk

Sources/background papers:

Minutes of the Community Projects Fund Task Group, June 2020
Community Project Fund Cabinet Report, July 2020

SURREY COUNTY COUNCIL

CABINET

DATE:	**21 JULY 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:
Huma Younis, Committee Manager, huma.younis@surreycc.gov.uk

Annexes:
Annex 1 – Delegated Decisions taken

Sources/background papers:
None

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Annex 1

CABINET MEMBER DECISIONS
JULY 2020

CABINET MEMBER FOR ALL-AGE LEARNING

1. Primary and Secondary Fair Access Protocols 2020/21

Details of decision

That the proposed Primary and Secondary Fair Access Protocols for 2020/21 as set out in annexes 1 to 4 of the submitted report be agreed.

Reasons for decision

- The local authority is required to have a Protocol in place that all schools must participate in.
- The proposed Protocols meet the requirements of the 2014 Department for Education School Admissions Code.
- The Protocols will ensure that children who are out of school can be placed in school quickly.
- The Protocols will ensure that no school is expected to admit more than their fair share of children with challenging behaviour or children previously excluded from other schools.
- In light of the current Covid-19 Pandemic and the pressure this is placing on schools, no changes to the Protocols are proposed from 2019/20.

(Decision taken by the Cabinet Member for All-Age Learning – 6 July 2020)

2. Approval of Maintained Schools' Deficits

Details of decision

a) That the level of balances held by Surrey maintained schools be noted;
b) That the Dedicated Schools Grant be noted;
c) That licensed deficits be approved for two schools as set below:

Cabinet Member approval is required where schools seek a licensed deficit in excess of 5% of the school's budget share. One school, Wey House School, had a deficit in excess of 5% at 31 March 2020. One other school, Guildford Nursery School, is expecting a deficit of over 5% at 31 March 2021.

Wey House School

	% of annual budget*	£
Deficit as at 31 March 2020	16%	280,438
Projected Deficit as at 31 March 2021	10%	160,438

* Note: A school's annual budget can vary from year to year, particularly if temporary supplements are provided.

Reasons for decision

Approval of a licensed deficit will set the parameters within which these two schools' finances can be monitored.

(Decision taken by the Cabinet Member for All-Age Learning – 6 July 2020)

Cabinet Member Update
Councillor Sinead Mooney
Cabinet Member for Adult Social Care and Public Health

I am delighted to be able to provide colleagues with an update on ongoing work being done by our Adult Social Care and Public Health teams. Without question, the coronavirus pandemic has drastically altered our way of life. Yet, in such times of frenzied change, it is comforting to note that our resolve to provide quality care to residents and pioneer excellent practice has been unaffected by the challenges that COVID-19 has brought about. If anything, the pandemic has served to motivate us all towards better realising these goals and I am pleased that our residents have been able to see these efforts clearly – over the last few months.

From establishing the outstanding NHS Seacole Centre on Headley Court within six weeks to launching the innovative Surrey Virtual Wellbeing Hub and even using unique technological solutions to keep families in touch with relatives in our care homes; our staff and partners across Heartlands, CSH Surrey, the ICSs, Surrey Choices and others have risen to the occasion and supported us in our desire to meet head on the challenges of COVID-19. In addition to this, Surrey County Council has worked with partners to develop additional refuge provision within the county, which has helped us provide further support to survivors of Domestic Abuse; at a time when nationally and locally – there has been a clear surge in demand for support.

Throughout this pandemic, our staff have demonstrated that they are the pride of our county, so I would like to take this opportunity to thank them all for their exemplary work over the course of the last few weeks. And colleagues, allow me also to pay tribute to the late Dave Hill, who played (as he often did) an instrumental and invaluable role in supporting the creation of our NHS Seacole Centre. Dave leaves behind an enormous and rich legacy and I am determined that our services will build upon this over the months and years ahead.

In fighting COVID-19, we have made much progress, but we are not out of the woods yet.

As Government continues to ease the restrictions around the present lockdown, our plans for recovery continue at pace, to ensure that both residents and staff can be assured of their safety at this critical time. We will continue to "test, test, test"; providing our Public Health teams with crucial knowledge and data, as this feeds into the wider NHS Test and Trace scheme – as we look to control the virus and save lives. That is why, should any Surrey resident experience symptoms, they can easily access and should access a COVID-19 test. In addition to this, we will continue diligent work in Surrey's care homes – increasing the testing of staff and those who use our services, to ensure that we are better responsive to the adverse impacts COVID-19 has had on the elderly.

Residents can also expect to see a new public information campaign, which we hope will best educate and motivate all communities on how everyone can play their part in Surrey's onward recovery.

Much of the work in this field is being coordinated by a recently convened Local Engagement Outbreak Board, which we have a leading presence on – as the lead authority. This board – comprising of members and health professionals will guarantee Surrey's preparedness for any localised peaks in cases and as such, it shall be developing and testing the robustness of our strategy and plans over the coming days and weeks; making use of learning that emerges for incidences and experiences across the country.

Although we are turning our focus towards recovery, it is clear that we can already take stock at what has worked and where we can do better.

We know that the collective will is there amongst partners to provide best outcomes for our residents and that we are aligned in our commitment to early intervention, prevention and community-based services. However, time and time again – this commitment and will has been hindered by multiple levels of governance, a rigid focus on acute hospitals and a failure to achieve financial balance. If the coronavirus pandemic has taught us anything, it is that to secure best health outcomes – we must have greater rein and freedom to invest in our communities and join-up essential services to offer a more holistic, throughput care service for all.

It is for that reason, that last month, the Leader and Chief Executive wrote to the Secretary of State for Health and Social Care, to suggest a trial devolved health system for Surrey with local political accountability – so that we can quickly put into formalised practice the great strides we have made with partners in this pandemic, while also forging more determinedly and ambitiously ahead for our residents.

Even so, this will be no magic wand – but merely the springboard upon which – I am confident, we will be able to ensure that we can truly deliver on our commitment to provide quality care and excellent practice to all who call Surrey home.

SURREY COUNTY COUNCIL

CABINET

DATE: **21 JULY 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 AND COVID RELATED DELGATED DECISIONS**

SUMMARY OF ISSUE:

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

RECOMMENDATIONS:

It is recommended that Cabinet note the decisions taken by officers as set out in the annex.

REASON FOR RECOMMENDATIONS:

To inform the Cabinet of decisions taken by 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:
Huma Younis, Committee Manager, huma.younis@surreycc.gov.uk

Annexes:
Annex – Delegated Decisions taken

Sources/background papers:
None

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Record of decision taken under delegated powers by a council officer

SURREY COUNTY COUNCIL

Title:	**Surrey County Council Response to Covid: Hardship payment to VCF sector organisations**
Divisions Affected:	All divisions
Key Decision:	Yes
Reason Key:	Affects two or more Divisions
Decision taken under delegation by virtue of:	**Cabinet decision 31 March 2020 Min ref: 41/20**

Summary

Applications for financial support for Voluntary, Community & Faith sector organisations are being received by the Council. These requests for support are a direct result of financial hardship felt as a result of the COVID-19 outbreak, due to either additional costs being incurred by these organisations to meet increased demand for their services or enable remote working, or as a result of reductions in their usual funding sources (e.g. donations and fund raising events).

Applications are submitted on a standard request form and are being considered initially by a panel made up of Strategy and Finance colleagues. The panel is assessing requests against the following criteria:

- Small and medium sized organisation with an annual income of less than £1million during the financial year 2018/19
- Are not in receipt of any outstanding, adverse judgements from relevant regulatory bodies e.g. Charities Commission, CQC
- Operate within and provide services to meet needs in the county of Surrey
- Provision of services to support vulnerable residents during the COVID-19 pandemic, and/or later in the recovery phase
- Have provided SCC commissioned and/or funded services between 2015-2020, including organisations funded via grant, contracts and/or one-off commissioning
- Provision of broader, strategic services to Surrey residents that SCC considers vital to maintain
- Have evidenced and substantiated the additional financial pressures caused to the organisation as a result of the COVID-19 pandemic
- Will remain viable and able to assist Surrey during the post COVID-19 recovery phase, taking account of financial pressures already incurred and those that are forecast
- Where funding will support the long term, future sustainability of the organisation.

In addition, applications must also demonstrate that:
- Funding is actively being sought from alternative, relevant sources e.g. central government and Community Foundation for Surrey. SCC hardship funding will particularly favour residual pressures that cannot be met from other available means
- Organisations can remain viable between the receipt of staged payments from the SCC COVID-19 Hardship Fund which may be paid in several tranches

The following applications were recommended by the Panel and approved by the Executive Director for Transformation, Partnership & Prosperity & the Cabinet Member for Community Safety, Fire & Resilience.

Name	Amount awarded	Reason
Dormansland & Lingfield Community Centre	£8,000	The applicant was able to demonstrate hardship as a result of loss of income and ongoing costs/overheads. They are a key hub for the area and will continue to provide valuable services to the community. The application came in two weeks ago and was rejected in the outset and they presented further evidence, and Cllr Steeds also provided supporting information. They revised the timeframe and amount applied for, reducing the amount and aligning it to the actual hardship experienced and it is proposed the application is now supported.
Guildford Action	£15,000.00	The applicant applied for £30,000 and it is proposed to partially support them with £15,000. The application came in two weeks ago in which time officers have spoken with Guildford Borough Council and asked for more information from the applicant. The applicant is providing support to some of the most vulnerable (homeless) people primarily in Guildford but also supports some families in Woking and Runnymede. The applicant has supported 267 individuals during the pandemic and increased their operating times to 7 days a week rather than scaling back. The reason for the reduced amount is in line with the criteria covers the period to the end of June.

Decision

Decision made:
It was AGREED that: The following applications met the agreed criteria for financial support during the COVID-19 pandemic:
Lingfield & Dormansland Community Centre	£8,000.00
Guildford Action	£15,000.00

A one-off payment of £23,000.00 will be made to support the above organisations.

Reasons for Decision:

To ensure the sustainability of the organisations and the continued provision of their services to the residents of Surrey during the COVID-19 pandemic and beyond. |

Decision taken by:	Michael Coughlin – Executive Director for TPP Denise Turner Stewart – Cabinet Member for Community Safety, Fire and Resilience
Decision taken on:	9 June 2020
To be implemented on:	Payment to be made following CLT and Cabinet confirmation of this decision. This is due to take place on 11th June 2020.

Alternative options considered

The alternative is to not provide financial support and leave the organisations to try to find alternative means of financing additional costs incurred and loss of income due to COVID-19. This could put the continued delivery of the services they provide to residents of Surrey at risk.

Summary of any financial implications

The cost to SCC will be £23,000.00 It is anticipated that this will be funded out of the COVID-19 funding SCC is receiving from central government.

Declarations of conflicts of interest

None

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Consultation/Process Followed

Decision taken in consultation with the Head of Strategy, the Strategic Lead for Partnerships, Policy & Commissioning, the Strategic Finance Business Partner for TPP & Resources, the Executive Director for Transformation, Partnerships & Prosperity and the Cabinet Members for Member for Community Safety, Fire and Resilience.

Background Documents	Exempt:
Cabinet report 31st March 2020 setting out the council's response to Covid-19.	

Record of decision taken under delegated powers by a council officer

SURREY
COUNTY COUNCIL

Title:	**Surrey County Council Response to Covid: Hardship payment to VCF sector organisations**
Divisions Affected:	All divisions
Key Decision:	Yes
Reason Key:	Affects two or more Divisions
Decision taken under delegation by virtue of:	**Cabinet decision 31 March 2020 Min ref: 41/20**

Summary

Applications for financial support for Voluntary, Community & Faith sector organisations are being received by the Council. These requests for support are a direct result of financial hardship felt as a result of the COVID-19 outbreak, due to either additional costs being incurred by these organisations to meet increased demand for their services or enable remote working, or as a result of reductions in their usual funding sources (e.g. donations and fund-raising events).

Applications are submitted on a standard request form and are being considered initially by a panel made up of Strategy and Finance colleagues. The panel is assessing requests against the following criteria:

- Small and medium sized organisation with an annual income of less than £1million during the financial year 2018/19
- Are not in receipt of any outstanding, adverse judgements from relevant regulatory bodies e.g. Charities Commission, CQC
- Operate within and provide services to meet needs in the county of Surrey
- Provision of services to support vulnerable residents during the COVID-19 pandemic, and/or later in the recovery phase
- Have provided SCC commissioned and/or funded services between 2015-2020, including organisations funded via grant, contracts and/or one-off commissioning
- Provision of broader, strategic services to Surrey residents that SCC considers vital to maintain
- Have evidenced and substantiated the additional financial pressures caused to the organisation as a result of the COVID-19 pandemic
- Will remain viable and able to assist Surrey during the post COVID-19 recovery phase, taking account of financial pressures already incurred and those that are forecast
- Where funding will support the long term, future sustainability of the organisation.

In addition, applications must also demonstrate that:
- Funding is actively being sought from alternative, relevant sources e.g. central government and Community Foundation for Surrey. SCC hardship funding will particularly favour residual pressures that cannot be met from other available means.
- Organisations can remain viable between the receipt of staged payments from the SCC COVID-19 Hardship Fund which may be paid in several tranches

The following applications were recommended by the Panel and approved by the Executive Director for Transformation, Partnership & Prosperity & the Cabinet Member for Community Safety, Fire & Resilience.

Name	Amount awarded	Reason
St Matthew's Church	£9,000	The applicant was able to demonstrate hardship as a result of loss of income and ongoing costs/overheads. The monthly income lost is approximately £3,000 and as the church is still being used, all the service and running costs remain. They asked for £18,000 but the panel is recommending giving half that amount which is in line with the criteria and covers the period up until the end of June. The church which is based on Station Road, Redhill, in the borough of Reigate and Banstead is being used as the foodbank and is supporting 100 families a week at this time which was a key factor in recommending this decision.
Surrey Mediation Service	£5,870.00	The applicant applied for £10,000 and it is proposed to partially support them with £5,780 which supports the gap in managing the costs for the months that fit the hardship criteria. The application came in two weeks ago in which time officers have asked the applicant for more information to better understand the reason for hardship. There has been a reduction in clients paying for services which has caused the hardship. The applicant has taken sufficient mitigating measures like furloughing staff/small businesses payment however a gap remains. They will be signposted to CFS for any further support if needed but will remain sustainable through their business model which is primarily based on fee-paying services.

Decision

Decision made:

It was AGREED that:

The following applications met the agreed criteria for financial support during the COVID-19 pandemic:

St Matthews's Church	£9,000.00
Family Mediation Service	£5,870.00

A one-off payment of £14,870.00 will be made to support the above organisations.

Reasons for Decision:

To ensure the sustainability of the organisations and the continued provision of their services to the residents of Surrey during the COVID-19 pandemic and beyond.

Decision taken by:	Michael Coughlin – Executive Director for TPP Denise Turner Stewart – Cabinet Member for Community Safety, Fire and Resilience
Decision taken on:	17 June 2020
To be implemented on:	Payment to be made following CLT and Cabinet confirmation of this decision. This is due to take place on 18th June 2020.

Alternative options considered

The alternative is to not provide financial support and leave the organisations to try to find alternative means of financing additional costs incurred and loss of income due to COVID-19. This could put the continued delivery of the services they provide to residents of Surrey at risk.

Summary of any financial implications

The cost to SCC will be £14,870.00
It is anticipated that this will be funded out of the COVID-19 funding SCC is receiving from central government.

Declarations of conflicts of interest

None

Consultation/Process Followed

Decision taken in consultation with the Head of Strategy, the Strategic Lead for Partnerships, Policy & Commissioning, the Strategic Finance Business Partner for

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TPP & Resources, the Executive Director for Transformation, Partnerships & Prosperity and the Cabinet Members for Member for Community Safety, Fire and Resilience.

Background Documents	Exempt:
Cabinet report 31st March 2020 setting out the council's response to Covid-19.	

Record of decision taken under delegated powers by a council officer

Title:	**Disbursement of Infection Control Grant Funding**
Divisions Affected:	All divisions
'Key Decision:	Yes
Reason Key:	Affects two or more Divisions
Decision taken under delegation by virtue of:	**Cabinet decision 31 March 2020 Min ref: 41/20**

Summary

On 22 May the Department for Health & Social Care (DHSC) published details of the ADULT SOCIAL CARE INFECTION CONTROL FUND RING-FENCED GRANT 2020.

£600m of funding is being paid to local authorities to pass onto care providers to spend on a range of stipulated measures to help control the spread of the COVID-19 infection in care home and other care settings.

Surrey County Council (SCC) is receiving £19.178m of funding.

SCC is required to pay 75% of this funding (£14.384m) directly to all care homes in Surrey on a 'per registered care bed' basis in line with the stipulated grant conditions (see enclosed DHSC Grant Circular for more information). Key among these conditions is for each care home to register on the national Capacity Tracker and complete it on a consistent basis.

SCC has discretion over how to allocate the remaining 25% (4.794m) across care providers in Surrey to support infection control measures. Surrey's Adult Social Care (ASC) is working closely with the Surrey Care Association and other partners to agree the best use of this funding within the grant conditions.

Grant funding is being paid to SCC in two equal instalments. The first instalment was paid on 27th May 2020. The second instalment is due to be paid in July 2020, although this is dependent on the government being satisfied that the first instalment has been spent in line with the specified grant conditions.

A delegated decision paper was previously agreed on 9th June 2020 to confirm that SCC would disburse the first 75% of Infection Control Fund grant funding to all care homes in Surrey in line with the grant conditions.

This paper confirms use of the remaining 25% of funding.

8

Decision made

Decision made:

It was agreed that SCC would utilise the £4.794m discretionary 25% element of the Infection Control Fund as follows:

➢ £3.794m to be distributed to ASC providers in Surrey to support infection control measures as follows:
  • £2.743m to Home care providers allocated to each provider based on the number of FTE care workers they employ to support Surrey residents.
  • £0.955m to Supported living care providers allocated to each provider based on SCC's ASC expenditure with each provider for these services.
  • £0.055m to Housing related support providers allocated to each provider based on SCC's ASC expenditure with each provider for these services.
  • £0.041m to Affordable specialist Extra Care Housing providers delivering services to people with eligible ASC needs allocated to each provider based on SCC's ASC expenditure with each provider for these services.
➢ £0.500m to be held as a discretionary fund and paid out to providers based on applications made for funding for infection control measures. This fund will be prioritised for providers who do not receive an automatic payment out of the 75% care home funding or the £3.794m element of the 25% set out above.
➢ £0.500m to be used as a contribution to the cost of PPE that SCC has purchased and distributed to ASC providers in the period 13th May – 7th July 2020.

Reasons for Decision:

To support COVID-19 infection control in Surrey's care homes and ensure SCC is compliant with DHSC's grant conditions.

Decision taken by:	Leigh Whitehouse – Executive Director for Resources and Section 151 Officer Simon White – Executive Director for Adult Social Care Sinead Mooney – Cabinet Member for Adults
Decision taken on:	7th July 2020
To be implemented on:	Payments will be made to care providers in July as soon as SCC has been paid the remaining funding by government.

Alternative options considered

SCC must spend the Infection Control Fund grant in line with the grant conditions and all funding must be fully spent by 30th September. The only alternative options therefore relate to how the 25% discretionary element is distributed. SCC could have chosen to hold back more or less funding as a discretionary fund. Given the need for providers to spend all of the funding by 30th September and the urgency of supporting infection control, SCC decided that only a small proportion (£0.5m) of the total funding should be held back as a discretionary fund.

Summary of any financial implications

There are no direct financial implications to SCC as all of the money paid out to care providers will be funded out of the Infection Control Fund grant funding SCC receives from DHSC.

Payment of this funding to care providers is intended to help sustain and improve infection control in ASC care settings across Surrey. This will provide crucial support to vulnerable residents and at the same time should lead to indirect financial benefits for SCC.

Declarations of conflicts of interest

None

Consultation/Process Followed

Decision taken in consultation with the Surrey Care Association, other local partners, the Executive Directors for Adult Social Care, the Executive Director for Resources and the Cabinet Member for Adults.

Background Documents

Cabinet report 31st March 2020 setting out the council's response to Covid-19.	SCC Response to COVID-19
Department of Health and Social Care Infection Control Grant Circular	DHSC Grant Circular
Surrey Care Home Plan Cover Letter	Surrey Care Home Support Plan Cover
Letter confirming Surrey County Council's use of the 25% discretionary element of Surrey's Infection Control Fund	Use of 25% discretionary Surrey

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SURREY COUNTY COUNCIL

CABINET

DATE:	**21 JULY 2020**
REPORT OF:	**MRS SINEAD MOONEY, CABINET MEMBER FOR ADULTS & PUBLIC HEALTH**
LEAD OFFICER:	**SIMON WHITE, EXECUTIVE DIRECTOR FOR ADULT SOCIAL CARE**
SUBJECT:	**DECISION ON THE CHANGE OF ROUTE TO MARKET FOR TWO EXTRA CARE HOUSING SITES**

SUMMARY OF ISSUE:

A paper was presented to Cabinet in July 2019 setting out Adult Social Care's (ASC) Accommodation with Care and Support Strategy for delivering Extra Care Housing for older persons and Independent Living schemes for adults with a learning disability and/or autism[1].

This paper sets out Surrey County Council's ("the Council") necessary and recommended change of delivery approach for two Council owned sites; the former Pinehurst Resource Centre (Camberley) and the former Brockhurst Care Home (Ottershaw). Both sites have already been allocated for Extra Care Housing.

In October 2019, Cabinet decided that the Surrey County Council joint venture with Places for People would be the delivery route of choice. However, as a result of subsequent delays in delivery by the joint venture, coupled with a pressing need for Extra Care Housing accommodation to come online, an alternative delivery route needs to be agreed as a matter of some urgency.

These sites will be integral in supporting the Council's strategy to deliver accommodation with care and support by 2030 and enable people to access the right health and social care at the right time in the right place, with appropriate housing for residents that helps them to remain independent, achieve their potential and ensures nobody is left behind.

RECOMMENDATIONS:

It is recommended that Cabinet:

1. Agrees the recommended approach (Option 1) for the delivery of Extra Care Housing at the former Brockhurst Care Home and former Pinehurst Resource Centre sites. The approach recommended is to tender for a development and housing management strategic partner(s) for Extra Care Housing schemes on Council owned land on a design, build, finance and operate (DBFO) basis with up to a 125 year lease.

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[1]
https://mycouncil.surreycc.gov.uk/documents/s57815/16.%20Accommodation%20with%20Care%20support%20Cabinet%20report%20July%202019.pdf

2. Grants approval to procure in order to enable a full tender process to identify an Extra Care Housing development and housing management strategic partner(s) for the former Brockhurst Care Home and former Pinehurst Resource Centre sites set out in this paper.

3. Agrees that work continues to review the feasibility of further sites owned by the Council for the development of Extra Care Housing.

REASON FOR RECOMMENDATION FOR APPROVAL TO PROCURE:

The development of Extra Care Housing on the two sites set out in this paper will represent a substantial contribution towards the Council's strategic objective to expand affordable Extra Care Housing provision by 2030.

The development of Extra Care Housing through this delivery model is in line with previous decisions made by Cabinet. In October 2019 Cabinet agreed to identify a strategic partner for the development and housing management of Extra Care Housing at the former Pond Meadow School site through a tender process.

This is consistent with our ASC vision for development of Extra Care Housing, which has been clearly communicated through market and stakeholder engagement.

Through developing Extra Care Housing via this delivery model, the Council will have evidence and experience with which to benchmark future developments against and make informed decisions regarding future sites and approaches.

The Council received positive feedback following its market engagement on the tender for Extra Care Housing at the former Pond Meadow School site. In their feedback, a number of providers sought clarification on whether further sites will be offered to the market through a tender.

A tender will be published in the Summer 2020 for an Extra Care Housing development and housing management strategic partner at the former Pond Meadow School site. This process will provide the Council with learning and a template to inform any future tenders for further Extra Care Housing schemes.

The financial case that underpins the recommended delivery model for these sites is set out in the Part 2 paper.

DETAILS:

Background on the two sites

1. The two sites owned by the Council and agreed to be used for Extra Care Housing developments are as follows:

   • Former Brockhurst Care Home, Brox Road, Ottershaw, Runnymede
   • Former Pinehurst Resource Centre, Camberley, Surrey Heath

2. ASC's Accommodation with Care and Support Strategy agreed by Cabinet in July 2019 set out the ambition to develop an additional 725 affordable units of Extra Care Housing in Surrey by 2028.

3. The Cabinet paper in October 2019 recommended that the delivery model for these two sites was through a Joint Venture. Due to a delay in delivery and a pressing need

for Extra Care Housing accommodation an alternative delivery route now needs to be agreed.

Key assumptions for Extra Care Housing developments

4. Extra Care Housing must be an enabling and accessible environment which makes independent living possible for older people with a spectrum of care needs, including those with dementia and other cognitive impairments. Its design and nature should mean that it is a 'Home for Life', in most cases, people should be able to maintain their tenancies and live comfortably and with dignity without needing to go into residential and nursing care homes when their care needs increase. The key principles of Extra Care Housing can be found in Annex 1.

5. Initial feasibility sketches based on planning feedback and a review of the local area shows that these sites could provide circa 120 affordable Extra Care Housing units depending upon design and planning permission. These sites will deliver circa 16% of the Council's strategic ambition for Extra Care Housing developments.

6. To meet the Council's definition of affordability, rents and service charges must be set at levels within Local Housing Allowance for Extra Care Housing agreed with the Strategic Housing Authority. Extra Care Housing attracts a higher Local Housing Allowance, due to the communal areas, than would be provided for general needs housing.

7. The Council will have nomination rights for all units. This will enable the Council to place people in affordable units who have eligible social care needs and to maintain an appropriate level of needs in each scheme which is essential.

8. National evidence and learning from Extra Care Housing schemes already used by the Council demonstrate the importance of maintaining an appropriate level of needs. The Council intend to operate a waiting list system to ensure appropriate nominations and care mix can be achieved and maintained through the life of the schemes. This will be essential to mitigate the risk of voids.

9. The Council's focus is on developing Extra Care Housing schemes that deliver affordable units for individuals with eligible ASC needs that the Council is required to support. As such, the Council's default approach is to develop 100% affordable schemes whereby the Council has nomination rights for all of the units. An alternative tenure model would only be considered for a site if development of a 100% affordable scheme on the site was not a realistic option.

10. A separate procurement process will be conducted for the onsite care provider. The intention will be to seek Cabinet approval for the tender of the care provider through agreeing the relevant year's Annual Procurement Forward Plan.

