

# Cabinet

**Date & time**

Tuesday, 29  
September 2020 at  
2.00 pm

**Place**

REMOTE

**Contact**

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**Chief Executive**

Joanna Killian



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**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

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

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**<https://mycouncil.surreycc.gov.uk/ieListMeetings.aspx?CId=120&Year=0>**

**If you have any queries relating to accessing this agenda please email [vicky.hibbert@surreycc.gov.uk](mailto:vicky.hibbert@surreycc.gov.uk) or [huma.younis@surreycc.gov.uk](mailto:huma.younis@surreycc.gov.uk)**

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

*If you have any queries regarding this, please contact [vicky.hibbert@surreycc.gov.uk](mailto:vicky.hibbert@surreycc.gov.uk) or [huma.younis@surreycc.gov.uk](mailto:huma.younis@surreycc.gov.uk).*

## **1 APOLOGIES FOR ABSENCE**

## **2 MINUTES OF PREVIOUS MEETING: (21 JULY 2020)**

(Pages 1  
- 12)

To approve the minutes of 21 July 2020 as a correct record of the meeting.

## **3 DECLARATIONS OF INTEREST**

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

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

### **NOTES:**

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

## **4 PROCEDURAL MATTERS**

### **a Members' Questions**

The deadline for Member's questions is 12pm four working days before the meeting (23 September 2020).

### **b Public Questions**

The deadline for public questions is seven days before the meeting (22 September 2020).

### **c Petitions**

(Pages  
13 - 14)

One petition with 6,074 signatures has been received. It requests that the Council reverse cuts to Surrey Fire and Rescue Service.

### **d Representations received on reports to be considered in private**

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

- 5 REPORTS FROM SELECT COMMITTEES , TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL** (Pages 15 - 18)
- Cabinet to consider the following:
- A. Strategic Reset Group Report
- 6 LEADER / DEPUTY LEADER / CABINET MEMBER/ STRATEGIC INVESTMENT BOARD DECISIONS TAKEN SINCE THE LAST CABINET MEETING** (Pages 19 - 26)
- 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** (Pages 27 - 28)
- To note the report from Mark Nuti, Deputy Cabinet Member to the Leader.
- 8 COVID- 19 DELEGATED AND URGENT DECISIONS TAKEN** (Pages 29 - 48)
- 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 SURREY COUNTY COUNCIL STRATEGIC RESET** (Pages 49 - 106)
- Surrey, along with the rest of the UK faces an unprecedented future as a result of the Covid-19 pandemic. There are opportunities to use lessons learned from the crisis to enhance or adapt the council's strategic approach to ensure the aims and ambitions of the Community Vision 2030 can continue to be realised. To do this the strategies, budgets and transformation programme set by the council for 2020/21 are being reset so they reflect how priorities have changed as a result of the new context.
- [The decisions on this item can be called in by the Resources & Performance Select Committee]*
- 10 DEVELOPING LOCAL SPECIAL EDUCATIONAL NEEDS AND DISABILITY (SEND) PROVISION IN SURREY TO MEET DEMAND IN 2021/2022** (Pages 107 - 124)
- As part of the Special Educational Needs and or Disability (SEND) Transformation Plan and SEND Sufficiency Strategy 2020-2025, a recommendation was made to increase the specialist provision in mainstream specialist centres, special academies and maintained special schools in Surrey. A cabinet report on the 29<sup>th</sup> September 2019 outlined Surrey's 10 year SEND Strategic Planning Approach and recommended that all future schemes identified as part of the SEND Capital Programme which require capital investment are reported to Cabinet for Cabinet Member for approval. This paper outlines schemes identified for Phase 2 of the SEND Capital Programme for delivery from 2021-2022.
- [The decisions on this item can be called in by the Children's, Families, Lifelong Learning and Culture Select Committee]*

- 11 PROCUREMENT OF HIGHWAYS CONTRACTS** (Pages 125 - 142)
- The Council recognise the vital role played by our roads, pavements, cycleways and other highway assets in the lives of residents and businesses. For many years, the Council has engaged private sector organisations to deliver highway services on its behalf to maximise the benefits of public and private sector knowledge and experience in delivering such services. There are several contract arrangements that will come to an end in April 2022 which cannot be extended any further as all extensions have been granted. Cabinet’s approval is therefore sought for the future contract strategy for the service, which begins with the procurement of new contracts to commence in April 2022.
- [The decisions on this item can be called in by the Communities, Environment and Highways Select Committee]*
- 12 A31 AND BLACKWATER VALLEY RELIEF ROAD (BVR) BALANCING POND RESTORATION PROCUREMENT** (Pages 143 - 146)
- The A31 and A331, also known as the Blackwater Valley Relief Road (BVR) have several balancing ponds along their length that form an integral part of the highway drainage system. Recent surveys and reports have confirmed that works are required to ensure the assets are performing as designed, and funding to refurbish and maintain these assets was approved in March 2020 as part of the Council’s Medium Term Financial Plan. This report seeks approval for the addition of these works to the Annual Procurement Forward Plan to allow us to procure a specialist contractor to refurbish and maintain these assets.
- [The decisions on this item can be called in by the Communities, Environment and Highways Select Committee]*
- 13 HOUSING INFRASTRUCTURE FUND FORWARD FUNDING - FUNDING ALLOCATION OF £41.8 MILLION TO THE A320 NORTH OF WOKING** (Pages 147 - 156)
- Following a comprehensive and detailed due diligence process by Government, the Ministry of Housing, Communities & Local Government (MHCLG) have confirmed on 12 March 2020 that Surrey County Council has been awarded £41.8 million for its A320 North of Woking Housing Infrastructure Fund Forward Funding scheme. Following further work on the outstanding issues identified when this project was last considered by Cabinet on 23 June, Cabinet are requested to agree to the signing of the GDA and move the scheme from pipeline to capital budget the cost of which will be fully rechargeable to the Scheme Funding once released.
- N.B There is a part 2 Annex at Item 18
- [The decisions on this item can be called in by the Communities, Environment and Highways Select Committee]*
- 14 COMMUNITY PROJECTS FUND** (Pages 157 - 204)
- On 21 July 2020, Cabinet approved the development of the Community Projects Fund (CPF) – a unique and potentially transformative capital fund of £100m over five years designed to deliver place-making and place-

changing projects led by residents and communities on a significant scale. At the time, Cabinet agreed to an initial phase of community co-design to test key aspects of the Fund prior to the formal launch of the Fund in the Autumn. This report sets out the findings from the co-design and resulting changes proposed to the Fund.

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

**15 HYPERCONVERGED SYSTEM PHASE 2 PROCUREMENT**

(Pages  
205 -  
210)

The Hyperconverged System phase 2 procurement, part of the Core Infrastructure Architecture project, is to procure the final required hardware to reduce the complexity of the council's data centres server infrastructure, increasing scalability and improving performance and stability. Following the introduction of an Annual Procurement Forward Plan, Cabinet approval is required in order to add the procurement to the 2020/21 Annual Procurement Forward Plan and to commence the procurement in October 2020.

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

**16 2020/21 MONTH 4 (JULY) FINANCIAL REPORT**

(Pages  
211 -  
218)

This report provides the details of the County Council's 2020/21 financial position as at 31<sup>st</sup> July 2020 (M4) for revenue and capital budgets and the projected outlook for the financial year. As there was no Cabinet meeting in August at which the June (M3) position could be presented, this report compares the M4 position to M2, as reported to Cabinet in July.

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

**17 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**

**18 HOUSING INFRASTRUCTURE FUND FORWARD FUNDING - FUNDING ALLOCATION OF £41.8 MILLION TO THE A320 NORTH OF WOKING**

(Pages  
219 -  
238)

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 Communities, Environment and Highways Select Committee]*

**19 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**  
Friday, 18 September 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.

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**MINUTES OF THE MEETING OF THE CABINET  
HELD ON 21 JULY 2020 AT 2.00 PM  
REMOTE MEETING.**

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  
Ms Bernie Muir, Chairman of the Adults and Health Select Committee  
Mr Jonathan Essex, Redhill East

**PART ONE  
IN PUBLIC**

**100/20 APOLOGIES FOR ABSENCE [Item 1]**

There were no apologies.

**101/20 MINUTES OF PREVIOUS MEETING: (23 JUNE 2020) [Item 2]**

The Minutes of the meeting held on 23 June were approved as a correct record.

**102/20 DECLARATIONS OF INTEREST [Item 3]**

There were none.

**103/20 MEMBERS' QUESTIONS [Item 4a]**

There was one Member question from Mr Jonathan Essex. The question and response were published as a supplement to the agenda. A supplementary question was asked by Mr Essex, restated his original questions. Mr Essex asked the Cabinet to confirm what the market value and expected capital receipts from the Surrey County Council owned property lots were rather than the 132 listed lots and also asked for Cabinet to provide a schedule of ground rents where Surrey County Council has ownership of freeholds for other residential properties.

The Cabinet Member for Resources responded to the questions stating that there were no properties on the market on sale under auction. The schedule for ground rents would be provided in due course subject to confidentiality.

#### **104/20 PUBLIC QUESTIONS [Item 4b]**

There were no public questions.

#### **105/20 PETITIONS [Item 4c]**

There were no petitions.

#### **106/20 REPRESENTATIONS RECEIVED ON REPORTS TO BE CONSIDERED IN PRIVATE [Item 4d]**

There were none.

#### **107/20 REPORTS FROM SELECT COMMITTEES , TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL [Item 5]**

Cabinet considered the Community Projects Fund task and finish group report and Adults and Health Select Committee: Scrutiny of the Decision on the Change of Route to Market for two Extra Care Housing Sites report.

The Community Projects Fund task and finish group report was considered alongside Item 10: Community Projects Fund. The task group recommendations were agreed by Cabinet.

The Chairman of the Adults and Health Select Committee introduced the Select Committee report explaining that the Select Committee was supportive of the work undertaken by the council to provide extra care and independent living facilities. The Select Committee accepted the change of route to market for two extra care housing sites and going forward sought to be included in various stages of the project including project update reports. The Cabinet for Adults and Health thanked the Select Committee for the report and stated the feedback from members was helpful. The Cabinet Member accepted the committees view that the pace of the programme had been slow but provided reassurance that future schemes would be forthcoming with updates being provided to the Select Committee.

#### **RESOLVED:**

That the Community Projects Fund task and finish group report and Adults and Health Select Committee: Scrutiny of the Decision on the Change of Route to Market for two Extra Care Housing Sites report be noted and recommendations considered.

#### **108/20 LEADER / DEPUTY LEADER / CABINET MEMBER/ STRATEGIC INVESTMENT BOARD DECISIONS TAKEN SINCE THE LAST CABINET MEETING [Item 6]**

There were two decisions for noting. The Cabinet Member for All-Age Learning explained that the fair access protocol was in place to ensure that unplaced children, especially the most vulnerable are offered a place in a suitable school as soon as possible. There were no changes to the protocol

due to the covid-19 situation. With regards to the maintained schools deficit decision, Cabinet Member approval is required where schools seek a licensed deficit in excess of 5% of the school's budget share. There were two schools that required this approval.

**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.

**109/20 CABINET MEMBER UPDATE [Item 7]**

The Cabinet Member update was introduced by the Cabinet Member for Adults Social Care and Public Health, Sinead Mooney. The Cabinet Member stated that staff and partners across Heartlands, CSH Surrey, the ICSs, Surrey Choices and others had risen to the occasion and supported the council in its desire to meet head on the challenges of COVID-19. Surrey County Council had worked with partners to develop additional refuge provision within the county, which has helped provide further support to survivors of Domestic Abuse. Although plans for recovery continue at pace, it is important that any Surrey resident experiencing symptoms should access a COVID-19 test. The Leader reminded residents of the importance of washing hands and using face coverings where appropriate to ensure Surrey is kept safe and open. The Leader thanked residents for complying with the rules and asked that any residents tested positive comply with test and trace systems.

**RESOLVED:**

That the Cabinet Member update be noted.

**110/20 COVID- 19 DELEGATED AND URGENT DECISIONS TAKEN [Item 8]**

The Cabinet Member for Communities explained that the hardship fund had run for 12 weeks with £273k been given to 20 organisations which benefited vulnerable groups. An additional £300k was given to partners, Community Foundation for Surrey, this was matched by generous public donations. The Cabinet Member thanked the public for their generous donations. The hardship fund has now closed and the council has aligned priorities closely with the Community Foundation for Surrey whom will continue this work.

**RESOLVED:**

That the three 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.]*

## **111/20 DECISION ON THE CHANGE OF ROUTE TO MARKET FOR TWO EXTRA CARE HOUSING SITES [Item 9]**

The report was introduced by the Cabinet Member Adult Social Care and Public Health who explained that the report 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). She explained that on 20 July 2020, the Council had gone live with the Pond Meadow (Guildford) tender. This had proven more difficult with the Pinehurst Resource Centre and Brockhurst Care Home and hence a decision to bring a paper to Cabinet to change the route to market for these two sites. There is a concern around the pace of delivery for the ambitious programme and the Cabinet Member urged colleagues to approve the recommendations with a view for the tenders for both sites to go live in a few weeks.

The Deputy Cabinet Member for People echoed what the Cabinet Member stated around the need to accelerate the pace for the programme . Independent living was the future for the council and it was important to expedite this programme. The security and assurance provided to residents in extra care and independent living housing was greatly supported by members.

### **RESOLVED:**

1. That the recommended approach (Option 1) for the delivery of Extra Care Housing at the former Brockhurst Care Home and former Pinehurst Resource Centre sites be approved. 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.
2. That 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 be approved.
3. Work to review the feasibility of further sites owned by the Council for the development of Extra Care Housing be approved.

### **Reasons for Decisions:**

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.

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

## **112/20 COMMUNITY PROJECTS FUND [Item 10]**

The Chairman of the Community Projects Fund task and finish group explained that a cross party task and finish group had been set up to oversee the development of the Community Project Fund. 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. The Task Group thanked those who contributed evidence to its review, informing the conclusions and six recommendations regarding the design and implementation of the Community Projects Fund. The task and finish group endorsed the recommendations in the Cabinet report and emphasised the importance of ensuring and encouraging all community groups and residents within Surrey to apply for the Fund.

The Cabinet report was introduced by the Deputy Cabinet Member to the Leader who set out the aims of the Fund which was 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 development of the Community Project Fund represents a significant opportunity to invest in a meaningful and lasting way in communities with £100m of capital funding to be allocated to community projects over a five-year period. It was explained that the report and recommendations were developed alongside the cross party task and finish group. Design work on the Community Project Fund would be progressed and a further report would be presented to Cabinet in September. The Deputy Cabinet Member to the Leader thanked the Leader and the Executive Director - ETI for their ongoing support.

There was recognition that many communities in Surrey would welcome the opportunities presented with the Community Project Fund whilst some communities did not have the experience to properly engage with the administrative processes involved. It was explained that the scheme was flexible and an officer team would be set up to support residents and groups submit applications to the Fund.

**RESOLVED:**

1. That the proposed process, criteria and governance for managing the Community Projects Fund (CPF) be approved;
2. That the role of the Member Task Group in helping to shape the CPF be noted;
3. That £300k of revenue funding in 2020/21 from the Corporate Feasibility budget is approved, to help 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. Delegated 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 is approved, 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. 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 is approved;
6. A further report in September confirming the outcome of the co-development phase and the final details of the Fund is supported.

**Reasons for Decisions:**

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.

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

## **113/20 DIGITAL BUSINESS & INSIGHT PROGRAMME FULL BUSINESS CASE [Item 11]**

The Cabinet for Corporate Support introduced the report. The 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. The system is critical to the councils business management which is used to administer Finance, HR, Payroll and Procurement processes. The procurement process was commenced following Cabinet approval of the Digital Business & Insights (DB&I) outline business case in October 2019. The procurement process has taken place and has been successfully completed. Software-as-a-Service (SaaS) solution has been chosen as it addresses 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. The system will deliver digital self-service, increased automation and enhanced reporting and analytical capabilities.

The Cabinet Member for Resources explained that the officer team were challenged on the need for the system and the suggested provider for the new system. Both Cabinet Members supported the proposals. The Cabinet Member thanked the team that put the proposals together.

### **RESOLVED:**

That subject to the agreement of the detailed financial information for the project as set out in Part 2 of this agenda, the full business case for the implementation of the new corporate system and the award of the contract to the preferred bidder be approved.

### **Reasons for Decisions:**

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.

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

## **114/20 2020/21 MONTH 2 (MAY) FINANCIAL REPORT [Item 12]**

The Cabinet Member for Resources provided Cabinet with 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 key messages included within the report were that the Council is forecasting a Business as Usual (BAU) deficit of £4.7m, against the budget approved by Council in February 2020 and a deficit of c£5.8m is being forecast against the Government COVID-19 funding. The Cabinet were updated on the forecast revenue budget outturn for the year for each Service.

Since the publication of the report the council had received a further tranche of funding from government amounting to £6.4m.

**RESOLVED:**

That the Council's forecast revenue and capital budget positions for the year is noted; and the reset of the 2020/21 revenue budget envelopes to reflect the additional costs and lost income related to COVID-19 be approved.

**Reasons for Decisions:**

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 Resources and Performance Select Committee]*

**115/20 LOOKED AFTER CHILDREN PROPERTY PROJECTS - NEW CHILDREN'S HOMES AND SHAW FAMILY CENTRE [Item 13]**

The Cabinet Member for Children, Young People & Families gave a detailed summary of the report explaining that the 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. In order to improve outcomes for children and young people, the report would be seeking approval to transfer the capital of £5.5m from the pipeline budget for the 3 proposed schemes.

The Cabinet Member for Children, Young People & Families requested the following change to Recommendation 4 in the report which was agreed:

4. ~~agree that subject to final approval of capital spend on each project, delegated~~  
 authority is given to the Cabinet Member for Resources 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 **to give final approval of capital spend on each project.**

It was explained that the project was a key priority of the Corporate Parenting Board to ensure we provide comfortable and safe homes for children in care. Some of the council's residential homes are very out of date and rather institutionalised. It was agreed that children should grow up in family sized units as per Ofsted's recommendations. The Cabinet Member clarified that the council had a duty to ensure that children and young people remain in touch with their birth families and friends when they are placed in care- called 'contact'. 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. The proposed re-provision of Faircroft and Karibu Children homes will provide one new Children's Home with 4 beds and one new Children's Home with 4 beds, and 2 'No Wrong Door' places located on the same site. Two sites had been identified for these sites. One site in Epsom and the other in Walton on Thames. There was an intention to build a

third Children's home which would come forward at a later date. The concept of 'no wrong door' was introduced to Cabinet and helps keep teenagers with their families.

The report was welcomed by Cabinet and the benefits it would deliver for children and young people through the provision of better services was recognised.

**RESOLVED:**

1. That the transfer of £5.5m capital from the pipeline budget for the 3 proposed schemes be approved.
2. To develop/replace the Shaw Family Contact Centre and two new Community Children's Homes at the capital costs set out in the report be approved.
3. That the tender for the above projects, carried out by the service be approved.
4. That delegated authority to approve final capital spend on each project is given to the Cabinet Member for Resources 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.

**Reasons for Decisions:**

To ensure the two new children's homes and the new Shaw Family Contact Centre can be delivered on time and within budget.

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

**116/20 RECOVERY AND DEVOLUTION WHITE PAPER: OPPORTUNITIES AND BENEFITS FOR SURREY [Item 14]**

The report was introduced by the Leader whom explained that the paper signified the start of a very important conversation with residents. The Government had recently announced its intention to publish a Recovery and Devolution White Paper in the autumn, setting out its plans to review the way in which local government operates. It was important the right local government structure was in place which simplified processes for residents and delivered value for money. The council had delivered £200m of efficiency savings in the last two years by transforming the way services were delivered. Local government was last reviewed in 1974. The white paper would allow the council to deliver services more effectively and efficiently, empowering residents. It was important young people were engaged with the process.

The Leader explained that he had written to the Secretary of State to start the engagement process. The engagement process with stakeholders would start in the autumn. A business case would be submitted to Ministry of Housing, Communities and Local Government (MHCLG) by the end of September.

The Deputy Leader supported the report and stated the report presents us with a great opportunity in rethinking how the council engages with residents.

**RESOLVED:**

That the preparations in hand to respond to the Government's anticipated Recovery and Devolution White Paper, due to be published in autumn 2020 be noted.

**Reasons for Decisions:**

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.

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

**117/20 EXCLUSION OF THE PUBLIC [Item 15]**

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

**118/20 DECISION ON THE CHANGE OF ROUTE TO MARKET FOR TWO EXTRA CARE HOUSING SITES [Item 16]**

**RESOLVED:**

1. That the financial modelling set out in the Part 2 paper which demonstrates that the recommended option in Part 1 to tender for a development and strategic housing management partner(s) for Extra Care Housing schemes on the sites delivers the highest financial benefit for the Council, be noted.
2. That [Exempt minute E-5-20] of capital investment in the development of Extra Care Housing at the former Pinehurst Resource Centre site be approved, should investment up to this level be required by the Council when the tender for a development and strategic housing management partner(s) is conducted.
3. That [Exempt minute E-5-20] of capital investment in the development of Extra Care Housing at the former Brockhurst Care Home site be approved, should investment up to this level be required by the Council when the tender for a development and strategic housing management partner(s) is conducted.

**Reason for Decision:**

This paper sets out the case underpinning the recommended change in delivery approach, demonstrating why tendering for a development and strategic housing management partner is expected to achieve the highest financial return for the Council.

Cabinet is asked to approve capital investment by the Council of up to [Exempt minute E-5-20] in the development of Extra Care Housing at the former Pinehurst Resource Centre site and [Exempt minute E-5-20] at the former Brockhurst Care Home site. The aim will be to avoid or limit as far as possible any capital investment by the Council. Capital investment will only be considered if the winning bidder in the tender for each site requires it as part of their tendered proposal for the development of Extra Care Housing at a site. The level of capital investment Cabinet is being asked to approve here has been capped at the value for each site that means that the modelled financial benefits of developing Extra Care Housing on each site would be no less than the opportunity cost of selling the land. If a higher level of capital investment is required following the outcome of the tender, then the Extra Care project team will consider whether this is financially viable and acceptable to the Council. A further report would then be brought back to Cabinet if appropriate to request approval for additional capital investment above the levels approved in this paper.

If Cabinet approves the capital investment requested for the two sites in this paper, then this potential capital investment will not initially be added to the Council's capital programme. This is because the intention, if possible, is to avoid any capital investment. Once the tender has been conducted and preferred bidder(s) secured, then any capital investment required within the limits approved by Cabinet will be added to the capital programme at that point.

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

## **119/20 DIGITAL BUSINESS & INSIGHT PROGRAMME FULL BUSINESS CASE** **[Item 17]**

### **RESOLVED:**

1. That the recommendation to award the contract to [Exempt minute E-6-20] and implement the new corporate system at a total capital cost of [Exempt minute E-6-20], and total revenue cost of [Exempt minute E-6-20] to run the system for the full 15-year life of the contract be approved.
2. That the indicative costs of a Data Archiving Solution which have been included in this business case for completeness be noted and that this solution does not form part of the scope of the project to implement the new corporate system.
3. That a separate delegated officer decision will be made to progress a Data Archiving Solution procurement by the Executive Director of Resources, in consultation with the Cabinet Member for Corporate Support and Cabinet Member for Resources.

### **Reason for Decision:**

See Minute 113/20

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

**120/20 PUBLICITY FOR PART 2 ITEMS [Item 18]**

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

Meeting closed at 15:24

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**Chairman**



# Petition to: Reverse cuts to Surrey Fire and Rescue Service

## The Petition

“We the undersigned petition Surrey County Council to Reverse cuts to Surrey Fire and Rescue Service”

Submitted by Emma Kennedy

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Further details from Petitioner:

Fire SOS - Save Our Stations

For five consecutive days in August, Surrey Firefighters had to battle heat, dehydration and exhaustion to bring wildfires on our heathland and commons under control. You might think our firefighters have everything they need. They don't.

Since 2010, the Conservatives at Surrey County Council have cut 31% of our firefighters and control staff. This year alone, a further four fire engines have been removed and certain stations, including Chobham, the nearest to the Common, will be no longer permanently crewed. It will only be able to respond at night and weekends. A further three fire engines are scheduled to be cut in October.

In the face of cuts, our Fire Service is under further threat. It is time we repaid their commitment and unite against SCC's continuing cuts.

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## Select Committee Chairmen & Vice-Chairman's Group

29 September 2020



### Strategic Reset Group Report to Cabinet

**Purpose of report:** to report to Cabinet on the findings of the Select Committee Chairmen & Vice-Chairmen's sub-group scrutiny of the council's strategic reset.

#### Introduction:

1. As a result of the coronavirus pandemic and the impact on Surrey and the country more broadly the council is resetting its strategies and delivery plans, building on the progress made over the past 2 years. This work will be framed by the existing Vision for 2030 document considering the changed environment we now find ourselves in.
2. A working group with representatives from each Select Committee was set up by the Select Chairmen & Vice-Chairmen's Group to conduct oversight of the development of the council's reset strategy, provide scrutiny challenge and feedback from the perspective of their respective remits.
3. The role of this group was to:
  - On behalf of the four select committees the group will carry out pre-decision scrutiny to influence the reset plans and in-year priorities by reviewing them for risk, value for money and outcomes for residents;
  - To identify and prioritise future public scrutiny of issues emerging from the reset plans;
  - Report back its findings to the Select Committee Chairmen & Vice-Chairmen's Group; and
  - Make recommendations to Cabinet as necessary
4. The membership of the group was:
  - Chris Botten (Vice-Chairman - Children, Families, Lifelong Learning & Culture)
  - Nick Darby (Vice-Chairman - Adults & Health)

- Nick Harrison (Chairman - Resources & Performance)
  - Saj Hussain (Vice-Chairman - Communities, Environment & Highways)
  - David Harmer (Chairman - Audit & Governance)
5. The group met three times with officers from commissioning, strategy and finance teams over the course of July and August before reporting to the Select Committee Chairmen & Vice-Chairmen's Group on 3 September 2020.

### Key Findings

6. Officers from Finance, Commissioning, Transformation and Strategy took the working group through the implications of the COVID-19 pandemic on the council's strategic ambitions. The working group also reviewed scenarios and macro planning assumptions and the challenges and opportunities these presented.
7. The capacity of senior officers and the organisation at large to deal with the challenges presented by COVID-19 was raised especially with the new challenges of unitarisation and a proposal to centralise social care under the NHS. It highlighted the ongoing demand and budget pressure on adult social care as a risk to the organisation.
8. In the face of growing inequality, it was agreed that economic development should be a high priority for the council and should be prominent in the council's strategic frame. The group thought that the council should develop strategies to boost employment, apprenticeship schemes were cited as an example. Members further emphasised that any strategy must realise tangible benefits for residents.
9. Members raised the difficulties faced by the voluntary sector as a result of the coronavirus pandemic. It was noted that the sector plays a key role as a system partner for the council and the group suggested that something like longer term contracting arrangements with the council could prolong voluntary organisations' viability, by giving them some security as to their future revenue income, ensuring their contribution was not lost. Officers noted this suggestion and replied that new ways of working with the sector need to be considered. Officers further highlighted the potential for the new Community Projects Fund to support these organisations' capital projects and acknowledged the sectors' importance in regard to the objective of 'enabling resilient and connected communities.'
10. The working group highlighted the importance of including future national policy changes such as the delivery of social care under NHS management and new planning legislation to the council's planning scenarios.

11. The prospect of unitarisation was consistently raised as both a risk and an opportunity for Surrey. This was acknowledged by officers; however this was beyond the remit of the strategic reset which was focused on the council in its current form.
12. The issue of transitioning from the European Union was raised including the risk to the ongoing viability of adult social care in Surrey but also the opportunity presented by possible changes to procurement rules in the future.
13. The recognised that the current situation was not permanent, and circumstances could change further meaning that the council needed a mechanism to continually review its scenarios and adapt its priorities quickly if required.
14. Select Committees should make use of the scenarios and core assumptions to plan and prioritise future scrutiny work, aligning their forward work programmes to the council's reset ambitions.

#### **Conclusions:**

15. The working group were assured by the responses to the challenges presented to the officers as detailed above and were supportive of the recommended decisions made in the draft Cabinet report they reviewed on 24 August.
16. The working group was confident it had stress tested the key assumptions made by the council across all its services and highlighted areas of risk and opportunity for Surrey.

#### **Recommendations:**

1. That the scenarios and assumptions presented to the group, alongside the budget reset and transformation information presented at the previous meeting, should form part of the information provided to the select committees to inform their work programmes.

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#### **Report contact**

Ross Pike, Scrutiny Business Manager, Democratic Services

#### **Contact details**

[Ross.pike@surreycc.gov.uk](mailto:Ross.pike@surreycc.gov.uk)

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**SURREY COUNTY COUNCIL****CABINET****DATE: 29 SEPTEMBER 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](mailto:huma.younis@surreycc.gov.uk)

**Annexes:**

Annex 1 – Delegated Decisions taken

**Sources/background papers:**

None

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## Annex 1

### **STRATEGIC INVESTMENT BOARD DECISIONS 29 JULY 2020**

#### **1. HALSEY GARTON RESIDENTIAL LTD - TRANSFER OF PROPERTIES**

The Board considered a report which contained 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).

#### **Details of decision:**

The following recommendations were agreed:

1. That subject to all legal due diligence and loan agreements being in place for a value of [Exempt Minute E-7-20], the transfer of property to HGR by the end of July 2020 is approved.
2. That a loan of [Exempt Minute E-7-20], of working capital from SCC to HGR is approved.
3. That the appointment of residential managing agents following the completion of a tender process is approved.

#### **Reasons for decision:**

The business case sets out a sound financial basis for undertaking the transfer of 23 Residential Units from SCC to HGR. SCC are undertaking the major refurbishment works currently required which limits the exposure of the Company to unforeseen capital expenditure risk. SCC is also providing by way of the legal contracts, an indemnity for the Company that in the event unforeseen circumstances arise around Right to Buys, or other such statutory events, those costs or ramifications arising from any such action against the company are underwritten.

## **CABINET MEMBER DECISIONS SEPTEMBER 2020**

### **CABINET MEMBER FOR COMMUNITIES**

#### **1. Surrey Fire & Rescue Service Statement of Assurance**

##### **Details of decision**

That the annual Surrey Fire & Rescue Service Statement of Assurance is approved for publication.

##### **Reason for decision**

The requirement for an annual Statement of Assurance is set out in the revised Fire and Rescue National Framework for England.

*(Decision taken by the Cabinet Member for Communities – 15 September 2020)*

### **CABINET MEMBER FOR TRANSPORT**

#### **2. Chertsey Bridge Weight Limit**

##### **Details of decision**

It was agreed that:

- 1 a notice is advertised in accordance with the Road Traffic Regulation Act 1984, the effects of which would be to revoke any existing traffic orders necessary, and impose an 18 tonne weight limit across Chertsey Bridge on environmental grounds including the exemptions detailed in Annex 2; and
- 2 any objections to the Traffic Regulation Order should be considered and resolved by the Cabinet Member for Highways in consultation with the North West and North East Area Highways Managers and the Chairmen of the Runnymede and Spelthorne Joint Committees, and
- 3 the Order be made once any objections have been considered and resolved.

##### **Reasons for decision**

The existing 18 tonne weight limit on Chertsey Bridge is currently imposed on structural grounds and includes no exemptions. However, after the bridge was previously strengthened, the traffic regulation order imposing the weight limit should have been remade on environmental grounds. It is also normal practice to include a limited number of exemptions (such as for emergency service vehicles, vehicles in local authority service and vehicles associated with carrying out essential works required over the length of the restriction) to an environmental weight limit.

The existing order therefore needs to be revoked and remade on environmental grounds, so the restriction is brought into accordance with appropriate guidance and good practice.

The introduction of the standard exemptions for an environmental weight limit as part of this process will simply formalise existing necessary activity and is not expected to cause any increase in large vehicles passing over Chertsey Bridge or result in any impacts for residents.

*(Decision taken by the Cabinet Member for Transport – 15 September 2020)*

### **3. Bus Lane A30 London Road Camberley**

#### **Details of decision**

It was agreed that:

1. A statutory consultation to amend the hours of operation of the westbound A30 London Road bus lane to twenty-four hours a day, seven days a week, and to review reducing the classes of vehicle permitted to use the bus lane be undertaken.
2. A statutory consultation to remove sections of the westbound A30 London Road bus lane be undertaken:
  - Between Park Street and Lower Charles Street
  - Between Lower Charles Street and Grand Avenue
  - Note it is also proposed to remove the section of bus lane between Frimley Road and 431-437 London Road, however, this is subject to gaining approval for increased hours of parking restrictions in the parking bays outside 423-437 and 443-457 London Road.
3. Delegated authority to the Director for Infrastructure and Delivery to deliver the suggested statutory consultations.
4. To review the outcome of the consultation responses before confirming any changes.

#### **Reasons for decision**

The westbound A30 London Road bus lane has been in operation for over fifteen years, however, as part of the Local Enterprise Partnership (LEP) funded A30 London Road major scheme, a review of its operation has identified some changes which can be made to improve its effectiveness.

In order to make any amendments to the bus lane, a statutory consultation must be undertaken to change the existing traffic orders which govern the usage of the A30 London Road bus lane. The Cabinet Member for Highways is requested to approve the undertaking of these statutory consultations and review any objections in consultation with the Director for Infrastructure and Delivery before deciding how to proceed.

Any agreed changes to the bus lane will be delivered as part of LEP-funded A30 London Road major scheme.

*(Decision taken by the Cabinet Member for Transport – 15 September 2020)*

#### 4. Spelthorne Electric Vehicle Charging Point Trials

##### Details of decision

It was agreed that:

1. The Cabinet Member noted the proposed sites and locations of Electric Vehicle charging bays in Annex 1 to undertake the Electric Vehicle Charging Point trials funded by the Enterprise M3 (EM3) Local Enterprise Partnership (LEP) in the Borough of Spelthorne.
2. The advertisement of all necessary TROs across the selected sites in the Borough of Spelthorne, is authorised as and when required, in order to allow the bays to be introduced and agree that if no objections are maintained, the orders are made.
3. If there were unresolved objections, they would be dealt with in accordance with the County Council's scheme of delegation by the parking strategy and implementation team manager, in consultation with the chairman/vice chairman of the Spelthorne Joint Committee and the appropriate Divisional County Councillor, with the addition also of the project sponsor.

##### Reasons for decision

Due to the cancellation of previous Spelthorne Joint Committee due to the COVID-19 pandemic. The Cabinet Member is asked to agree the recommendations and proposed sites to enable the progression of the Electric Vehicle Charging Point Trials as set out in the approved and funded EM3 LEP Business case.

*(Decision taken by the Cabinet Member for Transport – 15 September 2020)*

#### 5. Woking Electric Vehicle Charging Point Trials

##### Details of decision

It was agreed that:

1. The Cabinet Member noted the proposed sites and locations of EV charging bays in Annex 1 to undertake the Electric Vehicle Charging Point trials funded by the Enterprise M3 (EM3) Local Enterprise Partnership (LEP) in the Borough of Woking.
2. The advertisement of all necessary TROs across the selected sites in the Borough of Woking, be authorised as and when required, in order to allow the bays to be introduced and agree that if no objections were maintained, the orders are made.
3. if there were unresolved objections, they would be dealt with in accordance with the county council's scheme of delegation by the parking strategy and implementation team manager, in consultation with the chairman/vice chairman of the Woking Joint Committee and the appropriate Divisional county councillor, with the addition also of the project sponsor.

##### Reasons for decision

Due to the cancellation of previous Woking Joint Committee due to the COVID-19 pandemic. The Cabinet Member is asked to agree the recommendations and proposed sites to enable the progression of the Electric Vehicle Charging Point Trials as set out in the approved and funded EM3 LEP Business case.

Approval of the sites will allow the advertisement of the required Traffic Regulation Orders (TROs) to be consulted on. Responses received during the period of advertisement will be reported back to the Woking Joint Committee in November 2020 for final decision on which locations EV charging points bays can be installed as part of the EV Charging Points trials project.

*(Decision taken by the Cabinet Member for Transport – 15 September 2020)*

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**Cabinet Member Update**  
Councillor Mark Nuti  
Deputy Cabinet Member

It is fair to say that the last six months have been challenging.

When the libraries closed their doors to the public, it was a realisation for many, that lockdown really did mean lockdown. But, thankfully – our staff were undeterred by this necessary pause and with ingenuity, flexibility and drive - the service reinvented its social media presence, taking to the World Wide Web with great gusto - in order to engage once again with our residents.

Much has been achieved over the last few months, but I thought it worth going through some key statistics, which I think best crystallise the great achievements of our cultural services.

Since the lockdown:

- We have seen an 110% increase in library membership.
- Some 54,000 new books have been purchased for stock, in order to keep up with the demand since lockdown.
- We've witnessed impressive social media engagement with our cultural teams, with over 40,000 engagements on Twitter, in comparison to 5,000 for the same period last year. On Facebook, we have expanded our reach – with 530,000 residents able to access service information online.
- Our Heritage Team has received 55% more written enquiries than 2019, with more residents than ever before choosing to investigate their either local or family history.
- And, since its launch five months ago, the Libraries YouTube Channel now has 538 subscribers, compared to the SCC YouTube channel, which launched 12 years ago and currently has 602!

Today, I am delighted to confirm that 41 of 42 main network libraries are now open with the community partnered libraries starting to come online. Staff have been critical to this effort and have navigated challenging guidelines and safety procedures, with great care and initiative, in order to ensure that our libraries return to as near normal conditions as possible. Already, the service has received excellent feedback from our residents; with all appreciating the return of their local library. By October, I hope libraries will be able to introduce a limited number of events, launched along the lines of 1-2-1 sessions, which will be able to provide focused, crucial support to our residents.

Our library co-design work is underway to help identify how libraries can best meet the needs of residents. We have concluded interviews for our internal co-design team and I'm pleased to announce that the team is now up and running. We have engaged an external consultant in Stripe Partners who, as well as doing some of the design work, will be training up our own staff, which should mean that in the future - we will be able to undertake this work without a need for costly consultation.

The exact locations for the first stage of engagement are being finalised, though it is a given, that this stage will take on a very digital bias until restrictions allow us to engage more directly.

Work continues at pace on our library restructure programme. We will be working with colleagues across the organisation to best readjust our timelines to take into consideration the impact of COVID-19. We expect to launch this in Autumn 2020, with the expectation that we will be live by the new financial year 2021/22. Looking ahead, it is important to acknowledge that COVID-19 has had a real financial impact on our Cultural and Registration services and therefore, over the coming months – the services will look to prioritise recovering lost income and driving forward service-based recovery plans.

Colleagues, as we adapt to our new normal, it is fantastic to note that our library service has sought to look to the future, with the launch of six new library apprenticeships. This is a great endorsement of our County's desire to offer more opportunities to our young people, which has already attracted much interest – as to date we have received over 100 applications for these roles.

Throughout this unprecedented time in our history, our Cultural offering has proved its worth to the wider community in Surrey and has led the way nationally in how we have dealt with challenges and brought our services back to our public.

I am very excited that the service is working with the Arts Council to establish a more strategic role for culture in Surrey, particularly in response to COVID-19. We are starting work with four National Portfolio Organisations (NPO's) in Surrey funded by the Arts Council, which are as follows: New Adventures (Matthew Bourne), Watts Gallery, Farnham Maltings and Stopgapdance. The Arts Council are also supporting the service to engage with our Surrey universities, which will start later this month.

I would like to thank the staff from the bottom up for the dedication and pride they take in their work and the obvious love they have for the service they provide. We are lucky to have a team that is prepared to challenge adversity, that is embracing of change and is genuinely excited about the opportunity the transformation project is going to give us.

It is going to be a very exciting twelve months!

**SURREY COUNTY COUNCIL****CABINET****DATE:** 29 SEPTEMBER 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](mailto: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



Title:	<b>Surrey County Council Response to Covid: Local Authority Emergency Assistance Grant for Food and Essential Supplies</b>
Divisions Affected:	All divisions
Key Decision:	Yes
Reason Key:	Affects two or more Divisions
Decision taken under delegation by virtue of:	<b>Cabinet decision 31 March 2020 Min ref: 41/20</b>

### Summary

On 10 June 2020, The Prime Minister announced a grant of £63 million for local authorities in England to help those who are struggling to afford food and other essentials due to COVID-19. The funding is a one-off contribution for the 2020-21 financial year and is made under Section 31 of the Local Government Act 2003. Surrey County Council has been granted an allocation of £788,015.67.

This additional funding is intended to help local authorities to continue to support those struggling to afford food and other essentials over the coming months due to COVID-19. The government anticipates that most of the funding will be spent within 12 weeks of receipt of the funding (received end of July).

Discussions held within the Welfare Cell, unanimously concluded that the most vulnerable residents would benefit most from a partnership approach to the distribution of these funds, building on the existing relationships across the County Council, Borough & District Councils and voluntary, community & faith sector (VCFS) which have been utilised in the joint approach to the response to the pandemic.

The SRG approved the proposal to allocate these funds in the following ways, which the Welfare Cell considers to be the best mechanism to ensure coverage across the County and that the funding is targeted at those most in need of financial assistance for food and essential items, as a result of the COVID 19 pandemic:

- the majority of the allocation (£648k) is to be distributed to the **Borough and District Councils** to use to target those in need and provide additional grant funding **to local food banks and VCFS** organisations supporting the purchase and distribution of food, medical supplies and other essential items. The approach to utilisation will be determined at a local level based on need and delivery mechanisms.

It is proposed that the allocation of these funds across the 11 Boroughs and Districts replicate the DEFRA assessment of need (based on population data weighted by the Index of Multiple Deprivation (IMD) for the authority area).

- **Surrey Crisis Fund** is an existing fund, run by Surrey County Council, supporting vulnerable people across the County experiencing hardship.
- **Bookham food distribution centre** (previously located at The Spectrum Guildford) continues to distribute food parcels to shielding residents and those self-isolating as a result of test and trace. The funding will be used to continue operation of the central food distributions centre reaching across the County and covering demand where government food banks are due to cease operation. This additional funding will enable opportunities to expand the offer to include toiletries, sanitary items, and other essential items.

### Decision made

#### Decision made:

It was AGREED that:

The proposed allocation of the Local Authority Emergency Assistance Grant for Food and Essential Supplies is as follows:

<b>Organisation/Activity</b>	<b>Allocation</b>
Surrey Crisis Fund	£60,000.00
Bookham Food Distribution	£80,000.00
Elmbridge	£63,282.67
Epsom and Ewell	£38,598.65
Guildford	£78,789.58
Mole Valley	£44,122.96
Reigate and Banstead	£88,548.94
Runnymede	£55,447.46
Spelthorne	£71,067.86
Surrey Heath	£40,922.23
Tandridge	£54,305.98
Waverley	£56,243.83
Woking	£56,685.51
	<b>£788,015.67</b>

#### Reasons for Decision:

To assist those most in need with the purchase of food and other essential items due to financial hardship caused by the COVID-19 pandemic, in accordance with the grant conditions.

Decision taken by:	Leigh Whitehouse – Executive Director for Resources Mel Few – Cabinet Member for Resources
Decision taken on:	4 August 2020

To be implemented on:	One-off payments to be made to the organisations, as set out above.
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**Alternative options considered**

The alternative is to not accept the funding allocation from DEFRA which would reduce the ability of local authorities within Surrey to assist those in the County most in need to assistance with the purchase of food and essential supplies.

A number of allocation mechanisms were considered, but the proposal above was deemed to provide the most impact and coverage across the County.

**Summary of any financial implications**

The DEFRA grant allocation amounts to £788,015.67 and has been received by Surrey County Council. This allocated as above.

**Declarations of conflicts of interest**

None

**Consultation/Process Followed**

Decision taken in consultation with all partners within the Welfare and Vulnerability Cell and the Surrey Local Resilience Forum.

<b>Background Documents</b>	<b>Exempt:</b>
Cabinet report 31 <sup>st</sup> March 2020 setting out the council’s response to Covid-19.	

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## Record of decision taken under delegated powers by a council officer



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

### 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 from 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
The Richmond Fellowship	£16,773	The applicant was able to demonstrate hardship as a result of loss of income and ongoing costs associated with service provision. They originally asked for the panel to make a recommendation on how much funding they should apply for but after reviewing the application, they asked for £22,784.80. The panel is recommending hardship funding to the organisation for £16,773 which is the cost of running the service for one month, in line with the criteria and recognising they are an important service, providing mental health support which is a priority area for the county council.

### Decision made

#### Decision made:

It was AGREED that:

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

The Richmond Fellowship	£16,773.00
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A one-off payment of £16,773.00 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:	14 July 2020
To be implemented on:	Payment to be made following CLT and Cabinet confirmation of this decision. This is due to take place on 20 <sup>th</sup> 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 £16,773.00  
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 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 31<sup>st</sup> March 2020 setting out the council's response to Covid-19.

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## Record of decision taken under delegated powers by a council officer



Title:	<b>Surrey County Council Response to Covid: providing support to service providers</b>
Divisions Affected:	Elmbridge, Runnymede (and the Royal Borough of Kingston upon Thames)
Key Decision:	Yes
Reason Key:	Affects two or more Divisions
Decision taken under delegation by virtue of:	<b>Cabinet decision 31 March 2020 Min ref: 41/20</b>

### Summary

Bus route 461 is a key route to St Peter's Hospital normally running every 30min. Fare income has reduced a result of fewer passengers due to Covid-19. In order to maintain the service at a level which would support key workers accessing an NHS primary care facility, additional funding of £450 per day was agreed for three months from 1<sup>st</sup> April to 30<sup>th</sup> June 2020. Patronage has not increased as hoped, and the service continues to suffer reduced fare income. In order to maintain this essential service further support of £300 per day is required from 1<sup>st</sup> July to 31<sup>st</sup> August, with an expected total cost of £12,900, which will be partially funded through Covid Bus Service Support Grant.

### Decision made

#### Decision made:

It was AGREED that:

1. Financial support of £300 per day (estimated at £12,900) be provided to Falcon Buses to support route 461 from 1<sup>st</sup> July to 31<sup>st</sup> August 2020.

#### Reasons for Decision:

To enable continuation of bus services taking key NHS workers to St Peter's Hospital.

Decision taken by:	Katie Stewart – Executive Director ETI Matt Furniss – Cabinet Member for Transport
Decision taken on:	14 July 2020
To be implemented on:	Payments backdated to 01/07/2020

### Alternative options considered

The alternative is not to continue to provide financial support, which would impact on

the ability of key workers to access St Peter's Hospital safely.

**Summary of any financial implications**

Additional costs expected to be £12,900 until 31<sup>st</sup> August 2020, of which £6,900 is expected to be met from Covid Bus Service Support Grant.

**Declarations of conflicts of interest**

None

**Consultation/Process Followed**

Decision taken in consultation with Cabinet Member for Transport.

**Background Documents**

Exempt:

Cabinet report 31<sup>st</sup> March 2020 setting out the council's response to Covid-19.

## Record of decision taken under delegated powers by a council officer



Title:	<b>Contribution to Multi Agency Group on Homelessness during the COVID-19 pandemic</b>
Divisions Affected:	All divisions
'Key Decision:	Yes
Reason Key:	Affects two or more Divisions
Decision taken under delegation by virtue of:	<b>Cabinet decision 31 March 2020 Min ref: 41/20</b>

### Summary

A Multi Agency Group (MAG) has been formed across Surrey County Council, District & Borough Councils, Surrey Police and other partner agency to review and address issues relating to homelessness during the COVID-19 pandemic.

This group is exploring ways to reduce homelessness and in doing so reduce the risk of spreading the virus in the community.

This includes securing suitable accommodation for both suitable social isolation for positive cases and cross sector coaching and care in the community for people with complex needs to help them settle into new accommodation and prevent a return to homelessness.

The initial costs of the work of the new MAG is estimated to be £200k for the period through until the end of March 2021.

It is proposed Surrey County Council makes a £100k contribution towards these costs. This funding would be paid to local partner agencies and providers including housing, mental health and substance misuse via Public Health who are acting as the lead coordinator for the project.

Other funding for the work is expected to come from Office Police and Crime Commissioner and the Ministry for Housing, Communities and Local Government via the local collaborative bids that are currently being developed.

A longer term plan and funding for this work will be reviewed based on the outcomes of the findings of this work and pilot schemes.

**Decision made**Decision made:

It was agreed that SCC pay £100,000 to housing, mental health and substance misuse via the Council's Public Health service who are acting as the lead coordinator for the delivery of the homelessness schemes being taken forwards by the new MAG.

Reasons for Decision:

To support COVID-19 infection control across Surrey and also to ensure some of Surrey's most vulnerable residents receive critical support to help reduce homelessness in the longer term.

Decision taken by:	Simon White – Executive Director for Adult Social Care Sinead Mooney – Cabinet Member for Adults
Decision taken on:	22 <sup>nd</sup> July 2020
To be implemented on:	Payments will be made as required through agreement with local partners and providers.

**Alternative options considered**

SCC could have chosen not to make a contribution. However, this would have left residents vulnerable and delayed action to help control the spread of the virus.

**Summary of any financial implications**

It is intended that SCC's £100,000 contribution will be funded out of the COVID-19 grant monies that government has provided to SCC.

Delivery of the projects planned by the MAG should have positive knock on financial impacts for supported housing, substance misuse and mental health services funded by SCC's Adult Social Care service.

**Declarations of conflicts of interest**

None

**Consultation/Process Followed**

Decision taken in consultation with the members of Multi Agency Group (MAG) formed to tackle homelessness during the COVID-19 pandemic, the Executive Directors for Adult Social Care and the Cabinet Member for Adults.

### Background Documents

Cabinet report 31 <sup>st</sup> March 2020 setting out the council's response to Covid-19.	 SCC Response to COVID-19
Surrey Multi-Agency Homeless Support Plan	 Surrey Multi Agency Homeless Support ple
Weekly surveillance monitoring for COVID-19 triage within homeless (Sensitive)	 Updated Weekly Surveillance Report.xl

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## Record of decision taken under delegated powers by a council officer



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

### 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 from 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
The Maybury Centre	£5,000	The applicant asked for a grant of £10,000 to help the centre to exist through the pandemic. The Centre has been closed which has resulted in a significant loss of income. The grant would ensure the Centre is able to remain viable. It is an important asset to the community in a deprived area of Woking where a broad range of health, social, educational and recreational activities take place. The Centre on average has 20,000 users per quarter. The Panel asked for more information from Woking BC about the impact of closure and the borough council confirmed this would be significantly detrimental to the area. The Panel also asked the borough council to match fund the amount which they have agreed to and we recommend this grant is supported.
The Queen Elizabeth Foundation	£66,700	The QEF offers specialist neurological rehabilitative support and Independent Living Service to some of the most vulnerable people in Surrey. Due to pandemic their fundraising initiatives were significantly impacted causing a deficit of £1.2m and potential closure. Through innovative fundraising approaches they closed the gap to £400,000 and were seeking grants from partners. They approached the Leader and it was proposed we give a one-off grant of £66,700 through the Hardship Fund. This was proportionate to the number of beds Surrey CC was using and subject to other partners (including CCGs and other Local Authorities) committing to giving grants proportionate to their usage. QEF has had commitment from a number of partners that they will be giving grants. For e.g., Surrey Heartlands have agreed to give £66,700

		too. They have secured £179,000 and are waiting to hear from other LAs and CCGs and the Panel proposes we release the funding as significant progress and commitment has been made by other partners, taking the applicant to a sustainable position.
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### Decision made

#### Decision made:

It was AGREED that:

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

The Maybury Centre	£5,000.00
Queen Elizabeth Foundation	£66,700.00

A one-off payment of £71,700.00 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:	24 August 2020
To be implemented on:	Payment to be made following CLT and Cabinet confirmation of this decision.

### 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 £71,700.00

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 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 31<sup>st</sup> March 2020 setting out the council's response to Covid-19.

**SURREY COUNTY COUNCIL****CABINET**

**DATE:** 29 SEPTEMBER 2020

**REPORT OF:** MR TIM OLIVER, LEADER OF THE COUNCIL

**LEAD OFFICER:** RACHEL CROSSLEY, EXECUTIVE DIRECTOR FOR STRATEGY AND COMMISSIONING

**SUBJECT:** SURREY COUNTY COUNCIL STRATEGIC RESET

**SUMMARY OF ISSUE:**

Surrey, along with the rest of the UK faces an unprecedented future as a result of the Covid-19 pandemic, bringing with it both significant challenges and opportunities. The pandemic has fundamentally shifted the strategic context in which the council is operating. There are opportunities to use lessons learned from the crisis to enhance or adapt the council's strategic approach to ensure the aims and ambitions of the Community Vision 2030 can continue to be realised. To do this the strategies, budgets and transformation programme set by the council for 2020/21 need to be reset so they reflect how priorities have changed as a result of the new environment.

**RECOMMENDATIONS:**

Cabinet is asked to:

1. Note the key themes emerging from the planning assumptions and evidence base that have informed the strategic reset;
2. Note the input of the Member Reference Group in informing the Strategic Reset paper;
3. Note the financial implications, impacts on the Transformation Programme, and the impacts on Directorate business plans;
4. Consider, and agree the proposal that the four emerging priority objectives (Tackling inequality and ensuring no one is left behind; Driving inclusive growth; Creating a greener future; and Enabling resilient and connected communities) form a new focus for the council and the basis of a refreshed Organisation Strategy; and
5. Consider the process being undertaken by Directorates to understand the implications for future years following the impact of Covid-19 on our residents, communities and the council.

**REASON FOR RECOMMENDATIONS:**

Through the council's response to Covid-19 a number of the council's organisational priorities have come into sharper focus, including themes such as a strong and prosperous economy; happy, healthy, connected and resilient communities; a greener future; and being a leading council. There is consensus that the 2030 Vision remains the right focus, but how

we get there might need to change without losing the strong foundations that have been established over the past two years.

It is recommended that as part of the strategic reset a focus on these emerging priority areas will help the council to better prioritise its resources, refocus its transformation programme and ensure a stable provision of services going forward.

## **DETAILS:**

### **Context**

1. On 4 February 2020, Council approved the 2020/21 budget, however since then the council has faced unprecedented challenges brought about by the Covid-19 pandemic, which have fundamentally changed the context in which the council operates. In addition, wider and growing challenges faced by the county have presented the opportunity to look at public service reform, including how we can increase local accountability and engagement with residents in Surrey.
2. The council has made significant progress over the last two years in improving its financial position, however the pandemic has resulted in increased costs that have not been fully funded. Managing the pandemic locally has resulted in the council taking on a number of new responsibilities, provide support to shielding residents and develop a local outbreak plan. These additional costs and demand pressures are further exacerbated by the prospect of a significant reduction in the expected revenue from sources such as council tax, business rates and other charges.
3. In response to the impact of Covid-19, the council has conducted an in-year reset of its budget, strategic frame and delivery plans. This is in recognition that while the 2030 Vision remains the right destination, how we get there needs to change. Through the council's response to Covid-19 a number of organisational priorities have come into sharper focus including, tackling inequality and ensuring no one is left behind; driving inclusive growth; creating a greener future; and enabling resilient and connected communities. It is proposed that these priority objectives form a new focus for the council and a basis of a refreshed Organisation Strategy, ensuring resource is prioritised in the right areas and in recognition that not all the activities the council set out to deliver in 2020/21 can continue in the form that was originally intended.
4. Despite the challenges, the council adapted quickly in continuing to deliver the majority of services for residents, whilst also working as part of Surrey's Local Resilience Forum (LRF) to coordinate a county-wide effort to manage the impact of the pandemic both through our health and social care services and in developing a new support offer to shielding residents. As part of the recovery effort, the council sought to rapidly stand-up services that were forced to stop during lockdown due to health and safety concerns and continued to adapt where necessary to comply with social-distancing regulations. The work of the previous two years has put the council on a strong foundation to respond, and has enabled it to continue providing services while making efficiencies.
5. There is also the opportunity through the strategic reset to enhance or adapt our approaches based on the learning from our response to Covid-19, building on the increased community spirit that has emerged to develop new ways of working with communities and longer term, consider how public services can enable better

outcomes for the people and place of Surrey.