OPTIONS CONSIDERED FOR THE DELIVERY OF EXTRA CARE HOUSING ON THE TWO PROPOSED SITES

OPTION 1 – RECOMMENDED APPROACH

Tender for a development and housing management strategic partner(s) for Extra Care Housing schemes on Council owned land on a design, build, finance and operate (DBFO) basis with up to a 125 year lease

The strengths for taking this option are as follows:

   i.   There is less financial risk to the Council because there will be no capital requirement or a much smaller requirement for capital funding and the Council would not have to manage the financial risks associated with ongoing operation of the site. Any requirement for capital funding, as set out in Part 2 of this paper, will be to bridge the financial gap to ensure viability of the schemes and maintain the level of rental charge within Local Housing Allowance for Extra Care Housing for residents.

   ii.   The Council will be able to procure a development and housing management strategic partner(s) who has a track record of delivering Extra Care Housing. In addition to this, the marketplace for registered providers with a history of delivering Extra Care Housing has grown significantly in the last few years.

   iii. Registered providers of Extra Care Housing are able to access Homes England grant funding, which will support the viability of their proposed schemes.

   iv.   This Summer (2020) the Council will complete a tender exercise to identify a development and housing management strategic partner(s) of Extra Care Housing at the former Pond Meadow School site. This process will provide the Council with learning to inform any future tenders for further Extra Care Housing schemes.

   v.   Market engagement was conducted for the former Pond Meadow School site to confirm interest and the market's capability and willingness to submit applications to tender in the current Covid-19 environment. Positive feedback was received from the market indicating a willingness to work with the Council for this tender. In addition, there was interest from providers on whether future sites will be offered to the market through a similar tender.

   vi.   This development opportunity will support the recovery from the Covid-19 crisis by stimulating both the local and national economy. All providers in the Extra Care Housing market will be given an opportunity to submit applications to this tender. The successful provider(s) will develop and deliver the housing management function at these schemes and realise economic and social benefits.

The challenges and limitations for this option are as follows:

   i.   By releasing control of the land on a leasehold basis for up to 125 years, the Council will not be able to readily repurpose the sites if the preferred model of care changes or the demand for this model reduces. The Council expects to

structure the lease agreement to retain greater influence over the use of the sites throughout the contract and term of the lease.

ii. As set out in the October 2019 Cabinet report, it is estimated that it will take approximately a year to conduct the full tender process and finalise the details of the lease with the successful provider(s). As a result, it will take between 6 and 9 months longer to deliver a functioning Extra Care Housing scheme than the alternative delivery method (discussed below, Option 2).

iii. This option is currently untested by the Council, but a tender is due for publication for an Extra Care Housing scheme (at the former Pond Meadow school site) on a DBFO basis this Summer. Learning from this tender process can be used in the preparation of any future tenders for Extra Care Housing schemes. In addition, shared learning and best practice has been acquired from other local authorities that have successfully tendered for Extra Care Housing.

OPTION 2 – CONSIDERED BUT NOT THE RECOMMENDED OPTION FOR THESE SITES

The Council to directly develop and fund the development of Extra Care Housing at these sites

Recognised strengths of this approach are as follows:

i. The Council would finance the design and build through its Capital Programme and the Council has already allocated pipeline funding for the delivery of Extra Care Housing in Surrey. In the future, this would allow the Council to add value to its existing property portfolio. This option would ensure the Council could, if necessary, more easily repurpose the type of provision and the tenure options at the sites.

ii. The Council could commission a multi-disciplinary design team with a proven track record in delivering Extra Care Housing, to design the schemes and procure a building contractor to develop the scheme on the Council's behalf.

The challenges for this option are as follows:

i. Homes England grant funding is only available to registered providers of specialist accommodation. Currently the Council is not seeking to become a registered provider. This means that the Council would not be able to access this grant funding (circa £85k per unit), which would require the Council to fund the entirety of the schemes to ensure their viability.

ii. There is greater financial risk to the Council. These two schemes would require substantial capital investment and the Council would have to manage the ongoing financial risks over the life of the schemes.

Financial analysis for the two options is set out in the Part 2 paper.

CONSULTATION:

11. The consultation for this report builds on the previous discussions that have occurred during the lifespan of this programme, as outlined in the July 2019 Cabinet report. Consultation has previously been undertaken with Districts and Borough Councils. There have been meetings with ward councillors and senior officers in planning and housing departments in each of the District and Borough Councils where these sites are located. These meetings were chaired by the Cabinet Member for Adults and Public Health with support from the ASC Assistant Director for Commissioning and Transformation.

12. In these meetings the Council shared the proposed use for the sites with colleagues in the District and Borough Councils. This provided the District and Borough Councils with an opportunity to share any feedback or raise any considerations that they may have on planning or development at this early stage.

13. These meetings were positive and members from the local councils gave their support for these sites to be used to increase Extra Care Housing capacity in Surrey. We agreed to work closely in partnership as the plans develop and will endeavour to deliver a solution that is beneficial to residents, the Council and the District and Borough Councils.

14. Partners in the District and Borough Councils have been informed of the new delivery model for Extra Care Housing at these sites prior to the publishing of this report.

15. Through market engagement on the upcoming tender for Extra Care Housing at the former Pond Meadow School site, the Council acquired feedback on the market's ability to respond to the tender during the Covid-19 crisis. The market feedback for this opportunity was positive, with providers indicating an ability and willingness to submit applications.

16. This market intelligence provides the Council with a degree of confidence that a tender on these two sites will receive positive responses from providers of Extra Care Housing. By offering this opportunity to the market, the Council will support the economic recovery both locally and nationally to the Covid-19 crisis.

RISK MANAGEMENT AND IMPLICATIONS:

17. There is a risk that there may not be sufficient interest from the market to develop the schemes on the basis that the Council proposes. The Council has however undertaken extensive market engagement and the indications are that there are prospective bidders who see the Council's DBFO approach as an attractive proposition.

18. There is a risk that once these sites have been launched the Council is unable to identify ASC funded residents for all of the affordable units. Void units would diminish the savings realised for ASC in Extra Care Housing compared to alternative forms of care, which would mean the Council would not be making best use of the land. To mitigate against this risk, ASC will seek to identify individuals suitable for Extra Care Housing a year in advance of their completion. This will provide adequate

time to work with our own ASC operational teams, the future residents, their families, friends and carers to prepare them for occupying the flats once they are available.

19. A full marketing strategy will be implemented to promote interest in the schemes and provide a waiting list of suitable residents. This marketing requirement is included in the budget for the Accommodation with Care and Support Strategy.

20. Once the schemes are operational, ASC will continue to operate a nominations panel with District and Borough Council colleagues to ensure any vacancies are filled as quickly as possible and an appropriate level of needs are maintained across the schemes.

21. There is a risk that the properties might not be developed to the required quality, standard and specification for Extra Care Housing. This will impact the Council's ability to achieve its desired outcomes for residents. To mitigate this risk, we will contract a development and housing management strategic partner(s) with a strong track record in delivering Extra Care Housing.

22. We will work with our development partner(s) to ensure the designs are aligned with the ASC Extra Care Housing Design Brief and recognised building and design standards, such as the Housing our Ageing Population Panel for Innovation (HAPPI) principles.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

23. As set out in the Accommodation with Care and Support Strategy presented to Cabinet in July 2019, the development of Extra Care Housing is expected to deliver financial savings compared to alternative forms of care for two main reasons:

    i. The design and nature of Extra Care Housing settings means that in most cases this will be their home for life and avoid the need to go into residential and nursing care homes when their care needs increase. Some admissions into more expensive residential and nursing homes will therefore be avoided. It is estimated that the development of these two sites will avoid the need to commission circa 35 residential care beds and 4 nursing beds per annum.

    ii. The cost of providing care in people's own homes is typically cheaper in Extra Care Housing schemes compared to normal residences, due to a combination of the avoidance of travel costs for care providers, economies of scale that enable improved rota management by care providers and the average number of hours of care typically being lower for people in these schemes.

24. Modelling based on the planned usage of the new affordable Extra Care Housing units indicates that the Council should achieve efficiencies of £4,600 per unit per year compared to traditional alternative forms of care. The development of the two sites proposed in this paper is expected to generate total care package efficiencies of circa £513k per year. More detailed financial modelling is set out in Part 2 of this paper.

25. Beyond the direct efficiencies to the Council it is also important to recognise the wider financial benefits to the health and social care system. Evidence indicates that well managed Extra Care Housing schemes will typically result in fewer people requiring admission to hospital. This reduces pressure on the health care system as well as avoiding the higher levels of social care expenditure typically required

following hospital discharge, as well as of course being better for people's wellbeing and independence.

26. By the Council clearly outlining its requirements in the design and build for these schemes, there is an opportunity to ensure that the design principles include the Council's Green agenda as well as using a range of renewable energy options to help reduce future utilities costs

27. Through working closely with the Council's strategic partner(s), good design and development methodology will be used. Contract management measures will be implemented to ensure good design principles that will result in lower future building maintenance costs.

SECTION 151 OFFICER COMMENTARY

28. 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. The public health crisis has resulted in increased costs which are not fully funded in the current year. With uncertainty about the ongoing impact of this and no clarity on the extent to which both central and local funding sources might be affected from next year onward, 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.

29. In this context, the Section 151 Officer recognises the development of Extra Care Housing will be important to expand accommodation provision in the community to help older people maintain their independence that is more cost effective than traditional alternative forms of care. Plans to expand the provision of affordable Extra Care Housing for older people were factored into the Medium Term Financial Strategy based on the proposals to develop the three sites approved by Cabinet in October 2019. If Cabinet approves the alternative delivery approach for the two sites recommended in this paper, then the Medium Term Financial Strategy will be updated with any changes to the timing and expected financial impact of the developments.

30. If Cabinet approves the change in the delivery approach for the development of Extra Care Housing schemes on the two sites, it will be important to ensure the Council works collaboratively and swiftly with the relevant district and borough councils to finalise nomination agreements for the affordable units. As work progresses towards completion it will then be essential that individuals are identified who are suitable to move into the affordable units as close to the sites becoming operational as possible. Once the new schemes are operational, it will be important to track the costs of care provision across the affordable units and compare this to the modelled expenditure for affordable Extra Care Housing so that this learning can be built into the proposed development of any further Extra Care Housing schemes.

LEGAL IMPLICATIONS – MONITORING OFFICER

31. The Council as the owner of the land which it is seeking to develop for Extra Care Housing may dispose of, or develop, any land it owns. Existing rights and interests of the Council in land it owns are not affected by the Public Contracts Regulations 2015. This is because Regulation 10 (1) (a) exempts such transactions.

32. At this stage Cabinet has yet to decide what it wants to do with the land as per the two options set out in this paper. If the recommended option is chosen, whereby the grant of a lease is required, the Council would need to show that it had obtained best value. This is a legal requirement under Section 123 of the Local Government Act 1972. To show best value has been obtained the Council may need to show that it had taken specialist (external) advice that that the disposal by way of a lease represented best value. Under Section 123(2) of the Local Government Act 1972 the Secretary of State's consent would be required before the Council could dispose of land by way of a lease at less than best value.

EQUALITIES AND DIVERSITY

33. An initial Equality Impact Assessment (EIA) is included as Annex 2, examining areas of consideration for any implementation of the Accommodation with Care and Support Strategy. Identified impacts at this stage centre on improved resident experience and outcomes, more people remaining independent within their own homes for longer and further consideration needed of people's natural communities, recognising that communities do not necessarily fit with statutory boundaries.

SAFEGUARDING RESPONSIBILITIES FOR VULNERABLE CHILDREN AND ADULTS IMPLICATIONS

34. Improving the accommodation options available for people with care and support needs could have a positive impact in terms of safeguarding, ensuring that vulnerable adults can live within safe, secure environments with appropriate care and support services designed around them.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

35. In line with the Council's Climate Change Strategy and Government' Future Homes Standard, the Council will work with the development and housing management strategic partner(s) to ensure that design principles and build provide, at minimum, a 31% CO_2 reduction when compared to current building regulations.

36. Providers will be asked to take the following approach when producing methodology on how they will reduce CO_2:
    a. Be Lean – Fabric first
    b. Be Clean – Efficient energy supply
    c. Be Green – Low Zero Carbon/Renewables

37. Any potential development and housing management strategic partner(s) will have to outline within in their bid submission on how they will achieve a reduction in CO_2 emissions through design and building operations. This will be built into the method statement questions and weighting criteria in the tender evaluation.

PUBLIC HEALTH IMPLICATIONS

38. Accommodation with Care and Support can positively impact on public health outcomes, including reductions in social isolation and/or loneliness; improved nutrition and hydration; increased wellbeing for residents participating in activities, such as exercise classes, and minimising the ill effects of fuel poverty and/or seasonal health risks.

WHAT HAPPENS NEXT:

39. If Cabinet approve the recommendations in this paper we will:

   i.   Begin preparations to go out to market for a development and housing management strategic partner(s) for these sites including market and stakeholder engagement and publication of an Official Journal of the European Union compliant tender.

   ii.   Continue to review the suitability of all sites owned by the Council for development of Extra Care Housing as part of the Council's Asset and Place Strategy.

   iii. Continue to review the feasibility of further sites owned by the Council for development of Extra Care Housing.

Contact Officer:

Simon Montgomery, Programme Manager, Contact Number: 07814 768211

Annexes:

Annex 1 - The key principles of Extra Care Housing

Annex 2 – Equality impact assessment

Part 2 report

Sources/background papers:

Adult Social Care Accommodation with Care and Support Strategy for Extra Care Housing for Older People and Independent Living Schemes for adults with a learning disability and/or autism https://mycouncil.surreycc.gov.uk/ieListDocuments.aspx?CId=120&MId=6328&Ver=4

Decision on the route to market for the three identified extra care sites https://mycouncil.surreycc.gov.uk/documents/s63940/08.%20Extra%20Care%20Cabinet%20Report%20Oct%2019%20Part%201.pdf

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ANNEX 1 – THE KEY PRINCIPLES OF EXTRA CARE HOUSING

Extra Care Housing should:

- Enable people to remain in place

- Help people to self –care and promote independent living

- Be a base for day time activities and community based therapy

- Be domestic in nature and not resemble institutional environments like residential care homes, while being sympathetic to the architectural vernacular of its local area

- Provide a level of on-site support and care by staff which can scale to changing needs.

The following features are common to any Extra Care Housing setting:

- Independently accessed (and metered) apartments or other dwellings

- A range of on-site communal facilities typically paid for by an additional service charge, which can be accommodated within locally agreed housing benefit levels

- Care and support required by the residents is provided by a separately registered domiciliary care agency registered by the Care Quality Commission (often based on site) and bought in by residents on an 'as needed' basis.

- A focus on accessibility and design quality principles

- Located in a sustainable location, close to the community and local amenities, e.g. shops, doctors, transport links.

- Technological infrastructure which helps people to maintain their independence, and which can be linked to assistive technology where needed

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Annex 2- Equality Impact Assessment (EIA)

1. Topic of assessment

EIA title	Accommodation with Care and Support Strategy

EIA author	Simon Montgomery – Programme Manager

2. Approval

	Name	Date approved
Approved by	Simon White	24.06.2019

3. Quality control

Version number	V0.1	**EIA completed**	
Date saved	24.06.19	**EIA published**	

4. EIA team

Name	Job title	Organisation	Team role
Simon Montgomery	Programme Manager	Surrey County Council	Programme Manager
Jonathan Lillistone	Assistant Director ASC Commissioning	Surrey County Council	Accountable Executive

5. Explaining the matter being assessed

What policy, function or service is being introduced or reviewed?	Surrey County Council (SCC) has set out a clear vision for Accommodation with Care and Support that seeks to reshape adult social care's accommodation options for older people, people with learning disabilities and mental health. The vision outlines the need to develop accommodation choices that meet residents' health and wellbeing needs and supports them to live as independently as possible as part of their local community.
	The council has a responsibility to meet the needs of people eligible for care, to support both them and their careers, and to fund care for those people with needs who meet financial eligibility criteria.
	The Accommodation with Care and Support programme is the vehicle for developing local partnerships and identifying opportunities to create a range of flexible and financially self –sustaining accommodation with care and support that will enable adults to live and age well in Surrey.
	Older People
	The predicted trend for accommodation needs shows a declining demand for 'traditional' residential care for frail, elderly people with the focus of residential services being predominately on people living with dementia and/or other complex needs If SCC were to continue to deliver 'traditional' residential care as it has historically, by 2030 the number of residents aged over 65 who will be living in a care home is predicted to increase by 47% as a direct result of people living longer with more complex needs.
	There is a growing popularity for extra care type accommodation, which is known to provide better outcomes for older people compared with residential care homes and is a more sustainable option for SCC. Individuals living in an extra care setting have a greater sense of independence and the ability to live much more flexibly and privately, yet with the knowledge that care and support is on their doorstep.
	There is a need for new models of accommodation that appropriately meet care needs, encourage independence and are financially sustainable. The programme aims to achieve this through developing increased extra care type provision.
	People with Learning Disability
	SCC currently funds 1,075 people with a learning disability and/or autism in residential care and spends £84m per year. Benchmarking undertaken shows that SCC is a very significant outlier both in terms of the total amount spent on supporting people with learning disabilities and/or autism and the proportion spent on supporting people in residential care. Our strategic ambition is to reduce the number of people with a learning disability and/or autism in residential care by 40-50% over the next 5 years by expanding the development of new independent living provision.
	Nationally there is a drive to move away from high cost 'one size fits all' residential placements, towards independent living facilities that offer increased choice and control. Independent living is personalised and results

in only paying for the care and support actually needed, with increased potential to access existing community supported offered within the county.

Where possible this EIA will outline the potential impacts that the strategy / proposals could have on current users on accommodation based services; those who may choose or require a form of accommodation with care and support as their preferred option in the future; and families, carers and other associated stakeholders. Where potential impacts are identified, this EIA will seek and propose ways of enhancing them (positive impacts) or mitigating those (negative impacts) as far as possible. This EIA is important in ensuring all stakeholders have had their views considered and will inform local commissioning arrangements

What proposals are you assessing?	<u>Older People</u> The proposals are to provide circa an additional 725 affordable extra care units by 2028. This will be achieved through commissioning units and stimulating the extra care accommodation market. For the residential market, this will be achieved through the setting up of a framework for nursing and residential care beds, jointly with health to establish a financially viable, sustainable solution for residential and nursing care. <u>People with Learning Disability</u> For people with a learning disability and/or autism, the aim is to work with the market to sustainably deliver accommodation which is integrated into local communities, person centred, flexible and improves and maintains independence. The objectives are to: • Transition circa 550 people that are currently in residential care and who are likely to be most suitable to move to alternative independent living. • Reduce the number of people with a learning disability and/or autism in residential care by 40-50% over the next 5 years by expanding the development of new independent living provision. • Aim to support all new cases (circa 90 a year) that transition from services funded by Childrens, Families, Learning and Culture in an independent living setting.
Who is affected by the proposals outlined above?	The people who may be affected by proposals emerging from the Accommodation with Care and Support Strategy are: • Current residents of accommodation with care and support • Older people • Families and friends • Carers • Clinical Commissioning Groups • Adult Social Care Locality Teams • Borough and District Housing Departments • Landlords and providers of existing schemes and services • Providers SCC commission

9		• Care providers • SCC workforce

6. Sources of information

Engagement carried out

There has been comprehensive and ongoing engagement with existing users of accommodation with care and support, potential future users, carers, stakeholders, Clinical Commissioning Groups, Borough and District Partners - specifically housing and planning departments.

Wide scale engagement with providers of both extra care and residential nursing care has been undertaken with positive feedback at this stage.

SCC staff have also been heavily engaged with regarding this process specifically locality teams, hospital teams, SCDC's and officers from procurement, legal, finance, property services and Adult Social Care.

SCC have worked closely with health partners to thoroughly understand the demand for supported living across the county, collectively engaging with providers and service users.

Data used

- Improving Housing with Care Choices for Older People: An Evaluation of Extra Care Housing' – Netten, Darton, Baumker & Callaghan, 2011
- Various Housing LIN (Learning & Innovation Network) Bulletins
- Chestnut Court & Anvil Court Evaluation Report (2014 & 2015)
- Individual Resident Feedback Forms
- Group Consultation with Extra Care Residents (various schemes – 2012)
- Surrey CC - Extra Care Pathway Comparison Report 2015
- Surrey County Council Corporate Strategy 2015-2020
- The Future Direction of Extra Care Provision in the South East Region – Housing LIN, March 2011
- Accommodation with Care & Support Demographic Profiles covering each of the 6 NHS Clinical Commissioning Groups
- Updated data from Business Intelligence September 2018 to validate the commissioning statements
- Data from PLD commissioning August 2018 regarding demand and supply

Protected characteristic	Potential Positive Impacts	Potential Negative Impacts	Evidence
Age	1. Resident will have increased choice with more accommodation options available to meet their care needs. 2. Flexible care that can adapt to individual needs, enabling them to remain in extra care housing as they age and their care needs change. 3. Accommodation that offers longevity with purpose built buildings that are fit for the future. 4. Evidence suggests residents in extra care type accommodation have better experiences and outcomes than in residential	1. Individuals and their families may experience uncertainty and anxiety with potential changes to the current service they receive 2. Consideration of resident's natural communities will need to be recognised, especially as these can cross over political/health boundaries. 3. People may feel isolated living independently in extra care housing 4. People may experience some disruption during any redevelopment and building work to expand the provision of	• Chestnet Court and Anvil Court Evaluation Report (2014 & 2015) • Surrey CC - Extra Care Pathway Comparison Report 2015 • Housing LIN: Improving housing with care choices for older people – an evaluation of extra care housing.

care settings.

5. Individual with more complex needs will be able to access more bespoke support locally.

6. Individuals will be able to live with appropriate care and support near their families and friends, continuing as part of their community in Surrey. Thus avoiding the risk of social isolation

7. **Individuals will receive high quality care and support, in an integrated way between health and social care.**

8. **Preventative approach, reducing risk of being admitted to hospital, or needing to stay longer than necessary.**

extra care services

5. The shift towards community based provision may mean a decline in residential provision and consequently less choice for those individuals who want and need to be in a residential setting unless there needs are more complex

Disability	9. People with learning disabilities who are currently in residential care, but for whom Supported Living is considered a viable option during their reassessment process, will have the opportunity to live more independently, with support from family, friends and their community network	6. It will be more difficult for people with some particular disabilities to access community networks and appropriate supported living as their disabilities are less well understood and are more challenging to support. 7. Individuals and their families may experience uncertainty and anxiety with strategic shift. 8. It may be challenging for staff to have difficult conversations with service users and their families who may have a certain level of expectation and anxiety around their transition accommodation arrangements	•

Gender reassignment	10. Accommodation with care and support options strive towards increased independence in which people will be empowered to shape their own lives. This approach will enable people who wish to do so, to access support from their friends, family and community which reflect their culture, race, lifestyle and personal choices.	9. There is limited specialist community provision for gender reassignment.	
Pregnancy and maternity	11. As above	10. Planned or actual changes in service provision for people who use services, who are pregnant or have a young child, may cause anxiety	

Race	12. As above	13. There are relatively small concentrations of people of particular races in Surrey. This makes it more difficult to reach the critical mass needed to provide a range of community support networks.	In the 2011 census, the proportion of the Surrey population who do not describe themselves as white was 8.6%. This proportion is currently concentrated amongst those below the age of 65[1].

	White	Mixed/ multiple ethnic group	Asian/ Asian British	Black/ African/ Caribbean/ Black British	Other Ethnic Group
18-64	620,578	10,472	44,546	9,163	6,529
18-65 as %	89.77%	1.51%	6.44%	1.33%	0.94%
65+	189,260	676	3,532	437	561
65+ as %	97.32%	0.35%	1.82%	0.22%	0.29%

Open ASC cases as at Jan 2016[2]	
Arab	4
Asian / Asian British	506
Black / Black British	200
Chinese	47
Mixed	169
Other	217
Unknown / Not Recorded / Information	800

[1]   POPPI/PANSI 2011

[2]   AIS 01 2016

			Refused	
			White British	20626
			White Other	976
				23545
Religion and belief	14. As above		**Open ASC cases as at Jan 2016[3]**	
			Christian (all types)	16,280
			Other	1,391
			Declined	1,847
			Non-religious	4,028
				23,545
			Break down by over 65 population?	
Sex	15. As above			
Sexual orientation	16. As above			
Marriage and civil partnerships	17. As above		According to census data from 2011 there are 482,257 people in Surrey who are married or in a civil partnership 1,602 of whom are in same-sex civil partnerships	
Carers **(protected by association)**	18. Extra care provides a collaborative setting in which family, partners	19. Carers may feel care they're providing is no longer needed	In Surrey, 10% of Surrey residents were providing unpaid care. Of these, 2% provided more than 50 hours unpaid care per week[4] There are 188,433 carers in Surrey who look after family, partners or friends in need of help because they are ill, frail or disabled - the care they provide	

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3   AIS 01 2016
4   Surreyi (Jan 2014) Census 2011

	or friends, who are providing unpaid care, can get the added support needed particularly as an individual's care needs increase. This is without having to remove an individual from established community and networks that already support.		is unpaid In Surrey, in the first two quarters of 2015/16, there were 23,496 carers getting some form of information advice or support from social care through services commissioned from the voluntary sector. This compares to over 29,000 people caring for more than 20 hours a week of whom over 18,000 are caring for more than 50 hours a week[5] Those caring for 50 hours a week or more are twice as likely to be in poor health as those not caring (21% against 11%). This can be due to a range of factors including stress related illness and physical injury

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

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[5]   JSNA Chapter: Carers

Protected characteristic	POTENTIAL POSITIVE IMPACTS	POTENTIAL NEGATIVE IMPACTS	EVIDENCE
Age	1. Opportunity to work in a setting built to best practice 2. New opportunities, roles and responsibilities. Staff will have the opportunity to deliver a range of care and support services giving them more job enrichment (Expansion of extra care services) 3. Staff will develop a wider range of skills and experience 4. A joined up specification between health and social care will have positive benefits on care staff in accessing help and support for residents 5. Staff will have access to training provided by the local health and social care system.	1. There may be some level of uncertainty for staff during any change process	• Feedback from Providers as part of previous extra care tender process
Disability	As Above	As above	The disability workforce profile in Adult Social Care is 3.34% (3.5% in Senior Management roles) compared to 2.7% in the larger Surrey County Council.
Gender reassignment	As above	As above	-

Pregnancy and maternity	As above	2. Women away on maternity leave may return to work untrained and unprepared for the new way of working	The Black and Minority Ethnic (BME) profile of the Adult Social Care workforce (12.7%) is higher than the Surrey County Council workforce (7.6%) and the Surrey population (approx 8%). However, there is a significant drop from front line staff (13.75%) compared with Senior Management (5.3%).
Race	As above	As above	-
Religion and belief	As above	As above	Approximately 50% of staff in Adult Social Care did not state their religion and belief – similar to Surrey County Council. In Adult Social Care 30.3% of staff said they were Christian, 20% have no religion or belief - all similar to Surrey County Council
Sex	As above	As above	There are a higher proportion of female workers in Adult Social Care (84.1%) than in Surrey County Council (73.5%) and both are higher than the count of females in the Surrey population (51%). 43.6% of the Adult Social Care workforce are women working part-time 85.9% of frontline staff are female, compared to 68.4% at Senior Management level. In the larger Surrey County Council, this is 81.1% and 50.1% respectively.
Sexual orientation	As above	As above	54% of staff in ASC of staff undeclared compared to 53.1% in SCC
Marriage and civil partnerships	As Above	As Above	-
Carers (protected by association)	As Above	As Above	-

8. Amendments to the proposals

Change	Reason for change
Widescale consultation with residents regarding any change to service.	To minimise and mitigate the impact of any change on them.
Establish and validate site criteria with Growth team	To ensure that future provision is done so in an area that needs it and that is suitable to provide good quality care and support.

9. Action plan

Potential impact (positive or negative)	Action needed to maximise positive impact or mitigate negative impact	By when	Owner
Potential positive Impact on residents, service users and carers			
1. Resident will have increased choice with more accommodation options available to meet their care needs.	• Work to ensure residents, service users and carers are fully informed of their accommodation options. • Continue developing our own and stimulating the market to provide appropriate accommodation options within the county that accurately reflect need.		
2. Flexible care that can adapt to individual needs, enabling them to remain in extra care housing as they age and their care needs change.	• Work to ensure residents, service users and carers are fully informed of their accommodation options. • Continue developing our own and stimulate the market to provide appropriate accommodation options within the county that accurately reflect need.		
3. Accommodation that offers longevity with purpose built buildings that are fit for the future.	• Continue developing our own and stimulate the market to provide appropriate accommodation options within the county that accurately reflect need		
4. Evidence suggests residents in extra care type accommodation	• Work to ensure residents, service users and carers are		

have better experiences and outcomes than in residential care settings.	fully informed of their accommodation options. • Continue developing our own and stimulate the market to provide appropriate accommodation options within the county that accurately reflect need.		
5. Individual with more complex needs will be able to access more bespoke support locally.	• Work to ensure residents, service users and carers are fully informed of their accommodation options. • Continue developing our own and stimulate the market to provide appropriate accommodation options within the county that accurately reflect need.		
6. Individuals will be able to live with appropriate care and support near their families and friends, continuing as part of their community in Surrey. Thus avoiding the risk of social isolation	• Work to ensure residents, service users and carers are fully informed of their accommodation options. • Continue developing our own and stimulate the market to provide appropriate accommodation options within the county that accurately reflect need.		
7. Individuals will receive high quality care and support, in an integrated way between health and social care.	• Continue to work as part of the Local Joint Commissioning Group to establish local integrated community-based health and social care services		
8. People with learning disabilities who are currently in residential care, but for whom Supported Living is considered a viable option during their reassessment process, will have the opportunity to live more independently, with support from family, friends and their community network	• Locality teams to re-assess individuals to confirm if supported living would be a viable option		

9. Accommodation with care and support options strive towards increased independence in which people will be empowered to shape their own lives. This approach will enable people who wish to do so, to access support from their friends, family and community which reflect their culture, race, lifestyle and personal choices.	• Continue to ensure that when accommodation is developed, commissioned, negotiation and nominated it is focused on the outcomes for the individual and that the inclusion of family, friends and local community support services in a support plan meets the needs of the individual		
10. **Potential Negative Impact on residents, service users and carers**			
11. Individuals and their families may experience uncertainty and anxiety with potential changes to the current service they receive	• Culture change will be embedded into SCC and the consideration of different accommodation options will form part of practice change. • Ensure clear communication/marketing is in place in which people fully understand their accommodation options.		
12. Consideration of resident's natural communities will need to be recognised, especially as these can cross over political/health boundaries.	• Continuing to take a person centred approach.		
13. People may feel isolated living independently in extra care housing	• Explore ways to stimulate community support networks for people living in extra care housing in Surrey		
14. It will be more difficult for people with some particular disabilities to access community networks and appropriate supported living as their	• Explore ways to stimulate community support networks for people living in supported living housing in Surrey		

disabilities are less well understood and are more challenging to support.			
15. Individuals and their families may experience uncertainty and anxiety with strategic shift.	• Culture change will be embedded into SCC and the consideration of different accommodation options will form part of practice change. • Ensure clear communication/marketing is in place in which people fully understand their accommodation options.		
16. There is limited specialist community provision for gender reassignment.	• Explore ways to stimulate community support networks for Surrey's gender reassignment community, which will also provide opportunities for inclusion of a protected communities		
17. Planned or actual changes in service provision for people who use services, who are pregnant or have a young child, may cause anxiety	• Practitioners will continue to take all aspects of an individual's social care needs into account when support planning and considering accommodation actions		
18. There are relatively small concentrations of people of particular races in Surrey. This makes it more difficult to reach the critical mass needed to provide a range of community support networks.	• Continue review of areas for targeted effort and development, considering protected characteristic groups within that. This will also provide opportunities for inclusion of a protected community.		
19. Carers may feel care they're providing is no longer needed	• Ensure clear communication/marketing is in place in which people fully understand their accommodation options. Highlighting key links and collaboration with established community network		

10. Potential negative impacts that cannot be mitigated

Potential negative impact	Protected characteristic(s) that could be affected
People may experience some disruption during any redevelopment and building work to expand the provision of extra care services	
The shift towards community based provision may mean a decline in residential provision and consequently less choice for those individuals who want and need to be in a residential	

11. Summary of key impacts and actions

Information and engagement underpinning equalities analysis	
Key impacts (positive and/or negative) on people with protected characteristics	• Flexible care and support services that are self-sustaining and value for money • Improved experience and outcomes for the individual • Individuals will be able to live with specialist care and support near their families and networks in Surrey.
Changes you have made to the proposal as a result of the EIA	• Widescale consultation with residents regarding any change to service. • Establish and validate site criteria with Growth team
Key mitigating actions planned to address any outstanding negative impacts	
Potential negative impacts that cannot be mitigated	• None identified at this stage

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SURREY COUNTY COUNCIL

CABINET

DATE: **21 JULY 2020**

REPORT OF: **MR MARK NUTI, DEPUTY CABINET MEMBER TO THE LEADER**

LEAD OFFICER: **KATIE STEWART, EXECUTIVE DIRECTOR ENVIRONMENT, TRANSPORT AND INFRASTRUCTURE**

SUBJECT: **COMMUNITY PROJECTS FUND**

SUMMARY OF ISSUE:

The report sets out the proposed approach to the development of the Community Project Fund (CPF) in readiness for it to be launched in the Autumn. It sets out the aims of the Fund to bring community-led place-making or place-improving projects to life at a scale to make a significant impact and deliver a real legacy in communities. The Fund is also an important tool that will contribute to the recovery phase following the Covid-19 outbreak, helping to support the rebuilding of local communities and groups that have been affected. The Fund has been developed in collaboration with a cross-party Member Task Group drawn from the Communities, Environment and Highways Select Committee.

RECOMMENDATIONS:

It is recommended that Cabinet:

1. Consider and agree the proposed process, criteria and governance for managing the Community Projects Fund (CPF);

2. Note the role of the Member Task Group in helping to shape the CPF;

3. Agree that £300k of revenue funding in 2020/21 be allocated from the Corporate Feasibility budget to establish a core CPF team to manage the delivery of the fund as well as other set up costs, on the understanding that the ongoing cost of managing the Fund will be built into the Medium Term Financial Strategy (MTFS) from 2021/22;

4. Agree to delegate authority to approve funding awards, including the ability to transfer appropriate amounts from the capital pipeline to the capital programme, as well as to make funding awards to successful applicants in the following three bands, on the understanding that the named decision maker will make such decisions after receiving and giving due consideration to the recommendations from the CPF Panel:

    - Projects up to £100K – delegated to the Executive Director for Environment, Transport and Infrastructure
    - Projects between £100K and 500K – delegated to the appropriate Cabinet Member as determined by the Leader

- Projects over £500K – decision taken by Cabinet

5. Agree to an initial phase of community co-development to test key aspects of the CPF as set out in this report prior to the formal launch of the Fund in the Autumn;

6. Agree to receive a further report in September confirming the outcome of the co-development phase and the final details of the Fund.

REASON FOR RECOMMENDATIONS:

The development of the Community Project Fund (CPF) represents a significant opportunity for Surrey County Council (SCC) to invest in a meaningful and lasting way in communities. The recommendations in the report will enable the Fund to be developed in a way that ensures that the right level of due diligence and ensuring value for money is achieved from the Fund's investments, while at the same time ensuring that the Fund is as accessible as possible.

DETAILS:

Background

1. The Community Projects Fund (CPF) has been developed to bring community-led place-making or place-improving projects to life at a scale to make a significant difference to such communities. It is designed to support the aims of the Community Vision for 2030, in which Surrey is a place in which communities feel supported and people are able to support each other, where people feel able to contribute to their community and no-one is left behind.

2. It is being launched in recognition that the Community Vison cannot be delivered by SCC and our partners alone – communities should feel empowered to help shape their local area. The partnership commitment of the Community Vision sets out that the Council will seek to involve residents in the design of solutions, and actively encourage people and organisations to participate in community activity. The CPF will play a key role in this building of active and participatory communities, where people feel a genuine sense of ownership of the environment around them and where a voice is given to new and underrepresented ideas.

3. The CPF builds on the lessons learned from the Council's previous experience of the Community Improvements Fund which was administered between 2014 and 2016, but is in fact, a very bold and different proposition. Whereas the previous CIF was a total of £500,000, funding bids of between £10,000 and £30,000, the CPF will provide a significantly greater amount of money, with the potential for much larger projects to be funded. It intends to provide a genuinely unique opportunity to invest in large community-led projects in a way that will create a real legacy.

The Fund and its aims

4. The CPF will provide £100m of capital funding to be allocated to community projects over a five-year period. It is intended to:

- Enable local communities to directly identify, propose and deliver projects which make Surrey's places better;

- Make the most of community assets, upgrading facilities in order to improve cohesion and bring people together;
- Build on the strength of the vibrant local communities that already exist in the county, in both urban and rural areas; and
- Make Surrey a more sustainable place, addressing the challenges highlighted in the declaration of the climate change emergency

5. The Fund will support a series of projects put forward by residents, community groups and organisations that meet a relatively simple set of criteria, designed to ensure the deliverability and sustainability of the proposals put forward.

6. The CPF specifically provides capital funding, and so will not provide revenue costs, such as for the running and administration of an organisation. It is intended to be separate to funding for programmes of work where the Council is carrying out its statutory function; however, the aim for the Fund is for it to be flexible and responsive to the nature of bids coming in, so there could be the potential for it to complement Council works where appropriate. Further, where possible, the aim is for it to be allocated in coordination with, or used to leverage, other funding such as Community Infrastructure Levy (CIL) or funding from other external sources.

7. The aims of the Community Vision 2030 and principles of Surrey County Council's Organisation Strategy will guide the use of the fund:

- "Focus on ensuring no one is left behind"
- "Take a fresh approach to working in partnership"
- "Support people to help themselves and each other"
- "Involve and engage residents earlier and more often in designing and delivering services, and responding to challenges"

8. The Fund takes on new importance in the context of the county's emerging recovery from COVID-19 in its ability to support the rebuilding of local communities and groups that have been affected.

Member Task Group

9. A Member Task Group derived from the Communities, Environment and Highways (CEH) Select Committee has been helping to develop the process behind the CPF to ensure it is able to meet the aims set out in paragraph 4. Feedback from the Member Task Group emphasised the need to achieve a balance between ensuring the right level of due diligence to ensure value for money is achieved from the Fund's investments, while at the same time ensuring the accessibility of the Fund to communities.

10. The Member Task Group was also very clear that the process that is put in place to attract bids and administer the Fund should be proportionate to the ask from communities, and flexible to allow the Fund to be shaped over time and tailored to community demand.

11. The shape of, and the proposed process associated with, administering the Fund set out in this report has been developed with the input of this Member Task Group.

Process and thresholds

12. The below sections provide highlights of the proposed process for delivering the Fund, which is detailed more fully at **Annex 1** to this report. It will be tested with a

recommended period of co-development with groups of residents, councillors and other stakeholders in the run-up to the formal launch of the Fund, likely to be in the Autumn.

13. Importantly, it is proposed that the administration of the Fund is kept as flexible as possible. This reflects the fact that as a truly unique opportunity, it is important that the Council is willing to make changes to some of the details set out below to enable it to meet the needs of communities over the five-year period of the Fund.

14. To this end, it should be noted that although the CPF is currently profiled in the capital pipeline as £20m per year over five years, this profile can be adjusted. For example, if there is a significant project that pushes spend over £20m in any given year, or if there is an underspend and money is rolled into a subsequent year.

15. Following experience of administering previous funds and feedback from the Member Task Group, a minimum threshold of £10K is set for applications to the Fund in order to focus its investment where it can have the greatest impact and to enable more effective management of the Fund. As with other aspects of the CPF, thresholds can be reviewed as the life of the Fund develops, in line with reviewing the amount of bids and amount of money left in the Fund.

16. In line with Member feedback from the Task Group to streamline processes as much as is possible, the level of detail required as part of a submission to the Fund will reflect the level of funding being bid for. Smaller project proposals will be subject to a more simplified application process than larger projects, which in turn will require more detail to support the level of due diligence required. To this end, three bands of funding have been proposed at **Annex 1** and set out in Table 1 below, for which the application will be tailored:

TABLE 1: Thresholds per financial year, subject to sensible variation[1]

Scheme Size	Max Number of Projects Per Year (subject to budget)	Indicative Budget for Scheme Size	Business Case required
£1m+	10	£10m	Full - Detailed
£50k - £1m	30	£8	Full - Detailed
£10k - £50k	60	£2m	Short Form
	c. 100 projects	c. £20m p.a	

17. There will be a limit to the number of projects that the Fund can accommodate each year, given the resource available to administer the Fund. As such, **Table 1** sets out the anticipated number of projects in each funding range; however, these are only indicative numbers and are subject to change based on where there is greatest demand for funding. In addition, it is recommended that the resource required to administer the Fund is kept under review to ensure that as much community demand as possible can be met.

18. In order to maintain as streamlined a process for application to the Fund as possible, it is proposed that there will be five stages to the process:

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[1] Max numbers and indicative budget columns show indicative numbers only which are subject to change.

- **Expression of interest** – Communities will be asked to submit their ideas to the Fund via an expression of interest which will be kept as streamlined as possible
- **Invitation to apply following feedback and submission of application** – Depending on the level of funding requested, the project will be required to supply further details, including passing initial pass/fail criteria
- **Assessment of applications** – Applications will be scored against the full criteria by officers, and those that are applicable will be shortlisted
- **CPF panel to review shortlisted applications** – The Panel will review and make a final decision on the shortlisted applications
- **Award of funding** – Following the recommendation or decision by the Panel an award of funding will be made, with a funding agreement and monitoring programme put in place to ensure the delivery of agreed outcomes

19. Feedback from the Member Task Group highlighted the need to reflect the importance of equalities, inclusivity and climate change in the process of reviewing bids to the Fund. As part of the criteria scoring community backing and evidence of wider community benefit, proposals will need to set out how they will be inclusive, while projects will also need to set out how it ensures that long term its sustainability doesn't negatively impact on the environment.

20. Any formal applications to the Fund will be expected to have carried out a form of Equality Impact Assessment (EQIA) and Environmental Sustainability Assessment (ESA) for their project proposal, which will be reviewed as part of the scoring process. As part of the Fund guidance that is being developed, it will be explored as to whether the Council's existing EQIA and ESA templates will be used 'as is' or if more light touch versions could be designed for the specific use of the Fund, particularly for bids that fall in the lowest threshold.

21. It is also important to note that where projects are not successful in their application for CPF funding, the intention is that, rather than SCC simply saying "no," constructive feedback is provided, and where possible, projects are connected to other funding opportunities and/or wider opportunities for further development. This development of a dialogue with communities as part of a broader conversation with communities to help connect them to opportunity is an important part of the development of the Fund.

Community engagement

22. An important aspect of delivering the Fund will be the way in which communities are engaged not only in the application for funding but in gathering their views on projects submitted. To this end, an online platform will enable ideas and proposals that have been submitted to be plotted on a map with details of the proposals provided, which will allow local communities to engage in expressing their support for these projects.

23. This platform will be designed in a way that ensures it is joined up with other SCC online engagement with communities where possible. However, the Fund itself will have a clear and distinct identity within that wider conversation.

24. However, the Member Task Group specifically recommended that further work be done to consider yet other ways and stages at which communities could be involved in the Fund whether to pitch or discuss ideas for funding – perhaps through community events or similar opportunities.

25. With this in mind, and recognising the diversity of our communities, it is recommended that further community involvement needs to be incorporated into the CPF process, and that exploratory work is undertaken with a representative group of residents to consider all aspects of the grant making process for the CPF. This period of "co-development" would take place between the proposed Cabinet decision and the formal launch of the Fund.

Ensuring equal access to the Fund

26. A further aspect of the Fund worthy of highlight is the need to ensure that the Fund meets the requirements of all communities and potential applicants rather than just catering for one group or part of the county. It is important to ensure that there is a 'fairness' of opportunity for all communities in applying for the Fund.

27. To this end, the Council will use data and evidence that it holds to monitor the bids and successful funding awards to identify if certain communities appear to be not engaging with the Fund. Where this is found to be the case, efforts will be made to review the promotion of the Fund in that area or with specific groups.

28. Further, evidence will be used to highlight the specific needs of different areas across the county and the types of projects that would make a difference in those locations. This data and evidence will also be used as part of the ongoing monitoring of the Fund to review its impact and how it could be adapted during its lifetime.

Governance

29. As set out at para 18, after initial expression of interest phases, it is proposed that applications will be shortlisted by officers against criteria set for the Fund and detailed in **Annex 1**. A CPF Panel will then consider shortlisted applications and make a recommendation on the applications to be funded.

30. It is proposed that the CPF Panel is comprised of a selection of Members from across parties, proportionate to the political make-up of the council (c. 4 or 5, including the relevant Cabinet Member or a suitable representative), one or two senior officers, and potentially one or two external representatives from either community and/or business background to provide external expertise and experience to the process. The Panel will be comprised of no more than 10 individuals.

31. Members on the CPF Panel will be asked to take a Surrey-wide view of projects, and no Member will be allowed to vote on an application from their Division. All members of the panel will be asked to declare any relevant interest and if necessary, not take part in discussions on an item.

32. As part of the assessment process, Cabinet Members will be made aware of when a project falls within their portfolio area, while Divisional Members will be made aware when a project is in their electoral division.

33. Shortlisted applicants, at least of the medium to large projects, will be asked to provide a short presentation and to answer questions from the Panel to assist the Panel in developing their recommendations. It is intended that the Panel will make its final decisions on recommendations in public.

34. The Panel will deliberate applications and make final recommendations to the appropriate decision-maker on the proposed funding awards to be made. To ensure that final decision-making is as streamlined and proportionate to the amount being sought as possible, it is recommended that Cabinet delegate authority for final

decisions on funding awards in three bands, with the intention that the named decision maker will make such decisions in full consideration of the CPF Panel's recommendations. The authority delegated to the named decision maker by Cabinet will need to include the ability to transfer the award amount from capital pipeline to capital programme, as well as release of that funding in funding awards made. The proposed delegation amounts are as follows:

- Projects up to £100K – delegated to the Executive Director for Environment, Transport and Infrastructure
- Projects between £100K and 500K – delegated to the appropriate Cabinet Member as determined by the Leader
- Projects over £500K – decision taken by Cabinet

35. To provide oversight to the performance of the Fund, it is proposed that the funding awards are made public and an annual report on the performance of the Fund is scrutinised by the CEH Select Committee. Cabinet will then receive the final annual report and recommendations from the Select Committee.

Resources

36. It is proposed that administering the Fund will require both an **officer team and budget** to coordinate and administer the Fund, as well as **funding to support the development of projects** that have been shortlisted where required.

37. In terms of the officer capacity required, it is estimated that there will need to be one full time equivalent (FTE) lead Fund manager to be in place to provide oversight, and a further three FTE officers to support bids at the ideas stage, as well as managing contracts and payments. Alongside this core team, it is intended that officers from across the organisation will be involved in helping to support projects depending on the type of project involved. This includes critical roles in the communication and engagement of communities, with input from Communications, and input from an officer within the Insight, Analytics and Intelligence team to provide data on communities as part of monitoring and analysis.

38. Additional funding will be required to deliver the co-development phase proposed at paragraph 25 and to establish the online platform associated with the Fund.

39. To this end, it is recommended that Cabinet agree to allocate up to £300k of revenue funding in 2020/21 from the Corporate Feasibility budget to establish the core CPF team to manage the delivery of the Fund. The ongoing cost of the core team will be built into the budget process for 2021/22 and the medium term and kept under review.

40. Finally, it is expected that further funding will be required to support the development and delivery of some projects. It is expected that a large proportion of these development costs would be able to be capitalised, for example, design / development of schemes that successfully deliver a capital asset can be charged directly against the £100m budget. However, there may be a revenue pressure for abortive costs, viability work, or helping communities develop bids. There may also be costs associated with elements of evaluation and capacity building in the voluntary sector.

41. It is estimated that development funding of up to 10% of the value of the fund will be needed to support development of shortlisted projects. This funding will be managed in line with the 2021/22 budget process and medium term financial strategy.

42. As set out at paragraph 16, however, it is recommended that the funding required for both the officer support and to support project development and delivery are kept under review, given the need to be flexible in responding to community demand.

Communications and engagement

43. In the lead up to the launch of the Fund, and then subsequently in the lead up to the opening of each of funding window, a communications and engagement campaign will take place to publicise the fund and its purpose. It will be important to generate and channel community energy in the most productive way possible, and a clear communications strategy will be critical in doing so.

44. More targeted communication may be needed if it becomes apparent in the monitoring of the CPF that certain communities are not engaging with the Fund.

CONSULTATION:

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45. A member session was held in February 2020 to introduce the principles behind the establishment of the CPF. The session collected views from Members on the best ways to advertise the Fund to residents so that everyone is aware of the opportunity, how can we support/encourage greater engagement and to begin to think about the type of projects that could be supported.

46. It was agreed in March 2020 that the approach to the delivery and administration of the CPF would be developed with input from a Member Task Group made up of members of the Communities, Environment and Highways Select Committee.

47. The aim of the Task Group was to advise the officer steering group on:
    - How can we ensure that the process for applying to the fund is streamlined, simple and accessible?
    - How can we ensure the criteria provides the highest quality applications and delivers excellent community improvements?
    - How should the governance and administration of the Fund be developed?

48. The first meeting of the Task Group took place on 21 May 2020 and provided input to the early stages of the development of the Fund. The Task Group were asked to consider the shape of the Fund, along with the process and criteria with a view to the Fund's outcomes.

49. Meetings of the Task Group then took place on 10 June, 24 June and 29 June.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

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50. The £100m of capital funding allocated to the Community Projects Fund is within the agreed budget for the capital programme.

51. It is recommended that Cabinet agree to £300k of revenue funding in 2020/21 (funded from the Corporate Feasibility budget) to establish the core CPF team to manage the delivery of the fund. The ongoing cost will be built into the budget process for 2021/22 and the medium term and kept under review.

SECTION 151 OFFICER COMMENTARY

52. 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. The public health crisis has resulted in increased costs which are not fully funded in the current year. With uncertainty about the ongoing impact of this and no clarity on the extent to which both central and local funding sources might be affected from next year onward, 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.

53. As such, the Section 151 Officer supports that the proposed revenue costs for establishing the Community Projects Fund team for 2020/21 will be met from the existing feasibility fund. The ongoing costs will be factored into the Medium-Term Financial Strategy.

LEGAL IMPLICATIONS – MONITORING OFFICER

54. The Council has extensive powers to provide assistance to support community projects including through its power of general competence which it can use to benefit its area and residents, support delivering greater value for money and innovation further to the Localism Act 2011.

EQUALITIES AND DIVERSITY

55. The Fund is designed to provide investment in schemes that encourage community participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity. As such it is anticipated that it will have a positive impact on a number of those who may rely on or gain support from within the local community and those within protected characteristics that maybe more likely to experience social and economic exclusion.

56. Potential barriers to accessing the Fund for some within the protected characteristics have been identified during the development of the process of managing the CPF in terms of the use of the online platform and support that may be required in developing projects to enable their delivery. Details for how these potential impacts will be addressed is set out in the Equalities Impact Assessment attached at **Annex 2**.

57. Once the Fund is launched, at the end of each funding round, monitoring will take place to understand if there are any equalities and accessibility issues that need to be addressed.

58. Any formal applications to the Fund will be expected to have carried out an Equality Impact Assessment for their project proposal, which will be reviewed as part of the scoring process.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

59. Any formal applications to the Fund will be expected to have carried out an Environmental Sustainability Assessment for their project proposal, which will be reviewed as part of the scoring process. Projects will be required to set out that they

have considered the environmental implications of being delivered, in terms of the processes, materials and long-term impact.

WHAT HAPPENS NEXT:

60. Subject to Cabinet agreement and the outcome of the co-development phase, the proposed timeline for the launch of the Community Projects Fund is as follows:

- Carry out initial phase of community co-development on CPF processes in July to August 2020
- Communications and branding work to take place in July 2020 ready for engagement to begin in August 2020
- Data and intelligence gathering to inform process design to take place in July and August 2020
- Design, recruitment and training of team to support the CPF to take place between July and September 2020
- Build digital engagement platform between July and September 2020
- Fund launched in October 2020 to begin exploration of project ideas with communities
- First bidding round for proposals to be submitted February 2021

61. A further report to Cabinet in September will report on the outcome of the co-development phase, along with any recommended changes or further decisions required ahead of the formal launch of the Fund.

Report Officer: Matthew Snelling, Strategic Lead - Policy and Strategy,

Contact: Matthew.Snelling@surreycc.gov.uk

Consulted:

- Member Task Group
- Communities, Environment and Highways Select Committee
- Council officers

Annexes:

Annex 1- CPF process and criteria

Annex 2- Equalities Impact Assessment

Annex 1

Community Project Fund – proposed process and criteria

1. Bidding rounds

1.1. The Fund will have multiple bidding rounds that open and close during the year, rather than having a rolling programme. This will help in the administration of the Fund and enable monitoring and engagement to take place during the periods when the Fund is closed. This will enable the Fund to be flexible and adaptable, where the approach and focus of the fund can be adapted or redirected before a new bidding round opens.

1.2. In year one of the programme, the Fund will have two bidding rounds. It is expected that the estimated time taken at each stage of those rounds is around 6 months:

- Month 1 – 2: window open for expressions of interest, feedback on proposals to be given and formal applications to the fund to be made
- Month 3 – 4: proposals assessed against criteria, shortlisted and reviewed by Member/officer panel
- Month 5: funding awarded and grant monitoring arrangements put in place
- Month 6: monitoring and analysis carried out on proposals received, and engagement carried out as appropriate before fund is reopened

1.3. In year one it would be a maximum five-month period from an expression of interest to funding being awarded. As the process of delivering the fund becomes more embedded, and in line with the principle that it can be regularly reviewed and responsive to change, it is intended that the frequency of bidding rounds can be increased in proceeding years if required.