6. The national and local landscape remains extremely fluid, which makes it challenging to make predictions in the short and medium term. The in-year reset is based on a set of planning assumptions based on the most likely scenario, however this is expected to alter in the future if further extended periods of lockdown are initiated. The council will continue to play a key role over the coming months, and into the medium and longer term, in managing the emerging challenges, being prepared to amend the strategic direction where necessary and maintain a crucial role in the continued response and recovery.

### **Impacts on residents and the council**

7. The strategic reset has been based on a set of planning assumptions, and the analysis of data from a range of government and national bodies, and local sources, brought together to form an evidence base. The planning assumptions – developed from emerging policy trends and predictions from government messaging and policy think tanks - have provided a basis from which to predict a “most likely” scenario for the council’s operating environment moving forward following the Covid-19 lockdown. Supporting this, and to ensure the council and partners have a detailed picture of how Covid-19 has impacted our residents, communities and businesses, an analysis of the data in the evidence base was also undertaken. This includes a Local Recovery Index (LRI), developed to measure the broad impact that Covid-19 has had on five dimensions in Surrey - community, health, environment, the economy, and infrastructure - and how local areas are recovering from this impact.
8. From a review of the planning assumptions and the evidence base, some key themes have emerged:
  - a. **Widening inequality**
    - The impacts of Covid-19 and lockdown measures are being felt, with different responses and behaviours by age, race, property and wealth, leading to polarisation and exacerbated social, economic and health inequalities.
    - The health impacts of Covid-19 during the initial phase of the pandemic have been felt more in certain communities including parts of Waverley, Mole Valley, and Reigate & Banstead where there are a higher number of over 80s and care homes.
    - The current economic climate will see some businesses close permanently, leading to increased unemployment and subsequent impacts, such as more child poverty and homelessness. Some parts of the county will most likely be more acutely affected by this, for example high streets in towns and cities, communities near to Heathrow airport and Gatwick airport, or areas that are highly reliant on visitors that support the local hospitality and tourism industry.
    - Surrey has a higher proportion (compared to the South-East or England) of businesses in the ‘micro’ size band (employing nine people or fewer). As the Job Retention Scheme is ended it is expected many of these firms will struggle to keep all their furloughed employees. Currently the proportion of people furloughed under the Coronavirus Job Retention Scheme in Surrey ranges from 27% in Spelthorne to 21% in Reigate & Banstead.

**b. Increased pressures on public services**

- The social and economic fall-out is likely to increase demands on public services. As a crisis impacting the entire population, public services need to anticipate the extra demands e.g. on mental health services.
- Public services will also need to manage anticipated declining revenues as the economic climate deteriorates through a shrinking tax base, and the shape of fiscal policy once the crisis is over.
- The rate of people claiming Universal Credit and Job Seekers Allowance increased dramatically as a result of Covid-19. The Claimant Count for July 2020 increased 313% in Surrey compared to July 2019. All of Surrey's districts and boroughs recorded higher increases than the South-East (183.9%) and national increases (131.7%) in June.

**c. Opportunities for reform**

- Notwithstanding the significant, negative impacts caused by Covid-19, the crisis provides the opportunity for potential reforms across a range of policy areas. This includes new ways of working, reforms to the way children and young people are educated, and opportunities to further integrate local health and care services.
- Changes to ways of working and travel patterns could have long-term environmental benefits and strengthen economic productivity, however work may need to be undertaken to harness these positive changes before 'normal' behaviours return. For example, during the pandemic transport usage has fallen, but traffic levels are beginning to rise again. Car usage in April dramatically fell to 29% of the level in previous months. This has steadily risen back to 66% of the March 2020 figures.
- Voluntary, Community and Faith Sector (VCFS) organisations have played a vital role in the response to the pandemic and delivering support to residents that are particularly vulnerable as a result of Covid-19, as well as playing an important role in both recruiting and matching volunteers to local organisations. Going forward there is the opportunity to build on the community spirit that has emerged through the response to develop new ways of working with communities that enables greater community participation and to work in closer partnership with the VCFS, supporting the sector to remain resilient and responsive to community needs.

9. For more detail, the planning assumptions can be found in Annex 1, while emerging findings from the evidence base can be found in Annex 2, and the Local Recovery Index (LRI) in Annex 3.

**Financial impact of Covid-19**

10. The impact of Covid-19 on the Council's finances has been reported to regularly (most recently to this Cabinet meeting in the Month 4 (July) Financial Report). On 21 July 2020 (as part of the Month 2 Financial report), Cabinet approved an in-year budget reset to incorporate Covid-19 funding for costs and lost income into Directorate budgets.

11. The total of Covid-19 costs, lost income and unachievable efficiencies at the point of the reset was £51.9m. Unachievable efficiencies were then excluded leaving a total of £47.6m, funded by £46.1m of Government grant (£47m had been received, with £0.9m already used in 2019/20) and £1.5m of contingency. A summary of the financial impacts and the reset by Directorate (as at end of Month 2) is included in Annex 4.
12. In July, Government announced a further allocation of Covid-19 grant funding of £6.4m. £1.5m of this replaced the contingency used in the budget reset. A further £3m is allocated as part of the M4 (July) Financial Report (Item 16 on this Cabinet's agenda). This leaves £1.9m held in reserve pending a further review of the Council's Covid-19 costs over the coming months. Details of a further grant to cover lost sales, fees and charges are awaited.
13. The Finance and Transformation teams continue to work closely with colleagues across the council to manage the impact on 2020/21 budgets and to plan the budget and efficiency programme for 2021/22 and the medium term. Progress on developing the budget for 2021/22 will be presented to Select Committees in September and October. Covid-19 costs will present a significant ongoing financial challenge into 2021/22 with no current expectation of additional central government funding to meet this pressure. This creates a significant financial challenge that the council will need to consider over the next few months. Further information on the scale of the challenge is provided in paragraphs 29-31.

#### **Implications for planned Directorate activities**

14. The Covid-19 pandemic has resulted in some of the planned Directorate activities for the year either being paused or delayed as priorities have had to shift to meet the challenges provided by the pandemic or cancelled due to government regulations prevailing at the time.
15. During the period of lockdown, Directorates have regularly reviewed their business plans to help build a picture of what the key implications are for the council and to adapt to the changing situation. Activities across business plans remain broadly deliverable, however there are issues linked to resources and capacity if everything, including those areas of work that have been paused or pushed back, were to continue to be delivered to the original timelines. An initial phasing of activity has taken place but this will continue to be an iterative process, recognising that our operating environment is continuing to shift as a result of Covid-19.
16. There are concerns about providers and other businesses that are part of supply chains to remain financially viable, which puts certain activities in business plans at risk. There are similar concerns around ensuring our VCFS partners remain strong and resilient given the key role they play in prevention and support to our more vulnerable residents. In many areas partnership working has been strengthened through the Covid-19 response, including with health partners through our work as part of Surrey Heartlands and Frimley Integrated Care Systems, and there is the opportunity for these to be developed further to support integration of services where suitable and improve service delivery.

17. The issues of capacity to deliver the activities in Directorate business plans supports the move to shift the focus to the smaller group of emerging priorities in order to help us to better prioritise our resources and refocus our transformation programme.
18. Please see Annex 5 for further details about specific implications on planned Directorate activities.

### **Implications for our Transformation programme**

19. The council has an ambitious Transformation programme to ensure that high-quality services are delivered for our residents and continue to drive efficiency savings to ensure that the Council remains on a sustainable financial footing.
20. Our planned 2020/21 Transformation activities have been variously impacted by Covid-19. Some programme activities were slowed where colleagues have necessarily been focussed on the pandemic response. Other programmes modified their focus, for example, libraries transformation effort was directed at rapidly expanding the digital offer for residents during lockdown. The current scenario has also presented some unintended opportunities to accelerate transformation initiatives with our agile programme improving the council's remote working capability far quicker than planned.
21. When lockdown restrictions began to ease at the start of the summer efforts were made to bring programmes back up to speed, recognising the residual impacts and ongoing challenges posed by Covid-19. Annex 6 provides programme level detail on Covid-19 impacts and the key deliverables that we are now on track to deliver for 2021/22.
22. Looking ahead to 2021/22 and beyond, there are now some new and altered priority objectives as outlined in this report that our Transformation programme needs to respond to. In line with the proposed review of the Organisation Strategy outlined below, the Transformation programme will be refreshed to ensure that it supports the council to play a more pro-active role in the economic recovery and inclusive growth; tackle place-based inequalities; accelerate the shift to a new operating model, centred on an agile and digital culture.

### **Looking ahead and next steps: 2021/22 onwards**

#### **Revising the Strategic Frame**

23. Surrey's Community Vision states that by 2030 we 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. We want our county's economy to be strong, vibrant and successful and Surrey to be a great place to live, work and learn. A place that capitalises on its location and natural assets, and where communities feel supported and people are able to support each other. Despite the significant impact of Covid-19, the broad ambitions outlined in the 2030 Community Vision remain valid and provide the direction of travel going forward.
24. But given the changed landscape, a sharper focus on a smaller group of priorities based on themes emerging from evidence on the impact of Covid-19 will enable the organisation to prioritise its activity at a time when the council needs to continue to

consider issues of financial sustainability as a priority to ensure stable provision of services in the medium term.

25. It is proposed therefore that these priority objectives form the new focus for the council and the basis of a refreshed Organisation Strategy, alongside a refreshed list of key enablers. The four priorities for the refreshed Organisation Strategy will be:

- i. **Tackling inequality and ensuring no one is left behind**
- ii. **Driving inclusive growth**
- iii. **Creating a greener future**
- iv. **Enabling resilient and connected communities**

26. Underpinning these priorities the key enablers which will drive the achievement of these ambitions.

- a. **Our people (including embracing diversity)**  
Fundamentally review workforce requirements and evaluate and embed new ways of working. Increase the focus on the wellbeing of staff and support them through the major changes brought about by the crisis. Be an organisation that embraces diversity of talents, skills and backgrounds to make the council more effective.
- b. **Digital**  
Build on the changes to working practices and the way council services have been operating in response to Covid-19 to embrace digital solutions to help us transform our organisation and services to deliver the outcomes for the people and place of Surrey.
- c. **Partnership**  
Building on the areas where partnership working has been strengthened through the Covid-19 response, there is the opportunity for these to be developed further to support integration of services where suitable and improve service delivery.
- d. **Transformation Programme**  
Will continue to drive efficiencies, key outcomes for people and place, and lay the foundations for future changes. The Transformation programme will ensure that it is playing a more pro-active role in the delivering the priority objectives.
- e. **Public Service Reform**  
We will explore new models of public services and devolution to local communities where possible, to deliver better outcomes and services that present increased value for money for our residents.
- f. **Financial sustainability**  
The in-year reset of the budget set out to address the financial challenges as a result of Covid-19 and deliver a balanced budget in 2020/21. The reset of

the council's strategic framework around the emerging priorities will ensure our ambitions are, and continue to remain, affordable and achievable.

27. The council faces ongoing and anticipated challenges which are set out in Annex 1. The Covid-19 pandemic is still having an impact on the council, our residents, our communities and local businesses. The council has significant aspirations of public service reforms that support the development of more effective and efficient services for residents in Surrey. The Government is potentially considering radical changes to the social care system, and by the time of publication of this report, is still to secure a free trade deal with the European Union as part of the Brexit transition phase. These highlight some of the significant challenges and risks that the council faces over the coming years, which is why the proposed re-focusing of the council's strategic frame is designed to support effective prioritisation and put the organisation into a position to tackle these challenges.
28. Following Cabinet's agreement to the focus of the Organisation Strategy around the four priority objectives, a paper outlining an updated version of the Strategy will be presented to Cabinet on 27 October. Following approval by Cabinet, the strategy will be presented to the County Council on 8 December for final approval.

#### Future financial implications

29. Given the challenges and uncertainty faced across the public sector, it is important the council continues to show strong leadership and maintains a relentless focus on robust financial planning. To support this, officers have already begun extensive work to understand the implications for future years following the impact of Covid-19 on our residents, communities and the council. Directorates have been tasked with costing the core planning assumptions and scenarios (see Annex 1 for further details) to arrive at costs and opportunities for the Medium Term Financial Strategy (MTFS) (2021/22 to 2025/26). This will be iterated over the coming weeks for submission of a draft budget to Cabinet in November.
30. The table below sets out assumptions in funding over the MTFS 2020/21-2025/26. We assume a 1.99% increase in council tax, with the tax base remaining flat growing gradually from 2023/24 onwards. There is also an expected c£35m collection fund loss for both Council Tax and Business Rates, spread over the next three years.

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Likely funding breakdown</b>	£m	£m	£m	£m	£m	£m
Council tax precept	760.9	780.5	796.0	813.9	834.2	855.1
Business Rates	116.2	116.4	132.9	115.4	84.8	59.2
Grant Funding	88.2	93.4	25.8	25.0	13.1	13.1
<b>Funding before collection fund</b>	<b>965.4</b>	<b>990.3</b>	<b>954.7</b>	<b>954.2</b>	<b>932.1</b>	<b>927.4</b>
CT collection fund	3.0	(16.2)	4.9	(3.2)	1.6	1.6
BR collection fund		(2.5)	0.7	0.7		
<b>Total funding</b>	<b>968.4</b>	<b>971.6</b>	<b>960.3</b>	<b>951.7</b>	<b>933.8</b>	<b>929.0</b>

\* The 2020/21 funding of £968.4m has been increased by £51.3m to £1,019.7m. This adjustment reflects allocations of Covid-19 emergency funding (£50.6m) and Public Health Grant (£0.7m) which are one-off for 2020/21 and do not change the base. The increase to 2020/21 was approved by Cabinet in July.

31. Based on the above "most likely" funding assumptions, the table below sets out the "most likely" pressures Directorates could be facing over the medium-term. These are based on the core planning assumptions identified by Directorates using a

PESTLE macro-economic based approach. The table also sets out the net gap of £63.7m in 2021/22, and work is underway to close this gap ahead of the report on the draft budget being presented to Cabinet in November.

Directorate	Base Budget £m	2021/22			Total by 2025/26	
		Optimistic £m	Pessimistic £m	Most Likely £m	Most Likely £m	Net Growth £m
Adult Social Care	372.1	386.7	433.4	400.9	485.2	113.1
Public Health	30.2	31.0	31.6	31.0	31.1	0.9
Children, Families, Lifelong Learning and Culture	245.2	254.1	269.6	265.8	305.8	60.6
Environment, Transport and Infrastructure	132.8	136.6	142.6	140.7	155.1	22.2
Community Protection	36.2	36.8	39.2	36.9	41.2	5.1
Resources	66.6	67.0	72.8	72.6	76.0	9.3
Transformation, Partnerships and Prosperity	17.4	17.5	20.3	19.6	20.1	2.6
Central Income and Expenditure	67.8	67.8	67.8	67.8	67.8	0.0
<b>Total</b>	<b>968.4</b>	<b>997.6</b>	<b>1,077.3</b>	<b>1,035.3</b>	<b>1,182.2</b>	<b>213.9</b>
Projected Funding	968.4	971.6	971.6	971.6	929.0	(39.4)
Net Gap	0.0	(26.0)	(105.7)	(63.7)	(253.2)	

#### CONSULTATION:

32. A strategic reset Task and Finish group was established by the Select Committee Chairmen & Vice-Chairmen's Group with representatives from each of the Select Committees plus the Audit & Governance Committee. It was agreed that the group would undertake oversight of the development of the council's reset strategy, provide scrutiny and challenge and feedback from the perspective of members' respective remits.
33. The roles and functions of the group were:
- On behalf of the select committees the group to carry out pre-decision scrutiny to influence the reset plans and in-year priorities by reviewing them for risk, value for money and outcomes for residents;
  - To identify and prioritise future public scrutiny of particular issues emerging from the reset plans;
  - Report back its findings to the Select Committee Chairmen & Vice-Chairmen's Group; and
  - Make recommendations to Cabinet as necessary.
34. The working group reviewed and stress tested the core planning assumptions (Annex 1). Their conclusion was that they represented a comprehensive document to highlight areas of risk and opportunity for Directorates, and it was recommended that these should form part of the information provided to select committees to inform their work programmes in the autumn.
35. Meetings of the group took place on 30 July, 14 August and 24 August with its conclusions feeding into the report to Cabinet in September 2020.

## **SECTION 151 OFFICER COMMENTARY**

36. 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.
37. 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.
38. 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**

39. There are no specific legal implications from the strategic reset at this time. Specific legal advice will be provided as the council varies its priorities and programmes in the coming months.

## **EQUALITIES AND DIVERSITY**

40. There are no immediate direct equality implications arising from this report. It notes that one of the impacts of Covid-19 on residents is widening inequality for health, economic and social outcomes. The council is working to better understand differential impacts on these outcomes for residents and communities of all backgrounds. We will also consider how the opportunities identified in this report can help us tackle inequalities, eliminate discrimination and promote equality of opportunity and good relations between communities.
41. The proposals to focus a refreshed Organisation Strategy on four priorities reaffirms and provides added emphasis on the council's mission to tackle inequality and make sure no-one in Surrey is left behind. This also includes a commitment to developing a diverse workforce, using the strengths this brings to supporting the council to achieve the Strategy's priorities. Further detail on the equality implications of the refreshed Strategy will be reported to Cabinet in October.
42. Current budget assumptions identify a net budget gap of £63.7m for the 2021/22 financial year. Equality Impact Assessments will need to be developed for efficiency and transformation proposals to close this gap where there are likely to be equality implications for residents and staff.

**Contact officer:**

Sarah Richardson, Head of Strategy

Contact Number: 07971091475

**Consulted:**

- Strategic Reset – Task and Finish Group
- Strategic and Integrated Planning Group

**Annexes:**

- Annex 1 – Planning Assumptions
- Annex 2 – Evidence Base
- Annex 3 – Local Recovery Index
- Annex 4 – Covid-19 financial impact
- Annex 5 – Implications for Directorate business plans
- Annex 6 – Transformation programmes – impact of Covid-19 and key deliverables by April 2021

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# **How might COVID-19 impact our operating environment?**

## **Scenarios & macro planning assumptions**

**The following slides consider the ‘most likely’ scenarios and trends over the next 12 months and beyond to inform these discussions**

	Challenges	Opportunities
<b>Covid-19</b>	<p>The Government will continue to cautiously ease lockdown restrictions while monitoring key indicators for signs of further spikes (e.g. R number for infection reproductive rate), though it is taking <b>localised measures where there are signs infection rates are increasing</b>. It is not anticipated that a <b>vaccine will be available until at least the middle of 2021</b>, assuming one can be found. <b>Social distancing</b> measures are likely to remain in place for schools, workplaces, and businesses such as shops and restaurants for at least a year, and national <b>test and trace programmes</b>, combined with implementation of <b>Local Outbreak Control Plans</b>, will be crucial for avoiding future blanket national lockdowns.</p>	
<p style="text-align: center;">Page 62</p> <p><b>Political</b></p>	<ul style="list-style-type: none"> <li>• The shape of national fiscal policy is uncertain. The Prime Minister has confirmed the <b>Government will not return to the austerity approach of the previous decade</b>. The Comprehensive Spending Review (CSR) in the autumn is unlikely to alleviate local government funding pressures. Funding for this will possibly be raised through a combination of measures, such as <b>more borrowing, higher taxes or public sector wage freezes</b></li> <li>• The <b>NHS is likely to be the main beneficiary</b> from additional government funding to manage stored up demand (e.g. for non-Covid urgent and chronic conditions). <b>Local authorities may also receive funds</b>, but they are unlikely to be sufficient for responding to increased service demands. It may be aimed at <b>reactionary over preventative spend</b> to deal with increased acute demand pressures</li> <li>• Development of a <b>proposal for unitarisation</b> of Surrey's local authorities in response to the Government's Devolution and Local Recovery White Paper may place <b>additional pressure on local authorities' capacity</b>. Agreeing the right structure of a unitary authority for the county may also be a challenge.</li> </ul>	<ul style="list-style-type: none"> <li>• The Government will invest more resources to <b>help public services cope with increased demand</b>, though it remains to be seen whether the level of investment is sufficient</li> <li>• <b>Green growth</b> agenda gains momentum with more investment in active travel schemes (walking and cycling) and streets are repurposed for pedestrians over private transport users.</li> <li>• <b>Lobbying HM Treasury ahead of the CSR</b> for fairer funding for Surrey and on service funding issues, e.g., Adult Social Care and SEND</li> <li>• <b>Renewed political appetite for devolution</b> as a tool for economic recovery that also passes on political risk to local authorities - Government more willing to enter into more devolution negotiations with places to support economic renewal. Opportunity to <b>simplify local government structures and transform services</b> as Government actively encourages proposals to reorganise local government into unitary authorities.</li> </ul>

## Challenges

- National economy – Bank of England projecting national economy to **shrink by 9.5% this year** – the biggest annual decline in 100 years. The economy is forecast to grow back to pre-Covid size end of 2021.
- Surrey's **economy enters a very difficult period**. There were signs the economy was starting to decline before the Covid crisis and the issues underpinning this have been exacerbated. Most impacted sectors include travel, aviation, retail, hospitality and leisure. Surrey predicted to lose 14.3% annual Gross Value Added (economic output)
- **Uncertainty on the outcome of the Brexit negotiations negatively affects business confidence** and could lead to investment being redirected away from Surrey and the wider UK
- **Permanent business closures**, particularly impacting small businesses. The trend away from the high-street towards the internet has accelerated. Larger anchor businesses could leave Surrey further hindering growth and business rates income. This could **impact supply chain resilience** for Surrey County Council and partners
- Difficult economic conditions means it will be **even harder to attract infrastructure investment** to support sustainable, good growth.
- **University sector in crisis** due to weakened offer to students, dwindling (international) student numbers and increasing employment uncertainty post-graduation
- Responding to the pandemic has **taken its toll on local authority finances**. Costs spike as funding the Covid response coupled with managing pent-up demand unleashed after lockdown puts huge pressure on council finances. Some authorities may **issue section 114 notices**. Others will need to **review and update their efficiency plans** to cover widening budget shortfalls.
- Planning White Paper – Councils would only have 30 months to prepare new Local Plans, **putting pressure on capacity**. New system has no flexibility to respond to changes in circumstances at final consent stage.

## Opportunities

- **New business models** emerge to allow for flexible working and social distancing. This may mean demand for office accommodation falls, leading to opportunities to use these spaces for community benefit
- **Town centres re-imagined** as geographical community and economic hubs
- **Pool of candidates** to draw from for jobs increases, with many newly attracted to public service roles
- Development of **local green industries**, such as recycling processing plants, to create jobs, while making efficiencies and reducing the county's carbon footprint.
- Assuming Brexit negotiations lead to a trade deal with the European Union, and deals are successfully negotiated with other countries around the world, Surrey could **capitalise and work with Government to further grow its export markets and capacity**.
- Opportunity through Public Service Reform to **lobby for creation of Surrey only Local Enterprise Partnership**, building on One Surrey Growth Board, so the county is better positioned to attract additional infrastructure investment from Government.
- Planning White Paper – zonal planning system **gives developers certainty** on what can and cannot be built on certain sites, speeding up delivery. Councils can forward fund infrastructure by borrowing against projected Infrastructure Levy receipts.

## Challenges

- **Unemployment rises sharply** – particularly impacting younger people, women, low-paid and lower skilled workers - and there is a risk of longer-term unemployment as some sectors (e.g. hospitality, retail) struggle to recover. Bank of England projecting national unemployment rate to **rise from 3.9% to 7.5%** by end of 2020.
- In the short-term at least, public services will be managing **greater demands from the population** as the knock-on impacts of Covid become clearer
- Local health and care services, as well as children's safeguarding services, will respond to pent up demand as services are stood up again, putting **greater pressures on already stretched services**
- Most **school year groups will not return until at least September 2020**, meaning childcare and schooling issues continue for some households, impacting workers with children and hampering educational development for some children. The risk of a second Covid-19 wave or significant local outbreaks could extend this.
- **Inequalities will worsen** as there will be greater prevalence of mental health issues, domestic abuse, child poverty, unemployment and homelessness. This hardship could lead to **more crime** and **dampen community spirit**
- The voluntary, community and faith sector (**VCFS**) will face **pressures** from increased demand and reducing resources. Some organisations will have to close as cash flow problems persist.

## Opportunities

- Focus on **re-skilling/up-skilling those workers who lost their jobs** as a consequence of the crisis, and opportunity to ensure lower skilled, lower paid residents have jobs that are fit for the future
- Community response to crisis leads to a **change in the 'social contract'** between citizens/patients and service providers
- **People are working less, or more flexibly, or are unemployed, meaning they may have more capacity to participate more in communities**, with the VCFS transforming to reflect this. This could strengthen community resilience and social cohesion.
- Extended closure of schools could mean initiatives are introduced to **support older children to undertake temporary work** to gain work experience and contribute to their communities.

	Challenges	Opportunities
<b>Techno-logical</b>  Page 65	<ul style="list-style-type: none"> <li>Some workers are <b>unable to sustain remote working</b> as they feel isolated, and remote working gains are not sustained.</li> <li>Assuming more people work from home, this could lead to <b>sustained pressures</b> on digital networks</li> <li>Lack of access to technology <b>could increase inequality for young people</b> if there are any further school closures or requirements for home learning</li> </ul>	<ul style="list-style-type: none"> <li><b>Higher profile for digital infrastructure</b> – increased importance of internet connectivity for work and service delivery (e.g. online retail)</li> <li><b>New health, care and community practices adopted</b> and locked in e.g. use of digital platforms by residents/patients and clinicians</li> <li>Changes to <b>ways of working</b> e.g. remote social work contact with children, sustained to support effectiveness and modernisation of services</li> <li>Increased reliance on technology for education during lockdown, particularly for home schooling, <b>leads to education reforms</b> that challenge the traditional classroom model.</li> </ul>
<b>Legal</b>	<ul style="list-style-type: none"> <li>Risk of further Covid spikes may mean needing to <b>use provisions in the Coronavirus Act</b> (e.g. Care Act easements) adversely impacting resident outcomes</li> <li>Economic recovery will be hampered by fragmented and out-dated decision-making on <b>planning, land use management and infrastructure</b> at a time when places need to respond flexibly to implement structural economic changes</li> </ul>	<ul style="list-style-type: none"> <li>Challenges for the care sector means government under more <b>pressure to implement social care reforms</b>, including a new legislative framework</li> <li>Exit from Brexit transitional arrangements <b>leads to opportunities to influence key legislation</b> affecting local government (e.g. procurement legislation)</li> </ul>

	Challenges	Opportunities
<b>Environmental</b>  Page 66	<ul style="list-style-type: none"> <li>Risk that as lockdown easing measures take effect, and with fewer people using public transport because of difficulties with social distancing, some people opt to increase their use of private transport, leading to <b>congested roads and more air pollution</b></li> <li>If people are working from home more, this could lead to <b>increased levels of household waste</b>, adding further importance to the need to promote recycling and re-use with residents</li> </ul>	<ul style="list-style-type: none"> <li><b>Transport and commuting patterns permanently affected</b>, leading to better air quality, fewer road accidents and less need for highways interventions</li> <li>Transport infrastructure investment <b>diverted towards active travel solutions</b>, e.g., off-road cycleways to increase safety and cut air pollution.</li> <li>Greater investment in <b>future proofed infrastructure</b> (e.g. autonomous cars), low carbon energy production, green construction methods and environmental business opportunities</li> <li>Additional investment in <b>green energy infrastructure</b> (e.g. solar energy farms) as part of transition to green economy</li> <li><b>Renewed appreciation for local countryside and green spaces</b> leads to increased resident use, better health and wellbeing outcomes and more demands for stronger environmental conservation policies</li> </ul>
<b>Health</b>	<ul style="list-style-type: none"> <li>Possibility of <b>social care transferring from local government to NHS</b> leads to significant uncertainty for business planning and service disruption, and loss of democratic accountability across health and care</li> <li>If health services <b>cannot reduce the backlog of treatments and operations stored up during lockdown</b>, health inequalities could worsen and/or there could be increased pressures on Surrey County Council services</li> <li>Long term impacts of lockdown will take time to materialise, but anticipate impacts on <b>mental health</b>, including PTSD, to be significant</li> <li>As lockdown easing measures take effect, there is a risk of <b>further Covid-19 spikes</b> which could add to the inequalities and demand pressures that local authorities need to respond to, and further damage the economy</li> <li>Fears of infection, coupled with Brexit uncertainty, means it is <b>even more challenging to attract people into health and care professions</b></li> </ul>	<ul style="list-style-type: none"> <li><b>Greater public awareness</b> of responsibility for own and others health and well-being (e.g. hygiene)</li> <li><b>Health and social care integration accelerates</b>, with more seamless service models developed</li> <li>Public Health plays a <b>key role in the NHS Test and Trace programme</b>, identifying further outbreaks early and initiating localised lockdown if needed. This will be supported by <b>Surrey's Local Outbreak Control Plan</b>.</li> </ul>

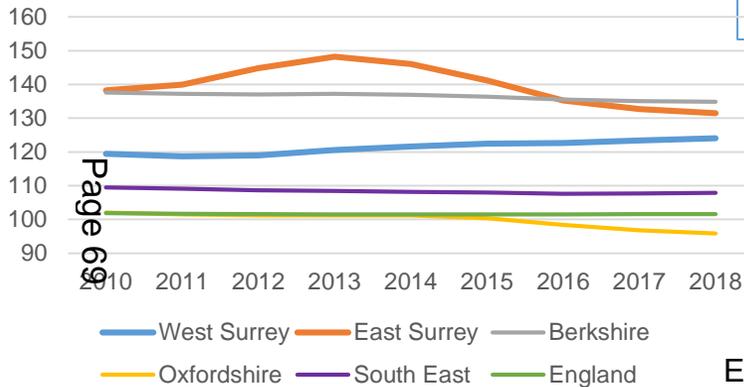
# Deeper, longer trends

- **Widening inequality** – The impacts of Covid-19 and lockdown measures are being felt differentially, with different responses and behaviours by age, race, property and wealth, leading to accentuation of differences, polarisation and exacerbated social and economic inequality. Likely recession will see some businesses close permanently, leading to increased unemployment and subsequent impacts, such as more child poverty and homelessness.
- **Increased pressures on public services** – The social and economic fall-out are likely to increase demands on public services. As a crisis impacting the entire population, public services need to anticipate the extra demands e.g. on mental health services. They will also need to manage declining revenues as an imminent recession will shrink the tax base, and the shape of fiscal policy once the crisis is over is unclear.
- **Opportunities for reform** – Crisis provides stimulus for potential reforms across range of policy areas. Includes new ways of working, reforms to the way children and young people are educated, more and better housing and removing barriers to health and care integration. Changes to ways of working and travel patterns could have long-term environmental benefits and strengthen economic productivity.