1.4. Potential model for what a three window annual bidding process could look like in future years of the programme where it would be a three month period from an expression of interest to funding being awarded:

- Month 1: window open for expressions of interest, feedback on proposals to be given and formal applications to the fund to be made
- Month 2: proposals assessed against criteria, shortlisted and reviewed by Member/officer panel
- Month 3: funding awarded and grant monitoring arrangements put in place
- Month 4: monitoring and analysis carried out on proposals received, and engagement carried out as appropriate before fund is reopened

2. Funding thresholds

2.1. The total budget for the CPF is £100m, profiled as £20m being available per year, however if need arose, the £20m profile can be adjusted, for example if there is a significant project that pushes spend over £20m in any given year, or if there is an underspend and money is rolled into a subsequent year.

2.2. Surrey does not have a minimum limit on the value of capital expenditure; however a lower limit   thresholds have been set in order to manage the administration of the Fund and the number of projects supported. This is to respond to risks that either some lower-value proposals could be stifled if thresholds are set too high, or that there will be too large a volume of projects to be able to administer if thresholds are

too low.

2.3. The level of detail required as part of a submission to the Fund will reflect the level of funding being bid for. Smaller project proposals will have more of a 'light touch' application process, while larger projects will require more detail to support the level of due diligence that will need to be carried out.

2.4. The thresholds can be reviewed as the life of the fund develops and in line with reviewing the amount of bids and amount of money left in the fund.

Thresholds per financial year, subject to sensible variation

Scheme Size	Max Number of Projects Per Year (subject to budget)	Indicative Budget for Scheme Size	Business Case required
£1m+	10	£10m	Full - Detailed
£50k - £1m	30	£8	Full - Detailed
£10k - £50k	60	£2m	Short-Form
	c. 100 projects	c. £20m p.a	

3. Project proposal process

Stage 1 – Expression of interest and outline of proposal

2.5. Expressions of interest will be captured through an online engagement platform, whereby those looking to make bids to the fund will set out a brief outline of their proposal.

2.6. A guidance document will be produced to set out the rules for how funding can be used that will be a checklist for bidders to use to see if their idea addresses all the key elements. The idea is not to stifle creativity, but give bidders a clear understanding of what the fund can be used for so as to avoid having to reject ideas, as well as highlighting the work the council has done on identifying the type of projects that different local areas would benefit from. As part of this guide, case studies can be highlighted about projects which will help to encourage bidders to see what is possible.

2.7. An applicant checklist (**Appendix 3**) has been designed to set out helpful questions that someone putting together a proposal may want to consider.

Stage 2 – invitation to apply following feedback and submission of application

2.8. Following an expression of interest, officers will carry out an initial review of a proposal. This will involve assessing proposals against the three pass/fail criteria set out below. The applicant checklist will also be used at this stage as a guide as part of making an assessment as to whether the idea has the potential to be taken forward. Where a proposal has been found to meet the three pass/fail criteria and Officers believe the project has viability, bidders will be encouraged to put in a formal application.

Pass/Fail Criteria	Details
Reflect the aims and principles of the Community Vision 2030	A project will have to highlight which of the principles of the Community Vision it will contribute to and evidence at least three of the other principles it will support : • Tackling inequality

	• Supporting independence • Embracing Surrey's diversity • Supporting the local economy • Enabling digital revolution • Partnership • Creating a greener future including links to Surrey Climate Change Strategy • More joined up health and social care
Meet financial viability checks	The fiscal element of proposed projects should be assessed to ensure they are: • Compatible with capital funding regulations • In line with the different funding tiers of the fund • Financially sustainable beyond the initial funding period
Do not meet any of the restrictions set out for the use of the fund	The Community Project Fund may: • NOT be used to support political organisations or individuals; • NOT be used to cover ongoing revenue costs, including salaries; • NOT be used to replace withdrawn funding for existing projects; • NOT be used by local authorities, public sector bodies or private companies to achieve their statutory obligations; • NOT contravene any of the Council's agreed policies or priorities; • NOT be used to pay for a consultant to make an application to the fund on the applicants behalf; • NOT be used for retrospective funding

2.9. As part of the initial review of an expression of interest, Officers will be able to provide feedback on areas in which people could strengthen their bids or provide feedback on how a proposal could be amended in order for it to be resubmitted for a future funding round. Alternatively, where a project is not appropriate for the Fund, officers will try to provide advice on other funds and/or opportunities to which the project may be relevant.

2.10. As part of the guidance for project proposals, those putting bids together will be encouraged to identify the extent to which they align with strategic and local priorities for Surrey by highlighting key strategies. They will also be signposted to use data and evidence published by the Council and elsewhere so that projects can display how they are addressing identified needs and issues.

2.11. As part of the responses to those submitting proposals that have been unsuccessful, where it is applicable, this will include signposting to other resources/guidance/sources of funding that could be helpful.

Stage 3 – Assessment and scoring against criteria

2.12. Formal applications will be assessed and scored against a set of criteria, which includes the positive benefits to the community, deliverability and legacy of a project.

2.13. As part of formal applications to the Fund, projects will be expected to have carried out an Equality Impact Assessment and Environmental Sustainability

Assessment which will be reviewed as part of the scoring process.

Criteria to be scored against	Details
Deliverability	Projects should have a clear delivery plan in place and evidence of commitment from a group or organisation. A judgment would be made as to the capacity of the bidder to deliver the project and what level of support from the Council or others might be needed. Projects would need to evidence, unless with prior agreement that work would need to commence within 12 months of the decision of funding being awarded
Evidence community backing and wider community benefit	Proposals will need to evidence support for a project, which can be responses gathered through the online platform, as well as other pieces of engagement or research that has been carried out. Proposals should include the backing/sponsorship of their local county member. Support can also be evidenced of backing from the parish council (where there is one), district member or other local community groups, organisations or clubs.

Projects will need to demonstrate how it benefits, is accessible to the wider community and is inclusive. It should set out how it will encourage civic participation and people to volunteer, communities to take greater responsibility for local issues and encourage people to work together to address issues affecting the wider community |
Potential for leverage and/or additional resources	Evidence of additional resources (people or money) available from partners or volunteers to complement or match any SCC funding allocated through the CPF
Legacy	Projects should highlight the lasting and ongoing legacy they will provide for the community and the long term benefits from the use of the funding
Have measurable positive outcomes	Projects will need to have clear timescales, baseline position and intended outcome with measures. These measurable outcomes should outline how they will make a positive difference to people's lives, including promoting public health and wellbeing and the extent to which the project reduces deprivation and inequalities. This criteria will also consider the transformative impact that a project has on a community.
Environmental Sustainability	The project will need to set out how it ensures that long term its sustainability doesn't negatively impact on the environment.

Scoring

2.14. The process of scoring will be coordinated by officers within the Community Partnerships Team, with the scores requiring input from specific teams that will have detailed knowledge in the service area related to the aims of the project. For example, if the proposed project is designed to improve transport connectivity, the transport development planning team will be asked to provide their analysis of the proposal. Finance will also need to input into the review and scoring process to ensure that proposals meets the financial viability checks set out in the essential criteria.

Weighting

2.15. Outside the three pass/fail criteria, scores for the other criteria will be weighted to reflect their relative importance. Once the project has been scored against each of the criteria, a weighted overall score will be produced.

Criteria	Scoring	Weighting
Reflect the aims of the Community Vision 2030	Pass/Fail	N/A
Meet financial viability checks	Pass/Fail	N/A
Do not meet any of the restrictions set out for the use of the fund	Pass/Fail	N/A
Deliverability	1 – 5	20
Evidence community backing and wider community benefit	1 – 5	20
Potential for leverage and additional resources	1 – 5	15
Legacy	1 – 5	15
Have measurable positive outcomes	1 – 5	15
Environmental sustainability	1 – 5	15

To be assessed at the initial review stage

2.16. A scoring matrix will be used as part of the process. This will set out clearly why a project has scored the value it has against each criterion and will add robustness and a clear audit trail to the decision making process. This also ensures that if any funding decisions are challenged or FOIs submitted that there is clear evidence behind how a decision has been reached. An example of what the scoring matrix could look like is included at **Appendix 2**.

2.17. For projects at least at the medium or large threshold, it is suggested that a meeting, either virtually, or in the form of a visit where appropriate will be undertaken with representatives (either internal/external) that have put the project forward to enable any final questions or issues to be answered that has not been able to be resolved through the review of the written proposal.

Stage 4 – CPF Panel to review shortlisted proposals

2.18. There will not be a set number (or limit) of proposals that can be shortlisted; projects will only be shortlisted if they meet all the essential criteria and score the minimum total which is set. Numbers of projects shortlisted will also vary depending on the scale of bids received and how much of the funding is still to be allocated for that window.

2.19. The CPF Panel will consider applications that have made it to this stage and either make a recommendation on the decision to award funding to the appropriate delegated decision making to be agreed by Cabinet.

2.20. The CPF is comprised of a selection of Members from across parties (c. 4 or 5, including the relevant Cabinet Member or a suitable representative), one or two senior officers, and potentially one or two external representatives from either community and/or business background to provide external expertise and experience to the process.

2.21. As part of their judgments, Members on the CPF Panel will be asked to take a Surrey-wide view of projects, and no Member will be allowed to vote on an application from their Division.

2.22. Shortlisted applicants, at least of the medium to large projects, will be asked to provide a short presentation and answer questions from the Panel to assist with the decision process.

Stage 5 – Award of funding

2.23. After a decision has been made by the appropriate decision maker as delegated authority by Cabinet, a conditional offer of funding will be made to successful applicants, who will be asked to sign a funding agreement form. This will include the performance measures that will be put in place to ensure the funding is used as intended as well as outlining any support agreed as part of the funding award. At this stage performance monitoring requirements and legal expectations should be outlined clearly. Payment of the grant will only be made when evidence is provided that all required funding is in place for the commencement of the project.

3. Monitoring

3.1. An ongoing monitoring of the funding awarded will be necessary as part of a grant funding agreement to ensure that;

- Actions can be taken if any concerns are identified
- Fraud can be detected
- Track that grants will achieve their intended outputs
- Provide assurance that expenditure is within the eligible expenditure terms outlined in the grant agreement
- Geographical distribution to ensure that projects are being funded across all parts of the county
- Review how we are tackling deprivation and addressing community needs

3.2. As well as monitoring that the funding allocated is being used appropriately and projects are progressing, it will also be important to ensure the effectives of the fund. Reviewing the projects funded at the end of each window of funding will enable administering officers to assess the geographic location of successful (and unsuccessful) proposals, the types of groups making applications and the types of projects being funded. Engagement may need to be targeted depending on the findings of monitoring, including referencing this against data related to social deprivation in the County, to ensure funding is going to projects in these areas.

Appendix 1 – Project proposal process

| Stage 1 | Expression of interest and outline of proposal |

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| Stage 2 | Invitation to apply following feedback and submission of application |

↓

| Stage 3 | Assessment and scoring against criteria |

↓

| Stage 4 | Member/officer panel to review shortlisted proposals |

↓

| Stage 5 | Award of funding |
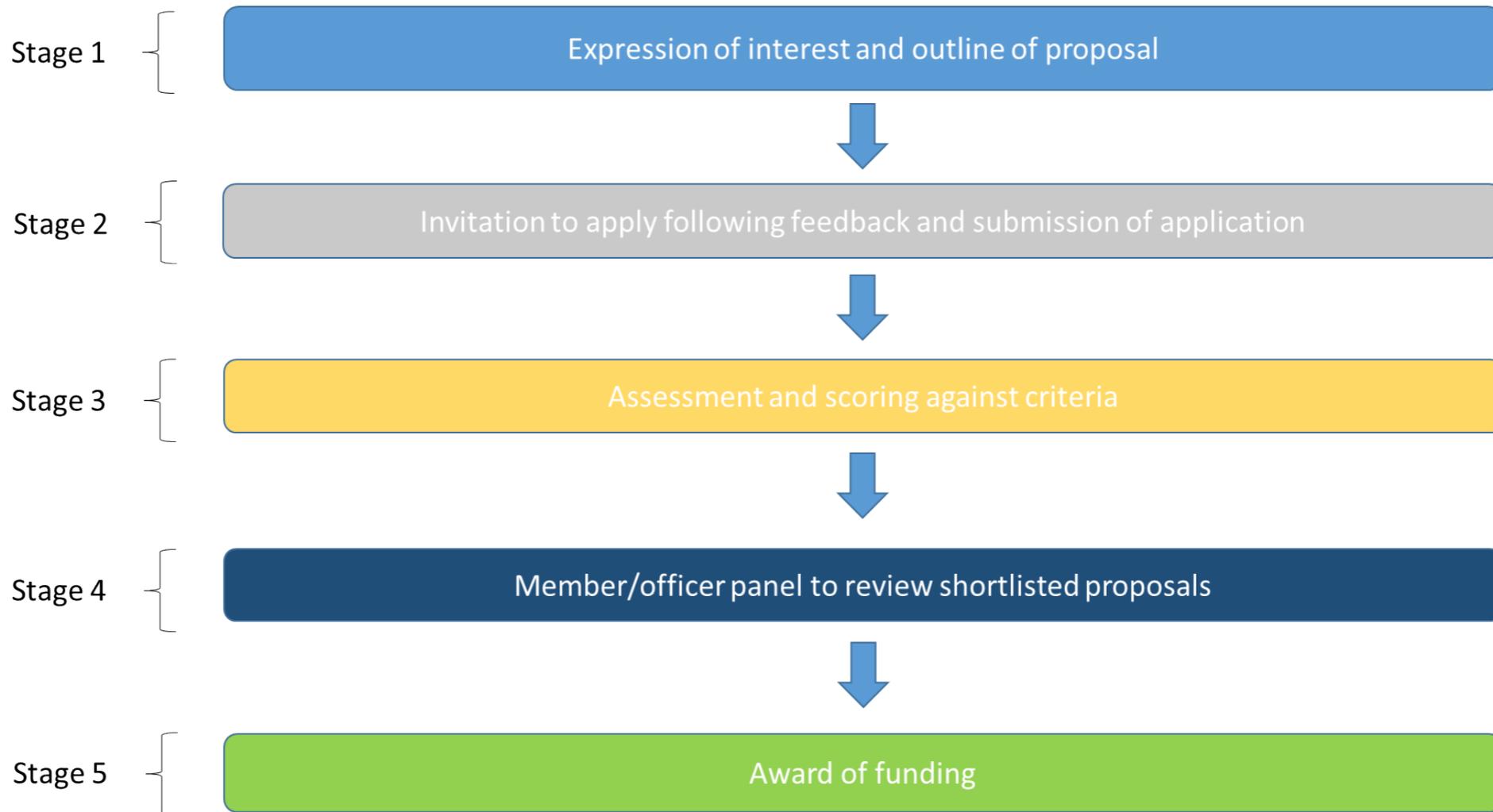
Appendix 2 – Example of a scoring matrix that will be developed to score projects

Scoring Matrix – Project name: Date of assessment:

Score	0	1	2	3	4	5	Comments to support score given
Strategic fit and deliverability assessment							
Strategic Fit	No evidence of fit with any of the identified strategies	Reasonable fit evidenced with one identified strategy	Reasonable fit evidenced with more than one of the identified strategies	Excellent fit evidenced with one of the identified strategies	Excellent fit evidenced with more than one of the identified strategies	Excellent fit evidenced with the majority of identified strategies	
Score achieved							
Deliverability	No delivery plan, IPF, funding identified or group/council commitment in place. Serious barriers to delivery identified	No delivery plan in place, some barriers to delivery identified, some of which are major	Delivery plan in place, IPF supported but with some barriers to delivery identified, none of which are major	Delivery plan in place, IPF supported, group / council support evidenced with some barriers to delivery identified, none of which are major	Delivery plan in place, IPF supported, funding in place and evidence of group support for proposal with minor barriers to deliverability only	Detailed delivery plan in place, IPF supported, funding in place and recorded group commitment to proposal with no identified barriers to deliverability	
Score achieved							
People based assessment							
Impact on Service provision	The project has a negative impact on the provision of a service	The project will retain some service provision albeit at a lower level or standard than the current provision	The project seeks to safeguard the current level of service provision	The project seeks to extend the service provision in a limited way	The project seeks to extend the service provision in a substantive way.	The project seeks to deliver a service in a transformative way that adds value.	
Score achieved							
Impact on Deprivation and Inequalities (Closing the Gap)	The project increases deprivation and/or widens inequalities in Cornwall	The project does not impact on reducing deprivation and inequalities in Cornwall	The project has a minimal impact on reducing deprivation and inequalities within a specific area of	The project has a minimal impact on reducing deprivation and inequalities within multiple areas of	The project can close the gap in inequalities and/or deprivation within a specific	The project can close the gap in inequalities and/or deprivation within multiple areas of Cornwall	

Appendix 3 – Applicant checklist for the Community Projects Fund

APPLICANT CHECKLIST FOR
COMMUNITY PROJECTS FUND APPLICATIONS

When you are completing the application form, use this checklist to make sure that you are addressing all the key elements:

1. **Title** – Have you made it specific and about what you are planning to do ☐

2. **Your Project** – Be specific, don't describe what your organisation does – have you stated what it'll allow you to do? ☐

3. Have you contacted your local councillor to get their input/backing? ☐

4. Have you set out clearly how your project links to the principles of the Community Vision? ☐

5. Have you evidenced how your project has a wider community benefit and how it is inclusive to all members of the community? If you are submitting a formal application to the fund, you will be expected to have completed an Equality Impact Assessment (EQIA) (link to a template to be provided when the checklist is published as part of the guidance for the fund) ☐

6. Have you evidenced the need for the project (the gap in provision)? Consider questions such as; Have you got support from current users? Have you spoken to people who would use your facility if the improvements were made? How many more people would use the facility if the improvements were made? ☐

7. **Financials** – Are you able to show evidence of need for the funding to complete your project, or can you evidence the percentage of your base budget this project will be? ☐

8. If it is a larger project, have you specified which part of the project the application is for, and can evidence how you will be able to fund the entire project? ☐

9. **Legal** – You need to evidence you have 15 years left on either your lease, or you have the freehold to the property and can evidence that you will maintain the project for 15 years +. Must have landowner's consent – letter/email for landowner indicating this. If it requires planning permission you need to have this in place ☐

10. **Timescales** – Break the timescales down. Give timescales not just for the work but when the benefits will begin, e.g. when you'll achieve the objectives. ☐

11 **Volunteers** – Will volunteers help to maintain the facility or help to bring new users in? Can you highlight how your project will encourage community participation? ☐

12   **Financial Sustainability** – How will the facility be maintained? Have you got funding in place in the short term, or long term?   ☐

13   **Environmental Sustainability** – Have you set out how your project will ensure that it won't negatively impact on the environment, both in the short and long--term? If you are submitting a formal application to the fund, you will be expected to have completed an Environmental Sustainability Assessment (ESA) (link to a template to be provided when the checklist is published as part of the guidance for the fund)   ☐

14   **Measurable outcomes** - a good bid includes statistics about how it is going to be used and increased – have you evidenced this clearly?   ☐

Equality Impact Assessment

Annex 2

EIA Title	Community Projects Fund			
Did you use the EIA Screening Tool? (Please tick or specify)	Yes (Please attach upon submission)		No	✓

1. Explaining the matter being assessed

What policy, function or service change are you assessing?	*The launch of the Community Projects Fund (CPF), a Fund of £100m of Capital Funding to be awarded over a five year period. The CPF will be available for residents, community groups and organisations to make bids to that will enable community-led place-making or place-improving projects to be delivered.*
Why does this EIA need to be completed?	*To ensure that the Fund is accessible to all members of the community and that there are no groups or residents that feel excluded from being able to submit bids to support a project.*
Who is affected by the proposals outlined above?	*The fund is targeted at all residents in Surrey, therefore key stakeholders/advocates for the Fund could include::* • *Residents* • *The Voluntary, Community and Faith Sector* • *District & Borough Councils* • *District & Borough Members* • *Parish Councils* • *Parish Councillors* • *County Council* • *County Council Members*
How does your service proposal support the outcomes in [the Community Vision for Surrey 2030](#)?	*The CPF is designed to support all the outcomes in the Community Vision, specifically in which Surrey is a place in which communities feel supported and people are able to support each other, where people feel able to contribute to their community and no-one is left behind. Bids made to the Fund will have to set out how the proposed projects links to the aims of the Community Vision.*

Are there any specific geographies in Surrey where this will make an impact? (Please tick or specify)	County Wide		Runnymede	
	Elmbridge		Spelthorne	
	Epsom and Ewell		Surrey Heath	
	Guildford		Tandridge	
	Mole Valley		Waverley	
	Reigate and Banstead		Woking	
	Not Applicable	✓		
	County Divisions (please specify if appropriate):			

Briefly list what evidence you have gathered on the impact of your proposals?	*A Member Task Group derived from the Communities, Environment and Highways (CEH) Select Committee has helped to develop the process behind the CPF. Consultation has taken place with officers in the Council that have previously administered community investment funds.*

SURREY
COUNTY COUNCIL

Equality Impact Assessment

2. Service Users / Residents

There are 10 protected characteristics to consider in your proposal. These are:

1. Age including younger and older people
2. Disability
3. Gender reassignment
4. Pregnancy and maternity
5. Race including ethnic or national origins, colour or nationality
6. Religion or belief including lack of belief
7. Sex
8. Sexual orientation
9. Marriage/civil partnerships
10. Carers protected by association

Though not included in the Equality Act 2010, Surrey County Council recognises that socio-economic disadvantage is a significant contributor to inequality across the County and therefore regards this as an additional factor.

Therefore, if relevant, you will need to include information on this. Please refer to the EIA guidance if you are unclear as to what this is.

Equality Impact Assessment

AGE

What information (data) do you have on affected service users/residents with this characteristic?

The CPF aims to benefit a wide range of schemes and initiatives designed to be accessed by people from all parts of the community. Specific projects are likely to impact on some age groups more than others depending on the nature of the proposal. There are likely to be projects that impact young and older people more specifically who may rely on or gain support from within the local community.

The Office for National Statistics (ONS) estimated that the resident population of Surrey at Mid 2017 was 1,185,300. The estimate is broken down into 71,000 children aged under 5 (6.0% of the population), 175,300 children aged 5-16 (14.8%), 105,100 people aged 17-24 (8.9%), 611,700 people aged 25-64 (51.6%) and 222,200 older people aged 65+, (18.7%).

Compared with England, Surrey has a slightly larger proportion of people aged 40-59 and a smaller proportion aged 20-34, but is otherwise broadly similar.

The proportion of the population in all age groups under 65 is projected to fall by 2041. However the overall number in all age groups except the under 5s is projected to increase. It is projected that there will be 1,700 fewer under 5s, 7,000 more aged 5-16, 6,400 additional people aged 17-24 and 4,700 more aged 25-64.

The proportion of the population aged over 65 is projected to increase to 25.4% by 2041, with the proportion of over 85s projected to increase from 2.9% to 5.2% over the same period. This will lead to an additional 112,200 over 65s in total with 34,500 more aged over 85.

From the 2019 update to the JSNA: "The projected demographic change would cause an initial rise in demand for children's services over the next 5 years, with demand remaining falling after 2023, but the demand for services for older people will continue to rise over the next 25 years".

Impacts (Please tick or specify)	Positive		Negative		Both	✔
Impacts identified	**Supporting evidence**		**How will you maximise positive/minimise negative impacts?**	**When will this be implemented by?**	**Owner**	

10

The Fund is designed to provide investment in schemes that encourage community participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity.	The Fund will support projects that may be designed to have a particular impact on young people and older people.	As part of the scoring criteria for bids to the Fund, projects will need to demonstrate how it benefits, is accessible to the wider community and is inclusive. As part of the criteria, projects will also be scored against how they will make a positive difference to people's lives, and the extent to which the project reduces deprivation and inequalities. The criteria will also consider the transformative impact that a project has on a community. Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities appear to not be engaging with the Fund. Where this is found to be the case, efforts will be made to review the promotion of the Fund in that area or with specific groups.	The criteria will be in place for the launch of the Fund in October 2020 An evidence base will be in place for the launch of the Fund in October 2020. Monitoring of the Fund will take place at the end of each funding round	CPF Steering Group and project team CPF Steering Group and project team with input from Analytics and Insight Team
Submitting proposals through an online platform may cause issues for accessing the Fund.	It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund.	Ensuring accessibility will be a key part of the platform design process. Alongside the online platform, engagement will take place with communities, specifically	Design of the online platform will take place with the provider between July	CPF Steering Group and project team working with the provider

		targeted at groups that may fall within a seldom listened to category to ensure that they can engage with the Fund. 'Co-design' work is to be undertaken with a representative group of residents to consider all aspects of the grant making process for the CPF to ensure its accessibility.	and August 2020 Co-design work to take place in summer 2020	CPF Steering Group and project team
The process and criteria for putting together a project proposal might prevent some individuals or groups from feeling they can put together bids to the Fund.	It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund.	'Co-design' work is to be undertaken with a representative group of residents to consider all aspects of the grant making process for the CPF to ensure its accessibility. Exploratory work is being undertaken to assess how support can be provided to those submitting proposals to help enable projects to be delivered and the potential to deliver upskilling sessions in connection to the fund which would have the aim of increasing organisational capacity, capability and finance expertise.	Co-design work to take place in summer 2020	CPF Steering Group and project team

What other changes is the council planning/already in place that may affect the same groups of residents? Are there any dependencies decisions makers need to be aware of
N/A
Any negative impacts that cannot be mitigated? Please identify impact and explain why
N/A

DISABILITY

What information (data) do you have on affected service users/residents with this characteristic?

The CPF aims to benefit a wide range of schemes and initiatives designed to be accessed by people from all parts of the community. There are likely to be projects that will impact more on those with disabilities, who specifically as a group may rely on or gain support from within the local community, depending on the nature of the proposal.

According to the 2011 Census, the day to day activities of 13.5% of Surrey's population are limited by a long term health problem or disability. This proportion is below the national average of 17.6% and is unchanged since 2001. The activities of 5.7% are limited "a lot".

The likelihood of suffering from a long term illness or disability increases with age. 78% of people over 85 reported a health problem compared with just 2.9% of children under 16.