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# A Strong and Prosperous Economy: Key Facts & Figures

Labour productivity (nominal GVA per hour worked) where UK=100, 2010-2018



West Surrey's productivity increased from 21% above the UK average in 2013 to 24% above in 2018

East Surrey's productivity decreased from 48% above the UK average in 2013 to 32% above in 2018

Source: ONS

The gap between average house prices and 4.5 times Surrey's average annual salary is **£185,575**, more than

**4x** the national average of **£42,272**

Source: Land Registry/ONS



**7%** of households in Surrey receive housing benefit, below the South-East average of 9.6%

Source: Department for Work and Pensions

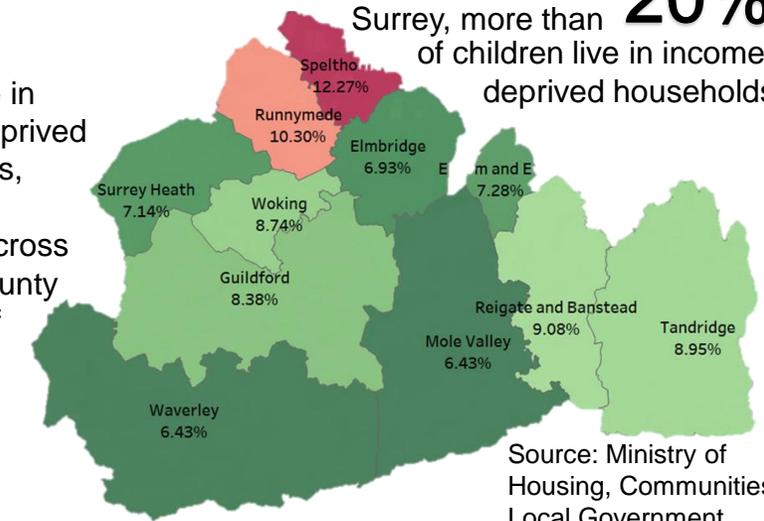
GVA 2018	GVA Growth 2010-2018
SURREY	<b>£43.4bn</b> <b>24%</b>
WEST SURREY	<b>£30.9bn</b> <b>32%</b>
EAST SURREY	<b>£13.4bn</b> <b>7%</b>
BERKSHIRE	<b>£44.1bn</b> <b>33%</b>
OXFORDSHIRE	<b>£44.1bn</b> <b>27%</b>

**6.3%** of households live in fuel poverty in, down **1.4%** between 2017 and 2018, below the South East average of 8.1%

Source: BEIS

**8.3%** of children in Surrey live in income-deprived households, below the average across English county councils of 13.1%

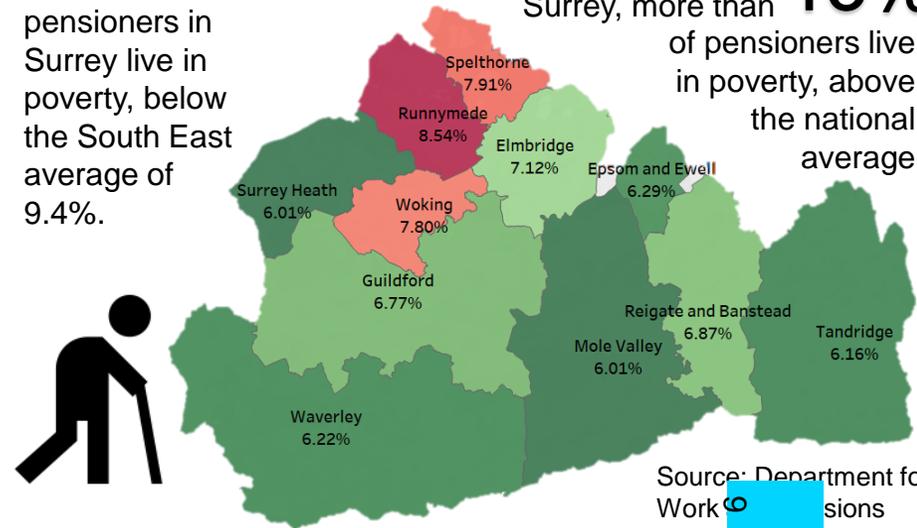
But in **43** Lower Layer Super Output Areas (LSOAs) in Surrey, more than **20%** of children live in income-deprived households



Source: Ministry of Housing, Communities & Local Government, Indices of Deprivation

**6.8%** of pensioners in Surrey live in poverty, below the South East average of 9.4%.

But in **32** wards in Surrey, more than **13%** of pensioners live in poverty, above the national average



Source: Department for Work and Pensions





of Surrey's working age population hold a degree-level qualification, up from **49.8%** in 2018

number of adults with no qualifications up

**1.1%**

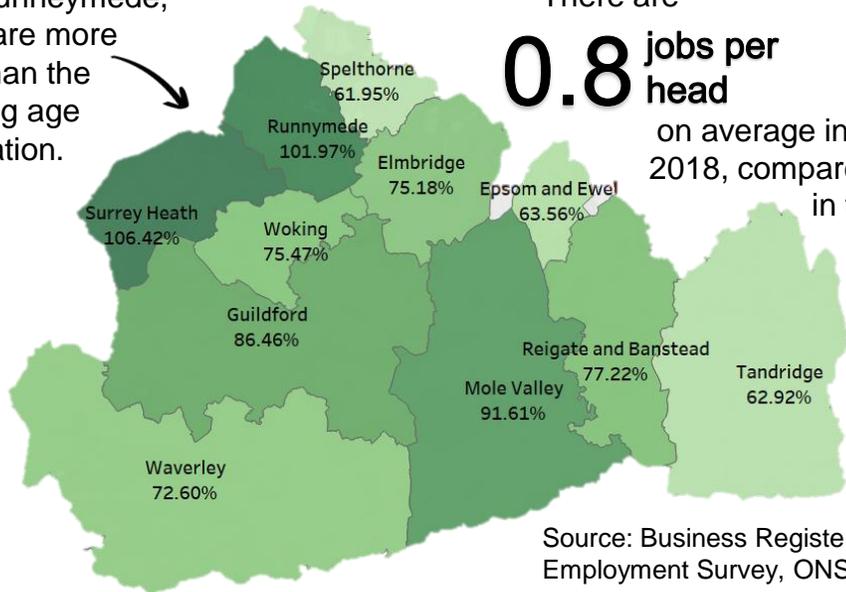
in 2019



Source: NOMIS

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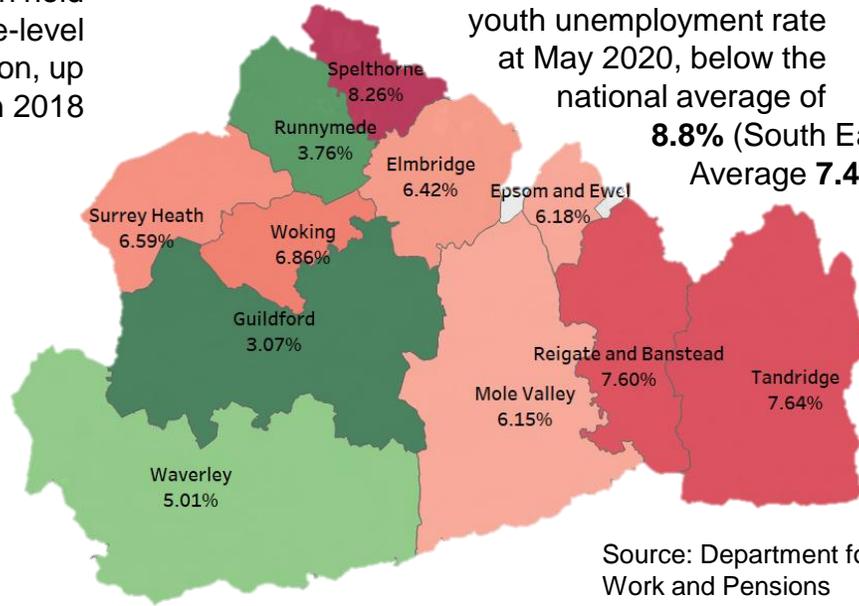
In Surrey Heath and Runnymede, there are more jobs than the working age population.



Source: Business Register and Employment Survey, ONS

**5.6%**

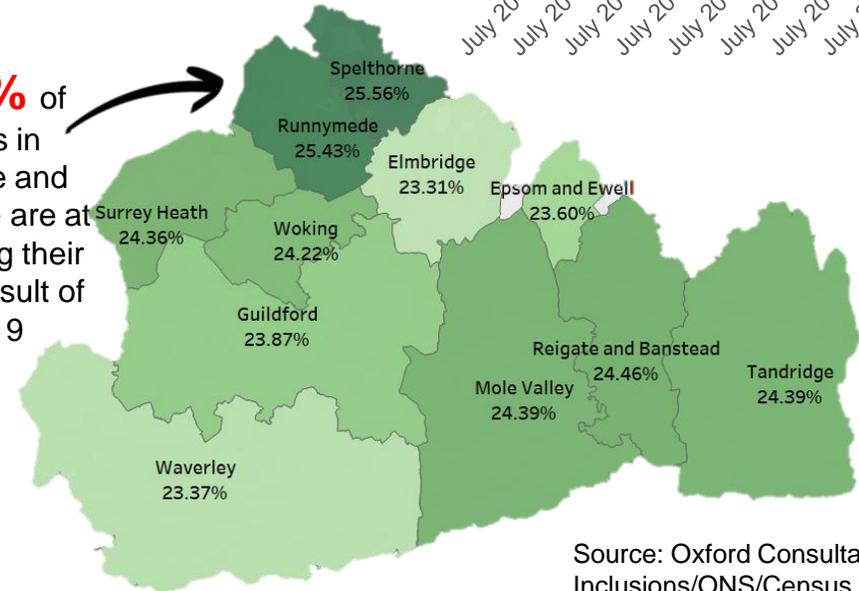
youth unemployment rate at May 2020, below the national average of **8.8%** (South East Average **7.4%**)



Source: Department for Work and Pensions

There are **0.8 jobs per head** on average in Surrey in 2018, compared to **0.75** in the South East

Over **25%** of residents in Spelthorne and Runnymede are at risk of losing their jobs as a result of Covid-19



Source: Oxford Consultants for Social Inclusions/ONS/Census 2011 (using methodology developed by RSA)

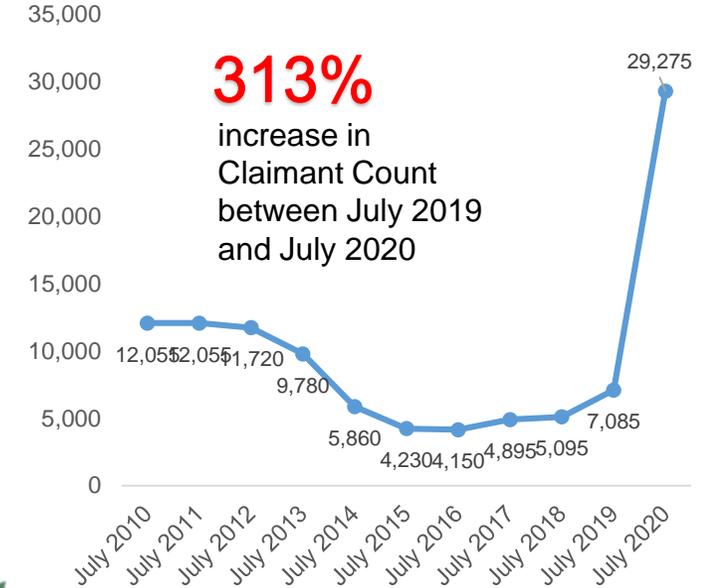
## Evidence Base – Strong and Prosperous Economy



unemployment rate in Surrey (January 2019 – December 2019), compared to 3% in the South East

Source: Department for Work and Pensions

### Claimant Count



**313%** increase in Claimant Count between July 2019 and July 2020

Source: NOMIS

## Disparity between East and West Surrey

- Productivity (Gross Value Added (GVA) per hour worked) has remained higher than the regional and national averages, but since 2013 East Surrey's productivity has fallen relative to the UK as a whole, and total GVA growth between 2010 and 2018 in East Surrey (7%) was below West Surrey (32%) and comparable areas.
- There are fewer jobs per head in some Districts and Boroughs in East and North Surrey than West Surrey, particularly Spelthorne (0.62 jobs per head), Tandridge (0.63) and Epsom and Ewell (0.64). Similarly, youth unemployment is higher in some areas in East and North Surrey, particularly Spelthorne (8.26%, Tandridge (7.64) and Reigate and Banstead (7.6%).

## Pockets of deprivation in Surrey

- Overall deprivation levels are below national and regional averages, but there are significant pockets of deprivation where more children and pensioners live in deprivation than average. North Surrey's deprivation rates are higher than the rest of Surrey.

Page 7

## Housing less affordable

- Relative to average salaries, housing is four times less affordable than the national average. The affordability of housing could influence business' decision to have their base in Surrey, and the decision of young people to live in the area.

## Highly skilled population with low unemployment

- Surrey's population is highly-skilled, with over half of the working age population (51.8%) holding a degree-level qualification.
- Youth unemployment and overall unemployment rates are below regional and national averages, although youth unemployment is higher in East and North Surrey than West Surrey.
- Supporting skills development and reducing unemployment is key part of priority three of the **Health and Wellbeing Strategy**, fulfilling potential, and will be a priority of the **One Surrey Growth Board**.

## COVID-19

Nationally, the UK economy is likely to enter a deep recession, with a sharp fall in GDP and large rise in unemployment. In Surrey, this can be seen in the 313% increase in claimant count between July 2019 and July 2020. Some sectors are being hit harder than others, and over a quarter of residents in Spelthorne and Runnymede are at risk of losing their jobs as a result of the pandemic.

The long term economic effects are uncertain, however the most vulnerable are likely to be hit the hardest.

# A Greener Future: Key Facts & Figures

Carbon emissions from Surrey fell by **28%** between 2005 and 2017

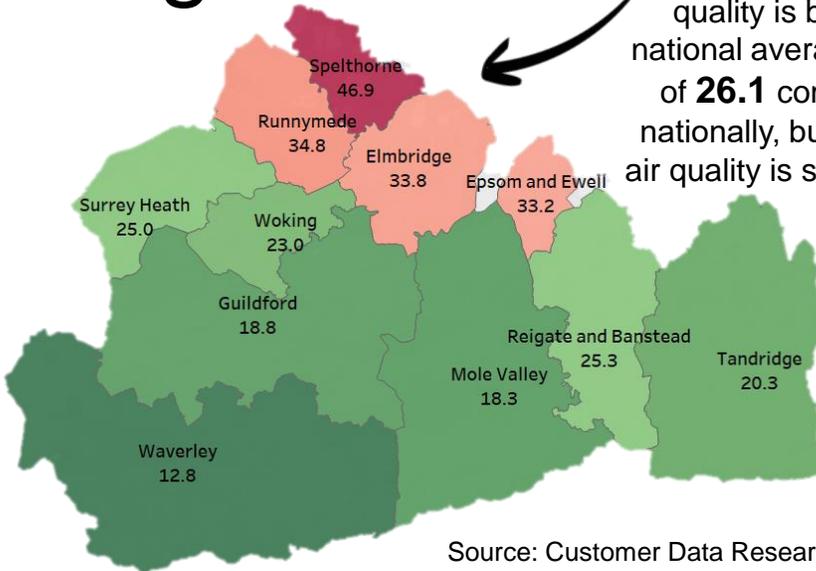


Source: Department for Business, Energy & Industrial Strategy

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Surrey's estimated total CO<sub>2</sub> emissions are the **4<sup>th</sup>** highest of the 25 county local authorities in England

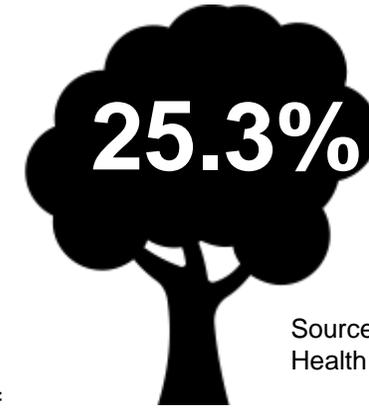
Source: Department for Business, Energy & Industrial Strategy



On average, Surrey's air quality is better than the national average, with a score of **26.1** compared to 26.8 nationally, but North Surrey's air quality is significantly worse

The Air Quality Domain measures the amount of air pollutants in the atmosphere that include nitrogen dioxide, particulate matter and sulphur dioxide.

Source: Customer Data Research Centre, Access to Healthy Assets and Hazards (AHAH) Air Quality Domain. AHAH is a multi-dimensional index measuring how "healthy" neighbourhoods are



of people in Surrey live within 500 metres of accessible woodland area, compared to **16.8%** In England

Source: Public Health England

Most people in Surrey live near green space conducive to physical activity, such as a public park or garden. On average, people in England live **0.6 kilometres** from active green space



Source: AHAH Green Space (active)

**5.7%** of deaths in Surrey during 2018 were attributable to particulate air pollution (PM 2.5), compared to **5.2%** nationally

Source: Public Health England

of Surrey's emissions came from the transport sector in 2019

**46%**

Source: Department for Business, Energy & Industrial Strategy

# Surrey County Council



**10.8%** of municipal waste landfilled in 2018/19, up **6.7%** since 2017/18

**69%** of respondents to the Greener Futures Survey scored Waste related actions as 'Very important'.

**55.3%** of household waste was sent for reuse, recycling and composting in 2018/19 in Surrey, compared to **48.3%** for all English county local authorities



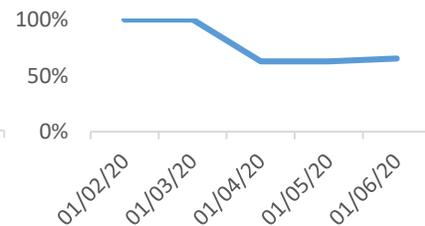
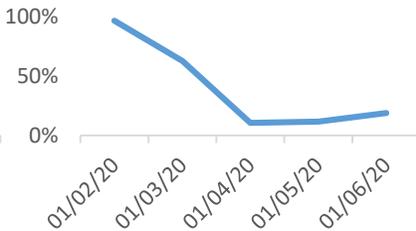
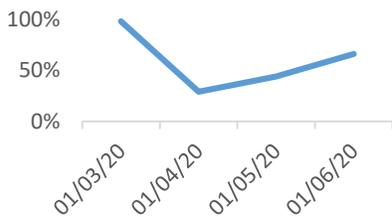
Source: Defra

Page 73

Average traffic flow

Bus passenger journeys

Bus services in operation



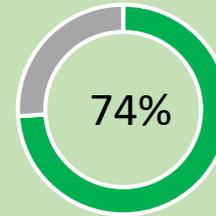
**71%** decrease in average traffic flow in April 2020 compared to pre pandemic levels, increasing to **34%** below in June 2020

**89%** decrease in bus passenger journeys in April 2020 compared to April 2019, increasing to **81%** below in June 2020

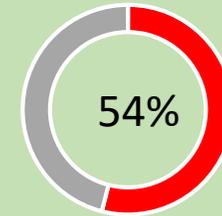
**37%** decrease in bus services in operation in April 2020 compared to April 2019, increasing to **35%** below in June 2020

Source: Bus Service Team

74% of respondents were concerned or very concerned about the impact of climate change



54% of respondents felt their behavior would only occasionally be influenced by climate change issues

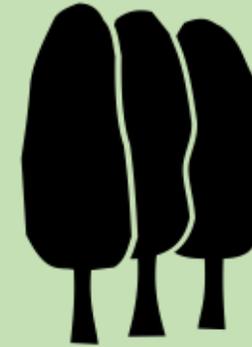


But...

**51%** of respondents were not aware of Surrey's work on environmental issues

Source: Greener Futures Panel Survey

**85%** of respondents visit the countryside at least once per week



**93%** of respondents had visited at least one of the Surrey owned sites

Source: Surrey Countryside Resident Survey



**73%** of respondents would be extremely likely or likely to recommend Surrey's countryside sites to others, compared to just **6%** who would be unlikely to do so.

Source: Surrey Residents Survey (Oct-Dec 2019)

## Emissions are decreasing too slowly

- Emissions are decreasing (28% between 2005 and 2017), but they are comparatively high compared to other county authorities.
- Transport emissions currently account for 46% of Surrey's total CO2 emissions, as the County carries almost twice as much traffic than average for the South East.
- If emissions continue on the current trajectory we will not meet our commitments in **Surrey's Climate Change Strategy**. To achieve our commitment of net zero carbon by 2050, we must reduce our GHG emissions against 2019 levels by **46%** by 2025.

## Residents are concerned about climate change

- Most residents (74%) are concerned about the impact of climate change, but there could be a disconnect between the strength of feeling about the issue and the appetite to make changes to address the issue.

## Air quality disparities

- The north of Surrey has significantly worse air quality than the rest of Surrey. Spelthorne has the worst air quality (46.9) in the county.
- Deaths attributable to air pollution are above the national average. Air pollution is linked to the development of heart disease, stroke, respiratory disease and lung cancer.<sup>1</sup>
- Improving environmental factors that impact people's health and wellbeing is a key part of the **Health and Wellbeing Strategy**.

## Accessible green space

- Most residents have good access to green spaces. Access to green space is associated with lower mortality rates and improved wellbeing.<sup>2</sup>
- Over a quarter (25.3%) of residents live within 500 metres of accessible woodland areas. We have committed to facilitate the planting of **1.2 million trees** by 2030 in the **Tree Strategy**.

## Landfill use up

- Surrey County Council is responsible for waste disposal.
- The latest figures show more than half of waste (55.3%) was sent for reuse, recycling or composting, but the percentage landfilled rose significantly (6.7%), contrary to the national trend.
- The **Surrey Climate Strategy** has targets to achieve **70%** of all local authority collected waste reused, composted or recycled by 2030 and to send **0%** of waste to landfill by 2030.

[Climate Change Strategy](#)

[Tree Strategy](#)

[Health and Wellbeing Strategy](#)

[Single Use Plastics Strategy](#)

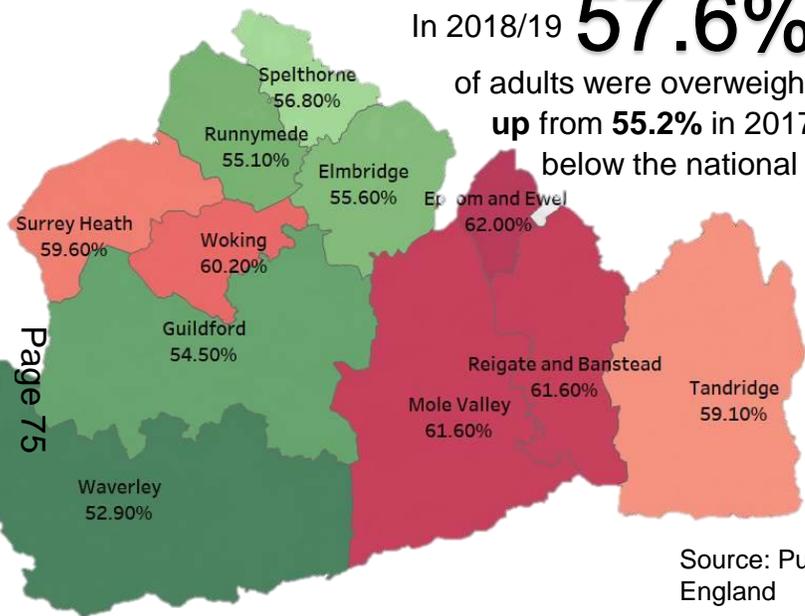
## COVID-19

Transport usage fell during the pandemic but traffic levels are beginning to rise again. Likewise, emissions across the country have decreased during the lockdown, improving air quality, but there is a significant risk that this trend will not continue due to the current Government trajectory to return to normal with social distancing (reducing use of public transport) and the coming recession.

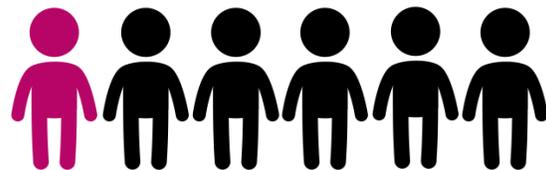
But the behaviour changes and lessons learnt during the lockdown may present an opportunity to address environmental challenges and improve air quality.