Impacts (Please tick or specify)	Positive		Negative		Both	✓

Impacts identified	**Supporting evidence**	**How will you maximise positive/minimise negative impacts?**	**When will this be implemented by?**	**Owner**
The Fund is designed to provide investment in schemes that	Those with disabilities and other health difficulties	As part of the scoring criteria for bids to the Fund, projects	The criteria will be in place for	CPF Steering Group and project team

encourage community participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity. The Fund will support projects that may be designed to have a particular positive impact on those with disabilities.	such as mental health issues are more likely to experience social and economic exclusion and are therefore more likely to benefit from schemes that benefit the community and encourage engagement.	will need to demonstrate how it benefits, is accessible to the wider community and is inclusive. As part of the criteria, projects will also be scored against how they will make a positive difference to people's lives, and the extent to which the project reduces deprivation and inequalities. The criteria will also consider the transformative impact that a project has on a community.	the launch of the Fund in October 2020	
		Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities appear to not be engaging with the Fund. Where this is found to be the case, efforts will be made to review the promotion of the Fund in that area or with specific groups.	An evidence base will be in place for the launch of the Fund in October 2020. Monitoring of the Fund will take place at the end of each funding round	CPF Steering Group and project team with input from Analytics and Insight Team
Submitting proposals through an online platform may cause issues for accessing the Fund.	It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund.	Ensuring accessibility will be a key part of the platform design process. Alongside the online platform, engagement will take place with communities, specifically targeted at groups that may fall within a seldom listened	Design of the online platform will take place with the provider between July and August 2020	CPF Steering Group and project team working with the provider

		to category to ensure that they can engage with the Fund. 'Co-design' work is to be undertaken with a representative group of residents to consider all aspects of the grant making process for the CPF to ensure its accessibility.	Co-design work to take place in summer 2020	CPF Steering Group and project team
The process and criteria for putting together a project proposal might prevent some individuals or groups from feeling they can put together bids to the Fund.	It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund.	'Co-design' work is to be undertaken with a representative group of residents to consider all aspects of the grant making process for the CPF to ensure its accessibility. Exploratory work is being undertaken to assess how support can be provided to those submitting proposals to help enable projects to be delivered and the potential to deliver upskilling sessions in connection to the fund which would have the aim of increasing organisational capacity, capability and finance expertise.	Co-design work to take place in summer 2020	CPF Steering Group and project team

What other changes is the council planning/already in place that may affect the same groups of residents?
Are there any dependencies decisions makers need to be aware of

Equality Impact Assessment

N/A
Any negative impacts that cannot be mitigated? Please identify impact and explain why
N/A

GENDER REASIGNMENT

What information (data) do you have on affected service users/residents with this characteristic?
The CPF aims to benefit a wide range of schemes and initiatives designed to be accessed by people from all parts of the community. There are likely to be projects that impact on people who rely on or gain support from within the local community. *There is no official estimate of the trans population, but applying percentages from a Home Office funded study would lead to an estimate of at least 7,000 trans people, defined as 'a large reservoir of transgender people who experience some degree of gender variance'.*

Impacts (Please tick or specify)	Positive	✓	Negative		Both	

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
The Fund is designed to provide investment in schemes that encourage community participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity.	People in this group are more likely to experience social and economic exclusion and are therefore more likely to benefit from schemes that provide support within the	As part of the scoring criteria for bids to the Fund, projects will need to demonstrate how it benefits, is accessible to the wider community and is inclusive. As part of the criteria, projects will also be scored against how they will	The criteria will be in place for the launch of the Fund in October 2020	CPF Steering Group and project team

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	community and encourage engagement.	make a positive difference to people's lives, and the extent to which the project reduces deprivation and inequalities. The criteria will also consider the transformative impact that a project has on a community. Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities appear to be not engaging with the Fund. Where this is found to be the case, efforts will be made to review the promotion of the Fund in that area or with specific groups.	An evidence base will be in place for the launch of the Fund in October 2020. Monitoring of the Fund will take place at the end of each funding round	CPF Steering Group and project team with input from Analytics and Insight Team

What other changes is the council planning/already in place that may affect the same groups of residents?
Are there any dependencies decisions makers need to be aware of

N/A

Any negative impacts that cannot be mitigated? Please identify impact and explain why

N/A

PREGNANCY AND MATERNITY

What information (data) do you have on affected service users/residents with this characteristic?

The CPF aims to benefit a wide range of schemes and initiatives designed to be accessed by people from all parts of the community. There are likely to be projects that impact on people who rely on or gain support from within the local community.

The number of births in an area is dependent on the number of women of childbearing age and the likelihood of them giving birth. There are two measures of the birth rate. The Total Period Fertility Rate (TPFR) is the sum of all age-specific fertility rates across an average woman's reproductive lifetime. It measures the average number of live-born children per woman which would occur if the current age specific fertility rates applied over the entire 30 years of the reproductive span. In 2017 Surrey had a slightly higher TPFR (1.81) than England (1.76).

The General Fertility Rate (GFR) is the number of births per 1,000 females aged 15-44 years. Surrey's GFR was 60.1 in 2017, slightly lower than the rate for England (61.2).

The number of births to mothers living in Surrey reached a peak of 14,237 in 2012. However the rate has fallen since then and there were 12,881 births in 2017.

Impacts (Please tick or specify)	Positive	✓	Negative		Both	

Impacts identified	**Supporting evidence**	**How will you maximise positive/minimise negative impacts?**	**When will this be implemented by?**	**Owner**
The Fund is designed to provide investment in schemes that encourage community participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity.	The Fund is designed to provide investment in schemes and projects assisting the development of both parents and small children.	As part of the scoring criteria for bids to the Fund, projects will need to demonstrate how it benefits, is accessible to the wider community and is inclusive. As part of the criteria, projects will also be scored against how they will make a positive difference to people's lives, and the extent	The criteria will be in place for the launch of the Fund in October 2020	CPF Steering Group and project team

		to which the project reduces deprivation and inequalities. The criteria will also consider the transformative impact that a project has on a community. Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities appear not to be engaging with the Fund. Where this is found to be the case, efforts will be made to review the promotion of the Fund in that area or with specific groups.	An evidence base will be in place for the launch of the Fund in October 2020. Monitoring of the Fund will take place at the end of each funding round	CPF Steering Group and project team with input from Analytics and Insight Team

What other changes is the council planning/already in place that may affect the same groups of residents?
Are there any dependencies decisions makers need to be aware of

N/A

Any negative impacts that cannot be mitigated? Please identify impact and explain why

N/A

RACE

What information (data) do you have on affected service users/residents with this characteristic?

Equality Impact Assessment

The CPF aims to benefit a wide range of schemes and initiatives designed to be accessed by people from all parts of the community. There are likely to be projects that impact on people who rely on or gain support from within the local community.

The majority of the population, (83.5%) reported their ethnic group as "White British" in the 2011 Census. A further 6.9% belonged to other white ethnic groups; "Irish, "Gypsy or Irish Traveller" and "Other White". The next largest ethnic group was "Indian" with 20,200 people (1.8% of the population) followed by Pakistani (1.0%).

The older population is less diverse than the younger cohorts. 92.5 % of people aged 65+ are White British with just 2.7% in non white ethnic groups.

Nearly 65,000 Surrey residents speak a language other than English as their main language. The most common other languages spoken in Surrey are Polish (6,634 speakers) and Chinese languages (4,426 speakers). Most of them consider that they can speak English "well" or "very well", but nearly 6,500 people cannot speak English well and a further 1,000 cannot speak English at all.

From the 2019 update to the JSNA: "Although the proportion of the population from black and minority ethnic groups is smaller in Surrey than in the country as a whole, it is essential to work across partner organisations to ensure that the needs of these small communities and individuals are appropriately met. Some minority ethnic groups may be hard to reach because of language or differences in culture which contribute to inequalities."

Impacts (Please tick or specify)	Positive		Negative		Both	✓

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
The Fund is designed to provide investment in schemes that encourage community participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity. The Fund will support projects that may be designed to	Those in minority ethnic communities can often experience social and economic isolation and therefore are likely to benefit from schemes that support the community and encourage engagement.	As part of the scoring criteria for bids to the Fund, projects will need to demonstrate how it benefits, is accessible to the wider community and is inclusive. As part of the criteria, projects will also be scored against how they will make a positive difference to	The criteria will be in place for the launch of the Fund in October 2020	CPF Steering Group and project team CPF Steering Group and project team with input from Analytics and Insight Team

have a particular positive impact on those with disabilities.		people's lives, and the extent to which the project reduces deprivation and inequalities. The criteria will also consider the transformative impact that a project has on a community. Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities appear not to be engaging with the Fund. Where this is found to be the case, efforts will be made to review the promotion of the Fund in that area or with specific groups.	An evidence base will be in place for the launch of the Fund in October 2020. Monitoring of the Fund will take place at the end of each funding round	
Submitting proposals through an online platform may cause issues for accessing the Fund.	It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund where English is not their first language.	Ensuring accessibility will be a key part of the platform design process. Alongside the online platform, engagement will take place with communities, specifically targeted at groups that may fall within a seldom listened to category to ensure that they can engage with the Fund. 'Co-design' work is to be undertaken with a representative group of	Submitting proposals through an online platform may cause issues for accessing the Fund.	It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund.

		residents to consider all aspects of the grant making process for the CPF to ensure its accessibility.		
The process and criteria for putting together a project proposal might prevent some individuals or groups from feeling they can put together bids to the Fund.	It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund where English is not their first language.	'Co-design' work is to be undertaken with a representative group of residents to consider all aspects of the grant making process for the CPF to ensure its accessibility. Exploratory work is being undertaken to assess how support can be provided to those submitting proposals to help enable projects to be delivered and the potential to deliver upskilling sessions in connection to the fund which would have the aim of increasing organisational capacity, capability and finance expertise.	The process and criteria for putting together a project proposal might prevent some individuals or groups from feeling they can put together bids to the Fund.	It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund.

What other changes is the council planning/already in place that may affect the same groups of residents?
Are there any dependencies decisions makers need to be aware of

N/A

Any negative impacts that cannot be mitigated? Please identify impact and explain why

N/A

Equality Impact Assessment

RELIGION

What information (data) do you have on affected service users/residents with this characteristic?

The CPF aims to benefit a wide range of schemes and initiatives designed to be accessed by people from all parts of the community. There are likely to be projects that impact on people who rely on or gain support from within the local community.

In the 2011 Census, 62.8% of Surrey's population, said that their religion was Christian. 24.8% said they had no religion. The greatest number of people belonging to another religion in Surrey were Muslim, who made up 2.2% of the population (24,400 people).

Impacts (Please tick or specify)	Positive	✓	Negative		Both	

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
The Fund is designed to provide investment in schemes that encourage community participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity.	Those in faith groups are often proactive in community engagement with the development of social capital at the core of their value system.	As part of the scoring criteria for bids to the Fund, projects will need to demonstrate how it benefits, is accessible to the wider community and is inclusive. As part of the criteria, projects will also be scored against how they will make a positive difference to people's lives, and the extent to which the project reduces deprivation and inequalities. The criteria will also consider the transformative impact that a project has on a community.	The criteria will be in place for the launch of the Fund in October 2020	CPF Steering Group and project team

		Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities appear not to be engaging with the Fund. Where this is found to be the case, efforts will be made to review the promotion of the Fund in that area or with specific groups.	An evidence base will be in place for the launch of the Fund in October 2020. Monitoring of the Fund will take place at the end of each funding round	CPF Steering Group and project team with input from Analytics and Insight Team

What other changes is the council planning/already in place that may affect the same groups of residents? Are there any dependencies decisions makers need to be aware of

N/A

Any negative impacts that cannot be mitigated? Please identify impact and explain why

N/A

SEX

What information (data) do you have on affected service users/residents with this characteristic?

The CPF aims to benefit a wide range of schemes and initiatives designed to be accessed by people from all parts of the community. There are likely to be projects that impact on people who rely on or gain support from within the local community.

Surrey's gender split is in line with the national average with 49% of the population male and 51% of the population female. There is little variation between the different district and boroughs of Surrey.

The life expectancy of females is greater than males. Life expectancy at birth in Surrey is 80.8 years for men and 84.3 years for women, which is higher than the England averages (78.6 and 82.6 respectively).

Impacts (Please tick or specify)	Positive	✔	Negative		Both	
Impacts identified		**Supporting evidence**		**How will you maximise positive/minimise negative impacts?**	**When will this be implemented by?**	**Owner**
The Fund is designed to provide investment in schemes that encourage community participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity.		There is no specific positive or negative impact identified for those with this protected characteristic		As part of the scoring criteria for bids to the Fund, projects will need to demonstrate how it benefits, is accessible to the wider community and is inclusive. As part of the criteria, projects will also be scored against how they will make a positive difference to people's lives, and the extent to which the project reduces deprivation and inequalities. The criteria will also consider the transformative impact that a project has on a community. Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities appear not to be engaging with the Fund. Where this is found to be the case, efforts will be made to review the promotion of the Fund in that area or with specific groups.	The criteria will be in place for the launch of the Fund in October 2020 An evidence base will be in place for the launch of the Fund in October 2020. Monitoring of the Fund will take place at	CPF Steering Group and project team CPF Steering Group and project team with input from Analytics and Insight Team

			the end of each funding round	
What other changes is the council planning/already in place that may affect the same groups of residents? Are there any dependencies decisions makers need to be aware of				
N/A				
Any negative impacts that cannot be mitigated? Please identify impact and explain why				
N/A				

SEXUAL ORIENTATION

What information (data) do you have on affected service users/residents with this characteristic?

The CPF aims to benefit a wide range of schemes and initiatives designed to be accessed by people from all parts of the community. There are likely to be projects that impact on people who rely on or gain support from within the local community.

The 2011 Census did not collect information on sexual orientation so there is little reliable data on the number of people in these groups in Surrey. The UK Government estimates that 6% of the population are lesbian, gay or bisexual. This means that there may be 56,500 people aged 16+ and around 4,000 people aged 11 to 15 in Surrey who are lesbian, gay or bisexual.

The Integrated Household Survey asks a question on self-perceived sexual identity of adults in the UK. The 2014 survey showed 1.1% of the population nationally reporting as gay or lesbian (1.5% of men and 0.7% of women), 0.5% reporting as bisexual (0.3% of men and 0.7% of women) and 0.3% reporting an "other" option. However 5.3% of the sample refused to answer the question or answered "don't know" or no response was received.

Data from the Census shows 0.7% of Surrey residents aged 16+ living in a same sex couple (in a registered civil partnership or cohabiting) compared with 0.9% nationally.

Equality Impact Assessment

Impacts (Please tick or specify)	Positive	✔	Negative		Both	

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
The Fund is designed to provide investment in schemes that encourage community participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity.	People in this group are more likely to experience social and economic exclusion and are therefore more likely to benefit from schemes that benefit the community and encourage engagement.	As part of the scoring criteria for bids to the Fund, projects will need to demonstrate how it benefits, is accessible to the wider community and is inclusive. As part of the criteria, projects will also be scored against how they will make a positive difference to people's lives, and the extent to which the project reduces deprivation and inequalities. The criteria will also consider the transformative impact that a project has on a community.

Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities appear not to be engaging with the Fund. Where this is found to be the case, efforts will be made to review the promotion of the Fund in that area or with specific groups. | The criteria will be in place for the launch of the Fund in October 2020

An evidence base will be in place for the launch of the Fund in October 2020. Monitoring of the Fund will take place at | CPF Steering Group and project team

CPF Steering Group and project team with input from Analytics and Insight Team |

			the end of each funding round	
What other changes is the council planning/already in place that may affect the same groups of residents? **Are there any dependencies decisions makers need to be aware of**				
N/A				
Any negative impacts that cannot be mitigated? Please identify impact and explain why				
N/A				

MARRIAGE AND CIVIL PARTNERSHIPS					
What information (data) do you have on affected service users/residents with this characteristic?					
The CPF aims to benefit a wide range of schemes and initiatives designed to be accessed by people from all parts of the community. There are likely to be projects that impact on people who rely on or gain support from within the local community.					
Impacts (Please tick or specify)	Positive	✓	Negative		Both
Impacts identified	**Supporting evidence**	**How will you maximise positive/minimise negative impacts?**	**When will this be implemented by?**	**Owner**	
The Fund is designed to provide investment in schemes that encourage community	There is no specific positive or negative impact identified for those with	As part of the scoring criteria for bids to the Fund, projects will need to demonstrate how	The criteria will be in place for the launch of	CPF Steering Group and project team	

| participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity. | this protected characteristic. | it benefits, is accessible to the wider community and is inclusive. As part of the criteria, projects will also be scored against how they will make a positive difference to people's lives, and the extent to which the project reduces deprivation and inequalities. The criteria will also consider the transformative impact that a project has on a community. | the Fund in October 2020 | |
| | | Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities appear not to be engaging with the Fund. Where this is found to be the case, efforts will be made to review the promotion of the Fund in that area or with specific groups. | An evidence base will be in place for the launch of the Fund in October 2020. Monitoring of the Fund will take place at the end of each funding round | CPF Steering Group and project team with input from Analytics and Insight Team |

What other changes is the council planning/already in place that may affect the same groups of residents?
Are there any dependencies decisions makers need to be aware of

N/A

Any negative impacts that cannot be mitigated? Please identify impact and explain why

N/A

Equality Impact Assessment

CARERS (PROTECTED BY ASSOCIATION)

What information (data) do you have on affected service users/residents with this characteristic?

The CPF aims to benefit a wide range of schemes and initiatives designed to be accessed by people from all parts of the community. There are likely to be projects that impact on people who rely on or gain support from within the local community.

Based on the 2011 Census and population projections we can estimate that in 2016 there were 115,216 carers of all ages living in Surrey in 2016, this equates to 10% of the population. By 2025 the number of carers of all ages living in Surrey is projected to be 124,176 (8% growth between 2016 and 2025).

A young adult carer in Surrey is someone who is aged between 18 – 24 years old. The estimated number of young carers aged 0 -18 years old in Surrey, based on findings from a BBC and University of Nottingham survey in 2010, is 14,030 (24). The 2011 census indicates that there are 6,021 children and young people age 0 – 24 years old providing unpaid care in Surrey.

Impacts (Please tick or specify)	Positive	✓	Negative		Both	

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
The Fund is designed to provide investment in schemes that encourage community participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity.	There is no specific positive or negative impact identified for those with this protected characteristic.	As part of the scoring criteria for bids to the Fund, projects will need to demonstrate how it benefits, is accessible to the wider community and is inclusive. As part of the criteria, projects will also be scored against how they will make a positive difference to people's lives, and the extent	The criteria will be in place for the launch of the Fund in October 2020	CPF Steering Group and project team

		to which the project reduces deprivation and inequalities. The criteria will also consider the transformative impact that a project has on a community. Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities appear not to be engaging with the Fund. Where this is found to be the case, efforts will be made to review the promotion of the Fund in that area or with specific groups.	An evidence base will be in place for the launch of the Fund in October 2020. Monitoring of the Fund will take place at the end of each funding round	CPF Steering Group and project team with input from Analytics and Insight Team

What other changes is the council planning/already in place that may affect the same groups of residents? Are there any dependencies decisions makers need to be aware of

N/A

Any negative impacts that cannot be mitigated? Please identify impact and explain why

N/A

SOCIO-ECONOMIC DISADVANTAGE

What information (data) do you have on affected service users/residents with this characteristic?

Equality Impact Assessment

<table>
<tr><td colspan="6">The CPF aims to benefit a wide range of schemes and initiatives designed to be accessed by people from all parts of the community. There are likely to be projects that impact on people who rely on or gain support from within the local community.</td></tr>
<tr><td>Impacts
(Please tick or specify)</td><td>Positive</td><td></td><td>Negative</td><td>Both</td><td>✔</td></tr>
<tr><td colspan="2">Impacts identified</td><td colspan="2">Supporting evidence</td><td>How will you maximise positive/minimise negative impacts?</td><td>When will this be implemented by?</td></tr>
</table>

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
The Fund is designed to provide investment in schemes that encourage community participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity. The Fund will support projects that may be designed to have a particular positive impact on those with disabilities.	Those at a socio-economic disadvantage are likely to benefit from schemes that support the community and encourage engagement.	As part of the scoring criteria for bids to the Fund, projects will need to demonstrate how it benefits, is accessible to the wider community and is inclusive. As part of the criteria, projects will also be scored against how they will make a positive difference to people's lives, and the extent to which the project reduces deprivation and inequalities. The criteria will also consider the transformative impact that a project has on a community. Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities	The criteria will be in place for the launch of the Fund in October 2020 An evidence base will be in place for the launch of the	CPF Steering Group and project team CPF Steering Group and project team with input from Analytics and Insight Team

		appear not to be engaging with the Fund. Where this is found to be the case, efforts will be made to review the promotion of the Fund in that area or with specific groups.	Fund in October 2020. Monitoring of the Fund will take place at the end of each funding round	
Submitting proposals through an online platform may cause issues for accessing the Fund.	It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund.	Ensuring accessibility will be a key part of the platform design process. Alongside the online platform, engagement will take place with communities, specifically targeted at groups that may fall within a seldom listened to category to ensure that they can engage with the Fund. 'Co-design' work is to be undertaken with a representative group of residents to consider all aspects of the grant making process for the CPF to ensure its accessibility.	Design of the online platform will take place with the provider between July and August 2020 Co-design work to take place in summer 2020	CPF Steering Group and project team working with the provider CPF Steering Group and project team
The process and criteria for putting together a project proposal might prevent some individuals or groups from feeling they can put together bids to the Fund.	It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund.	'Co-design' work is to be undertaken with a representative group of residents to consider all aspects of the grant making process for the CPF to ensure its accessibility.	Co-design work to take place in summer 2020	CPF Steering Group and project team

		Exploratory work is being undertaken to assess how support can be provided to those submitting proposals to help enable projects to be delivered and the potential to deliver upskilling sessions in connection to the fund which would have the aim of increasing organisational capacity, capability and finance expertise.		
What other changes is the council planning/already in place that may affect the same groups of residents? **Are there any dependencies decisions makers need to be aware of**				
N/A				
Any negative impacts that cannot be mitigated? Please identify impact and explain why				
N/A				

3. Staff

Protected characteristic	Potential positive impacts	Potential negative impacts	Evidence
Age	No positive impacts identified	No negative impacts identified	Proposals will not impact staffing levels or working arrangements.

Disability	No positive impacts identified	No negative impacts identified	Proposals will not impact staffing levels or working arrangements.
Gender reassignment	No positive impacts identified	No negative impacts identified	Proposals will not impact staffing levels or working arrangements.
Pregnancy and maternity	No positive impacts identified	No negative impacts identified	Proposals will not impact staffing levels or working arrangements.
Race	No positive impacts identified	No negative impacts identified	Proposals will not impact staffing levels or working arrangements.
Religion and belief	No positive impacts identified	No negative impacts identified	Proposals will not impact staffing levels or working arrangements.
Sex	No positive impacts identified	No negative impacts identified	Proposals will not impact staffing levels or working arrangements.
Sexual orientation	No positive impacts identified	No negative impacts identified	Proposals will not impact staffing levels or working arrangements.
Marriage and civil partnerships	No positive impacts identified	No negative impacts identified	Proposals will not impact staffing levels or working arrangements.
Carers (protected by association)	No positive impacts identified	No negative impacts identified	Proposals will not impact staffing levels or working arrangements.
Socio-economic disadvantage	No positive impacts identified	No negative impacts identified	Proposals will not impact staffing levels or working arrangements.

Equality Impact Assessment

4. Amendments to the proposals

CHANGE	REASON FOR CHANGE
There is no planned change to the proposals	N/A

5. Recommendation

Based your assessment, please indicate which course of action you are recommending to decision makers. You should explain your recommendation in the in the blank box below.

Outcome Number	Description	Tick
Outcome One	**No major change to the policy/service/function required.** This EIA has not identified any potential for discrimination or negative impact, and all opportunities to promote equality have been undertaken	✓
Outcome Two	**Adjust the policy/service/function** to remove barriers identified by the EIA or better advance equality. Are you satisfied that the proposed adjustments will remove the barriers you identified?	
Outcome Three	**Continue the policy/service/function** despite potential for negative impact or missed opportunities to advance equality identified. You will need to make sure the EIA clearly sets out the justifications for continuing with it. You need to consider whether there are: • Sufficient plans to stop or minimise the negative impact • Mitigating actions for any remaining negative impacts plans to monitor the actual impact.	
Outcome Four	**Stop and rethink** the policy when the EIA shows actual or potential unlawful discrimination (For guidance on what is unlawful discrimination, refer to the Equality and Human Rights Commission's guidance and Codes of Practice on the Equality Act concerning employment, goods and services and equal pay, available here).	
Please use the box on the right to explain the rationale for your recommendation	The Fund is designed to provide investment in schemes that encourage community participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity. As such it is anticipated that it will have a positive impact on a number of those who may rely on or gain support from within the local community and those within protected characteristics that maybe more likely to experience social and economic exclusion. Potential barriers to accessing the Fund for some within the protected characteristics have been identified during the development of the process of managing the CPF in terms of the use of the online platform and support that may be required in developing projects to enable their delivery. Details for how these potential impacts will be addressed are set out in this EIA.	

SURREY
COUNTY COUNCIL

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	Once the Fund is launched, at the end of each funding round, monitoring will take place to understand if there are any equalities and accessibility issues that need to be addressed. As such this EIA will be updated over the life of the Fund to reflect any changes that need to be made to the way the Fund is delivered. Any formal applications to the Fund will be expected to have carried out an Equality Impact Assessment for their project proposal, which will be reviewed as part of the scoring process.

Equality Impact Assessment

6a. Version Control

Version Number	Purpose/Change	Author	Date
1.0	N/A	Matthew Snelling	01/07/20

The above provides historical data about each update made to the Equality Impact Assessment. Please do include the name of the author, date and notes about changes made – so that you are able to refer back to what changes have been made throughout this iterative process. For further information, please see the EIA Guidance document on version control.

6b. Approval

	Name	Date approved
Approved by*	*Head of Service*	
	Executive Director	
	Cabinet Member	
	Directorate Equality Group	

EIA Author	Matthew Snelling, Strategic Lead – Policy and Strategy

*Secure approval from the appropriate level of management based on nature of issue and scale of change being assessed.

6c. EIA Team

Name	Job Title	Organisation	Team Role

If you would like this information in large print, Braille, on CD or in another language please contact us on:

Tel: 03456 009 009
Textphone (via Text Relay): 18001 03456 009 009
SMS: 07860 053 465
Email: contact.centre@surreycc.gov.uk

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SURREY COUNTY COUNCIL

CABINET

DATE:	**21 JULY 2020**
REPORT OF:	**DR ZULLY GRANT-DUFF, CABINET MEMBER FOR CORPORATE SUPPORT AND MEL FEW, CABINET MEMBER FOR RESOURCES**
LEAD OFFICER:	**LEIGH WHITEHOUSE, EXECUTIVE DIRECTOR FOR RESOURCES**
SUBJECT:	**DIGITAL BUSINESS & INSIGHTS PROGRAMME FULL BUSINESS CASE**

SUMMARY OF ISSUE:

This report presents the full business case for awarding a contract to the preferred supplier and progressing an implementation project to replace the council's existing corporate (enterprise resource planning or ERP) system. This is the system used to manage the organisation's business critical Finance, HR, Payroll and Procurement processes.