# Health and Wellbeing: Key Facts & Figures

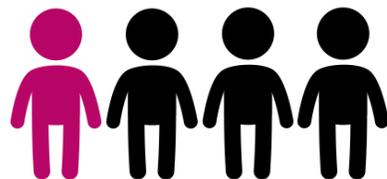
In 2018/19 **57.6%** of adults were overweight or obese, up from **55.2%** in 2017/2018, but below the national average of **62.3%**



Source: Public Health England



**1 in 6** (16.7%) children in reception year in Surrey are overweight or obese, below the national average of **22.1%**



Over **1 in 4** (26.1%) children in year 6 in Surrey are overweight or obese, below the national average of **33.6%**

Source: National Child Measurement Programme

**10%** of adults in Surrey smoke, compared to **13.9%** nationally

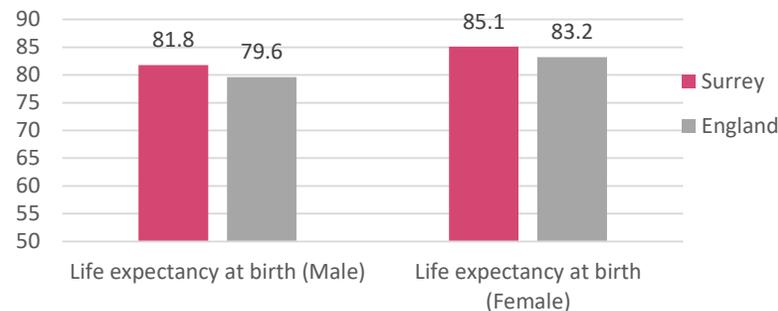
Source: Annual Population Survey



**1.5%** of Surrey residents receive incapacity benefit for mental health issues, below the national average of **2.3%**

Source: Department for Work and Pensions

## Life expectancy above the national average



## Significant inequalities in healthy life expectancy



Source: ONS



**83.2%** of Surrey residents participated in sport and activity at least twice in the last 28 days, above the national average of **79.3%**

Source: Sport England

**16.9%** of Surrey residents engage in less than 30 minutes of physical activity per week, below the national average of **21.4%**

Source: Public Health England/Sport England



51.7% achieve a good pass (9-5 grade) in English and Maths, compared to 43.4% nationally and 46.5% in the South East

Source: Department for Education

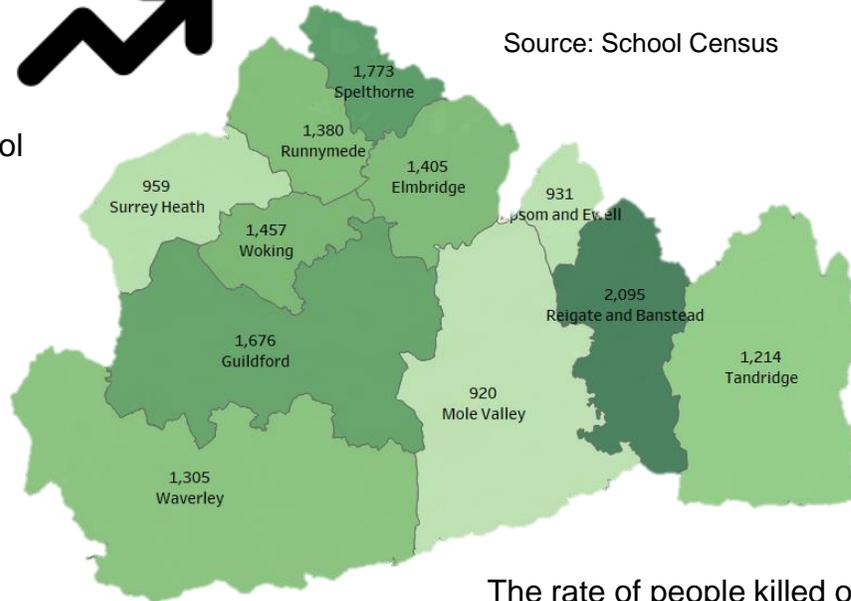
15,115

children in Surrey receive Free School Meals in 2020, up 14.1% since 2019



52.5%

of children eligible for Free School Meals (FSM) achieve a good level of development at the end of reception, compared to 78.3% on average in Surrey



Source: School Census

1.6%

of Surrey residents are disabled and receiving Disability Living Allowance (DLA), below the national average of 2.2%

Source: Department for Work and Pensions

2.8%

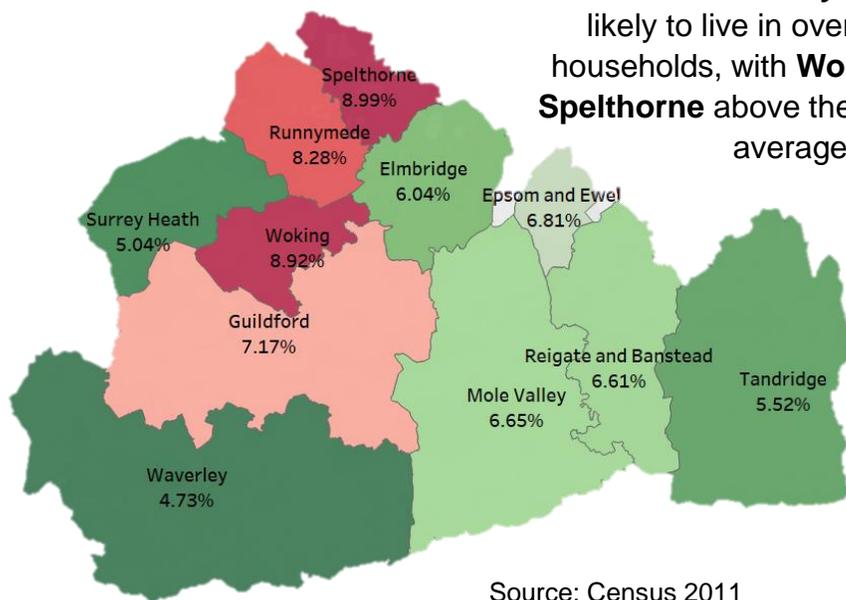
of adults are out of work and receiving benefits related to poor health

Source: Department for Work and Pensions



6.8%

of Surrey households are living in overcrowded housing



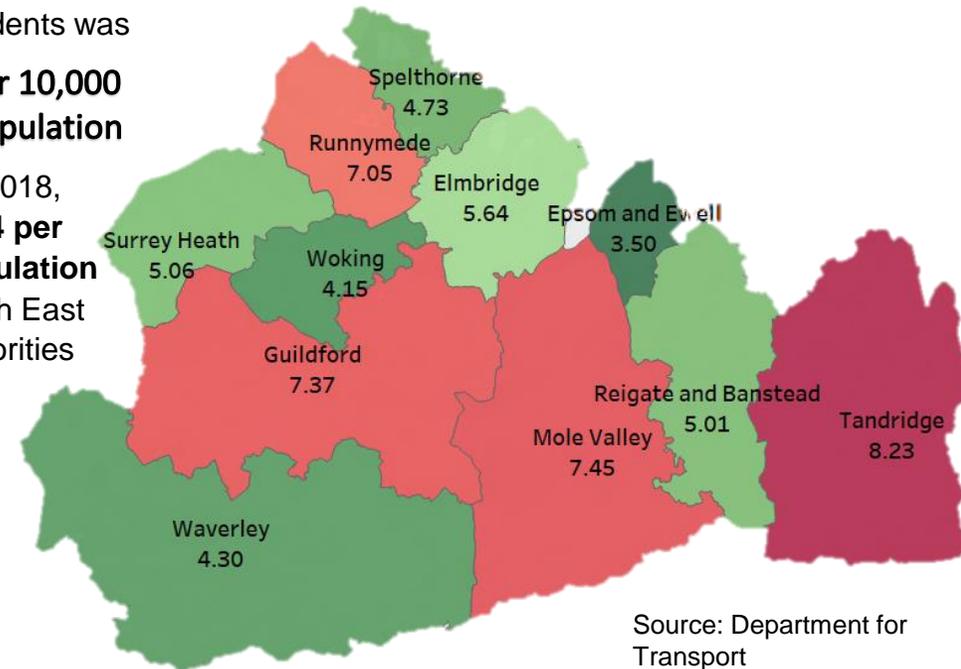
Residents in **West Surrey** are more likely to live in overcrowded households, with **Woking** and **Spelthorne** above the national average of 8.7%.

Source: Census 2011

The rate of people killed or seriously injured in road traffic accidents was

5.7 per 10,000 population

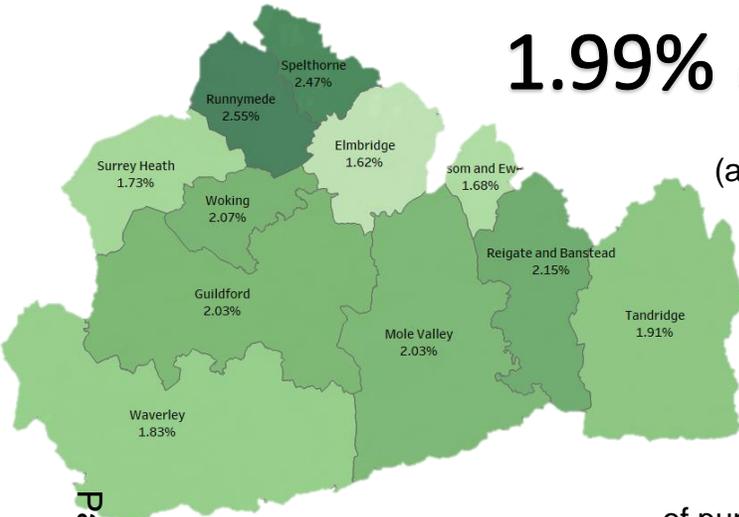
in 2016-2018, above 4.4 per 10,000 population for all South East local authorities



Source: Department for Transport

# Surrey County Council

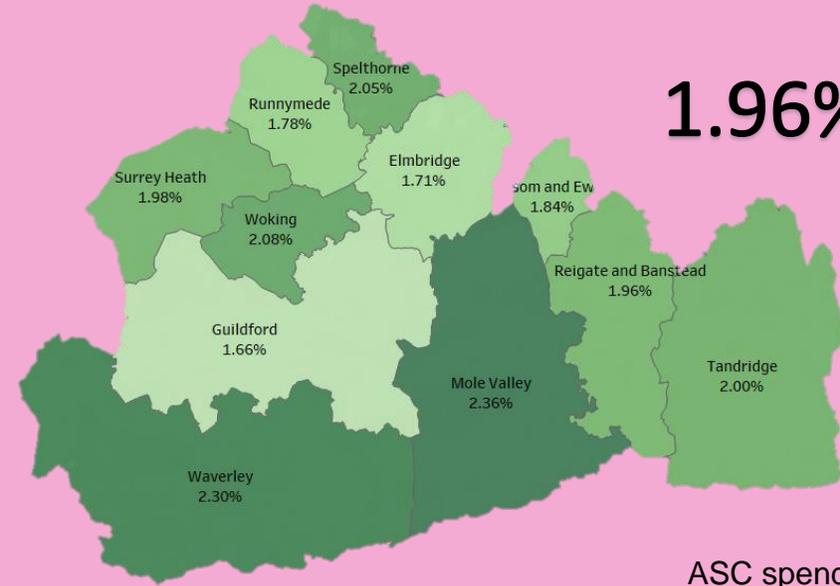
## Evidence Base – Health and Wellbeing



**1.99%** (5,247) of children and young people in Surrey (aged 0-17) use Children's services (Looked after children, Care leavers, Children in Need, Child Protection)

**1.96%** of Surrey adults (aged 18+) use ASC services and other types of support in July 2020, up **0.23%** (2,097 more clients) since April 2019

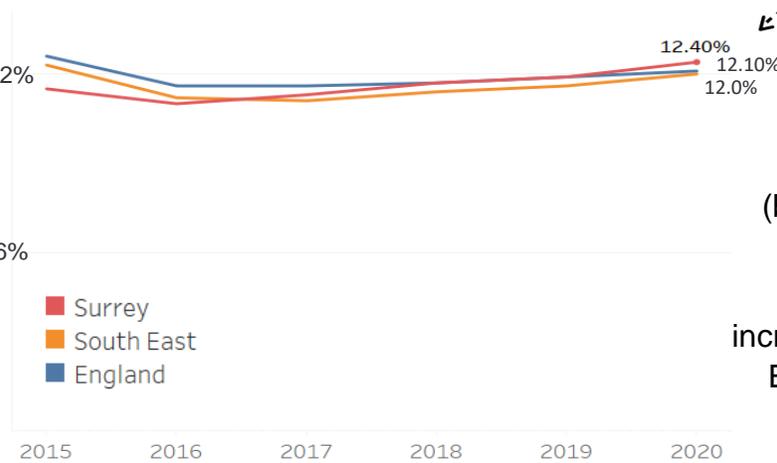
**15.4%** of pupils have SEND in Surrey-maintained schools (11.4% SEN support, 4% EHCP)



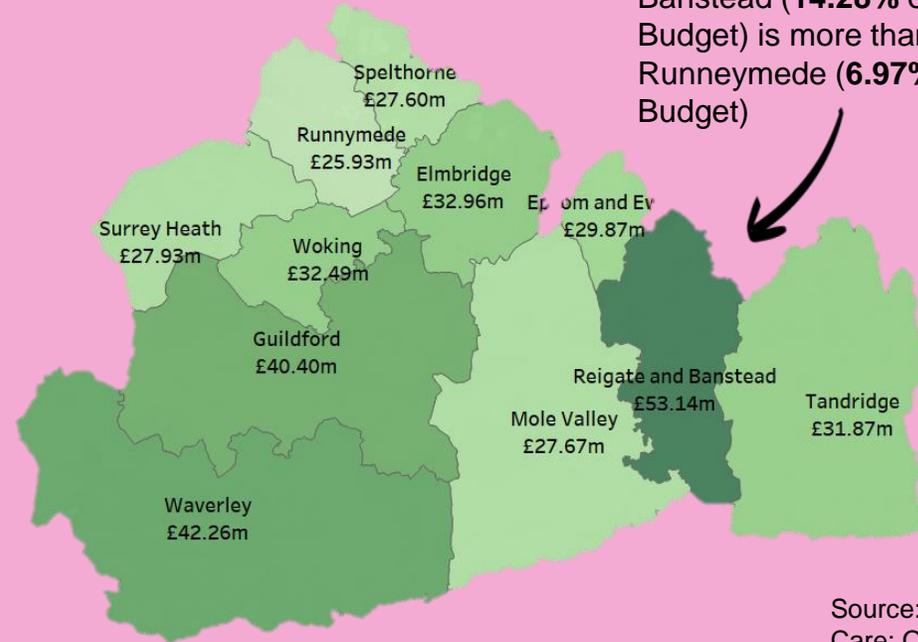
ASC spend in Reigate and Banstead (**14.28%** of 2020/21 Budget) is more than double that in Runnymede (**6.97%** of 2020/21 Budget)

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Proportion of pupils receiving SEN support 2015-2020



**1.4%** increase in proportion of pupils receiving SEN support in Surrey (but without a statement or EHCP) since 2016 to **12.4%**, above the 0.8% increase to 12% in the South East and 0.5% increase to 12.1% in England



Source: Surrey Adult Social Care; ONS population estimates

Source: Surrey Children's Services; ONS population estimates

### **Obesity and physical activity**

- People in Surrey are generally healthy, with higher life expectancy and more residents participating in sport than average, although obesity levels rose 2% between 2017/18 and 2018/19, and 1 in 6 children in reception year and 1 in 4 in year 6 are overweight or obese. Reducing obesity and excess weight rates and physical inactivity is a key focus of Priority One of the **Health and Wellbeing Strategy**, leading healthy lives.

### **Significant inequalities within wards linked to deprivation**

- There are however major disparities between areas, with a 15 year gap in the healthy life expectancy between wards within the county. This gap is linked to deprivation, with healthy life expectancy in the least deprived quartile 4.8 years higher for women and 4.7 years higher for men than in the most deprived quartile.

### **High performing schools but significant disparities**

- Many pupils perform well at school, with more (51.7%) achieving a strong pass in English and Maths than nationally (43.4%) and regionally (46.5%).
- But only just over half (52.5%) of children eligible for Free School Meals (FSM) achieve a good level of development at the end of reception, compared to 78.3% on average in Surrey

### **More people killed or seriously injured in traffic accidents than regional average**

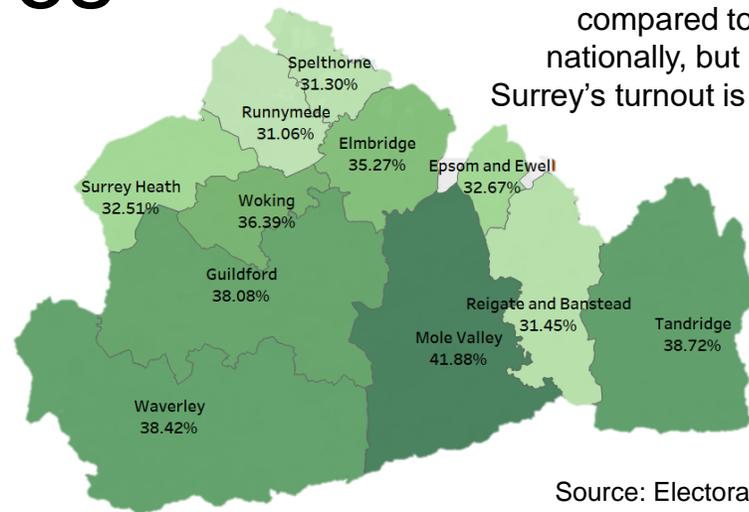
- The rate of people killed or seriously injured in road traffic accidents is above the regional average.

### **Increasing proportion of pupils receiving SEN support**

- A higher proportion (12.4%) of pupils in Surrey receive SEN support (but without a statement or EHCP) than the regional (12%) and national (12.1%) averages.
- Since 2016, Surrey has seen a higher increase in the proportion of pupils receiving SEN support than regionally and nationally, with a 1.4% increase.

# Resilient Communities: Key Facts & Figures

Surrey's local election voter turnout is better than the national average, with **35.3%** participating compared to 33% nationally, but North Surrey's turnout is often lower

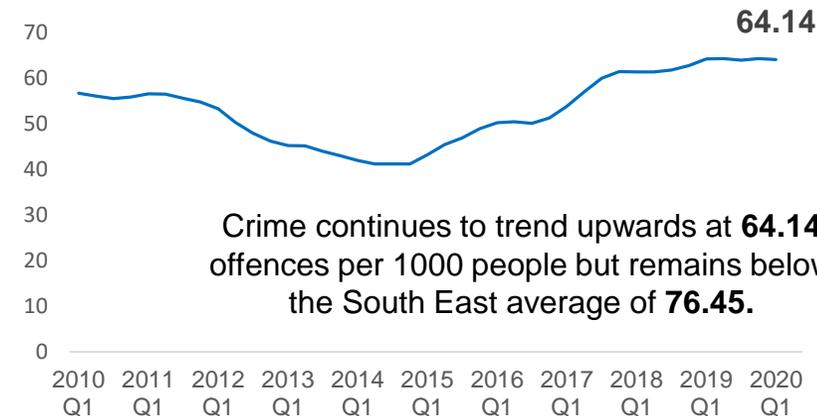


## Evidence Base – Resilient Communities

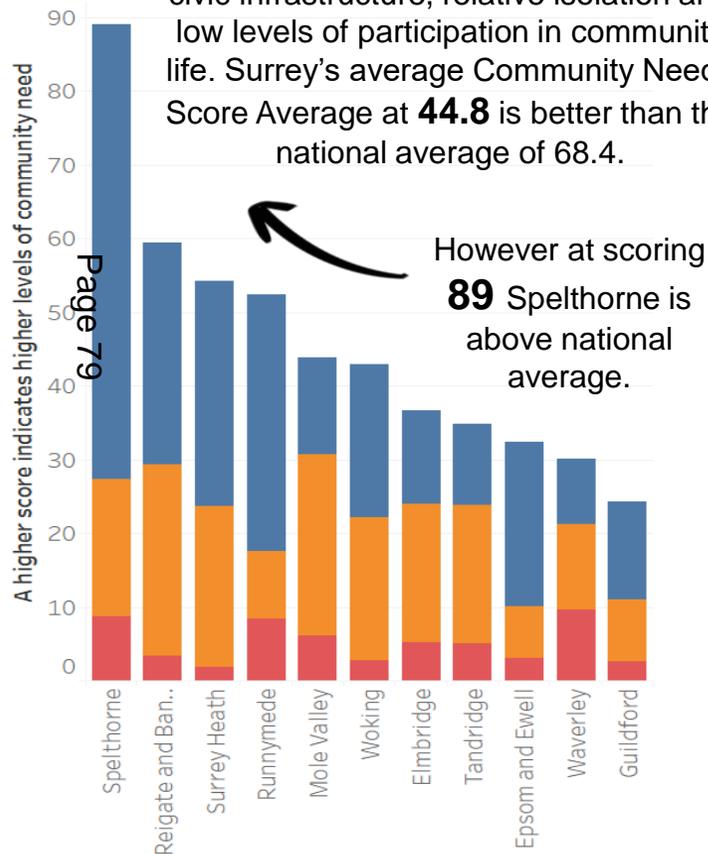
The crime rate in Surrey was static between March 2019 and March 2020, however

- ↑ **9%** in Runnymede
- ↑ **4%** in Tandridge
- ↑ **2%** in Waverley

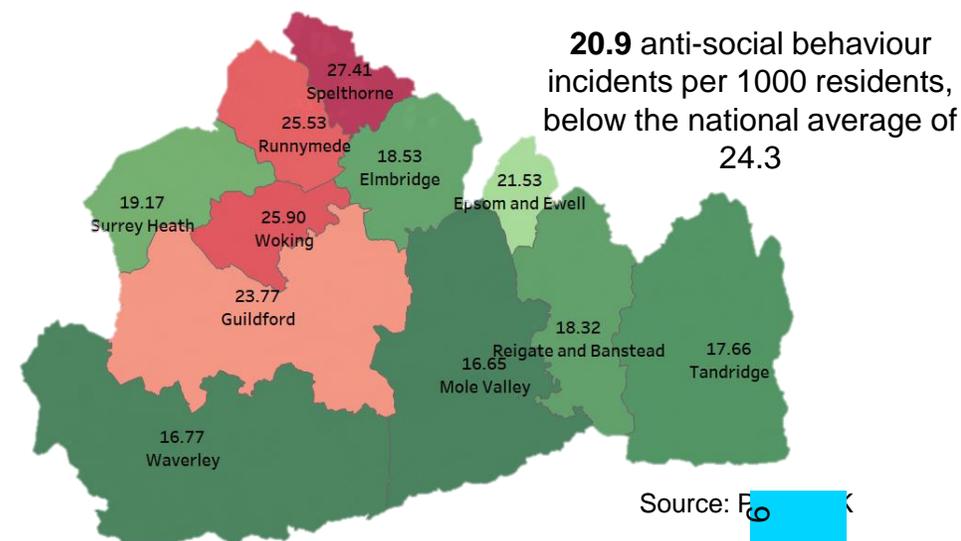
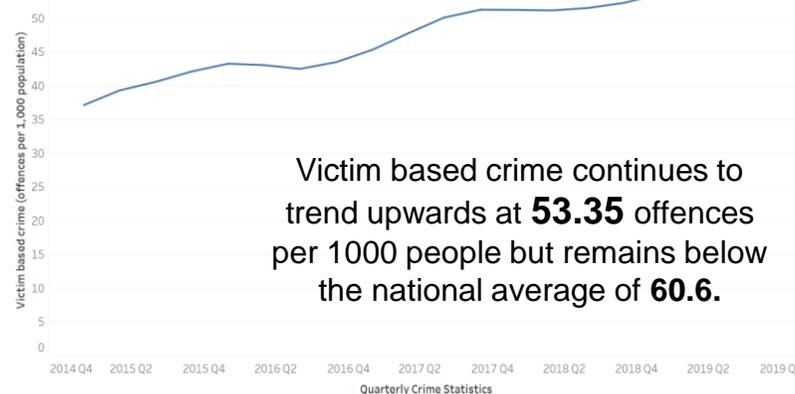
Surrey Total recorded offences (excluding fraud) (per 1,000 population)



The Community Needs Index identifies areas experiencing poor community and civic infrastructure, relative isolation and low levels of participation in community life. Surrey's average Community Needs Score Average at **44.8** is better than the national average of 68.4.



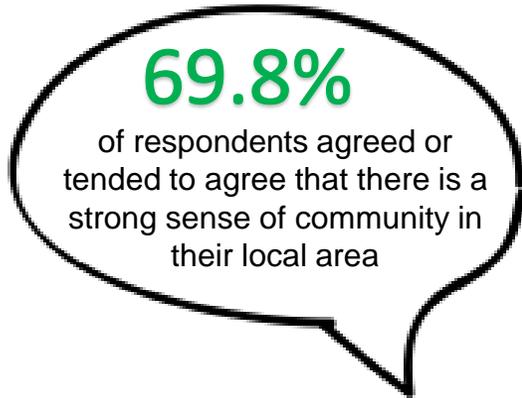
Victim based crime (per 1,000 population)





93.5% of people in Surrey are satisfied with their neighbourhood as a place to live

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69.8% of respondents agreed or tended to agree that there is a strong sense of community in their local area



39.3% of respondents agreed or tended to agree that they can influence decisions in their local area



35.1% of respondents disagreed or tended to disagree that they can influence decisions in their local area

Source: Surrey Residents Survey (Oct-Dec 2019)

### 99.8%

of premises have access to fibre broadband in August 2020, an increase of **8.3%** since January 2014, compared to **97%** coverage nationally

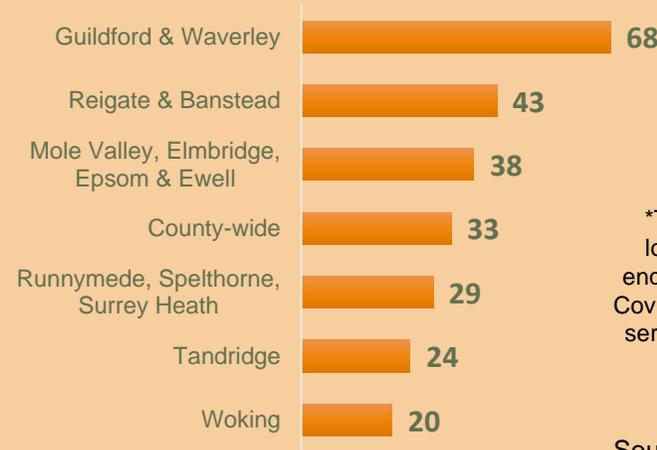
Source: thinkbroadband



### 10.8%

full fibre coverage, compared to **14.7%** nationally

The number of voluntary, charity and faith organisations who have been responding to Covid-19 in each area



Source: Strategy Team

The Customer Contact Centre dealt with

## 191,714\*

telephone calls between July 2019 and July 2020

\*True number likely to be slightly higher due to under logging of enquires. In addition, the overall volume of enquires significantly reduced during the beginning of the Covid-19 lockdown due to temporary suspension of certain services in order to resource the Coronavirus community helpline

Source: Surrey County Council Customer Services

### **Comparatively high levels of community need in Spelthorne**

- Although the level of community need across the whole of Surrey (44.8) is below the national average (68.4), Spelthorne's level of community need (89) is significantly above the Surrey and national averages.
- The high level of community need in Spelthorne is driven by its higher score in the active and engaged community, implying lower levels of third sector civic and community activity and barriers to participation and engagement.

### **Crime increasing but remains comparatively low**

- The crime rate is increasing, but remains below the regional average. Similarly, rates of antisocial behaviour and victim based crime are below the national average.

### **Most residents happy with their neighbourhoods**

- The majority of Surrey residents are satisfied with their neighbourhood as a place to live (93%) and feel there is a strong sense of community in their local area (69.8%).
- However, over a third (35.1%) do not feel they are able to influence decisions in their local area.

### **Internet access is increasing**

- Internet access has increased since 2014, and almost all (99.8%) premises in Surrey now have access to fibre broadband, slightly above the national average of 97%.
- However, Surrey currently has a full fibre coverage, required to run 5G networks, of 10.8%, below the England level of 14.7%.

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# Local Recovery Index

September Reset



# Introduction to the LRI

- The purpose of the Local Recovery Index (LRI) is to **measure the broad impact that Covid-19 has had** on five dimensions in Surrey – Economy, Health, Place, Society and Infrastructure - and how boroughs and districts are recovering from this impact.
- **Recovery is considered to be a return to the status quo** or business as usual rather than something different. To measure this, we have collected data on a range of indicators which will have been depressed or exhibited negative performance during the pandemic and lockdown, and monitoring their return to expected levels.
- **The index produces a weighted score and rank for each dimension and indicator to enable a comparison between areas**, and to help identify the geographic and thematic areas where Surrey is recovering well and those where it is struggling. In turn, **this will help guide local decision making** and identifying policy and investment priorities.

# Further Development

- This version of the LRI should be considered as a test version. While it has been calculated using real data we are still developing the concept of what 'recovery' looks like and shaping some of the parameters used for calculating the index score (such as capping extreme values and setting what the best and worst case scenarios look like).
- We are also working to include a wider variety of indicators, which will provide a more complete view of recovery and lessen the impact of low scores in dimension with a small number of indicators. The LRI will be updated quarterly for the foreseeable future and new or updated indicators will be included in the next quarter.
- The LRI does not replace Surrey's Social Progress Index (SPI), which is in development. It is more focussed version that relates to Covid-19 impact and recovery. The LRI will be updated as recovery continues and more data becomes available, but **it is expected that the SPI will eventually supersede the LRI**. The SPI has a broader purpose of reflecting Surrey's social development goals, and the progress made in these areas, rather than recovering to the status quo.