Full financial implications are included in Part 2 of this report.

RECOMMENDATIONS:

It is recommended that, subject to the agreement of the detailed financial information for the project as set out in Part 2 of this agenda, Cabinet approves the full business case for the implementation of the new corporate system and the award of the contract to the preferred bidder.

REASON FOR RECOMMENDATIONS:

The recommendation to award the contract to the preferred supplier and deliver the project will enable the council to implement a modern Software-as-a-Service (SaaS) solution, which will address urgent technical drivers for change, while also enabling the council to achieve its ambitions to transform services, drive efficiencies, improve management decision making and to fully enable a flexible and mobile workforce.

DETAILS:

Purpose & Background

1. The purpose of this report is to inform a decision based on confirmed costs following the successful completion of a procurement process, to award a contract to the selected implementation partner, sign the Software-as-a-Service (SaaS) software subscription agreement and start an implementation project to deliver go-live by 1 December 2021.

2. The procurement process was commenced following Cabinet approval of the Digital Business & Insights (DB&I) outline business case in October 2019, which was based on the indicative costs and benefits of upgrading or replacing the council's existing corporate system.

3. The DB&I Outline Business Case Cabinet report of October 2019 describes the strategic drivers for this change in full. In summary, the drivers for change relate to the following three areas:

- <u>Technical imperative</u> – the council's existing server hardware has reached end-of-life and is on expensive extended support, with costs increasing every year. The current system was implemented in 2004, is out-of-date and on an old technology roadmap which will no longer be supported by the vendor, SAP PLC, beyond 2030. This deadline was extended by SAP from 2025 during the procurement process.
- <u>Transformation agenda</u> – the current system will not enable the council to achieve its transformational ambitions to drive service transformation, improve management decision making through easily accessible data and insight, and to fully enable a flexible and mobile workforce.
- <u>Business Operations external customers (e.g. schools)</u> – for the council to retain existing customers of its payroll service and attract new business, smoother back-office processes with improved digital self-service and user experience are required.

4. The outline business case recommended the implementation of a modern SaaS corporate system to provide an enabler, as part of the council's overall framework of processes and tools, to address these drivers and provide an important catalyst for the organisation to streamline processes, remove inefficiencies wherever possible and drive more effective working practices.

5. Five options for the procurement were evaluated in the outline business case and the recommendation was to conduct a vendor neutral procurement of a SaaS corporate system and implementation partner services. This option was recommended to enable the council to fully evaluate its solution options and to drive best value for money through market competition. The proposal to let a framework contract that both East Sussex County Council and Brighton and Hove City Council could call-off from, was later discounted due to the consequent impact on the programme's timelines and costs.

6. The agreed procurement strategy, which was informed by external advice from Eversheds Sutherland LLP, was to conduct a single restricted OJEU tender process to let one contract to a lead supplier, whether an implementation partner or a SaaS corporate system vendor providing implementation services. The single contract will ensure that the supplier has overall delivery responsibility for the core contract, with the council signing a direct subscription or licence agreement with the third-party SaaS corporate system vendor for software subscription purposes only. This route to market has enabled the council to specify a contract duration with sufficient longevity, of up to 15 years, which was not possible by procuring via any available procurement frameworks.

7. The DB&I outline business case also included the requirement for a separate solution for archiving historic data currently held in the existing SAP system, which must be retained but not be migrated to the new SaaS corporate system. Indicative costs for this solution have been included within this full business case for completeness, but the decision to procure has not been included as its value falls below that required for a Cabinet decision and the tool will not form part of the new corporate system. A

separate delegated officer decision for this procurement will need to be made by the Executive Director of Resources, in consultation with the Cabinet Member for Corporate Support and Cabinet Member for Resources, and this is programmed for September 2020.

Procurement Process

8. Following Cabinet approval in October, preparation activities for the DB&I procurement started, including the development of the council's detailed business, technical and project delivery approach requirements to inform the invitation to tender. It also included development of the required tender instruction documentation and draft legal terms and conditions, which were also required for the publication of the OJEU Notice on 17 January.

9. The DB&I procurement process was formally communicated to suppliers in advance of the publication of the OJEU Notice, via a Supplier Briefing Event held on 4th December. The event was well attended with a mix of 25 implementation partners and corporate system vendors. The council used this event as an opportunity to communicate the strategic ambition of the programme, the high-level business, technical and social value requirements and the plan for the procurement stage.

10. The procurement process included an initial bidder shortlisting stage, where suppliers were invited to respond to a selection questionnaire to assess their previous experience, suitability and financial standing to deliver the required services. The six highest scoring bidders at the shortlisting stage were then invited to submit full tender responses for scoring by the council's evaluation panel, which comprised 43 subject matter experts from across the in-scope business areas and IT & Digital. Prior to tender submission, one supplier withdrew from the process leaving five bidders submitting responses by the deadline of 1 May.

11. The council's evaluation panel reviewed and scored the bidders' responses and attended online (due to the Covid 19 pandemic) supplier presentations, which included demonstrations of the software and overviews of each supplier's delivery approach. The presentations enabled the evaluation panel to validate and if appropriate update their initial scores, which were based on the suppliers' written responses. Following the presentations, moderation sessions were held to discuss any responses where the scores differed significantly between evaluators to develop consensus and finalise the scores.

12. Each bidders' pricing information was fully evaluated to ensure prices submitted included the full total cost of ownership for the life of the contract and that they reflected the full scope of required services as proposed in the suppliers' tender submissions. Bidder terms and conditions for SaaS corporate system subscription licences were also reviewed by Eversheds Sutherland LLP in conjunction with the council's programme team to ensure that they were acceptable.

13. Following completion of all tender evaluation activities, the bidders were ranked based on the criteria and weightings as described in Part 2 of this report. The highest scoring supplier has been identified as the preferred bidder and the business case updated to reflect this supplier's costs. The full business case included in Part 2 of this report reflects the full future cost of the solution, including updated council implementation team costs following further detailed project planning.

Vision & Benefits

14. Digital Business & Insights is a transformation programme and will include the end-to-end review of the finance, procurement and HR & payroll processes that are in-scope for the new SaaS corporate system. The programme aims to deliver the following high-level business outcomes through the transformation:

- Intuitive digital self-service processes.
- Increased automation of transactional processes
- Single trusted source of accurate and timely data.
- Improved evidence-based decision making through the ability to slice, dice and analyse data.
- Increased process efficiencies in back-office professional and administrative support functions.

15. Delivering these outcomes will mean a step change in the user experience for stakeholders. For example.

- <u>Employees</u> - will have simple and easy access via appropriate devices to self-serve, managing their payslips, inputting leave, sickness and expenses and managing their performance and development and progress information. Through improved system functionality and accessibility, employees will be able to access an enhanced benefits & rewards experience online, which will provide the council with better insights about the uptake of different benefits to inform improvements, leading to better candidate attraction and employee retention. This functionality will support agile and flexible ways of working.
- <u>Line Managers</u> – will be able to self-serve, accessing improved processes to approve and manage leave requests and viewing real-time information and analytics about their team via dashboards and reports. This might include for example an analysis of their team's performance information or their skills and capacity to inform workforce planning and progression, particularly with regards to succession planning. Time spent on workforce administrative activities, for example timesheet logging and approval, will be reduced through streamlined processes and completing more tasks online within the system.
- <u>Budget Managers</u> – will be able to self-serve and have access to intuitive reports and dashboards with real-time information that will enable them to make decisions more effectively, forecasting and monitoring their spend and budgets in the system rather than using spreadsheets. Reports will enable budget holders to easily drill down into transactions and budgets, slice and dice and combine financial and non-financial information to improve financial forecasting and also undertake scenario planning. Budget managers will have access to a single source of accurate and timely data, improving management decision making and increasing efficiency through the reduced use of manual spreadsheets for budget monitoring purposes.
- <u>Members</u> – will benefit from the improved insights enabled by this enhanced reporting and analytics capability, which will provide better quality evidence to facilitate the decision making process.
- <u>Business Operations External Customers (e.g. Schools)</u> - will be able to self-serve and directly view and manage their information in the system, for example payslips, absence data and personal details without having to contact the council to update this information on their behalf. This will enable Helpdesk requests to be re-directed to provide HR support, rather than functional support.

16. In order to deliver these outcomes efficiently, SaaS solutions are based on the key principle of their customer organisations adopting the standard best practice SaaS processes and configuring them to meet their business requirements, rather than customising or changing the SaaS solution to replicate the organisation's existing processes. The ethos of a SaaS ERP implementation is therefore to change the business, not the SaaS solution, and this increases the importance of effective business change management to ensure the organisation's leadership fully sponsors this principle and the programme team has a clear mandate to drive and support the organisation through the change.

17. To provide this mandate and to ensure the programme team feels empowered by the organisation's leadership to make decisions, a vision and set of design principles have been developed to inform the implementation stage of the programme. The vision of delivering **"A step change in the user experience, empowering people with accurate and insightful data for enhanced, intelligent decision making."** and the following design principles have been approved by the DB&I Strategic Programme Board following engagement with the programme's business stakeholders:
- Maximise self-service for both staff and customers through intuitive and accessible processes.
- One source of data to inform effective decision making.
- Ease of access and security through single sign-on.
- Adoption of SaaS standard best practice processes.
- Minimum customisation.
- Opportunities for process automation are maximised.
- Review complete/end-to-end processes to ensure maximised efficiencies.
- Fully exploit opportunities to combine and analyse financial and non-financial data to inform decision making.
- Continuous improvement is embraced - enabled through on-going planned SaaS upgrades – and thus future-proofing our workforce.
- Strengthen our commercial activity and provide flexibility to scale as appropriate.

18. Delivery of this transformational vision and design principles, will realise the following benefits.

Type of Benefit	Detail

Financial Benefit
 	
(Enabling potential savings)
	• Avoided £4m capital cost of upgrading the existing SAP hardware, which would be required for an in-house hosted solution.
	• Improved processes through automation and self-service, and changes to ways of working will create efficiencies and potentially enable a reduction in back office staff costs in the future within these areas:
	  ○ Professional corporate functions: Finance, HR & OD, Shared Services Procurement.
	  ○ Business Operations administrative staff.
	  ○ Business support teams within directorates.
	• Improved technologies may potentially reduce the number of IT support staff required to support the SaaS-based technology in the future.
	• Increased income from new and retained customers of Business Operations due to an improved SaaS ERP user experience.

Non-Financial Benefit	• In addition to the areas above, there will be efficiencies for council managers and staff through the implementation of intuitive digital manager and employee self-service processes.

	• More time for staff in support services to focus on higher value activities, adding insight and expertise rather than navigating inefficient processes. • Improved management decision making through reporting and analytics capabilities available through a SaaS solution, including integration and analysis of financial and non-financial data. • Increased flexibility of SaaS subscription licences, enabling improved scalability (ability to flex to accommodate changes in requirements) • Continuous improvement and future proofing of the solution through planned SaaS ongoing upgrades. • Improved agile / flexible working through improved access to the corporate system remotely via appropriate devices.

19. The programme will measure efficiency improvements following transition to the new system using metrics that are available as standard within the new corporate system. These metrics measure the items produced or processed, the time taken to complete workflow tasks and to complete whole processes. The metrics to be used to measure efficiency and a plan for baselining them and monitoring improvements will be agreed following completion of the Design stage.

20. This investment and associated metrics will be used to capture and drive benefits alongside wider agile and digital transformation across the County Council. Collectively these programmes will generate significant efficiencies which will translate into cashable efficiencies. The Corporate Leadership Team will agree and drive a methodology/way of working, which is currently being developed by the Transformation Support Unit, by the end of July 2020 that will ensure that these efficiencies are delivered and tracked.

21. As well as providing an effective catalyst for transformational improvements, the adoption of standard good practice processes reduces the implementation project time which is required for high levels of customisation. This expedites delivery timescales for SaaS solution implementations compared to traditional on-premise corporate system implementations.

22. The council is part way through a transformation journey which started in 2018 and has already delivered significant service improvements. Whether these improvements are sustained will depend on developing the right organisational culture. The culture change work delivered in 2018 identified complex processes, duplication and manual work arounds as being strong characteristics of the culture that the council needs to move away from. This programme will make a significant contribution to this transformation and associated culture change, helping to "attack the plaque", which is one of the council's new key working principles.

Business Preparation

23. To ensure delivery of this transformation and a smooth implementation, it is critical that required business preparations are made by the council in advance of contract award and mobilisation. The programme has established the required governance framework, including a Strategic Programme Board with senior representation from across the organisation to ensure strong sponsorship for the change. The required council implementation team resource model has also been agreed and recruitment progressed to ensure the team is in place and ready to go right from the start. The

programme governance framework and the council team resource model are described in Part 2 of this report.

24. Communication and engagement have been started early to raise awareness and a Business Process & Change Team formed with subject matter experts from across the organisation to ensure appropriate engagement in the change and to build support during implementation. Other business change preparation has been commenced to gather existing process documentation and to engage stakeholders to confirm the current issues and pain points with existing processes that need to be addressed in the design and configuration of the new system.

25. A Data Cleansing work stream has been commenced to review the quality of data held in the current SAP system and to plan an approach to cleanse data in advance of migration to the new SaaS corporate system. A Data Archival work stream is also in progress, capturing business requirements and developing the business case to procure a solution for archiving existing historic SAP data to enable the decommissioning of the existing system. All this preparation is required to smooth the council's journey from the existing SAP system to the new SaaS corporate system.

Scope

26. The programme includes the end-to-end review of the council's Finance, Procurement, HR and Payroll processes, which are in-scope for the new SaaS corporate system. As described in paragraph 16, this will include the adoption of the SaaS solution's best practice processes to maximise benefits for the organisation. In summary, the scope includes the following.

- Users - The full scope of users of the existing corporate system, including council users and external customers that use the same system, e.g. schools including academies.
- Functionality - Replacing the currently implemented functional footprint of SAP licenced corporate processes at the council including their required integration. In addition, contract management has been confirmed as in-scope and e-invoicing may optionally be implemented should the council decide to do so following the end of the existing Taulia system contract in 2021. The table below shows the full scope of top-level business processes for implementation.

Finance	HR & Payroll	Procurement
• Accounts Payable • Accounts Receivable • Fixed Assets • Projects • Cash and Bank (including Treasury) • General Ledger • Taxation • Reporting & Planning • Travel & Subsistence • Business Intelligence / Analytics	• Planning • Develop • Reward • Retire • Employee Information • Payroll • Business Intelligence / Analytics	• Contract Management • Order & Receipt • Business Intelligence / Analytics Optional for implementation: • E-invoicing (currently Taulia system)

- <u>Reporting</u> – The system will provide a single source of accurate and timely data via intuitive reports and dashboards, with the ability to drill down at the transactional level, slice and dice data and derive insights to enable improved management decision making.
- <u>Interfaces</u> – The required interfaces between the new corporate system and line-of-business systems will be implemented, including the recently procured Learning Management (SAP Success Factors) and Recruitment (Tribepad) systems.
- <u>Hardware</u> – The existing server hardware has reached end-of-life and is on expensive extended support, with costs increasing every year. The hosting provided by the implemented SaaS solution will replace this hardware.
- <u>Support</u> – The council's existing in-house SAP Support team will be fully trained in the new system as part of the project and will support the solution following completion of the implementation. 3rd line support, for resolving more complex issues, and maintenance will be provided by the SaaS system vendor as part of the SaaS solution subscription licence.
- <u>Data archiving</u> – A solution for archiving historic data that must be retained but not migrated to the new SaaS system is required to enable the decommissioning of the existing SAP system. Indicative costs for this solution have been included in this business case but a standalone outline business case has been developed to address this requirement as described in paragraph 7.

27. The following systems are out-of-scope for the programme with the exception of their integration with the new SaaS system: Learning Management and Recruitment, which are managed by the SAP Success Factors system and Tribepad system respectively.

CONSULTATION:

28. Representatives from the business and IT & Digital including team managers and subject matter experts were consulted in the development of the functional and technical requirements specifications for the procurement. Those stakeholders from the in-scope corporate functions including IT & Digital were also directly involved as evaluators during the procurement process, which involved scoring bidder responses, attending supplier presentations and procurement moderation sessions.

29. Senior stakeholder representatives from across the organisation have been engaged via the DB&I Strategic Programme Board, including providing their approval for this full business case. The Corporate Leadership Team and Directorate Leadership Teams are in the process of being engaged to provide an update on progress and the plan for the implementation stage.

30. In preparation for the implementation stage, subject matter experts have been engaged from across the organisation as part of the formation of a DB&I Business Process & Change Team, which will play a key role in planning, supporting and driving the delivery of the required changes to ways of working across the organisation.

RISK MANAGEMENT AND IMPLICATIONS:

31. The following risks have been identified including planned mitigating activities. Programme management will ensure that risks are owned and managed effectively on an ongoing basis by the DB&I Strategic Programme Board and other senior stakeholders as appropriate to ensure continued focus on their status and their effective mitigation.

Category	Risk Description	Mitigation Activity
Strategic	There is a risk that that Covid-19 significantly impacts implementation team productivity due to constraints on face-to-face working	Continued use of MS Teams with video function for key governance meetings and workshops as required. The supplier has confirmed that the project will be able to progress if remote working is required.
	There is a risk that there is resistance to change including adoption of the standard best practice SaaS processes	Development of a Vision and Design Principles, clarifying the strategic ambition, with strong sponsorship from Strategic Programme Board. Empowerment of the programme's Business Leads to make design decisions. Effective governance to control decisions on any customisation requirements.
	There is a risk that there is a capacity issue in the corporate business, IT & Digital and directorates to be able to meet their required time commitment to deliver the programme.	The business case is based on a dedicated and fully resourced core council project team. Other required resources have and will be requested early from relevant services as part of business as usual support for transformation initiatives.
	There is a risk that dependencies on integration with directorate systems are not effectively identified and implemented, impacting the delivery of end-to-end processes with directorates and benefits realisation.	Focus on ensuring all integration requirements are identified & included. Directorate representatives are engaged in the programme to ensure dependencies are effectively managed.
	There is a risk that dependencies between DB&I and other wider Corporate Transformation initiatives are not managed effectively, impacting delivery & causing confusion.	Alignment in communication and engagement and business change management approach between DB&I and wider corporate transformation initiatives.
Operational / Service Delivery	There is a risk of the existing server hardware failing, increasing the risk of system failure with serious consequences for the council.	Implementation of a SaaS solution removes this risk for the council. Mitigation during implementation period of new system to be managed by IT&D as part of business as usual.
	There is a risk that there will be a drop in the level of service from Business Operations for the council and other customers during the implementation and early life of the new system	Effective business change management and communication with customers to manage expectations throughout delivery of the programme

Financial	There is a risk that the completion of the implementation phase slips into Q4 2021/22, which will result in the council incurring the full cost of SAP support & maintenance for 2022 (£700k), which becomes due in January 2022.	Provide notice to SAP by September 2021 to end support & maintenance contract by January 2022. If go-live is delayed, short-term support options will be explored with alternative providers.

See Part 2 of this report for two additional risks.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

32. See Part 2 of this report.

SECTION 151 OFFICER COMMENTARY

33. 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. The public health crisis has resulted in increased costs which are not fully funded in the current year. With uncertainty about the ongoing impact of this and no clarity on the extent to which both central and local funding sources might be affected from next year onward, 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.

34. The benefits realised by this project will enable the Council's ambitions of transforming services, improving management decision making and enabling a flexible and mobile workforce. Financial efficiencies are realised in relation to the ongoing running costs of the solution, when compared to the revenue costs of the existing system, after the implementation stage. In addition, potential future efficiency opportunities are anticipated through productivity gains through automation, improved self-service and changes to ways of working. These are not currently factored into the financial appraisal, but a new transformation project on more efficient ways of working will be put in place to translate the potential for efficiency savings into cashable savings. The investment here will enable the delivery of efficiencies across a range of services within the medium term financial planning period.

35. The revenue costs for 2020/21 can be contained within existing budgets and a draw down from the DB&I reserve, which was set up for this purpose as part of the 2019/20 outturn recommendations. New efficiencies realised from a reduction in annual running costs of £77k in 2022/23 and rising to £327k in 2023/24 will be built into the Medium-Term Financial Strategy as part of the financial planning process.

36. The capital costs will be added to the capital programme as the project moves from 'pipeline' into the approved budget, and will be funded through borrowing, the revenue cost of this borrowing is factored into the Medium-Term Financial Strategy.

37. Full financial appraisals were completed at the selection stage in March 2020 against an estimated contract value of £30m over the lifetime of the contract. The right to re-appraise and/or carry out further checks was written into the Invitation to Tender and

would be required if the preferred bidder submitted a contract price greater than the estimation used for the initial assessment.

38. The costs relating to the new system implementation are a fixed price as provided by the preferred bidder. In addition, a gateway process is in place which will control progression between each stage of the programme, including when milestone payments will be made.

39. The Section 151 Officer supports the proposal to award the contract to the identified preferred supplier and commence the implementation of the new SaaS corporate system.

LEGAL IMPLICATIONS – MONITORING OFFICER

40. Cabinet is being asked to give approval to award the Enterprise Resources Planning (ERP) Contract to the preferred supplier who shall be responsible for updating the Council's existing corporate systems.

41. The value of this contract over the term is above the current EU financial threshold, therefore, tendering and award of the contract is governed in full by the Public Contracts Regulations 2015 ("PCR").

42. Eversheds was appointed as the Council's external Legal Advisors and have been involved in the project. They have advised on the choice of procurement strategy, the procurement documentation, and the contractual documentation. Based on the information provided, the procurement process run by the Council has been in accordance with the letter and spirit of the PCR.

43. The award of the contract is also subject to the Council's Contract Procedure Rules and Financial Regulations. As a result, Cabinet approval is required for the award of the contract.

44. As the procurement is governed in full by the PCR, following Cabinet approval the Council must observe a mandatory minimum 10 day standstill period before signing the contract. Additionally, contract finalisation arrangements will also need to be made before the contract can be signed.

EQUALITIES AND DIVERSITY

45. The council is mindful of its equalities duties under the Equality Act 2010 in carrying out the tender process and in letting the contract with due regard to the need to eliminate discrimination in age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

46. Surrey County Council is committed to providing its services in a way that promotes equality of opportunity at every possibility. The requirements specification developed for the procurement and the contract document stipulate that the supplier will comply with the relevant Equality and Diversity legislation. It is expected that the selected supplier will be fully committed to equality and diversity in their service provision and will ensure compliance with all anti-discrimination legislation.

47. This programme includes the replacement of the existing corporate system at the council. The Equalities Impact Assessment included in Annex A has identified potential impacts from implementing a new system for staff with disabilities. The

procurement specification included specific business requirements to ensure the new system complies with the council's minimum standards for accessibility, as stipulated by the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.

WHAT HAPPENS NEXT:

48. Following Cabinet approval and contract award the council's programme team will work with the selected supplier to develop a detailed plan based around the agreed high-level milestones during the mobilisation phase of the project. See Part 2 of this report for a table showing the proposed outline milestone plan for the implementation project.

Contact Officer:

Andrew Richards, Digital Business & Insights Programme Director, Contact Number: 07918 168968

Consulted:

Corporate Leadership Team

Digital Business & Insights Programme Board:

- Director of Corporate Finance
- Director of Procurement
- Director of HR & Organisation Development
- Assistant Director of Business Operations
- Chief Information Officer
- Assistant Director Systems & Transformation (Children, Families & Learning)
- Assistant Director Quality Relationships (Children, Families & Learning)
- Head of Resources & Caldicott Guardian (Health, Wellbeing & Adult Social Care)
- Business Improvement & Consultancy Team Manager (Highways, Environment, Transport & Infrastructure)
- Enterprise Applications & Portfolio Manager (Transformation, Partnerships & Prosperity)

Capital Programme Panel

IT Governance Board

Team Managers and subject matter experts from relevant impacted services including Corporate Finance, HR, Procurement and Business Operations (transactional Finance, HR, Payroll and Purchasing).

Team Managers and specialists from IT & Digital.

Annexes:

- Annex A – Digital Business & Insights Programme Equalities Impact Assessment.
- Part 2 report

Sources/background papers:

- Digital Business & Insights Outline Business Case Cabinet Report (October 2019)

- Digital Business & Insights Outline Business Case
- Strategic Options Appraisal

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Equality Impact Assessment

Annex A

EIA Title	Digital Business & Insights Programme – Replacement of the existing SAP system (Finance, HR & Payroll and Purchasing) at SCC			
Did you use the EIA Screening Tool? (Please tick or specify)	**Yes** (Please attach upon submission)	X	No	

1. Explaining the matter being assessed

What policy, function or service change are you assessing?	This EIA assesses the Digital Business & Insights programme. The programme aims to upgrade or replace the council's existing SAP ERP (Enterprise Resource Planning) system, which is the technology platform for the management of the Council's business critical Finance, HR, Payroll and Procurement processes. The aim of the programme is to deliver more modern, intuitive and efficient Finance, HR & Payroll and Procurement systems and processes. In summary, the following high-level outcomes: 1. <u>Intuitive digital self-service processes</u> that are accessible from anywhere and enable a more agile workforce. 2. <u>Increased automation of transactional processes</u>, creating efficiencies and freeing-up resources to direct more time to more complex and value-adding advice and support. 3. <u>A single trusted source of accurate and timely financial, people and procurement data</u> to inform effective decision making through access to intuitive tools. 4. <u>Improved evidence-based decision making</u> through the ability to slice, dice and analyse data to meet different business needs.
Why does this EIA need to be completed?	The high-level changes listed above will have implications for some staff with disabilities who currently require specialist software to access Council systems including the existing SAP system. The new system will need to meet the needs of these users and be interoperable with any specialist systems used, for example systems used by the visually impaired.
Who is affected by the proposals outlined above?	• This change will impact <u>all</u> Council staff including managers who currently use the existing SAP core Finance, HR, Payroll and Procurement systems and processes. • This change will also impact commercial customers of Business Operations' payroll services – ie. schools including academies. • The change will have no impact on residents.
How does your service proposal support the outcomes in the Community Vision for Surrey 2030?	This programme will implement a new system which will form a key part of the Council's business critical infrastructure, its core finance, HR, payroll and procurement processed. As such, it will provide an enabler for all Council services and will therefore contribute to all ten policy outcomes in the Community Vision for Surrey 2030.