# Overview of Indicators (1/2)

We've been able to obtain a large number of datasets from our Local Insight tool, while others are publicly available from government open data sources. We have also approached partners and a small number of independent organisations and charities for support on indicator selection and to provide datasets. The table below summarises the indicators included in each dimension of the current version of the LRI at the borough and district level.

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Dimension	Indicator	Description
Economy	Furloughed staff	Percentage take up of furlough scheme.
	Claimant count	Percentage change in Universal Credit / JSA claimant count. Current 3 months compared to same period previous year.
	House sales	Percentage change in volume of house sales. Current 3 months compared to same period previous year.
Health	Covid-19 infection rate	Rate per 1,000 of lab confirmed cases of Covid-19 for current 3 month period.
	Covid-19 death rate	Rate per 1,000 of deaths from Covid-19 for current 3 month period.

# Overview of Indicators (2/2)

The following indicators are also included in the LRI at the county level. Some are not currently available at borough and district level, or are only available at a countywide level.

Dimension	Indicator	Description
Society	Open schools	Average proportion of schools open for current period.
	Pupil attendance	Average percentage of pupil attendance for current period.
	Community support enquiries	Volume of calls made to Community Support helpline for current period.
	Homeless presentations	Households initially assessed as threatened with homelessness (owed prevention duty) or homeless (owed relief duty) for current period.
	Homeless assessments	Total households assessed as owed a homelessness duty for current period.
Infrastructure	Bus routes	Percentage of bus routes in operation for current period.
	Bus passenger journeys	Percentage bus passenger journeys for current period compared to same period previous year.
	Traffic flow	Percentage current average traffic flow below pre-pandemic average.

The full list of planned indicators will be included in the next update of the index when the data become available. The index has been calculated with these gaps and will be more detailed when they are included.





# Summary of Scores and Ranks

Based on the indicators in economy and health dimension, **Elmbridge is ranked first (1 is the closest to pre-pandemic levels, 11 is furthest) for overall recovery progress in the county, followed by Guildford, with Reigate and Banstead ranked 11<sup>th</sup> and Surrey Heath 10<sup>th</sup>**. It is important to note, however, that the overall scores are very close in the top four areas, and those ranked 6 to 8, and there is variation in scores and ranking within the dimensions.

Area	Economy		Health		Overall	
	Score	Rank	Score	Rank	Score	Rank
Elmbridge	28.6	6	48.6	1	37.2	<b>1</b>
Guildford	34.9	4	39.4	3	37.1	<b>2</b>
Woking	29.9	5	41.2	2	35.1	<b>3</b>
Epsom and Ewell	46.4	1	24.9	6	34.0	<b>4</b>
Tandridge	35.5	3	24.2	7	29.3	<b>5</b>
Waverley	27.1	7	21.1	9	23.9	<b>6</b>
Spelthorne	14.7	9	36.5	4	23.2	<b>7</b>
Mole Valley	22.5	8	22.8	8	22.7	<b>8</b>
Runnymede	8.6	11	35.1	5	17.4	<b>9</b>
Surrey Heath	10.0	10	6.7	10	8.2	<b>10</b>
Reigate and Banstead	40.1	2	0.6	11	5.1	<b>11</b>

# Elmbridge currently ranks highest for recovery while Reigate & Banstead ranks lowest

Elmbridge currently ranks highest for recovery because it has consistently good scores in both dimensions, being first for Health, third for Place, and fifth for Economy. This is the result of a combination of Covid-19 infection and death rates at the lower end for the county (2.8 and 0.7 per 1,000 of the population respectively), and moderately low changes in the crime types specified. In comparison, Reigate and Banstead ranks 11th overall because of a particularly low score in the Health domain.

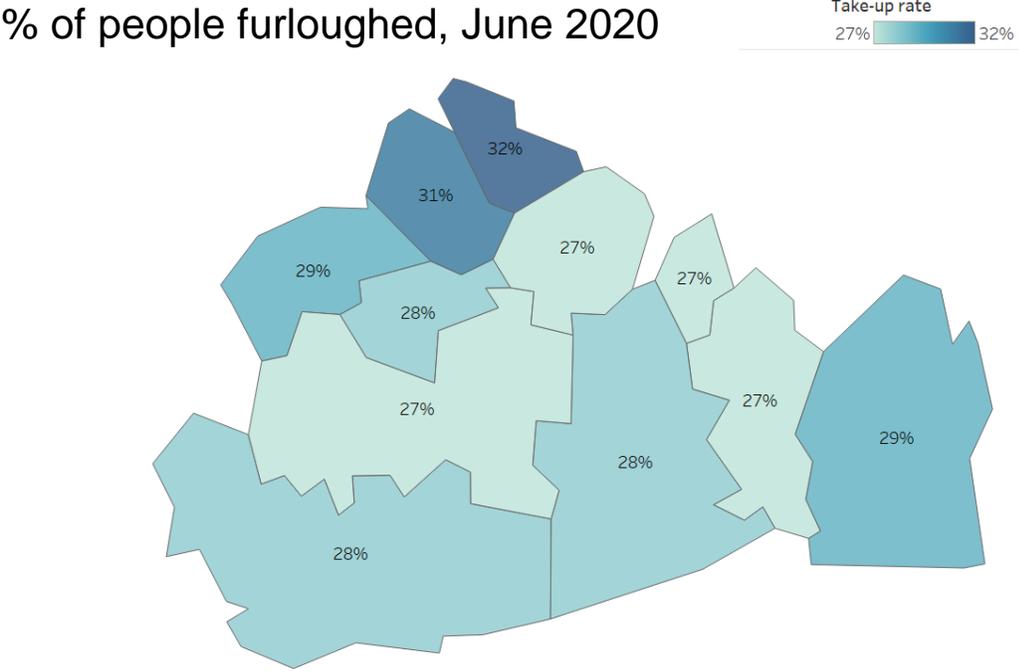
Reigate and Banstead is ranked 2nd for Economy, but it's overall position is affected strongly by its very low score in the Health domain, where it is ranked 11th, along with a moderately low score in the Place dimension. In terms of the Health dimension, this is driven by the borough having the second highest infection rates and the highest death rates for the period the index is calculated for.



# Over a quarter of eligible employments are furloughed in parts of Surrey but this is lower than the South East average

Over a quarter of employments eligible for furlough took up the Coronavirus Job Retention Scheme in June in Surrey. The proportion of people taking up the scheme ranges from 32% in Spelthorne to 27% in Elmbridge, Epsom and Ewell, Guildford, and Reigate and Banstead.

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The overall take up rate for Surrey is 28%. In the South East the rate is 29%; nationally it is 30%. Runnymede, Spelthorne, Surrey Heath and Tandridge are all above the South East rate.

Surrey has a higher proportion (compared to the South East or England) of businesses in the 'micro' size band, which are businesses employing nine people or fewer. As the Job Retention Scheme is ended it is expected many of these firms will struggle to keep all their furloughed employees.

In the South East, there were 1.216 million employments furloughed, the highest region outside of London, which had 1.291 million employments furloughed.

# The rate of people claiming Universal Credit and Job Seekers Allowance increased dramatically as a result of Covid-19

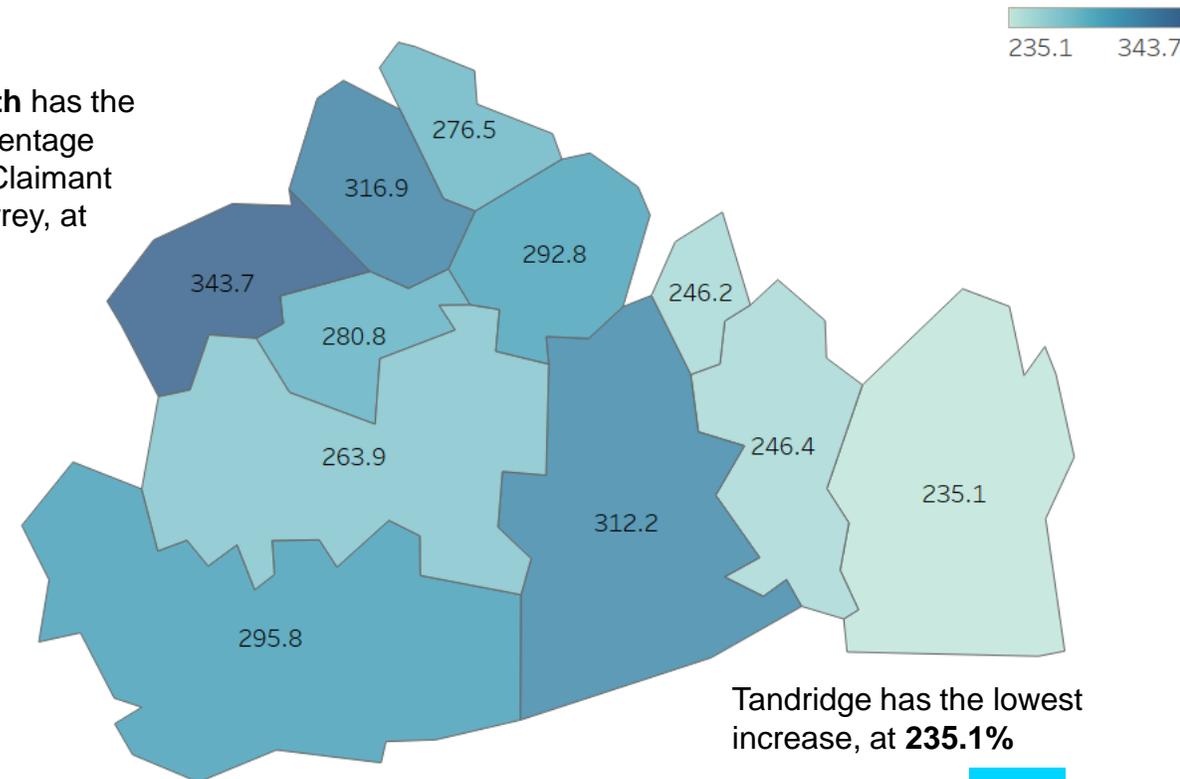
The Claimant Count for the period April to June 2020 increased by 277.8% in Surrey compared to the same period in 2019. All of Surrey's borough and districts recorded higher increases than the South East (170.4%) and national (120.9%) increases.

The rate of people claiming Universal Credit and Job Seekers Allowance increased dramatically as a result of Covid-19.

As the pandemic took hold, the labour market weakened markedly, but that rate of decline slowed into June, though this was before recent job losses were reported, which lead to further increases in claimants July.

% change in Claimant Count June 2019 to June 2020

**Surrey Heath** has the highest percentage increase in Claimant Count in Surrey, at **343.7%**



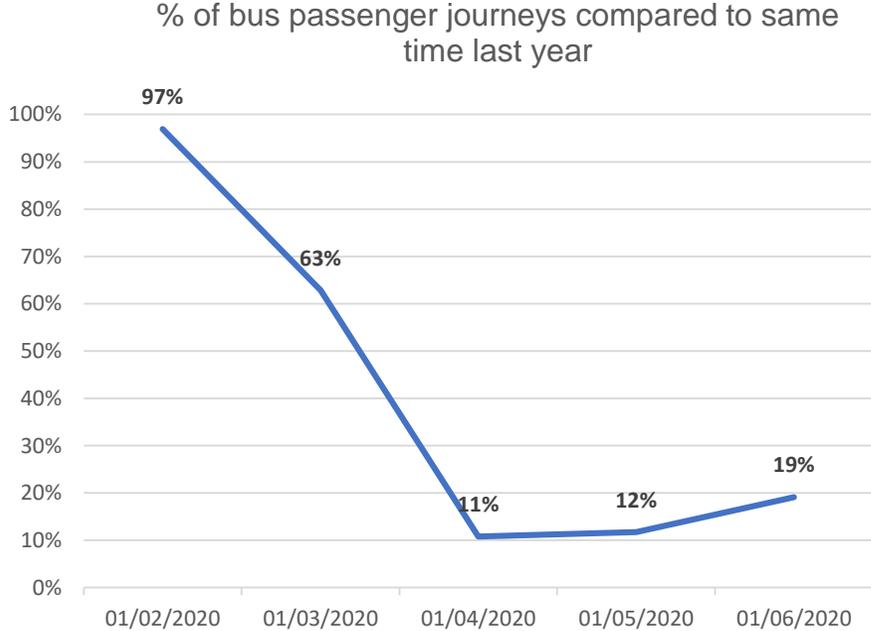
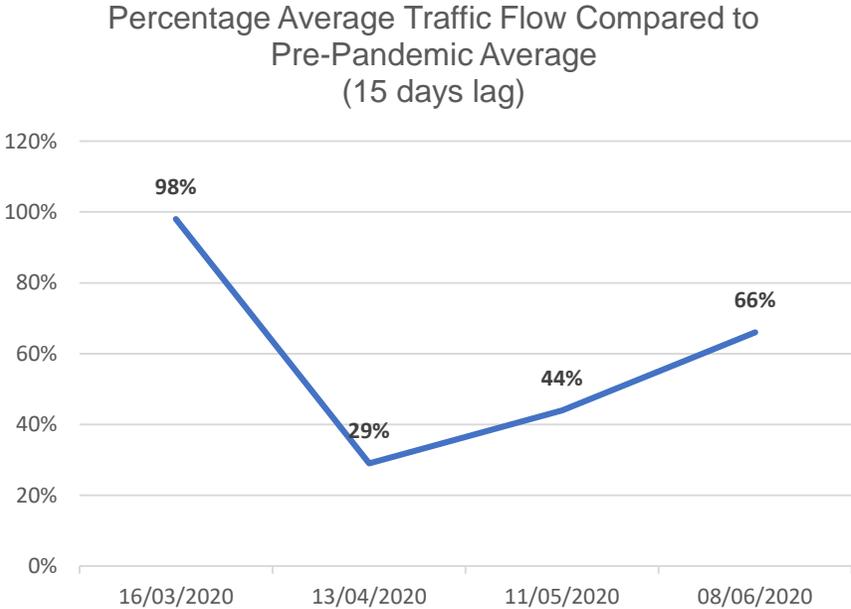
Tandridge has the lowest increase, at **235.1%**



# During the pandemic transport usage has fallen but traffic levels are beginning to rise again

Car usage has fallen dramatically, with drop in average traffic flow in April to just 29% of the previous month's figure. Figures are now rebounding however to 66% of the March figures.

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The number of bus services in operation dropped by 37% during April and May to 130, and passenger numbers have fallen to 11% compared to the same period last year.

## Annex 4 – Financial Impact of Covid-19

Table 1.1 Financial Impact of Covid-19 at M2 (May) used as basis for budget reset

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)
<b>Total CV-19 before Central Funding</b>	<b>32.9</b>	<b>14.7</b>	<b>4.3</b>	<b>51.9</b>	<b>(14.8)</b>
Central Funding				(46.1)	0.0
<b>Overall after Central Funding</b>	<b>32.9</b>	<b>14.7</b>	<b>4.3</b>	<b>5.8</b>	<b>(14.8)</b>

Budget reset excluded efficiency savings of £4.3m at M2 (£3.9m M4) giving total reset of £47.6m

# Annex 4 – Financial Impact of Covid-19



Table 1.2 Budget Reset by Directorate

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
<b>Total before contingency</b>	948.0	47.6	995.6
Contingency	20.4	(1.5)	18.9
<b>Total budget</b>	968.4	46.1	1,014.5

# Risks to delivery and impact on Business Plan activities

	Risks to delivery/opportunities	Impact on business plan activities
<b>Adult Social Care</b>	<ul style="list-style-type: none"> <li>• Providing financial support to ASC providers can help stability in the market but create additional cost pressures to SCC</li> <li>• Risks associated with COVID-19 hospital discharges</li> <li>• Needing to invest in carer support services as a result of carer fatigue and more carers needing respite. Opportunity to redirect support from traditional day care into carer support?</li> </ul>	<ul style="list-style-type: none"> <li>• Programme of investing in community prevention has been delayed, but there are also opportunities to build upon the community support generated by Covid-19 moving forward</li> <li>• ASC resources and focus diverted away from transformation agenda</li> <li>• Reduced capacity of learning disability and autism service to recruit and train additional workforce as part of refocussing</li> </ul>
Page 95 <b>CFFLC</b>	<ul style="list-style-type: none"> <li>• Impact of recession sees a rise in demand</li> <li>• Increase in the cost and number of placements required</li> <li>• Impact on retaining and recruiting workforce - In particular social workers</li> <li>• Possible service delivery changes – need to assess the impact of a more digital approach then previously considered</li> <li>• Threat to VCFS means there could be a resulting impact in demand for services</li> <li>• Opportunities for income generation as a result of market failure - such as adult learning or registrars (weddings)</li> </ul>	<ul style="list-style-type: none"> <li>• Core Planning Assumptions don't change activities in business plan, many of which are linked to improvements required as a result of Ofsted judgments. If demand changes as a result of a recession this will need to be reflected in a reallocation of resources to meet them</li> <li>• Risk that resources being diverted could impact on transformational and improvement activities – e.g. SEND and additional needs Transformation</li> </ul>
<b>Community Protection</b>	<ul style="list-style-type: none"> <li>• Risk Community Protection Services not able to deliver within budget due to loss of income</li> <li>• Increase in demand across all aspects of Coroners service</li> </ul>	<ul style="list-style-type: none"> <li>• Review needed to ensure Emergency Management Team are able to meet expected requirements and bring the corporate wide planning and support back to the levels pre-COVID</li> <li>• Clearing backlog of delayed Postmortems and Inquests impacts on activity to deliver new long term approach to Coroners Service</li> </ul>

	Risks to delivery/opportunities	Impact on business plan activities
ETI	<ul style="list-style-type: none"> <li>• Elements around Active Travel have been accelerated with central funding however the negative impact on public transport has put bus companies at risk</li> <li>• Time spent at home has increased household waste and recycling. Markets for recycling products have stopped taking materials</li> <li>• Planning response times have got longer</li> <li>• Change in behaviour of residents may impact Climate Change targets – e.g. wariness to use public transport – plus Government may prioritise measures that protect the economy and that sacrifice the environment</li> </ul>	<ul style="list-style-type: none"> <li>• Setting up ETI directorate - Resources have been occupied with work on COVID which has slowed progress</li> <li>• Development of Rethinking Transport Strategy will pause. Significant impact on bus service providers will delay ability to invest in low emission buses</li> <li>• Diversion of resources away from Surrey Infrastructure Study refresh. Possible impact on pipeline of work but capital programme is progressing. Infrastructure investment will be harder to come by</li> </ul>
Public Health	<ul style="list-style-type: none"> <li>• Increase in the number of requests for health protection advice/support</li> <li>• Impact of lockdown likely to see increase in mental health issues</li> </ul>	<ul style="list-style-type: none"> <li>• Response to COVID-19 now main priority for 20/21. Ability to deliver existing activities will vary depending on decision on use of additional ring fenced PH Grant</li> </ul>
Resources	<ul style="list-style-type: none"> <li>• Ongoing capacity to deliver change required for agile working and adaptations to operational buildings</li> <li>• Opportunity for savings as we re-consider our property assets and digital assets</li> <li>• Volatility of construction market supply chain and individual businesses sustainability</li> <li>• Prolonged reduction in school meal income, even once schools return</li> <li>• Increased demand on legal services due to children's safeguarding cases as we come out of lockdown</li> </ul>	<ul style="list-style-type: none"> <li>• Digital services underpin a lot of transformation programmes. IT have capacity to deliver on activities and BAU, but would find it very challenging to respond to changes in demand or new priorities</li> <li>• Risks related to market pressures, increased costs and supply chain capacity in response to COVID-19 could impact on delivery of the Capital Programme</li> </ul>

	Risks to delivery/opportunities	Impact on business plan activities
<b>Strategic Commissioning</b>	<ul style="list-style-type: none"> <li>Strategic Commissioning Team redirected to work on areas of response to Covid 19</li> </ul>	<ul style="list-style-type: none"> <li>All areas of the teams work being impacted</li> <li>Having to significantly scale back work on commissioning learning and development offer and some wider strategic areas of work such as social care integration and Rethinking Transport Programme</li> </ul>
TP Page 97	<ul style="list-style-type: none"> <li>Social distancing will require huge amount of comms with residents and businesses about the changing shape of public services</li> <li>COVID helpline to be reviewed in September but may need to be stood up again if second wave or local lockdowns</li> <li>Backlog of birth registrations in Customer Services</li> <li>Concurrent service re-design and restructures across the organisation results in significant demand on HR capacity incl. changes required to existing training offer to reflect a more agile workforce and to retrain/upskill new employees</li> </ul>	<ul style="list-style-type: none"> <li>Activities by themselves remain broadly deliverable, but the summation of them all collectively is not deliverable within current resources.</li> <li>Majority of the Communications Team taken up in supporting response and recovery so wider comms activities in the Business Plan will be delayed</li> <li>Planning assumptions don't change the delivery of Transformation activities, but if pieces of work such as health integration/PSR ramp up these will require resources to be able to deliver</li> <li>Extra resources will be required to develop a Growth Plan to drive business engagement, economic place agenda, attract new business, skills, strengthen partnerships and understand infrastructure needs</li> </ul>

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# Transformation programmes – impact of Covid-19 and key deliverables by April 2021

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# People Portfolio



Programme	Look back (March-July 2020)		Look ahead (Sept 2020-April 2021)
	CV19 impact	Summary comments (as at May 2020)	To be delivered by April 2021 (position statements)
Libraries and Culture	Partially continued and evolved	The digital workstream has accelerated, and digitally enabled co-design (discovery and engagement) is being actively explored. Reviews of arts, heritage and adult learning have not started.	<ul style="list-style-type: none"> <li>✓ The new libraries staffing model will have been implemented with staff in their new roles.</li> <li>✓ Should the public engagement to redesign library services have identified straightforward easy to develop ideas these will be in the implementation phase.</li> <li>✓ More significant, longer term proposals will have been identified along with a plan established for testing and scaling up.</li> </ul>
SEND Transformation	Mostly continued	Some of the implementation has paused, but strategy, analysis and planning work is now picking up pace. Operational improvement and Front Door are moving from design into delivery. Virtual engagement with families continuing.	<ul style="list-style-type: none"> <li>✓ The programme of essential activity to improve business as usual across Local Authority SEND operations will be completed, and impact on quality of service delivery will be visible.</li> <li>✓ The partnership 0-4 SEND and All-age Autism strategies will be in their final stages of development.</li> </ul>
Working Differently with Communities	Paused	Programme activities and engagement have been postponed, but close collaboration with communities and VCS is continuing through the COVID-19 response.	<ul style="list-style-type: none"> <li>✓ Approach and Strategy for Working Differently with Communities agreed across Surrey County Council, building on the county-wide experience and response to the COVID-19 pandemic.</li> </ul>
Customer	Partially continued	Projects being carefully prioritised around the COVID-19 Community Helpline, with the SEND SPA (Single Point of Access) and EU accessibility project two priorities.	<ul style="list-style-type: none"> <li>✓ Customer Services will continue to build on the portfolio of services through calls, Web Sites, Web Chat and Chatbots.</li> <li>✓ During this period it will be necessary to review the approach to remote / agile working as the current solution must be considered temporary.</li> </ul>
Family Resilience – Youth Offer Consultation	Continued with some delays	Some Youth Offer engagement events were postponed, but the consultation is due to close end of June. No Wrong Door project continuing virtually.	<ul style="list-style-type: none"> <li>✓ There will be a clear position statement for each of the Youth Centres reflecting the consultation decisions.</li> <li>✓ Should the consultation decision effect the staff roles, by April 2021 the service will have been redesigned and the changes will be in the implementation phase.</li> </ul>
ASC Market Management	Mostly continued	The programme is heading towards BAU transition, activities restricted to support functions continuing, Central Placements Team implemented.	<ul style="list-style-type: none"> <li>✓ Stage 2 of the programme will deliver: enhanced market intelligence and benchmarking;</li> <li>✓ Revision of Market Positioning Statements (MPS)</li> <li>✓ Stakeholder management and communications plan</li> <li>✓ Revised contracts with supplies</li> </ul>

# People Portfolio (cont....)

Programme	Look back (March-July 2020)		Look ahead (Sept 2020-April 2021)
	CV19 impact	Summary comments (as at May 2020)	To be delivered by April 2021 (position statements)
<b>Adult Mental Health</b>	Partially paused	Establishment of the hospital discharge team has been achieved, and plans are being put in place for all other workstreams to resume when able to.	<ul style="list-style-type: none"> <li>✓ Restructure of Mental Health, including implementation of the recommendations from the service models review, to be completed.</li> </ul>
<b>Accommodation with Care and Support</b>	Continued with some delays	Virtual market engagement for Pond Meadows was successful. Recruitment and preparation for Independent Living reviews is starting to pick up.	<ul style="list-style-type: none"> <li>✓ Contract awarded for Extra Care Housing provider to deliver one scheme identified through Invitation to Tender.</li> <li>✓ Delivery models agreed for 4 sites identified for Extra Care Housing schemes.</li> <li>✓ Delivery models agreed for 3 sites identified for Independent Living schemes.</li> </ul>
<b>ASC Practice Improvement</b>	Evolved with some delays	Strength Based Practice training is being delivered virtually. Targeted reviews impacted, but some are now being conducted via telephone. Operational improvements to Reablement have progressed.	<ul style="list-style-type: none"> <li>✓ A developed workforce promoting people's independence and wellbeing, through embedding a strengths based approach across the whole of Adult Social Care.</li> <li>✓ New standard hourly rate for personal assistants fully implemented to enable an effective direct payments Personal Assistant market, to increase choice and control for residents.</li> <li>✓ An improved reablement service delivering a therapy led and full 7-day reablement offer.</li> <li>✓ More people with reviewed care and support packages that are appropriate, proportionate and outcome focused to meet needs.</li> </ul>
<b>Learning Disabilities and Autism</b>	Partially paused and evolved	Targeted reviews paused whilst managers and practitioners focus on supporting residents who may be vulnerable and/or have stopped attending day care activities. Planning and recruitment continuing. Looking at plans to better support carers and community alternatives to day centres.	<ul style="list-style-type: none"> <li>✓ Learning Disabilities and Autism service established, with a developed workforce promoting people's independence and wellbeing by using a strengths based approach across the service.</li> <li>✓ Targeting reviews to provide appropriate and proportionate care and support that meets people's needs and achieves positive results for them.</li> <li>✓ Delivering initiatives providing the right interventions to increase the number of people in independent living.</li> </ul>
<b>Emotional Wellbeing and Mental Health</b>	Continued	Procurement of CAMHS provider continued, development of new service model and expected improvements developed.	<ul style="list-style-type: none"> <li>✓ New EWMH service launched – this will begin a period of significant change but will not happen overnight. Much will depend on the outcome of the procurement, but we know that there will be a much bigger role for our local VCFS organisations and a much stronger focus on Early Intervention support (taking learning from transformation work).</li> </ul>

# People Portfolio (cont....)



Programme	Look back (March-July 2020)		Look ahead (Sept 2020-April 2021)
	CV19 impact	Summary comments (as at May 2020)	To be delivered by April 2021 (position statements)
<b>Preparing for Adulthood</b>	Partially continued	Focus is on contingency planning for young people in residential placements, subsequent programme delivery dependent on resourcing and provider availability.	<ul style="list-style-type: none"> <li>✓ Implementation of changes to the way educational placements are made, using the PfA guidance to support our strategy and to enable, where possible, young people to move back to Surrey to receive their educational support, near to their families, friends and local community.</li> <li>✓ Continuing Care in children's will be much better understood and where this is appropriate and necessary, young people will receive this higher level of health involvement to fully support their needs.</li> <li>✓ There will be a year on year Post 16 reduction in proportion of school-based placements.</li> <li>✓ Increase in placements relating to life skills or employment pathways.</li> </ul>
<b>Domestic Abuse</b>	Re-started	Following some fantastic COVID-19 response work including increased Refuge capacity, momentum is starting to build on the transformation prototypes.	<ul style="list-style-type: none"> <li>✓ Increased refuge accommodation in Surrey in response to the anticipated demand in response to Covid-19. This provision will include full wraparound support offered in the existing refuges to ensure survivors are supported fully over a longer period time that they will be living in there.</li> <li>✓ Support the 'Recovery Phase' of the pandemic by ensuring services that can support DA survivors e.g. the roll out of A&amp;E Independent Domestic Violence Advisor (IDVAs) in Surrey's Hospitals are prioritised. The introduction of IDVAs in Surrey's A&amp;E settings will provide DA survivors with an additional opportunity to seek help.</li> <li>✓ Surrey will have for the first time a Domestic Abuse Perpetrator Strategy which will outline how Surrey will work as a Partnership to provided perpetrators with the opportunities to change and hold them to account for their behaviour. There will also be an introduction of a pre-conviction perpetrator programme in Surrey to stop and prevent the cycle of abuse.</li> <li>✓ All workstreams agreed in the re-design paper that have not been included in the project milestones: Coercive control, Family Safeguarding Model, Early Intervention, Young Offenders and DA, Recovery and Coping will at least be in the development phase by April 2021.</li> </ul>