Are there any specific geographies in Surrey where this will make an impact? (Please tick or specify)	County Wide		Runnymede	
	Elmbridge		Spelthorne	
	Epsom and Ewell		Surrey Heath	
	Guildford		Tandridge	
	Mole Valley		Waverley	

SURREY COUNTY COUNCIL

Equality Impact Assessment

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		Reigate and Banstead		Woking	
		Not Applicable	X		
		County Divisions (please specify if appropriate):			
Briefly list what evidence you have gathered on the impact of your proposals?		Data on number of disabled Council users by type of specialist software (e.g. software for the visually impaired). Web Accessibility Initiative website: **http://www.w3.org/WAI/people-use-web/**			

2. Service Users / Residents

There are 10 protected characteristics to consider in your proposal. These are:

1. Age including younger and older people
2. Disability
3. Gender reassignment
4. Pregnancy and maternity
5. Race including ethnic or national origins, colour or nationality
6. Religion or belief including lack of belief
7. Sex
8. Sexual orientation
9. Marriage/civil partnerships
10. Carers protected by association

This programme will upgrade or replace the existing SAP back-office system that provides the technology platform for the organisation to manage its business critical finance, HR, payroll and procurement processes. It will have no direct impact on residents and also have no positive or negative impact specifically for staff who belong to nine of the ten groups listed above or with disadvantaged socio-economic status. It has been identified that the programme will impact group two, staff with disabilities.

Equality Impact Assessment

3. Staff

DISABILITY

What information do you have on the affected staff with this characteristic?

There are currently circa 215 staff who use specialist software to enable them to use Council systems, including the existing SAP corporate back-office system. Current specialist software in use and the numbers of users for each include:

Users	Software
4	ABiSee EyePal
1	Dragon Medical Practise
117	Dragon Naturally Speaking
2	Duxbury Braille Translator
5	Dolphin Supernova 16
6	JAWS
79	TextHelp Read & Write
1	VisionAid

Total Users: 215

The Web Accessibility Initiative (WAI) website below provides information about the wide diversity of people with disabilities and highlights some of the web accessibility barriers that people commonly experience because of inaccessible websites and web tools. Examples of disabilities include: Auditory, cognitive/learning, physical, speech and visual.
http://www.w3.org/WAI/people-use-web/

Impacts	Positive	**X**	Negative		Both	

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
New web interface for Software-as-a-Service solution including improved employee and manager self-service of finance, HR, payroll and procurement processes.	Supplier demonstrations of self-service features as part of formal procurement evaluation process.	• The Council's standards for specifying the minimum standards for accessibility, as stipulated by the Public Sector Bodies (Websites and Mobile Applications) (No. 2)	December 2021 (before Contract notice publication)	Andrew Richards (Programme Director)

| | | Accessibility Regulations 2018, were included in the non-functional requirements specification within the interface / user experience section.
• As part of above, interoperability with existing specialist software for staff with disabilities was included as part of the requirements specification
• Implementation will include an effective change management approach that will include communication and training for staff with disabilities | | |

What other changes is the council planning that may affect the same groups of staff?
Are there any dependencies decisions makers need to be aware of

Moving Closer to Residents programme and digital transformation to a fully agile workforce working from any location. Staff with disabilities will require the ability to continue to access systems using any specialist software from any location.

Any negative impacts that cannot be mitigated? Please identify impact and explain why

N/A – No negative impacts are anticipated for disabled staff groups.

4. Amendments to the proposals

CHANGE	REASON FOR CHANGE
No changes required because (as above) requirements for staff with disabilities are already planned to be included as part of the procurement requirements specification. Change management at the implementation stage will also plan and deliver an effective transition for this staff group to be able to effectively use the new system.	Not applicable

5. Recommendation

Based your assessment, please indicate which course of action you are recommending to decision makers. You should explain your recommendation in the in the blank box below.

Outcome Number	Description	Tick
Outcome One	**No major change to the policy/service/function required.** This EIA has not identified any potential for discrimination or negative impact, and all opportunities to promote equality have been undertaken	✔
Outcome Two	**Adjust the policy/service/function** to remove barriers identified by the EIA or better advance equality. Are you satisfied that the proposed adjustments will remove the barriers you identified?	
Outcome Three	**Continue the policy/service/function** despite potential for negative impact or missed opportunities to advance equality identified. You will need to make sure the EIA clearly sets out the justifications for continuing with it. You need to consider whether there are: • Sufficient plans to stop or minimise the negative impact • Mitigating actions for any remaining negative impacts plans to monitor the actual impact.	
Outcome Four	**Stop and rethink** the policy when the EIA shows actual or potential unlawful discrimination (For guidance on what is unlawful discrimination, refer to the Equality and Human Rights Commission's guidance and Codes of Practice on the Equality Act concerning employment, goods and services and equal pay, available here).	
Please use the box on the right to explain the rationale for your recommendation		

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Equality Impact Assessment

6a. Version Control

Version Number	Purpose/Change	Author	Date
0.1	Initial version	Andrew Richards	1st October 2019
0.2	Update for full business case	Andrew Richards	27th May 2020

6b. Approval

	Name	Date approved
Approved by*	Leigh Whitehouse – Executive Director of Resources	27th May 2020

EIA Author	Andrew Richards – Interim Digital Business & Insights Programme Manager

6c. EIA Team

Name	Job Title	Organisation	Team Role
Andrew Richards	Interim Programme Manager	IT & Digital	Lead
Tahiana Jefferis	Enterprise Applications & Portfolio Manager	IT & Digital	Provision of user data and applications for staff with disabilities
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SURREY COUNTY COUNCIL

CABINET

DATE: **21 JULY 2020**

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

**LEAD   EXECUTIVE DIRECTOR RESOURCES (S151 OFFICER)
OFFICER:**

SUBJECT: **2020/21 MONTH 2 (MAY) FINANCIAL REPORT**

SUMMARY OF ISSUE:

This report provides the details of the County Council's 2020/21 financial position as at 31st May 2020 (M2) for revenue and capital budgets, and the expected outlook for the remainder of the financial year, as well as proposing a budget reset to take account of COVID-19 pressures.

Key Messages – Revenue

- At M2, the Council is forecasting a **Business as Usual (BAU) deficit of £4.7m,** against the budget approved by Council in February 2020. The **details are shown in Annex 1 and summarised in Table 1**.

- At M2, **a deficit of c£5.8m is forecast against the Government COVID-19** funding, an **improvement of c£14.8m** compared to M1. If there is no additional Government funding, the deficit will need to be mitigated by additional efficiencies or use of the contingency budget. The full impact of COVID-19 on the Council remains very much dependent on the extent of lockdown, social distancing measures and any additional Government funding. **Details are set out in Table 2.**

- The Council has received £47m of general COVID-19 funding and £19.2m of ring-fenced Adult Social Care Infection Control funding for care homes and infection control measures across the wider care sector. £0.9m of the general funding was used to fund 2019/20 COVID-19 costs, with the balance carried forward into 2020/21. A number of smaller ring-fenced grants have also been received and are managed within the overall Directorate position.

- On 2 July, the Government announced a further tranche of COVID-19 funding. The Council's share of the £500m national allocation has yet to be confirmed at the time of writing.

- The improvement in the COVID-19 forecast reflects ongoing work to ensure robust plans are in place to deal with the impact of the crisis on the Council's finances. This work needs to continue in order to ensure the delivery of the efficiency programme and to minimise the risk that the contingency budget is insufficient to meet the impact of COVID-19 and other emerging pressures.

- The forecasts at Month 2 have been used to reassess the 2020/21 budget envelopes in light of the additional costs and lost income related to COVID-19. Allocating budget to Directorates to balance COVID-19 pressures is a key part of reasserting budget accountability and ensuring that robust principles of budget management can continue to be applied across the organisation. Details of a proposed budget reset based on the M2 forecast are set out in **Paragraphs 7-9**.

Key Messages - Capital

- The Council approved a capital budget for 2020/21 of £175.7m in February 2020. At M1, Services were asked to re-profile the budget to recognise the impact of COVID-19 on scheme delivery, resulting in forecast spend of **£159m; slippage of £16.7m**, as reported to Cabinet in June.

- The M2 capital forecast shows **a largely unchanged position**, with forecast spend of **£159.1m; net slippage of £16.6m.** The forecast will continue to be reviewed monthly and the budget may be reset when the impact of COVID-19 is clearer. Details are set out in **Table 4.**

RECOMMENDATIONS:

The Cabinet is asked to:

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

2. approve the reset of the 2020/21 revenue budget envelopes to reflect the additional costs and lost income related to COVID-19 (Paragraphs 7- 9)

REASON FOR RECOMMENDATIONS:

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. At M2, the Council is forecasting a deficit of £4.7m on business as usual (BAU) service provision, against the budget approved by Council in February 2020. Against the Government's COVID-19 funding, a deficit of c£5.8m is forecast, an improvement of c£14.8m.

2. **Table 1** below shows the forecast revenue budget outturn for the year by Service, including COVID-19 related spend.

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

Directorate	20/21 outturn forecast at M2 £m	Annual Budget £m	Forecast Variance £m	Change in forecast since last month £m
Adult Social Care	372.1	372.1	0.0	0.0
Public Health	30.2	30.2	0.0	0.0
Children, Families, Lifelong Learning and Culture	251.7	250.2	1.4	1.4
Environment, Transport & Infrastructure	137.1	134.6	2.6	2.6
Community Protection	36.5	36.2	0.3	0.3
Transformation, Partnerships and Prosperity	17.5	17.4	0.1	0.1
Resources	72.2	71.8	0.4	0.4
Central Income & Expenditure	67.8	67.8	0.0	0.0
Business as usual	**985.0**	**980.3**	**4.7**	**4.7**
CV-19	(6.1)	(12.0)	5.8	(14.8)
Overall before central funding	**978.9**	**968.4**	**10.5**	**(10.0)**

Note: The Public Health grant is now shown within Central Income & Expenditure.
Note: Numbers have been rounded which might cause a difference.

3. The BAU deficit is c£4.7m. This predominately consists of:

    • £2.6m due to higher than budgeted cost of waste disposal in ETI; relating to volatility in waste disposal prices and the value of recyclable materials.

    • Net £1.4m in CFLC:
        • £2.0m forecast non achievement of health income efficiency,
        • £1.8m increased demand (£1.3m increased corporate parenting caseload being provided by supported accommodation placements and £0.5m high number of unaccompanied asylum seeker children and other county children turning 18), and
        • c£1.0m for staffing in Corporate Parenting and Family Resilience due to agency staff covering permanent roles.
        Offset by;
        • £3.1m on home to school transport as a result of the current school closures
        • £0.4m reduced expenditure in Libraries as a result of the current closures and mitigating actions.

    • Although Adult Social Care is currently forecasting to achieve a balanced budget, this is currently reliant on using £1.3m of funds carried forward for ASC on a one-off basis. There is also a lot of uncertainty about the ongoing impact of the COVID-19 pandemic on ASC's BAU expenditure. One area of uncertainty that could have a material impact on ASC's outturn position is care packages following hospital discharge. Since the 19th March 2020 all new care packages following hospital discharge have been funded by the NHS under temporary COVID-19 funding regulations. Funding arrangements from August 2020 are yet to be confirmed nationally. The current forecast assumes that SCC will become responsible for care packages for those people who are assessed as ASC responsibility from October 2020. However, the timing or volume of packages that the Council has to fund could vary significantly from the current estimates. ASC is working very closely with CCG partners to

manage risks. This issue will continue to be monitored closely and forecasts updated as soon as greater clarity emerges.

COVID-19 Costs

4. **Table 2** below analyses the COVID-19 forecasts by Directorate and type of pressure, totalling the c£5.8m overall deficit. The overall deficit consists of a pressure of c£51.9m, offset by £46.1m of Government COVID-19 Funding (the balance after 2019/20 spend).

5. This represents the latest forecast at the end of M2. The financial impact of COVID-19 is under continual assessment and is likely to change in subsequent months.

Table 2 – COVID-19 Forecast costs analysed by Directorate as at 31 May 2020

Directorate	Expenditure £m	Loss of Income £m	Efficiency Gap £m	Overall Pressure £m	Change in variance since last month £m
Adult Social Care	13.1			13.1	0.0
Public Health	0.1			0.1	(0.4)
Children, Families, Lifelong Learning and Culture	2.0	5.0		6.9	1.4
Environment, Transport & Infrastructure	3.1	1.2		4.2	1.8
Community Protection	0.3			0.3	0.1
Transformation, Partnerships and Prosperity	1.0			1.0	0.5
Resources	3.2	5.2		8.4	(1.4)
Local Resilience Forum (LRF) Cell expenditure	6.0			6.0	(2.9)
Central Income & Expenditure	4.3	3.4		7.7	(0.2)
Efficiency Prog Risk			4.3	4.3	(13.5)
Total CV-19 before Central Funding	**32.9**	**14.7**	**4.3**	**51.9**	**(14.8)**
Central Funding				(46.1)	0.0
Overall after Central Funding	**32.9**	**14.7**	**4.3**	**5.8**	**(14.8)**

Note: Numbers have been rounded which might cause a difference.

6. The forecast deficit for COVID-19 has improved by £14.8m since M1. This relates primarily to greater clarity on the forecast for unachievable efficiencies related to COVID-19; an improvement of £13.5m. The improvement recognises the work that continues to re-assess and drive forward delivery of efficiencies despite the challenging circumstances. However, a significant risk remains to the delivery of the programme and efficiencies will continued to be monitored closely throughout the year.

The forecast pressure of COVID-19 of c£51.9m (before applying the central grant funding) consists of:

Expenditure of £32.9m, primarily:

- £32.3m of Adult Social Care spend, including supporting care providers (£26.5m), increased staffing costs to manage demand (£2.7m), increased spend on care packages (£2.1m) and infection control Personal Protective Equipment (PPE) (£1.0m), offset by £19.2m Infection Control grant

- £2.0m of CFLC spend, including the cost of providing transportation costs for children and key workers over the school holidays (£0.6m); additional staffing to cover increased caseload (£0.9m) and £0.5m of other associated costs (e.g. counselling, foster cares fees and refuge spaces)

- £3.1m in ETI including additional waste management activities including increased household waste tonnages (£2.0m); costs for pausing and restarting highway works (£0.5m)

- £3.2m in Resources including estimated cost of preparing properties to re-open while enabling social distancing and undertaking enhanced cleaning (£2.4m) and an increase in legal costs due to children's safeguarding cases (£0.5m).

- £6.0m Local Resilience Forum (LRF) cell expenditure (held in Central Income & Expenditure), including PPE (£4.6m) death management especially body storage costs and setting up temporary mortuary at Headley court (£0.5m), and £0.5m for Resident, Welfare, Volunteering costs.

- £4.3m Hardship fund payments to suppliers for across the authority but held in Central Income and Expenditure

Lost income of £14.7m, primarily:

- £5.0m in CFLC, across various services including Surrey Outdoor Learning & Development (SOLD), Surrey Arts, Adult Learning and Registrars

- £1.2m in ETI – for highway licenses and searches (£0.6m); planning fees (£0.3m).

- £5.2m in Resources, including rental income (£0.2m) and income from school meals (net of reduced food costs) (£5.0m)

- £3.4m in Central Income and Expenditure relating to loss of commercial letting income due to letting holidays and impact on dividends from Halsey Garton.

Unachievable schemes within the efficiency programme of £4.3m:

- £4.3m in Adult Social Care care package efficiencies across multiple client groups.

Reset of the 2020/21 revenue budget envelopes

7. The Council has received £47.0m of general CV-19 related funding. £0.9m was utilised for 2019/20 CV-19 costs with the balance carried forward to 2020/21. The 2020/21 revenue budget was approved at £968.4m and has been increased by £46.1m of remaining CV-19 funding. This gives a total budget of £1,014.5m for 2020/21.

8. At M2, the forecast for CV-19 is a deficit of £5.8m. £4.3m relates to non-delivery of efficiencies in ASC. To avoid disadvantaging Directorates who have yet to crystallise non-delivery, funding of this element will be deferred until the overall picture becomes clearer, if required. The deficit excluding non-delivery of efficiencies is therefore £1.5m.

9. It is proposed to reset the 2020/21 Directorate budgets to better reflect the COVID pressures. This will result in the £46.1m of grant funding, supplemented by £1.5m of contingency, being allocated to Directorates, leading to a proposed budget reset of £47.6m as shown below.

Table 3: Revenue £47.6m proposed budget reset distribution across the directorates.

Directorate	M2 Revenue Budget £m	Proposed M2 additional CV-19 budget (table 2) £m	Reset M2 Budget £m
Adult Social Care	372.1	13.1	385.2
Public Health	30.2	0.1	30.3
Children, Families, Lifelong Learning and Culture	245.2	6.9	252.1
Environment, Transport & Infrastructure	132.8	4.2	137.0
Community Protection	36.2	0.3	36.5
Transformation, Partnerships and Prosperity	17.4	1.0	18.4
Resources	66.7	8.4	75.1
Central Income & Expenditure	47.4	13.7	61.1
Total before contingency	948.0	47.6	995.6
Contingency	20.4	(1.5)	18.9
Total budget	968.4	46.1	1,014.5

Note: Numbers have been rounded which might cause a difference.

Note: Central Income & Expenditure budget includes the Local Resilience Forum cell expenditure of £6.0m.

Capital Budget

10. In February 2020, Council approved a capital budget of £175.7m. At M1, a reprofiling exercise captured the likely impact of COVID-19 on Capital Programme delivery, resulting in forecast slippage of £16.7m and a net forecast of £159m.

11. **Table 4**, below, provides a summary of the forecast full-year outturn at M2; largely unchanged from M1 at £159.1m.

Table 4 - Capital Programme Forecast at M2

Strategic Capital Groups	Cabinet Member(s)	Forecast £m	Budget £m	Variance £m
Property				
Property Schemes	M Few	57.1	78.5	(21.4)
ASC Schemes	S Mooney	1.9	1.9	0.0
CFLC Schemes	M Lewis / J Iles	1.7	1.7	0.0
Property Total		**60.6**	**82.0**	**(21.4)**
Infrastructure				
Highways and Transport	M Furniss / C Kemp / N Bramhall	78.3	70.5	7.8
Environment	N Bramhall	1.9	2.6	(0.7)
Community Protection	D Turner-Stewart	3.8	3.8	0.0
Infrastructure Total		**84.0**	**76.8**	**7.2**
IT				
IT Service Schemes	M Few / Z Grant Duff	14.2	15.9	(1.8)
CFLC - EMS	M Lewis / J Iles	0.3	0.9	(0.6)
IT Total		**14.5**	**16.8**	**(2.3)**
Total		**159.1**	**175.7**	**(16.6)**

12. The net slippage of £16.6m consists of:

Property
- £21.4m: this slippage is across the majority of the programme and relates to the impact of social distancing on construction, and a shortage of materials and labour supply. The slippage may be offset by pipeline schemes which, once approved, will be included in the budget.

Infrastructure
- £1.3m of slippage in ETI; Illuminated Street Furniture (£0.8m) and Rights of Way Capital Spend (£0.5m), delays relating to COVID-19. The Rights of Way forecast has improved by £0.1m since M1.

  Offset by:

- £8.4m ETI – Highways and Transport – unchanged spend on LEP schemes at M2, against a budget of £3.3m approved in February. However, an amount of £14.1m is also earmarked in the capital pipeline. The budget will be amended when spend more certain against the pipeline as the year progresses.

IT
- £0.6m CFLC; relating to delays in implementing the Education Management System and;
- £1.8m Resources - slippage due mainly to delays to the planned device refresh, as a result of lockdown and re-scoping of the Agile transformation project.

13. Capital Programme estimates will continue to be refined in subsequent months as our understanding of the impact of COVID-19 evolves. Opportunities to accelerate capital expenditure will be explored to mitigate the forecast slippage.

CONSULTATION:

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

RISK MANAGEMENT AND IMPLICATIONS:

15. 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 Strategy. 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:

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

SECTION 151 OFFICER COMMENTARY:

17. The Council has a duty to ensure its expenditure does not exceed resources available. 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. The public health crisis has resulted in increased costs which are not fully funded in the current year. With uncertainty about the ongoing impact of this and no clarity on the extent to which both central and local funding sources might be affected from next year onward, 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. Within this context the Council will continue to develop and implement plans to ensure the delivery of services are contained within resources.

18. 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.

LEGAL IMPLICATIONS – MONITORING OFFICER:

19. 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.

20. 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:

21. 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.

22. 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:

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

……

Contact Officer:

Leigh Whitehouse, Executive Director of Resources, Contact: 020 8541 7246

Consulted:

Cabinet
Executive Directors
Heads of Service

Annex:

Annex 1 – Forecast revenue budget as at 31 May 2020.

Annex 1
Forecast revenue budget as at 31 May 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	(0.0)	(0.1)	(0.1)	(0.0)	297.4	0.0	0.0	(0.0)
Education, Lifelong Learning & Culture	J Iles	4.7	11.5	46.2	34.7	230.8	59.6	59.1	(0.5)
Corporate Parenting	M Lewis	14.7	16.3	14.5	(1.8)	108.6	94.5	97.0	2.5
Commissioning	M Lewis / J Iles	1.8	8.5	6.5	(1.9)	127.5	50.7	49.7	(1.0)
Family Resilience	M Lewis	7.9	8.6	5.1	(3.4)	39.7	36.0	36.6	0.6
Quality & Performance	M Lewis / J Iles	1.2	1.4	1.2	(0.2)	10.3	8.4	8.2	(0.2)
Directorate wide savings		0.0	0.2	0.1	(0.0)	0.8	1.0	1.1	0.1
Children, Familes, Lifelong Learning, and Culture		**30.3**	**46.3**	**73.6**	**27.3**	**815.0**	**250.2**	**251.6**	**1.4**
Public Health	**S Mooney**	5.7	**4.8**	**4.7**	**(0.1)**	30.3	30.2	30.2	0.0
Adult Social Care	**S Mooney**	56.3	**62.8**	**58.4**	**(4.4)**	500.9	372.1	372.1	0.0
Highways & Transport	M Furniss	9.2	9.3	8.5	(0.9)	74.5	63.4	63.4	0.0
Environment	N Bramhall	8.8	11.8	10.2	(1.7)	75.2	71.3	73.8	2.6
Leadership Team (ETI)	N Bramhall	0.1	(0.0)	0.1	0.1	(0.1)	(0.1)	(0.1)	(0.0)
Environment, Transport & Infrastructure		**18.1**	**21.1**	**18.7**	**(2.4)**	**149.7**	**134.6**	**137.2**	**2.6**
Fire and Rescue	D Turner-Stewart	5.5	5.2	5.3	0.0	36.1	31.4	31.4	0.0
Trading Standards	D Turner-Stewart	0.2	0.3	0.3	(0.0)	4.0	1.8	1.8	0.0
Chief of Staff	D Turner-Stewart	0.0	0.1	0.1	0.0	0.3	0.3	0.3	0.0
Emergency Management	D Turner-Stewart	0.0	0.1	0.1	0.0	0.5	0.5	0.5	0.0
Coroner	D Turner-Stewart	0.4	0.3	0.5	0.2	2.3	2.0	2.3	0.3
Health & Safety	D Turner-Stewart	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.0
Armed Forces and Resilience	D Turner-Stewart	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.0
Community Protection		**6.1**	**6.0**	**6.4**	**0.3**	**43.4**	**36.2**	**36.5**	**0.3**
Human Resources & Organisational Development	Z Grant-Duff	0.4	1.1	0.9	(0.2)	6.6	6.6	6.5	(0.0)
Insight, Analytics & Intelligence	Z Grant-Duff	0.5	0.5	0.7	0.2	4.0	3.3	3.4	0.1
Customer Services	Z Grant-Duff	0.5	0.5	0.5	(0.0)	3.1	2.9	3.0	0.1
Strategic Leadership	T Oliver	0.2	0.3	0.2	(0.0)	1.6	1.6	1.6	0.0
Communications	Z Grant-Duff	0.3	0.2	0.3	0.0	1.4	1.4	1.5	0.0
Economic Growth	C Kemp	0.0	0.1	0.1	0.0	0.8	0.8	0.8	0.0
Transformation Support Unit	All	0.0	0.1	0.2	0.0	0.8	0.8	0.8	0.0
Transformation, Partnership & Prosperity		**1.9**	**2.9**	**2.9**	**(0.0)**	**18.3**	**17.4**	**17.6**	**0.1**
Joint Operating Budget ORBIS	M Few	5.5	2.9	3.5	0.6	17.2	17.2	17.2	0.0
Land & Property	M Few	2.5	4.1	4.6	0.5	36.3	27.2	27.2	0.0
Information Technology & Digital	M Few	1.5	1.8	2.8	1.0	11.4	10.7	10.7	0.0
Finance	M Few	0.4	0.9	1.0	0.1	7.6	5.5	5.7	0.2
Legal Services	M Few	0.6	0.7	0.5	(0.1)	4.6	4.1	4.3	0.1
Democratic Services	M Few	0.6	0.5	0.5	(0.0)	3.5	3.2	3.2	0.0
Business Operations	M Few	0.0	(0.1)	0.0	0.1	(0.3)	(0.3)	(0.2)	0.1
Resources Leadership	M Few	0.0	0.1	0.1	(0.1)	3.0	0.7	0.7	(0.0)
Twelve15	M Few	0.0	1.9	1.6	(0.3)	20.4	3.4	3.4	0.0
Resources		**11.0**	**12.9**	**14.6**	**1.8**	**103.6**	**71.8**	**72.2**	**0.4**
Corporate Expenditure	**M Few**	**(0.7)**	**3.6**	**1.9**	**(1.6)**	**76.5**	**67.8**	**67.8**	**0.0**
Business as Usual		**128.8**	**160.4**	**181.3**	**20.9**	**1,737.7**	**980.3**	**985.0**	**4.7**
CV-19		**0.0**	**(4.1)**	**4.9**	**9.0**		**(12.0)**	**(6.1)**	**5.8**
Total services' revenue expenditure		**128.8**	**156.3**	**186.2**	**29.9**	**1,737.7**	**968.4**	**978.9**	**10.5**
Central funding		(175.6)	(189.1)	(198.7)	(9.6)		(968.4)	(968.4)	0.0
Total Net revenue expenditure		**(46.8)**	**(32.8)**	**(12.6)**	**20.2**	**1,737.7**	**(0.0)**	**10.5**	**10.5**

SURREY COUNTY COUNCIL

CABINET

DATE: **21 JULY 2020**

REPORT OF: **MRS MARY LEWIS, CABINET MEMBER FOR CHILDREN, YOUNG PEOPLE & FAMILIES**

                      MR MEL FEW, CABINET MEMBER FOR RESOURCES

LEAD OFFICERS: **TINA BENJAMIN, DIRECTOR FOR CORPORATE PARENTING AND PATRICIA BARRY, DIRECTOR FOR LAND AND PROPERTY**

SUBJECT: **LOOKED AFTER CHILDREN PROPERTY PROJECTS – NEW CHILDREN'S HOMES AND SHAW FAMILY CENTRE**

SUMMARY OF ISSUE:

This report seeks Cabinet's approval to progress the delivery of two children's homes and the re-provision of the Shaw Family Contact Centre, in support of the Looked After and Adopted Children's (LAAC) Service strategy for children growing up in the care of the council. The proposals in this paper form an important part of improving the way we care for our children: indeed, they are fundamental to that.