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# Place Portfolio

Programme	Look back (March-July 2020)		Look ahead (Sept 2020-April 2021)
	CV19 impact	Summary comments (as at May 2020)	To be delivered by April 2021 (position statements)
<b>Countryside</b>	Continued	Market research received and issued to residents panel. Options appraisal being commissioned for Norbury Park. Tenders issued for Newlands Corner. Project Manager recruited to plan and deliver activities workstream. Commercial review commissioned in relation to Norbury Sawmill.	<ul style="list-style-type: none"> <li>✓ Rebranding of Countryside</li> <li>✓ Infrastructure improvements (signage, benches tables)</li> <li>✓ Car Park improvements</li> <li>✓ Co-design plans for key Countryside sites</li> </ul>
<b>Creating ETI</b>	Continued	Programme Manager diverted to CV19 work (and since left), scope & plan review in progress before agreeing future resource requirement.	<ul style="list-style-type: none"> <li>✓ Development programme as identified can be delivered and changes to some working practices can be implemented and build on learning from the COVID response.</li> <li>✓ New structure in place and new roles part of permanent BAU funding.</li> </ul>
<b>Climate Change</b>	Continued	Microsite live. Onboarding of Programme team in progress with Arup providing secondee support. Governance Boards in place. Plan in progress.	<ul style="list-style-type: none"> <li>✓ 2<sup>nd</sup> Design Challenge</li> <li>✓ Solar PV Business Case</li> <li>✓ Draft Renewable Energy Strategy</li> <li>✓ Climate Change training for officers and members embedded</li> </ul>
<b>Rethinking Transport</b>	Delayed	EV charging assessment complete and work commencing on forward plan across Surrey. Revised Business Cases prepared for EV community vehicles and buses, extending from 2 to 5 year programme. Create Streets work received & in review. Behaviour change pilot in reassessment.	<ul style="list-style-type: none"> <li>✓ Draft Local Transport Plan delivered</li> <li>✓ Exploration of new commercial arrangement for bid with Stagecoach to increase SCC's initial investment and enable the replacement of 22 buses in Farnham with Ultra Low EV models</li> </ul>
<b>Rethinking Waste</b>	Continued	Programme Manager role re-advertised after initial round of recruitment unsuccessful. Waste Commissioning Strategy complete.	<ul style="list-style-type: none"> <li>✓ Commissioning Strategy agreed by Cabinet</li> <li>✓ Refocused and additional campaigns &amp; marketing</li> <li>✓ Planning Application to replace/improve Slyfield CRC submitted, and drafted for other sites/developments</li> <li>✓ Automatic number plate recognition cameras at CRCs</li> </ul>
<b>Improving Infrastructure</b>	Continued	Agreed governance to sit under Rethinking Transport. Likely to be short delay in selecting vendor for AI maintenance pilot due to high level of initial response. Lane Rental progressing as per plan.	<ul style="list-style-type: none"> <li>✓ Future Highways contract issued to market</li> <li>✓ Digital Asset Strategy developed</li> <li>✓ Lane Rental Scheme in place</li> </ul>

# Place Portfolio (cont...)

Programme	Look back (March-July 2020)		Look ahead (Sept 2020-April 2021)
	CV19 impact	Summary comments (as at May 2020)	To be delivered by April 2021 (position statements)
<b>Improving Infrastructure</b>	Continued	Agreed governance to sit under Rethinking Transport. Likely to be short delay in selecting vendor for AI maintenance pilot due to high level of initial response. Lane Rental progressing as per plan.	<ul style="list-style-type: none"> <li>✓ Future Highways contract issued to market</li> <li>✓ Digital Asset Strategy developed</li> <li>✓ Lane Rental Scheme in place</li> </ul>
<b>Community Protection &amp; Fire</b>	Continued	Action Short of Strike was withdrawn, but time period coming to an end. June inspection delayed. Phase 2 assurance work continuing. Recruitment for CPG (Community Protection Group) Project Manager completed.	<ul style="list-style-type: none"> <li>✓ Themed Fire inspection</li> <li>✓ Assurance completed by Brunel University for phase 1 &amp; 2 changes</li> <li>✓ Health &amp; Safety and Coroners service reviews completed</li> </ul>
<b>Being more Entrepreneurial</b>	Continued	Programme in start up; overarching programme brief & approach for innovation capability drafted pending approval by Exec Sponsor & SRO. Business Case drafted for schools opportunity and in review.	<ul style="list-style-type: none"> <li>✓ Strategy &amp; business case developed and approved</li> <li>✓ Priority focus areas agreed</li> <li>✓ Work commenced in first phase initiatives</li> </ul>
<b>Economic Growth</b>	Delayed	ARUP report has been paused to reflect economic impact of C19. New Director in place & reviewing scope.	<ul style="list-style-type: none"> <li>✓ Strategy &amp; business case developed and approved</li> <li>✓ Digital infrastructure work initiated (5G)</li> </ul>

# Organisation Portfolio

Programme	Look back (March-July 2020)		Look ahead (Sept 2020-April 2021)
	CV19 impact	Summary comments (as at May 2020)	To be delivered by April 2021 (position statements)
<b>DB&amp;I (Digital Business &amp; Insights)</b>	Continued	About to appoint ERP preferred bidder. Business Analysis work starts in August 2020. Aligning DB&I and Agile change management so they support each other.	<ul style="list-style-type: none"> <li>✓ Detailed design and implementation of new ERP underway</li> <li>✓ Benefits baselining underway in parallel with detailed design</li> <li>✓ Outgoing data from SAP cleansed and prepared for transfer to new system</li> </ul>
<b>Digital</b>	Continued	Strong capabilities are now built. Move the pipeline generation closer to People and Place Portfolios and add benefits to all new proposals. Improve visibility.	<ul style="list-style-type: none"> <li>✓ Culture shift to delivering benefits-driven projects based on service requests implemented</li> <li>✓ Clarity around benefits realisation</li> <li>✓ Spend and outputs delivered to plan for the f/y</li> </ul>
<b>Agile</b>	Accelerated	Accelerated by C-19. All IT projects reviewed. Adjust MCTR change workstream to be about all Surrey Agile change. Enable County Hall teams to be move ready. Use HROD "Our Conversation" findings to inform wider approach.	<ul style="list-style-type: none"> <li>✓ 'Add Any Device' Policy in place for mobile working</li> <li>✓ Infrastructure aligned with land &amp; property strategy</li> <li>✓ Windows 10 deployment complete</li> <li>✓ Previously County Hall-based teams enabled to be Agile</li> <li>✓ Change management of processes/IT/Leadership/working styles in wider deployment across SCC</li> </ul>
<b>Land &amp; Property</b>	Continued	Transformation work is in start up while procurement of an Integrated Workplace Management System is underway. Aligning property technology with IT&D.	<ul style="list-style-type: none"> <li>✓ Implementation of new data management system underway</li> <li>✓ Culture change embedding</li> <li>✓ Corporate landlord model implemented</li> </ul>
<b>Data Insights</b>	Delayed	Start up delayed by C-19 response but now underway. Already working with Digital.	<ul style="list-style-type: none"> <li>✓ Evidence-based approach to data/insights into residents' use of services/linking of databases across Surrey/ social research workstreams in place</li> </ul>
<b>Resources Directorate Improvement</b>	Continued	New programme of works being defined to transform Finance, Procurement, Property, Legal Services, IT&D, Business Ops, Internal Audit. Will be based on Business Partnering model.	<ul style="list-style-type: none"> <li>✓ Clear service improvement plans developed</li> <li>✓ Business partner ethos further embedded</li> <li>✓ Improved processes and polices to support front line services</li> <li>✓ Clear plans for automation and exploitation of new ERP system</li> </ul>
<b>MCTR</b>	Paused and closed	Original programme to be closed. Will restart in some form when County Hall is sold in late 2020. Business engagement/change components continued as part of Agile programme.	Not applicable

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**SURREY COUNTY COUNCIL****CABINET****DATE: 29 SEPTEMBER 2020****REPORT OF: MRS JULIE ILES, CABINET MEMBER FOR ALL-AGE LEARNING****LEAD OFFICER: LIZ MILLS (DIRECTOR EDUCATION, LIFELONG LEARNING AND CULTURE)****SUBJECT: DEVELOPING LOCAL SPECIAL EDUCATIONAL NEEDS AND DISABILITY (SEND) PROVISION IN SURREY TO MEET DEMAND IN 2021/2022****SUMMARY OF ISSUE:**

As part of the Special Educational Needs and or Disability (SEND) Transformation Plan and SEND Sufficiency Strategy 2020-2025 which was approved by Cabinet on 29 January 2019, a recommendation was made to increase the specialist provision in mainstream specialist centres, special academies and maintained special schools in Surrey in order to reduce the reliance on Non-Maintained and Independent Specialist provision and out of county Independent provision. The recommendations are aligned with the local area's 2030 Community Vision which received Full Council unanimous approval to support the aspiration that everyone achieves their full potential, contributes to their community and no one is left behind so that children and young people who have SEND and Education Health and Care Plans (EHCPs) are educated in their nearest most appropriate setting and closer to home.

Creating sufficient and sustainable in-county specialist provision will give families and young people greater choice and control, reduce travel time as well as associated transport costs, enabling children and young people who have SEND to play an integral part of their local communities, and crucially, increase opportunities in which they achieve their individual academic and personal potential and are fully prepared for adulthood.

A cabinet report on the 29<sup>th</sup> September 2019 outlined Surrey's 10 year SEND Strategic Planning Approach and recommended that all future schemes identified as part of the SEND Capital Programme which require capital investment are reported to Cabinet for Cabinet Member for approval. This paper outlines schemes identified for Phase 2 of the SEND Capital Programme for delivery from 2021-2022.

**RECOMMENDATIONS:**

It is recommended that:

1. Cabinet approves the use of SEND Capital Funding against the projects identified through the Expression of Interest (EOI) process with Surrey Schools (Annex 1) for Phase 2 of the SEND Capital Programme to create 213 additional Specialist Planned Places in Surrey for academic year 2021-2022.
2. Cabinet approves the use of additional SEND Capital Funding of £6.4m required to complete the Freemantle's expansion, in addition to Phase 1 (Annex 2)
3. Cabinet approves that the £36m of Capital Budget in the Pipeline be transferred to SEND Capital Phase 1 and 2 Programmes

## REASON FOR RECOMMENDATIONS:

Under Part 3 Section 21 of the Children & Families Act, 2014 the Local Authority and its partners have a statutory duty to keep special educational provision under review, including planning, commissioning and monitoring. In carrying out the duties in the Children & Families Act 2014, local authorities and others with responsibilities under that Act, are also covered by the Equality Act, 2010.

Developing and maintaining high quality specialist provision in Surrey is vital to ensure appropriate placements for the county's most vulnerable children and young people who have complex SEND and require specialist educational provision.

The proposed schemes (See Annex 1) ensure enough special school places are provided for secondary and Post 16 age children and young people who have Social, Emotional and Mental Health needs, Communication & Interaction needs and Cognition & Learning needs. These are the 3 need-types where long-term deficits in planned places have already been identified.

Increasing local specialist provision assures high quality teaching (through robust monitoring protocols) in Surrey's Good and Outstanding provision as graded by Ofsted, value for money at a more equitable cost per learner, the development of social value opportunities as well as employment in local communities.

## DETAILS:

### The Context

1. Surrey has experienced a significant increase in the number of children and young people with complex Special Educational Needs and Disabilities (SEND) in the past 4 years. Although the percentage increase in growth of Education, Health and Care Plans (EHCPs) has dropped in recent years, Surrey's growth in EHCPs is still higher when compared to the national picture, statistical neighbours and the South East benchmarking group. On average, Surrey's EHCP growth has been 12% since 2016 – nearly two percentage points higher on average than its statistical neighbours.
2. Autism (also referred to as ASC) has been the most prevalent primary need in Surrey since 2015. The rate of ASC growth continues to be almost double that of the growth rate for Moderate Learning Difficulties (MLD) and Social Emotional and Mental Health needs (SEMH), which are the next two highest areas of need in the county. On average, ASC has grown by 32% in Surrey over the last 4 years and continues to trend upwards.
3. Primary need growth in SEND is forecast to continue for the next 5 years, although we can expect to see some levelling off if trends continue along similar lines to the past 2 years. Anticipated reductions in previous EHCP trends are reliant on the successful implementation and cultural-shift of the system-wide workstreams from the SEND Transformation programme which would bring Surrey's EHCP numbers at least in line with statistical neighbours.
4. Since 2016, over 600 additional places have been created in Surrey's education sector. Additional SEND Capital Projects approved by Cabinet in 2019 and early 2020 have been completed. (See Annex 2)

5. As of September 2020, the specialist education sector in Surrey provides 770 specialist centre places in mainstream schools and 2698 special school places.
6. Three new free schools in Surrey will come online in the next 5 years incrementally (See Annex 3). As EHCP growth continues to trend upwards, additional provision will still be required to meet demand whilst these new schools are being established.
7. Historically to meet increasing demand year on year, Surrey County Council has relied on the independent sector (Non-Maintained Special Schools, Independent Special Schools and Independent Schools) to provide the additional places. These have been at a significantly higher per learner cost than Surrey's own schools, which in most cases are limited by their physical capacity and use of available space, rather than their ability to support the needs of the children and young people with the most complex SEND.
8. In total, Surrey County Council spends approximately £67.7m each year placing 1200 children and young people who have SEND in the independent sector, with an average cost of more than £53k per placement. This figure is compared to an approximate spend of £52.2m on maintained and academy specialist provision for 3,468 children and young people, that is within the range of £16k and £23k for each placement.
9. In addition, only 46% of learners who have SEND in Non-Maintained and Independent settings attend provision in-county, meaning many children and young people with EHCPs travel significant distances daily, frequently with excessively long journey times and at very high cost, to their place of education. The approximate annual cost for local authority funded travel for children and young people who have SEND is currently £41m.
10. Therefore, creating a long-term sustainable position with additional specialist place planning that addresses in-county deficit numbers at primary, secondary and Post 16 phases of education by 2022 delivers benefits realisation in the form of increased opportunities resulting in positive outcomes for children and young people who have SEND, investment in local provision that increases the Local Offer and cost containment to the High Needs Block in the longer term.
11. An expression of interest (EOI) exercise commenced in July 2020 to ascertain viable expansion or redevelopment opportunities within existing in-county settings. Officers recognise the significant work that is undertaken by Surrey's Special Schools as well as Specialist Centres attached to mainstream settings to successfully support children and young people with EHCPs and is keen to continue working collaboratively with partners to create high quality and sustainable provision that is responsive to local population needs.

**Table 1** below details the previous and current decision-making criteria for matching demand against SEND Capital Projects.

**Table 1: Previous and current decision-making criteria for SEND Capital Projects**

Current Decision-making criteria: Matching known & forecasted demand against SEND projects
September 2021 places already in pipeline and status of projects
Capital cost
Revenue cost
Maintained School/ Academy proposal
Can be mobilised in 2020 or required for September 2021 onwards
Location
Sustainability
Ofsted Rating
Currently over or under subscribed
Existing intake/ new intake
Therapy costs

**Forecast place demand for September 2021/2022**

12. Table 2 below outlines the required specialist provision, by designation and need type for Academic Year 2021/2022 by Quadrant Area. In total, this amounts to 179 additional specialist places required in Key Stage Transfer years only. There is currently no forecast additional demand for specialist provision where Physical and/ Sensory is the primary need.

**Table 2: Surrey's Additional specialist SEND places required for the academic year 2021/2022**

Communication & Interaction					
<i>Autistic Spectrum Disorder - Complex and High Functioning</i>					
	NE	NW	SW	SE	Total
<b>Year R</b>	0	0	3	0	3
<b>Year 3</b>	3	1	0	0	4
<b>Year 7</b>	17	0	23	0	40
<b>Total</b>	20	1	26	0	47

Cognition & Learning					
<i>Severe Learning &amp; Developmental Disorder - Learning and Additional Needs</i>					
	NE	NW	SW	SE	Total
<b>Year R</b>	23	0	13	0	36
<b>Year 3</b>	17	9	29	14	69
<b>Year 7</b>	19	0	0	0	19
<b>Total</b>	59	9	42	14	124

Social, Emotional & Mental Health Needs					
<i>Social, Emotional and Mental Health</i>					
	NE	NW	SW	SE	Total
<b>Year R</b>	0	0	0	0	0
<b>Year 3</b>	1	0	0	1	2
<b>Year 7</b>	6	0	0	0	6
<b>Total</b>	7	0	0	1	8

## Developing the SEND Capital Programme, alongside Children, Families, Lifelong Learning and Culture (CFLC)

13. The SEND Capital Programme supports the Surrey 2030 vision by ensuring:

- Children and young people are safe, feel safe and confident.
- Everyone benefits from education, skills and employment opportunities that help them succeed in life.
- Everyone lives healthy, active and fulfilling lives, and makes good choices about their wellbeing.
- Everyone gets the health and social care support and information they need at the right time and place.
- Communities are welcoming and supportive, especially of those most in need, and people feel able to contribute to community life.

14. The SEND Capital Development programme supports the Children, Families, Lifelong Learning and Culture (CFLC) Directorate Plan by:

- Deliver(ing) a strong system across Health, the Local Authority and Education, for children and young people with special educational needs, additional needs and disabilities, with a focus on inclusion in mainstream education with the right support at the right time, and access to education provision within their own community and within Surrey.

15. The SEND Capital Development programme supports the SEND Partnership Strategy 2019-2022 by ensuring:

- Children and young people are at the centre of our thinking and that we work with families as partners in meeting their children or young people's needs and planning how we will deliver support and provision in the future.
- All places, settings and organisations that provide education and/or support to children and their families are welcoming of children and young people with SEND and have a better understanding of their needs.
- Ensure that when new provision and support is created, that Health, Education and the Local Authority share responsibility to ensure that high quality support is in place for children, young people and families when and where they need it.
- Children and young people with SEND can access the help and support they need to thrive and achieve within their local communities. They can go to education provision that meets their needs, access services and play an active role in the community close to where they live.
- Families have easy access to information which helps them understand how best to support their child or young person's needs and access the help that is offered.
- Children, young people and families have access to the same level of high-quality support wherever they live in Surrey. We have a good shared understanding of our children and young people who have SEND in Surrey and our support offer matches their identified needs.

16. The SEND Transformation programme 2020-2025 is a significant body of work that is underway to improve the wider SEND system and pre-statutory offer to children and young people who have SEND and their families across the county. This includes programmes focused on achieving the following;

- A strong SEND System and SEND Operational Improvement
- The Local Offer
- A new Autism Strategy and a new Local Area Autism Service offer for early years pupils
- A new Graduated Response for pre-statutory SEND Support
- An enhanced and refreshed Alternative Provision offer
- Improved Single Point of Access, to provide universal wraparound support where necessary (known as the 'L-SPA')
- Increasing levels of independence through targeting Transition (Early Years Strategy (0-4 years) and Post 16 Strategy (17-25 years))
- Improving the quality of provision Surrey County Council accesses by expanding in-county, outstanding and good schools
- Reducing the numbers of out of county and long-distance providers
- A sustainable SEND Transport Strategy that supports the development of independence and independent travel
- Integration of commissioning functions with Health partners to provide holistic joint commissioning opportunities (Joint Commissioning Strategy)

#### **Delivery of additional provision and benefits to Children, Young People and Residents**

17. The provision of additional specialist places will support the county-wide inclusion plan as well as increasing the availability of places for children and young people with SEND to access in the county, ensure specialist education provision is fit for purpose and create additional employment/ supported internship opportunities for residents around areas of expansion.
18. Improve investment in Surrey's education sector supports schools in delivering high quality education to some of the county's most vulnerable children and young people. The proposal also signifies improved value for money against significant average Non-Maintained Independent costs.
19. Expanding Surrey's specialist provision aligns with the Next Steps programme and strategy for Post-16 to create local further education and employment pathways such as apprenticeships and supported internships to enable young people who have SEND to make a successful transition to adulthood and secure employment.
20. Capacity created locally will also ensure SEND home to school transport times are reduced in line with Department for Education recommendations, improving congestion and traffic flow around the county.

## Next steps: Governance Flow

21. Robust governance arrangements have been developed to enable high-level oversight of Surrey's SEND Capital Strategy and Programme. These include:
- The Capital Planning Programme, which is chaired by the Executive Director of Resources
  - The Portfolio Board, which has a key function of Corporate scrutiny and is chaired by the Executive Director of Children, Families, Lifelong Learning & Culture and Director of Commissioning
  - The SEND Board, which has a key function of Member scrutiny and is chaired by the Cabinet Member for All-Age Learning
  - The Capital Programme Board, which has a key focus on delivery and progress of strategic capital development programmes and is chaired by Directors of Education, Learning & Culture and Corporate Parenting
  - The SEND Capital Programme Board, which has a key focus on the tactical delivery and progress of each phase of the SEND Capital Programme and is chaired by the Assistant Director of Education
  - The SEND Capital Programme Working Group, which is a joint-agency operational group which monitors the progress of all individual SEND Capital Projects, EHCP Place Planning and associated capital and revenue resources
22. The creation of the new levels of accountability, assurance and sign-off for SEND Capital Projects ensures regular and accurate information flow between interdependent departments, which are aligned with Surrey County Council's decision-making pathway. The structure also ensures that stakeholders, system-partners, operational teams, Heads of Service, Strategic Directors and Cabinet Members have access to a consistent flow of up to date information about the programme's timescales, costs, quality, scope, risks and benefits.

### CONSULTATION:

23. The recent disruption brought about by COVID-19 means that the consultation approach employed by the Council for decision-making for Phase 2 of the SEND Capital Programme is a continuation of the development of Surrey's SEND strategy, which was subject to full public consultation and reviewed by the Council's Cabinet on 29 January 2019. Consultees included education providers, SEND System-partners, parent carers, children and young people, local districts and boroughs.
24. The Council has undertaken further engagement activities with schools in the Summer of 2020, including encouraging settings to provide 'Expressions of Interest' (EOI) for capital expansion. All phases of schools have been included within this process including mainstream maintained and academy primary, secondary and special schools. Comments and expressions of interest received from this programme have been used in the development of this report for approval. Chart 2 below details the analysis of 26 Expressions of Interest received.

**Chart 2: Analysis of Expressions of Interest received by Surrey County Council July 2020**

		Percentage
<b>Provision Type</b>	Special Academy	12%
	Maintained Special School	31%
	Specialist Centre	54%
	Other	3%
<b>Need Type to cater for</b>	Communication & Interaction (S&L)	16%
	Communication & Interaction (ASC)	28%
	Social Emotional & Mental Health	5%
	Cognition & Learning MLD	27%
	Cognition & Learning SLD	9%
	Cognition & Learning PMLD	3%
	Physical and/ or Sensory	0%
	Any need type	8%
	Complex Health Needs (Not SEND)	4%
<b>Phase</b>	Primary	50%
	Secondary	27%
	Post 16	23%
<b>Area</b>	South East	31%
	South West	23%
	North East	23%
	North West	23%
<b>Phase of future places</b>	Primary	50%
	Secondary	27%
	Post 16	23%
<b>Current Ofsted Grading</b>	Outstanding	38%
	Good	50%
	Requires Improvement	4%
	Inadequate	8%
<b>Location</b>	Elmbridge	15%
	Guildford	15%
	Mole Valley	15%
	Reigate & Bansted	4%
	Runnymede	12%
	Spelthorne	8%
	Surrey Heath	8%
	Tandridge	15%
	Waverley	4%
	Woking	4%

25. The proposed locations of the three new Free Schools have already been factored into forecast future demand alongside the Expressions of Interest received. Two of the three new Free Schools will not begin to admit learners until September 2022.

26. Future phases of the SEND Capital Programme will be subject to further stakeholder engagement activity towards the end of 2020 with the view to creating a new co-produced and quality assured decision-making framework, which acknowledges all the associated SEND-System interdependencies. (See Annex 4)
27. Further public consultation will be required for each approved project going forward in line with statutory Planning Consultations and Judicial Review periods for Land & Property developments, as well as Department for Education Prescribed Alteration (Stage 2 Representation) and Free School Presumption (Section 10 Consultation) processes.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

28. There is a risk that current forecasts of demand for learners with EHCPs is inaccurate, particularly in the case of non-key stage transfer year groups, and that therefore there may be an under or over supply of specialist places with consequent capital and revenue implications for the Council. To mitigate this the Council has invested in high quality forecasting tools and periodically reviews and assess forecasts in relation to outcomes.
29. Specific timescale risks associated with individual projects that relate to statutory process including prescribed alterations, free school presumptions, planning and procurement could mean that specific projects cannot be delivered within the desired timeframe. Each project will be monitored by a project board, jointly planned by Education and Land & Property partners and has already been subject to detailed consideration prior to submission to Cabinet or Cabinet Member approval.  
Officers will monitor the progress of individual projects on a monthly basis through the newly established Governance groups and update key decision-makers about continued business justification, financial viability, progress, risks and issues as appropriate.
30. All building and refurbishment projects are required to include risk, issue and quality registers. A contingency allowance approved by Finance and Land & Property partners appropriate to the schemes will be included within individual project budgets to mitigate potential risks and issues. These will be subject to SEND Programme Board as well as individual Project Board decision-making.
31. Evaluative processes for measuring the success of SEND Capital investment are being employed in reviewing the impact and lessons learned from Phase 1 projects. Learning from experience is critical so that previous lessons learned can be applied, with the goal of seeking opportunities to continue to implement improvements throughout each phase of the programme. It is the responsibility of all officers involved with the SEND Capital Programme to look for lessons in order to drive sustainable change and progression.

32. A Programme Risk Register will be used to identify, manage and mitigate programme risks. In addition, each individual project within the programme will have a comprehensive costed risk, issue and quality register. These will be managed by the project teams.

### FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

33. The strategic partnership approach to increasing the proportion of learners within local maintained and academy specialist provision compared to the proportion of those within non-maintained independent provision has a significant revenue benefit for the Council, as is outlined in Table 3 below. Additionally, the SEND Strategy and local area vision to ensure successful early identification of needs and appropriate early intervention will be of benefit to more children and young people who have SEND and their families, as well as achieving revenue savings for the high needs block in the long term.

**Table 3: Local and Non-Maintained Independent Cost Containment**

SEND Capital Scheme	Proposed Additional Places	Revenue costs: HNB estimated Top up and Place Value £,000	Comparison to Non-Maintained Independent Average (£53k)	Estimated Benefit per Place
Scheme 1	24	443	1,272	£829
Scheme 2	20	346	1,060	£714
Scheme 3	50	883	2,650	£1,767
Scheme 4	34	504	1,802	£1,298
Scheme 5	25	350	1,325	£975
Scheme 6	60	981	3,180	£2,199
<b>Total</b>	<b>213</b>	<b>3,507</b>	<b>11,289</b>	<b>£7,782</b>

34. A sustainable specialist estate will be developed to provide fit for purpose facilities for Surrey's children and young people who have SEND and require a specialist placement, providing cost effective solutions to support revenue savings. From the overall original £62,695,000 of capital investment identified, £36m is currently available in the pipeline to progress this next phase of the SEND Capital programme. Each individual project will be required to demonstrate value for money and benefits realisation is achieved, in addition to being subject to robust cost challenge and scrutiny to drive optimum value as it progresses.

35. Phase 2 programmes have £21,250,000 notional budget allocation, which will leave approximately £1,503,674 in the budget after Phases 1 and 2 of the programme are completed in full.