Providing comfortable and safe homes for our children in care is a priority of all parents, no less of the SCC as corporate parents. We have also agreed unanimously in full council that our children should live, learn and grow up in Surrey wherever possible. We want them to be 'close to home' where we can influence their experiences and promote better outcomes for them.

We agree with Ofsted's recommendations that children should grow up in family sized units and some of our older buildings, such as Faircroft and Karibu, are too big for the small number of children that we can look after in them.

We have a statutory duty to children in our care to ensure they remain in touch with their birth families and significant others. This is called 'contact' and is often the subject of court orders and regulations. For many children their 'contact' is restricted to four to six times a year. It is therefore essential that the quality of this contact provides children with the best possible experience.

It is not safe for such contact to take place in their foster home or a community setting. Therefore, the building in which contact takes place must provide a safe and child friendly environment, which supports the best possible interaction and experience for them. The proposals in this paper for the re-provision of the Shaw Family Contact Centre will provide this on that site.

This paper seeks, therefore, Cabinet approval to deliver the following schemes, as detailed in this report:

- Providing two new Community Children's Homes;
- The rebuilding of the Shaw Family Contact Centre.

RECOMMENDATIONS:

It is recommended that Cabinet:

1. transfer the capital of £5.5m from the pipeline budget for the 3 proposed schemes;
2. develop/replace the Shaw Family Contact Centre and two new Community Children's Homes at the capital costs set out in the report;
3. agree for the service to go out to tender for the above projects;
4. agree that subject to final approval of capital spend on each project, delegated authority is given to the Cabinet Member for Finance in consultation with the Cabinet Member for Children Young People and Families, the Executive Director of Children, Families and Learning and the Executive Director for Resources.

REASON FOR RECOMMENDATIONS:

The reasons for each of the above recommendations is to ensure the two new children's homes and the new Shaw Family Contact Centre can be delivered on time and within budget.

DETAILS: General

1. Two of the current portfolio of Children's Homes are no longer 'fit for purpose' (Faircroft in Cobham and Karibu in Epsom). It is proposed to replace these with two new Children's Homes on different Council-owned sites, followed by the disposal or redevelopment of the current sites.

2. The proposed re-provision of Faircroft and Karibu Children homes will provide:
   - One new Children's Home with 4 beds.
   - One new Children's Home with 4 beds, and 2 'No Wrong Door' places located on the same site, but with a degree of separation from the main house. The 'No Wrong Door' facility will provide temporary places for young people while family issues are resolved.

3. This will provide homes conducive to:
   - Enabling a safe and more homely environment for children
   - Enabling proper staff supervision of all areas of the home
   - Maximising occupancy and the placement stability of the home by being able to match a smaller group of children with each other
   - Reducing running costs through provision in small purpose-built units with modern building efficiency, rather than large old buildings which require significant maintenance.

4. Two vacant Council sites have been identified for the new children's homes:
   - The former Sycamore Centre, West Hill, Epsom KT19 8HR – 4 registered places
   - 10 Ashley Road, Walton-on-Thames, KT12 1HS – 4 registered places plus 2 places in "No Wrong Door' annex

5. A detailed feasibility study has largely been completed for both and, subject to cabinet approval, a detailed planning application will be submitted shortly.

CONSULTATION: Community Children's Homes

6. We will start a formal consultation process with the relevant staff when the schemes have been developed further. It will also be important to undertake an informal process with the young people currently living in the homes. This will relate to both their personal transition planning and to give them the opportunity to be involved in planning for the future, on behalf of other young people.

7. The current Service Manager and Assistant Director have been fully involved in the design planning and site visits in relation to suitability.

RISK MANAGEMENT AND IMPLICATIONS: Community Children's Homes

8. Risks will be varied and not only associated with land and asset management but also the impact this has on the service provision.

9. Specific risks that relate to statutory processes, including planning, could require changes to the current proposal. In addition to work already undertaken to mitigate risks, each project will be subject to ongoing detailed consideration by officers and alternative proposals brought forward for consideration where necessary.

10. Project specific risks associated with building projects will be captured within a risk register and regularly updated and managed by the Land & Property team.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS: Community Children's Homes

11. The proposed projects detailed above suggest the following capital programme:

Children's Home	20/21 £'000	21/22 £'000	22/23 £'000	Total £'000
Sycamore Centre, Epsom	100	800	900	**1,800**
10 Ashley Road, Walton	100	900	900	**1,900**
Total	**200**	**1,700**	**1,800**	**3,700**

12. If disposed of as part of this project, the existing Children's Homes could realise a significant capital value which is not currently included in the MTFS.

Efficiency Savings or Cost avoidance

13. Increased capacity in the Surrey estate (both in terms of bed volume and ability to match and meet needs) will prevent more children being placed out of county.

14. The average unit cost of an external residential placement is £4,700 per week, compared to an average in house provision of c. £3,900. In addition to these savings, having children remain in Surrey means that other direct costs can be avoided (such as costs of facilitating family contact), efficiencies are realised (such as savings on social worker travel time) and potential future costs avoided (positive outcomes for children mean lower likelihood of needing specialist or acute services in the future).

15. The cost of maintenance of the two existing homes, Karibu and Faircroft, is £47k and £34k per year respectively, compared with an average for comparable SCC Children's Homes of £38k. However, both are large inefficient, initimidating buildings with significant grounds that do not meet the service's requirements.

16. The projected capital costs for the two sites would incur borrowing and MRP costs (3.5%) of c. £130k per annum. These are already factored into the Council's approved MTFS as part of the pipeline budget.

| DETAILS: Family Contact Centre |

17. The Shaw Family Contact Centre within Surrey is currently housed in buildings no longer fit for purpose.

18. It is proposed to construct a new purpose-built Family Contact Centre on the existing Shaw site while the service continues to operate from its existing accommodation.

19. The feasibility study has proposed a new family contact centre of approx. 440 sq m GIA. The budget cost is c £1.8m.

| CONSULTATION: Family Contact Centre |

20. The request for changes to the Shaw centre, originated from the current staff team.

21. The condition of the building precludes offering the practice standards they would wish for children and families.

22. The detailed implications of the re-build will be discussed with the staff team, with the support of HR colleagues.

23. Staff and families will be consulted on design implications as the project develops.

24. A formal consultation has not yet been undertaken, but will be completed in the next stage of the scheme's development, following approval to proceed.

| RISK MANAGEMENT AND IMPLICATIONS: Family Contact Centre |

25. Risks will be varied and not only associated with land and asset management but also the impact this has on the service provision.

26. Specific risks that relate to statutory processes, including planning, could require changes to the current proposal. In addition to work already undertaken to mitigate risks, each project will be subject to ongoing detailed consideration by officers and alternative proposals brought forward for consideration where necessary.

27. Project specific risks associated with building projects will be captured within a risk register and regularly updated and managed by the Land & Property team.

| FINANCIAL AND VALUE FOR MONEY IMPLICATIONS: Family Contact Centre |

Capital cost Profile and Funding

28. The Shaw Centre project capital spend is estimated at:

Family Contact Centre	20/21 £'000	21/22 £'000	22/23 £'000	Total £'000
Shaw, Woking	500	900	400	**1,800**
Total	**500**	**900**	**400**	**1,800**

Efficiency Savings

29. At this stage, we would expect the design of the proposed new Shaw Family Contact Centre in Woking will reduce the overall running costs by providing a new efficient building.

30. The proposed capital spend for the centre of £1.8m would incur borrowing and MRP costs (3.5%) of £63k per annum. These are currently included within the Council's approved MTFS as part of the pipeline budget.

OVERALL FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

31. Table 1 below shows a summary of the approved LAAC Capital budget (including pipeline) within the Council's MTFS and the items being recommended for approval within this paper.

Table 1: Summary of LAAC Capital budgets

		20/21 £'000	21/22 £'000	22/23 £'000	23/24 £'000	Total £'000
	LAAC Pipeline Budget	5,200	15,100	15,100	5,000	40,400
	Total	**5,200**	**15,100**	**15,100**	**5,000**	**40,400**
Less: Proposed expenditure						
	Children's Homes (1&2)	200	1,700	1,800	0	3,700
	Contact Centre (Shaw Centre)	500	900	400	0	1,800
	Total	*700*	*2,600*	*2,200*	*0*	*5,500*
Budget surplus/(deficit)		**4,500**	**12,500**	**12,900**	**5,000**	**34,900**

32. This shows that the proposed schemes would be deliverable within the existing pipeline allocations with c.£34.9m of budget remaining.

33. Due to the stage of development it is important that an appropriate level of contingency is built into estimates to allow for further development and design changes. At present all construction estimates contain a 15% contingency.

34. When assessing the financial viability of individual schemes this needs to be considered against the existing budget that is in place and factored into the MTFS in terms of interest and MRP costs. Any additional capital expenditure would also incur interest and MRP costs of 3.5% so the expectation would be that additional expenditure would be able to either generate income or reduce costs to cover these costs.

35. At present there are no direct efficiencies from the LAAC strategy built into the Council's MTFS. Potential areas of saving will be explored as plans are developed. Reductions in forward maintenance budgets (capital and revenue) for buildings

13

planned to be replaced: this would require those elements to be removed from corporate maintenance budgets in order to realise a saving for the MTFS.

SECTION 151 OFFICER COMMENTARY

36. 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. The public health crisis has resulted in increased costs which are not fully funded in the current year. With uncertainty about the ongoing impact of this and no clarity on the extent to which both central and local funding sources might be affected from next year onward, 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. As such, the Section 151 Officer supports the proposal to develop the elements of the LAAC strategy covered by this Cabinet report as there are opportunities for efficiencies and cost containment to be delivered.

37. The current capital requirement is already factored into the Medium-Term Financial Strategy, but any revenue efficiencies will need to be added as the schemes are developed.

LEGAL IMPLICATIONS – MONITORING OFFICER

38. The Council as owner of the land which it is seeking to develop for the Looked After Children Property Projects may dispose of, or develop, any land it owns. Existing rights and interests of the Council in land it owns are not affected by the Public Contracts Regulations 2015. Regulation 10 (1) (a) exempts such transactions from the Public Contracts Regulations 2015.

39. If a disposal of any of the land referred to in this paper is required, the Council would need to show that it has obtained best value. This is a legal requirement under Section 123 of the Local Government Act 1972. To show best value, the Council may need to show that it has taken specialist (external) advice confirming that the disposal represented best value. Under Section 123(2) of the Local Government Act 1972 the Secretary of State's consent would be required before the Council could dispose of land at less than best value.

40. We are currently awaiting an updated version of the reports on title. If this Strategy relates to Education/school land, any disposal of existing sites will need specific consent from the Secretary of State.

41. As detailed plans are formulated, the necessary consultation and Equality Impact Assessment will need to be completed.

EQUALITIES AND DIVERSITY

42. Children's Homes and Family Contact Centres provide support for some of Surrey's most vulnerable young people.

43. These improvements aim to ensure some of Surrey's most vulnerable young people are cared for within safe environments that provide for their material needs and provide support as they move into adulthood, and will provide improved facilities to provide support to families through the new Shaw Family Contact Centre facility.

CORPORATE PARENTING/LOOKED AFTER CHILDREN

44. As Corporate Parents for all the children looked after by Surrey, it is important we ensure the Children's Homes we run are an example of best practice, including the quality of the accommodation. In order to achieve this the estate requires a capital investment programme.

SAFEGUARDING RESPONSIBILITIES FOR VULNERABLE CHILDREN AND ADULTS IMPLICATIONS

45. The council has a duty to provide good quality placements for all children looked after. This is known as the Sufficiency Duty. In order to deliver the best possible service to our children, we would want as many as possible to live within Surrey. This property development proposal will significantly enhance the quality of accommodation we can provide. Appropriate, safe homes within Surrey, will support our children's personal, social and academic progress.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

46. An initial Environmental Sustainability Assessment (ESA) has been undertaken (Annex 1) as this matter requires a Cabinet decision.

47. The key points from the ESA are:
    a. Energy use would be a component of the operational phase costs of the new buildings. Design philosophy that has been adopted to create new buildings will support low energy consumption, reduce solar gain and promote natural ventilation. Any proposals will be in line with this policy and any new building will be to the expected standards in the local planning authority's adopted core planning strategy.
    b. Delivery of new builds will involve the usual amounts of travelling for materials and workers. Through the design and procurement phase an updated ESA will be undertaken.

WHAT HAPPENS NEXT?

48. The approval by Cabinet of the proposals for two new Children's Homes and the new Shaw Family Contact Centre will allow Land and Property to take forward these schemes for further development, planning approvals and delivery.

Contact Officer: Michael Coleman, Assistant Director- Project Delivery, Land and Property

Contact Number: 07814 583923

Annexes:

Annex 1: Environmental Sustainability Assessment

New Children's Homes and Shaw Family Centre Environmental Sustainability Assessment

Issues identified, possible actions and prioritisation

Area	Relevant Topic Y/N	Issue	Possible Action	Taken forward?
Designated sites, protected species and biodiversity	Y	Further environmental investigation of the three sites will be undertaken to confirm that there are no issues. No species protection issues have been currently identified.	Further environmental assessments will be carried out as part of the development and planning processes.	
Resilience to risks posed by the environment to service delivery	N			
Materials and water **Energy** **Waste**	Y Y Y	Energy use and reduction in waste would be components of the operational phase costs of the new buildings, as schemes are developed.	SCC's design philosophy is to create buildings that will support low energy consumption, reduce solar gain and promote natural ventilation. Any new infrastructure on the site will be built to the local planning authority's adopted core planning strategy.	
Transport	Y	Delivery of construction projects does involve an amount of travel for labour, and delivery of materials. Families will need to travel to the Shaw Family Contact Centre. The right balance must be struck between providing a service to the highest possible quality in a suitable location in an efficient environment, with the need for families to travel to access the service. Air Quality Management Area not yet identified	This will be considered as part of the procurement process for individual projects. The Family Contact Centre is a specialist facility, designed to offer a specific service. The current location is close to Woking rail station and regular bus services.	

Landscape and trees	Y	Trees on the Shaw Family Centre, Ashley and Sycamore sites may need removal, subject to the final design and agreement at the relevant stage.	Arboricultural surveys have been carried out on each site to identify the potential issues and discussions are ongoing with the Council's Arboricultural Officer to identify the least impactful solution and potential remediation measures.	
Heritage	N			
Education / raising awareness	N			

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SURREY COUNTY COUNCIL

CABINET

DATE: **21 JULY 2020**

REPORT OF: **MR TIM OLIVER, LEADER OF THE COUNCIL**

LEAD   **JOANNA KILLIAN, CHIEF EXECUTIVE**
OFFICER:

SUBJECT: **RECOVERY AND DEVOLUTION WHITE PAPER: OPPORTUNITIES**
                 AND BENEFITS FOR SURREY

SUMMARY OF ISSUE:

The Government has recently announced its intention to publish a Recovery and Devolution White Paper in the autumn, setting out its plans for the devolution of powers, freedoms and flexibilities alongside intentions to increase the number of unitary and combined authorities and elected Mayors. Given the new and growing challenges faced by Surrey, even before Covid-19, this presents a significant opportunity to better organise local government and local accountability and engagement with residents in Surrey, in a more effective and financially sustainable manner. Doing so will support the achievement of the 2030 Community Vision for Surrey as a uniquely special place, where enabling long term inclusive growth and tackling the inequalities that continue to exist in the county ensures everyone has a great start to life, people live healthy and fulfilling lives, are enabled to achieve their full potential and no one is left behind.

RECOMMENDATIONS:

Cabinet are asked to note the preparations in hand to respond to the Government's anticipated Recovery and Devolution White Paper, due to be published in autumn 2020.

REASON FOR RECOMMENDATIONS:

To ensure Cabinet are aware of the preparations being made in readiness for the publication of the anticipated Recovery and Devolution White Paper in the autumn.

DETAILS

Background

1. The Government has confirmed its intention to publish a Recovery and Devolution White Paper in autumn 2020, setting out the Government's thinking and proposals on local governance structures and the opportunity to devolve powers, duties, responsibilities and resources to local communities. At the Local Government Association Conference earlier this month[1], the Minister for Regional Growth and Local Government, Simon Clarke MP said this would mean creating "many more elected mayors and more unitary authorities".

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[1] https://www.gov.uk/government/speeches/local-government-association-annual-conference-2020-minister-for-regional-growth-and-local-governments-speech

2. This represents a significant opportunity to lead work to shape the future of local government in Surrey and work with residents and partners to develop a new streamlined and more efficient model to better meet the needs of residents.

3. In parallel, as Surrey starts to emerge from the immediate COVID-19 crisis, we are looking ahead to the challenges the county now faces, and the opportunities we have to ensure long term recovery and resilience from future shocks. The pandemic has demonstrated the importance of local services working more effectively as one system to minimise the impact on Surrey's economy and the health, wellbeing and livelihoods of residents.

4. The recession we are now facing is likely to have profound and lasting effects with the inequalities in the county that existed before the pandemic likely to be exacerbated. The magnitude of these challenges urgently requires radical solutions to support our communities and businesses at the same time as ensuring financial sustainability of local government, illustrating the need to act now to avert a local authority crisis as we emerge from the current COVID-19 crisis.

5. The current model of local government in Surrey is complicated, fragmented and inefficient. A new model of local government, combined with increased powers devolved down to a much more local level, will deliver better outcomes and services that present increased value for money for our residents.

<u>How we are responding</u>

6. It is important that Surrey is in a strong position to respond to the upcoming White Paper, so that we are ready to maximise the opportunities and benefits it presents for Surrey residents. Following his statement to Full Council on 7 July, the Leader has written to the Secretary of State for Housing, Communities and Local Government, Robert Jenrick MP, on Friday 10 July to ask him to invite Surrey to submit a business case to set out proposals for a county unitary authority for Surrey (see **Annex 1**).

7. The purpose of the business case is to set out to Government a robust case for change and detailed plans for how that change will be implemented. The business case will demonstrate how the proposal meets Government's three criteria for assessing local government reform proposals, which are that, across the area as a whole, the proposal is likely to:

   a. improve the area's local government
   b. command a good deal of local support across the area; and
   c. cover an area that provides a credible geography for the proposed new structures.

8. In summary, the business case for a unitary authority in Surrey will set out in more detail:

   o The challenges and opportunities faced by Surrey as a community and place
   o The case for change and the opportunities and challenges for local government in Surrey
   o An appraisal of the options for local government reform and recommended approach to deliver the priority outcomes for Surrey in the most efficient and effective way
   o The structure of the proposed new authority and outline operating model for key functions

- o The strategic impact and efficiencies that will be delivered through the new model
- o The proposed model of enhanced local accountability to place local communities, including Parish and Town Councils, at the heart of local government
- o An implementation plan including risk management to minimise any negative impact on business as usual service delivery whilst transitioning to the new arrangements.

9. The scale of this work will necessitate the engagement of specialist external support to ensure a robust evidence-based business case is developed for submission to Government. This will be funded through the existing transformation reserve.

Stakeholder engagement

10. Engagement with key stakeholders will build upon the preliminary discussions to date and involve residents, MPs, elected members, district and borough councils, partners and staff. This will ensure we listen and respond to views about the right model for Surrey and provide the opportunity to co-design the most relevant elements of the model with those people who stand to likely to benefit most and/or be most impacted.

11. This engagement will include discussions with our partners to understand the ways of working, operational models and organisational design that will deliver the best outcomes for Surrey and ensure the new model of local government provides the foundation for the most effective and efficient partnership working.

12. We will also engage with residents, including a focus on younger people, to enable them to have their say about their priorities for Surrey and how they can best be secured, as part of a model of stronger local accountability, engagement and delivery.

13. A Surrey County Council Member briefing will be held on 16 July and further briefings and scrutiny sessions are planned as the work progresses, so all Members have the opportunity to contribute to the development of a shared understanding and case for change.

Next steps and timeline

14. Following the engagement as set out above, a draft business case will be brought to Cabinet and Council during September before being submitted to Ministry of Housing, Communities and Local Government (MHCLG) by the end of September.

15. It is important that we act quickly to minimise disruption, capitalise on the opportunity brought by the Recovery and Devolution White Paper and realise the opportunities and benefits that structural reform can bring to Surrey as soon as possible.

RISK MANAGEMENT AND IMPLICATIONS:

16. Risk implications will be considered as part of the development of the business case and reviewed as work progresses.

SECTION 151 OFFICER COMMENTARY

17. 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. The public health crisis has resulted in increased costs which are not fully funded in the

current year. With uncertainty about the ongoing impact of this and no clarity on the extent to which both central and local funding sources might be affected from next year onward, 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.

18. As such, the Section 151 Officer supports the preparations to respond to the Government's anticipated Recovery and Devolution White Paper. The costs referenced in paragraph 9 can be met from the transformation reserve and will be factored into the Medium-Term Financial Strategy.

LEGAL IMPLICATIONS – MONITORING OFFICER

19. The procedure for the creation of a unitary authority can be found in sections 1-7 of the Local Government and Public Involvement in Health Act 2007. The Secretary of State can 'invite' a proposal from a local authority to make a proposal for a county or district, or group of districts, to become unitary. The Local Government Boundary Commission for England (LGBCE) can be, but need not be, asked for advice on any matter related to the proposal. Regulations may be made covering how local authorities should go about preparing their proposal. The Secretary of State may then make an order implementing the proposal, or s/he may reject the proposal. The regulations must be approved by both Houses of Parliament.

EQUALITIES AND DIVERSITY

20. There are no direct equality implications arising from this report, although any impact on groups with protected characteristics will be considered through development of the business case.

Contact Officer:
Michael Coughlin, Executive Director for Transformation, Partnerships and Prosperity

Contact: Michael.Coughlin@surreycc.gov.uk

Consulted:
Preliminary related discussions have been held with the following:
- Cabinet and Executive Directors
- Surrey MPs
- District and Borough Council Leaders and Chief Executives

Annexes:
Annex 1: Letter from the Leader of Surrey County Council to the Secretary of State for Housing, Communities and Local Government, Robert Jenrick MP

Cllr Tim Oliver
Leader of Surrey County Council

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tim.oliver@surreycc.gov.uk

The Rt Hon Robert Jenrick MP
Secretary of State
Ministry of Housing, Communities and Local Government
[by email: robert.jenrick@communities.gov.uk]

Friday 10 July 2020

Dear Secretary of State,

Further to your Minister's announcement in his speech to the LGA Annual Conference on 3 July 2020, I am writing to set out our ambition for Surrey and our wish to engage with you on the reforms needed to ensure its achievement. I want Surrey to be a uniquely special place where everyone has a great start to life, people live healthy and fulfilling lives, are enabled to achieve their full potential and contribute to their community, and no one is left behind.

As a nation, we are facing new and growing challenges. The economic shock the country has experienced arising from Covid-19 and the recession we are facing will have profound and lasting effects. Local government faces a huge challenge to support communities and businesses at the same time as finding ever greater efficiencies.

Surrey County Council is ready to face this challenge. We have amply demonstrated our creativity and flexibility in leading the local response to Covid-19. We established a new community hospital, NHS Seacole Centre at Headley Court, in just 35 days. We are a good practice area for Local Outbreak Control Plans. We worked at pace with local partners to deliver extra refuge space for victims of domestic abuse, helping to meet urgent local need following the Covid-19 lockdown.

We have made excellent progress, delivering £188m efficiencies in the last two years alone, and turning around the performance of our children's services. This has been achieved by demonstrating strong leadership, innovative thinking and transformative action.

We could do so much more, better and at less cost, if we transform the current system of local government in Surrey (12 sovereign local authorities, in a two-tier structure). It is too fragmented and complicated. I believe that a single unitary council, underpinned with a flourishing new model of local accountability would be more effective, efficient and resilient in addressing the current challenges, better serving our residents and taxpayers. A new model would also maximise the potential of the county going forward.

Surrey's economy has been a significant contributor to the Exchequer, contributing £40.4b to the UK economy every year. This cannot be taken for granted in a post-crisis, post Covid-19 environment. I share the Government's priorities around economic recovery and prosperity, climate change, housing and homes, 'levelling up' and healthy and resilient communities and can see many opportunities to transform our approach in Surrey to deliver against these. Dealing with changes in the fundamentals of the economy, in terms of jobs and the labour market, commercial and residential property, retail, travel and transport (including aviation) and infrastructure, requires singular leadership and a more co-ordinated and local approach between planning, investment, housing, skills and education.

We can build more homes more quickly and develop the high streets and town centres of the future, but to do this we need to streamline decision making on planning and infrastructure with a single clear strategic approach. We can tackle inequality and level up within Surrey to ensure inclusive growth. We can reach net zero carbon emissions and deliver a greener future. Our One Surrey Growth Board is well-placed to provide the place-oriented leadership and strategic co-ordination to deliver this.

Surrey's relative overall wealth, however, masks pockets of deprivation in the county, with widening inequalities. As examples, West Surrey contributed £28.1b GVA (70%) to the Exchequer in 2017, while East Surrey contributed just £12.3b (30%) and linked to this, 70% of the jobs and 67% of businesses are in West Surrey. The inequality of life expectancy is even more marked, with women in two adjacent wards within Surrey varying by up to ten years.

We face growing demands as the population changes. The over 65s population will grow by 18% over the next decade, meaning more people will need care and support. Covid-19 will hit our vulnerable residents hardest, including those experiencing domestic abuse and mental health issues. Our Devolution deal and Surrey Heartlands Integrated Care System has enabled us to embark on ever closer working and integration to address these issues, but again, more can be done with the right structures in place that bring together health and social care with services that impact the wider determinants of health and wellbeing, such as housing and leisure.

This perfect storm of rising demand and falling income means a bleak financial outlook for local government in Surrey which will only worsen and severely affect our ability to deliver high quality services. Prior to Covid-19, Surrey's local authorities already needed to save at least £137m over the next four years, and the health economy is running a forecast £62m deficit. Moving to a county unitary authority will provide immediate savings of £36m per year and unlock the ability to transform our services further, enabling a further £100m savings per year, in return for a one-off cost of £52.7m.

I am therefore writing to ask you to invite me to submit a business case, as soon as possible, so I can set out our proposals for a single county unitary council for Surrey, as a continuing authority. I am committed to ensuring any new model of local government in Surrey is predicated on a strong locality-based model, with communities at its heart. The council is already transforming its relationship with communities, and will co-design a new local accountability model, including a new role for all our town and parish councils, as well as all the other groups with whom we work.

With devolved powers, this would enable a streamlined and more efficient model for transformative change and give us the tools for better outcomes for residents and a sustainable long-term recovery. If we are to genuinely 'level up' within Surrey, then a single unitary is the only viable model for local government reform.

I have discussed my ambitions with the Surrey MPs who agree that change is needed and can see the benefits of a unitary structure in Surrey. I will work with District and Borough Council colleagues as well as the business community, voluntary, community and faith sector, alongside our residents, to develop our plans as part of a more integrated set of public services across the county.

I look forward to starting the conversation with you on the future of Surrey.

Yours sincerely,

Tim Oliver
Leader of the Council

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of the Local Government Act 1972.

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