## SECTION 151 OFFICER COMMENTARY

36. Although significant progress has been made over the last 12 months to improve the Council's financial position, the medium-term financial outlook is uncertain. 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 onwards, 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 move forward with the SEND Capital Programme which is a significant part of the DSG High Needs Block reduction plan.
37. The current capital requirement is already factored into the medium-term financial strategy (MTFS). The projected revenue benefits will feed initially to the DSG but reducing the High Needs Block annual deficit will enable the Council to make comparable changes to the current General Fund contribution which will be of benefit to the MTFS position.

## LEGAL IMPLICATIONS – MONITORING OFFICER

38. This report acknowledges that as the Special Educational Needs and or Disability (SEND) Transformation Plan and the SEND Sufficiency Strategy 2020-2025 progresses and changes to service provision are proposed there may be a need for further engagement and, in appropriate cases, consultation with residents and stakeholders for approved project.
39. Under Section 2 (1) of the Local Authorities (Land) Act 1963 a local authority has extensive development powers and may, for the benefit or improvement of its area, erect, extend, alter or re-erect any building and construct or carry out works on land. Depending on the proposals to expand and or re-develop the existing 'in-county' sites which have been identified, it will be necessary to adhere to statutory requirements such as planning consultations, Department for Education and Free School processes to obtain any required consents that may apply to each of the sites.

## EQUALITIES AND DIVERSITY

40. The SEND Strategy, to which this programme of work aligns, was subject to a full Equalities Impact Assessment published on 21 January 2019. This EIA has been reviewed and remains relevant to the Phase 2 schemes outlined in this cabinet paper. [https://www.surreycc.gov.uk/\\_data/assets/pdf\\_file/0008/188729/Annex-2a-SEND-Transformation-Programme-EIA-FINAL.pdf](https://www.surreycc.gov.uk/_data/assets/pdf_file/0008/188729/Annex-2a-SEND-Transformation-Programme-EIA-FINAL.pdf)
41. The strategy focuses on inclusion and ensuring that children with SEND can get a good education at a school close to their home. The aim of the strategy is to make sure that every child and young person who has SEND growing up in Surrey has the best possible start in life and equality of opportunity is maximised across the four need types and range of needs in the four quadrants of the county.

#### **OTHER IMPLICATIONS:**

42. The potential implications for the following Council priorities and policy areas have been considered alongside the social value benefits to local communities. These benefits involve maximising local business opportunities across the county, including the people who matter the most and enhancing communications both internally and externally. Where the impact is potentially significant a summary of the issues is set out in detail below.

#### **CORPORATE PARENTING/LOOKED AFTER CHILDREN IMPLICATIONS**

43. This proposal would provide necessary additional local specialist education places for learners with an EHCP in Surrey. It is assumed therefore that these places would also be of benefit to Surrey's Children Looked After and Care Leavers with the most complex needs by reducing the number of individuals currently placed outside of the Council area.

#### **SAFEGUARDING RESPONSIBILITIES FOR VULNERABLE CHILDREN AND ADULTS IMPLICATIONS**

44. The council has a duty to promote and improve safeguarding in education as well as educational outcomes for all children and young people who are vulnerable or disadvantaged. The creation of additional specialist capacity closer to home supports highly effective joint agency monitoring to reduce placement breakdown and increased demand on care services.

#### **ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS**

45. The provision of education places closer to home will reduce the average journey times for learners with EHCPs and is aligned with the vision and aspirations of Surrey's SEND Transport Transformation programme.

46. Design philosophy that has been adopted to create new or refurbish and extend existing 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 standards in the local planning authority's adopted core planning strategy.

#### **WHAT HAPPENS NEXT:**

47. Approval by Cabinet of the 6 SEND Capital Programme Projects to be developed and implemented for 2021-2022.

48. Completion of remaining Phase 1 projects for 2020-2021

49. Completion of the Phase 2 SEND Capital Projects' viability and feasibility assessments, as well as firm confirmation of reprofiled SEND ACP and Pipeline figures for 2021 onwards.

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#### **Contact Officer:**

Eamonn Gilbert, Assistant Director Commissioning: [Eamonn.Gilbert@surreycc.gov.uk](mailto:Eamonn.Gilbert@surreycc.gov.uk)

**Consulted:**

As part of Surrey County Council's ongoing transformation work, public consultations have been conducted to capture the users' voice on the principles and transformation work in each area of the council's strategy and offer. Each consultation has used open-ended questions to allow respondents to share their perceptions, attitudes and experiences.

Surrey residents were asked for their views on the draft SEND strategy which sets out 5 principles and 4 proposed areas of transformation to strengthen support for children and young people with special educational needs and disabilities (SEND), at a time when the amount of funding available is not keeping pace with the growing levels of need.

Results of Surrey's SEND Strategy Public Consultation were published in January 2019:

[https://www.surreycc.gov.uk/\\_data/assets/pdf\\_file/0010/187381/Special-Educational-Needs-and-Disabilities-Consultation-Summary-Analysis.pdf](https://www.surreycc.gov.uk/_data/assets/pdf_file/0010/187381/Special-Educational-Needs-and-Disabilities-Consultation-Summary-Analysis.pdf)

**Annexes:**

- **ANNEX 1:** Phase 2 SEND Capital Programme projects for 2021-2022
- **ANNEX 2:** Phase 1 SEND Capital Programme projects outturn for 2019-2020 and projects due for completion
- **ANNEX 3:** Phasing of additional Planned Places from the SEND Capital Programme
- **ANNEX 4:** System Flow and Governance arrangements to support the future implementation of the SEND Capital Programme's decision-making framework

**Sources/background papers:**

Expressions of Interest for September 2020/2021

## SEND CAPITAL PROGRAMME ANNEXES

### **ANNEX 1: Phase 2 SEND Capital Programme Projects 2021-2022**

Scheme	Placement Type	Designation of Provision	Area	Ofsted Rating	Cabinet Approval Year	Project	Number of new planned places created	Notional Budget	Cost per place	Land & Property Stage of Approval/ Status
Scheme 1	Maintained Special School	Communication & Interaction	SE	Outstanding	Scheduled for 29/09/20 Cabinet	Secondary expansion to accommodate 6 <sup>th</sup> form	24	2,500,000	104,166	Not instructed
Scheme 2	Maintained Special School	Communication & Interaction	SE	Good	Scheduled for Cabinet 29/09/2020	Permanent Expansion/ changing room refurb	20	250,000	12,500	Instructed & in process
Scheme 3	Maintained Special School	Cognition & Learning (Moderate)	NW	Outstanding	Scheduled for 29/09/20 Cabinet	Secondary Permanent Expansion	50	6,000,000	120,000	Not instructed
Scheme 4	Special Academy	Cognition & Learning (Moderate)	SW	Outstanding	Scheduled for 29/09/20 Cabinet	Secondary Permanent Expansion	34	3,500,000	102,940	Not instructed
Scheme 5	Special Academy	Communication & Interaction	NE	Good	Scheduled for 29/09/20 Cabinet	Secondary Permanent Expansion	25	3,000,000	120,000	Not instructed
Scheme 6	Maintained Special School	Cognition & Learning (Moderate) Social Emotional & Mental Health	SE	Good	Scheduled for 29/09/20 Cabinet	Secondary & Post 16 Permanent Expansion (including girls only SEMH)	60	6,000,000	100,000	Not instructed
<b>Total</b>							<b>213</b>	<b>21,250,000</b>		

Capital cost per additional place can vary significantly based on a number of factors, for example the level of need of the pupil, the site itself and of course if it is a new build or a refurbishment of an existing space.

## ANNEX 2:

**Phase 1 SEND Capital Programme Outturn 2019-2020: Completed Projects**

Name of Scheme	Designation of Provision	Area	Ofsted Rating	Cabinet Approval Year	Project	Number of new planned places created	Capital Outturn £	Land & Property Stage of Approval/ Status
Linden Bridge Special Academy	Communication & Interaction (Complex)	Worcester Park NE	Outstanding	2019	Infant bulge class	8	90,490	Instructed & Completed
Philip Southcote Maintained Special School	Cognition & Learning (Moderate)	Weybridge NW	Outstanding	2019	Secondary bulge class	10	351,639	Instructed & Completed
Woodfield Maintained Special School	Cognition & Learning (Moderate)	Merstham SE	Outstanding	2019	Secondary bulge class	10	368,511	Instructed & Completed
Freemantles Maintained Special School	Communication & Interaction (Complex)	Woking NW	Outstanding	2019	Infant bulge class	16	500,000	Instructed & Completed
Pond Meadow Special Academy	Cognition & Learning (Severe)	Guildford SW	Outstanding	2019	Infants bulge class	14	831,814	Instructed & Completed
Brooklands Maintained Special School	Communication & Interaction (Complex)	Reigate SE	Good	2019	Infant bulge class	8	264,113	Instructed & Completed
Walton Leigh Maintained Special School	Cognition & Learning (Severe)	Walton-on-Thames NE	Outstanding	2019	Secondary bulge class	11	824,584	Instructed & Completed
Bell Farm Specialist Centre	Communication & Interaction	Elmbridge NE	Good	2019	New Primary Specialist Centre	21	694,591	Instructed & Completed
Worplesdon Specialist Centre	Communication & Interaction (Complex)	Guildford SW	Good	2019	New Primary Specialist Centre	21	1,024,572	Instructed & Completed
<b>Total</b>						<b>119</b>	<b>5,341,326</b>	

**ANNEX 2: Phase 1 SEND Capital Programme Outturn 2019-2020: Projects due for completion 2020 onwards**

Name of Scheme	Designation of Provision	Area	Ofsted Rating	Cabinet Approval Year	Project	Number of new planned places created	Capital Outturn £	Land & Property Stage of Approval/ Status
New Free School NW	Communication & Interaction (Moderate & Complex)	Woking NW	N/A	2019	New Free School	176	25,000,000	Instructed and Stage 3 design
Brooklands Maintained Special School	Communication & Interaction (Complex)	Reigate SE	Good	2019	Primary Permanent Expansion	70	1,000,000	Instructed and in process. 2 x classes (10 places) remaining to deliver
Freemantles Maintained Special School	Communication & Interaction (Complex)	Woking NW	Outstanding	2019	Permanent All-Through Expansion	69	2,200,000	Instructed and viability completed
Freemantles Maintained Special School	Communication & Interaction (Complex)	Woking NW	Outstanding	** Not yet approved	Permanent All-Through Expansion		6,400,000	Feasibility started
						<b>315</b>	<b>34,600,000</b>	
<b>Phase 1 total SEND Capital investment</b>							<b>39,941,326</b>	

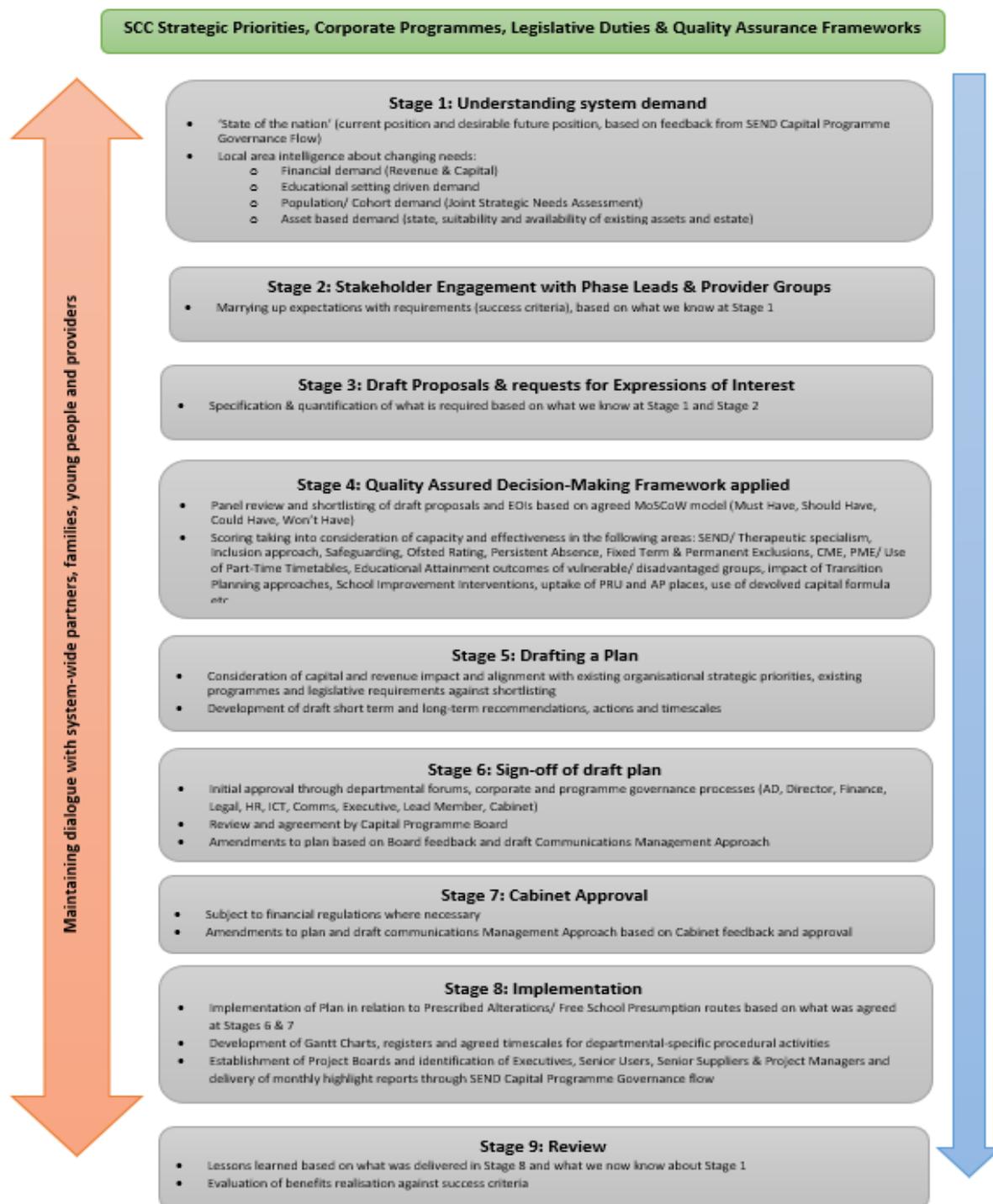
**\*\* Please note:** The additional funding (£6.4m) required to complete the Freemantles expansion scheme is because space currently utilised through temporary accommodation needs to be made permanent in addition to that originally envisioned in the expansion budget. Viability has been completed and Feasibility is underway, outcomes of which have informed the expected total costs.

### ANNEX 3: Named approved schemes and proposed new schemes contributing to the SEND Capital Programme 2020-2027

Schemes in orange previously approved, schemes in yellow proposed.

Placement	Need Type	Area	Phase & Gender	2020 - 2021	2021 -2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	Total
Brooklands Maintained Special School	Communication & Interaction Needs	Reigate SE	Primary Co-education	16	24	30	0	0	0	0	70
Bell Farm Specialist Centre	Communication & Interaction Needs	Elmbridge NE	Primary Co-education	12	6	3	0	0	0	0	21
Worpleson Specialist Centre	Communication & Interaction Needs	Guildford SW	Primary Co-education	15	3	3	0	0	0	0	21
Freemantles School	Communication & Interaction Needs	Woking NW	Secondary & 6 <sup>th</sup> Form Co-education	9	9	15 (9+6)	15 (9+6)	15 (9+6)	6	0	69
Fox Grove Special Academy	Communication & Interaction Needs	Leatherhead SE	All Through Co-education	0	64	30	30	28	0	0	152
Surrey Downs Court Special Academy	Communication & Interaction Needs	Guildford SW	All Through Co-education	0	0	36	36	36	36	36	180
New Free School NW	Communication & Interaction Needs	NW	All through Co-education	0	0	48	32	32	32	32	176
Scheme 1 2021-2022	Communication & Interaction Needs	SE	Secondary Girls	0	6	6	6	6	0	0	24
Scheme 2 2021-2022	Communication & Interaction Needs	SE	Secondary Boys	5	5	5	5	0	0	0	20
Scheme 3 2021-2022	Cognition & Learning Needs (MLD)	NW	Secondary Co-education	0	10	10	10	10	10	0	50
Scheme 4 2021-2022	Cognition & Learning Needs (MLD)	NE	Secondary Co-education	0	7	8	8	6	5	0	34
Scheme 5 2021-2022	Communication & Interaction Needs	NE	Secondary Co-education	0	5	5	5	5	5	0	25
Scheme 6 2021-2022	Cognition & Learning Needs (MLD) & SEMH	SE	Secondary Co-education & 6 <sup>th</sup> Form Girls	0	12	12	12	12	12	0	60
<b>TOTAL</b>											<b>902</b>

## ANNEX 4: System Flow and Governance arrangements to support the future implementation of the SEND Capital Programme's decision-making framework



**SURREY COUNTY COUNCIL****CABINET****DATE: 29 SEPTEMBER 2020****REPORT OF: MR MATT FURNISS, CABINET MEMBER FOR TRANSPORT****LEAD OFFICER: KATIE STEWART, EXECUTIVE DIRECTOR FOR ENVIRONMENT, TRANSPORT AND INFRASTRUCTURE****SUBJECT: PROCUREMENT OF HIGHWAYS CONTRACTS****SUMMARY OF ISSUE:**

The Council's highways service is a critical front-line function supporting the economy by enabling safe travel within and through the county for residents, businesses and visitors. Through the Service, the Council invests in our communities and places to improve the safety and quality of journeys by reducing congestion, improving journey times and managing the condition of the highway and associated assets. The highway service is responsible for delivering several statutory services but also contributes to the wider strategic ambitions of the Council including delivering sustainable economic development and achieving our net zero carbon target.

The Council recognise the vital role played by our roads, pavements, cycleways and other highway assets in the lives of residents and businesses. They also recognise the changing needs of users and therefore the need to improve opportunities for cycling and walking. They are therefore making significant increased investment in maintaining highways assets in the coming years. In order to make best value from these investments it is vital that forward thinking contractor partners are engaged to help us deliver a highways service for the future.

For many years, the Council has engaged private sector organisations to deliver highway services on its behalf to maximise the benefits of public and private sector knowledge and experience in delivering such services. There are several contract arrangements that will come to an end in April 2022 which cannot be extended any further as all extensions have been granted. Cabinet's approval is therefore sought for the future contract strategy for the service, which begins with the procurement of new contracts to commence in April 2022.

The scale and scope of the services included in the future contracts will require sufficient time to conduct the tenders and a 6-month period of mobilisation to transition to new arrangements whether with existing or new providers.

Officers have undertaken extensive research and engagement over the past two years to develop a set of requirements that will:

- Deliver the highway services for the contract period(s);
- Provide capacity and capability to support the Council's strategic ambitions in areas such as Greener Futures, Rethinking Transport, Digital Connectivity and Social Value Contribution; and
- Create a package of services that will deliver the necessary services for the Council and residents; drive innovation and improvement in those services and beyond; and

are attractive to a service provider market that will be able to deliver on the above outcomes.

#### **RECOMMENDATIONS:**

It is recommended that Cabinet:

1. Note the extent of the highways service's market research conducted to inform the procurement strategy; and
2. Approve the procurement strategy for highway services contracts.

#### **REASON FOR RECOMMENDATIONS:**

The Highways Service has successfully engaged contractors to deliver elements of its services on its behalf for many years, bringing together the strengths of both the public and private sector. The exact scope of services needs to be balanced against the cost of delivering these services, the management of a wide variety of associated risks and the need to employ the required skills when needed.

Officers have undertaken extensive research into what other authorities are doing in this area, the market's capabilities to deliver the required services and the industry's desire to enter into such contracts. This research has been overlaid with the Council's objectives to not only continue to deliver highway maintenance activities, but also to transform delivery of highway and transport activities over the next 10 to 20 years.

#### **DETAILS:**

##### **Context**

1. As the Local Highway Authority, Surrey County Council has a statutory duty to maintain 3000 miles of roads and footways along with all associated assets such as bridges, drainage systems, streetlights, traffic signals and signs to enable safe passage by the travelling public.
2. This statutory duty encompasses a wide range of responsibilities and activities from carrying out planned inspections; routine cleaning and clearing; and minor repairs to major investments such as surface dressing to prolong the life of a carriageway, including full replacement and resurfacing of a carriageway or footways, to the construction of new bridges, embankments and junctions.
3. Highway Authorities across the UK do this in different ways with:
  - a. Some maintaining a directly employed workforce to carry out the majority of the work;
  - b. Some which blend a mixture of Council officers often focussed on the data collection (inspections, surveys etc) and asset planning decisions on what work to carry out where, with a supply chain to deliver the work; and
  - c. Others who have outsourced the vast majority of activities to contractors retaining a usually small "thin" client team to monitor activities including performance outcomes
4. In practice, there is a large spectrum of models with most falling in the middle description of a blended model, with those elements retained within the Council varying from organisation to organisation, depending on local priorities and needs.

5. Similarly, Surrey County Council's Highways Service currently operates this blended model. As such, the Service maintains in house teams to inspect, survey, analyse, plan and design how best to invest its money in the various assets to drive optimum outcomes as an "Intelligent Client," with responsibility for delivering the work being passed to contractors who are better placed to undertake those functions as efficiently and effectively as possible.
6. However, unlike some authorities that operate this blended model where there is much more of a transactional client/contractor relationship, Surrey County Council (SCC) has developed a collaboration relationship with our contractors, where the contractor's sector experience is engaged at a much earlier to stage, also known as Early Contractor Involvement (ECI) to inform the designs, practicability of delivery and cost certainty and alternative approaches that might improve quality or reduce costs. A partnership approach is taken recognising each parties' motivations, developing shared objectives and as a result achieving better outcomes – the product being greater than the sum of its parts. Although still well defined, the risks in design and construction are shared across the client and contractor.

#### **Looking forward – context for the new contract**

7. When developing the new contracting arrangements, it is important to reflect on lessons learned from the current approach as outlined above, evaluating the strengths and weaknesses of the current model, but also take into account the Council's strategies, ambitions and future direction.
8. The Council has a well-defined set of ambitions in its Community Vision for Surrey 2030. Underpinning these ambitions are delivery strategies for delivering a Greener Future and Rethinking Transport. Any new highways contracts need to be able to not only deliver the core, day to day maintenance and repairs activities but also contribute to and enable the Council to realise these ambitions.
9. Finally, it is critical that the new contract arrangements also accommodate and enable services delivered to not only respond to but to take advantage of new technology and innovation in the sector. The world in which we operate has evolved and developed rapidly in recent years, with technology playing an ever more important role in all areas of life.
10. Whilst we might be able to reasonably predict some of the changes that might lie ahead such as connected and autonomous vehicles, use of sensors and artificial intelligence to improve how we collect asset data, nobody has the ability to accurately predict how things will change over time. It is therefore important to ensure a sufficiently flexible structure to any contract that allows development, improvement and change without necessarily undertaking an extensive (and potentially costly) contract change exercise each time a change is needed whilst simultaneously protecting the Council's position in the contract terms.
11. In 2010, the Council let a number of contracts to deliver highway services. The scope of the Term Maintenance Contract covered the majority of the routine and reactive services with a number of specialist services let separately. The objective at the time was to move away from two separate all-encompassing contracts (one covering east and one west). While having two separate contracts was expected to

provide benefits such as providing resilience and competition for both contractors, in practice these benefits were not fully realised and were outweighed by disbenefits, such as inconsistency in the management of the highway network across east and west areas and duplication of staff and processes.

12. At the time of tendering, bidders had an appetite for accepting the transfer of certain risks which might not have always been accounted for in their pricing – examples being i) a fixed price for carrying out pothole repairs no matter how many were identified and reported, or ii) a fixed price for winter gritting no matter how many times the supplier was required to carry out this exercise over a winter period. Pricing was of course established on an estimated number of “orders” and if in the event the actual number was lower than the estimate, the supplier stood to gain from lower costs than they received.
13. Market research has shown (and perhaps in part informed by the collapse of Carillion in the market several years ago), bidders have a much greater focus on financial viability at the outset of the contract with any risk quantifiable and therefore priced. Under such an approach, the Council can make very informed decisions about any risks which should be transferred to a contractor based on them being best placed to manage them and critically, being fully aware of any costs associated with doing so.

### **Research, Benchmarking and Market Engagement**

14. The Council is fortunate that it is starting from a reasonably strong position where the performance of the existing arrangements have been shown to deliver positive outcomes in terms of highways maintenance and improvements. As part of this, it is important to recognise the ongoing importance of robust quality assurance and governance mechanisms to ensure the contracted services meet and exceed expectations and this will form a critical part of the evaluation process during the procurement phase and day to day management of the future contracts. The strategy that has been developed for our next contracts seeks to build on this strong position, stretching the service to meet and exceed the wider ambitions outlined in paras 8 to 10.
15. The Council launched its strategic commissioning framework in 2019, which has been used to frame the development of the future approach to these contracts. As well as extensive interactive engagement with the service provider market and other Highway Authorities, we have undertaken interactive workshop sessions with Highways Service staff and Council partners outside the industry, including the third sector. A resident survey was also carried out in late 2019 to help understand future priorities. From this survey, whilst many people commented on road condition, significant numbers raised concerns about congestion, journey times and access to the right transport methods in the right place at the right time.
16. In preparation for tendering for new contracts, officers have undertaken extensive work over the past two years to identify the optimum models to deliver our services over the next period of time. The aim has been to go beyond simply delivering the day to day operations, understanding there are wider strategic opportunities to deliver on outcomes that will achieve transformation whether through the materials used to deliver these services, reducing the carbon impact of the services or contributing to the wider goals of the Council in delivering a social return, improving

the economy and supporting the development of the way people travel through the County.

17. As part of the Future Highway Research Group, the Council has been working with Proving Services, a research organisation aligned to ADEPT (Association of Directors of Environment, Economy, Planning and Transport) and Cranfield University, to make use of their toolkit to evaluate the different contract models available. Use of diagnostic questions relating to dynamics such as the degree of control for decision making, or the desire to achieve strategic goals beyond the scope of the “day to day” activity, allow an authority to narrow likely models to those most suited to the individual needs and priorities of each Authority. This has enabled officers to evaluate the various different models against the objectives of the Council for these new contracting arrangements.
18. When evaluating these models, a wide range of factors have been taken into account as well as benchmarking against the existing structure, from which we have a wide variety of lessons learned to consider, and insights from the market engagement the service has undertaken. The evaluation process also takes into account how attractive each option is in terms of economy, efficiency, effectiveness and stakeholder value as well as achievability across a number of metrics. By using the existing structure as a base line, it provides an objective (and relative) assessment of each option.
19. The final element of research has involved extensive engagement with the supplier market to understand how service delivery has and is continuing to develop, any particular preferences that attract them to bid for new contracts and perhaps more importantly, anything that would prevent them from bidding for a new contract.
20. Through the research, benchmarking and market engagement carried out, officers have determined a contract model that provides sufficient critical mass and economies of scale to provide value for money for the council as well as containing sufficient scope and opportunity to innovate to make it attractive to Term Maintenance Contractors. Alongside this there is recognition that some services are specialist enough that they require separate contract arrangements.
21. As described, the Council has clearly stated ambitions that go beyond “simply” carrying out the maintenance of the highway, and the overwhelming insight from the exercises and engagement described above is to let as few contracts as possible with a wide ranging set of activities covering most elements into a core contract supported by any additional contracts for services that do not fit well with that core for whatever reason.
22. Based on this assessment, in addition to the street lighting contract which runs until February 2035, it is considered that there should be 3 separate contracting arrangements covering the following:
  - a. Term Maintenance Contract (see **Annex 1** for a breakdown of core services included)
  - b. Professional Services Framework: This will support functions across the wider Environment, Transport and Infrastructure Directorate and potentially beyond to Services such as Land and Property where similar services might be commissioned. The scope of this will comprise services such as design,

project management, surveys and inspections to top up existing council resources, provide services which are not routinely employed by the Council or where it is not viable for the council to maintain an inhouse capability.

c. Traffic Signals Inspections, Maintenance and Replacement Contract

23. In addition, it is proposed that grass cutting, arboriculture and similar “green space” services will be delivered through District and Borough teams and a framework of local SMEs. This is because these activities can be delivered most effectively at a local level.
24. Finally, an aligned strategy will be developed for larger, complex infrastructure schemes. Unlike most maintenance schemes, these types of schemes require significant planning and design, often require specialist contractors and can span a number of years, therefore a separate strategy for their delivery will enable more focus to achieve positive outcomes for these schemes.

### Contract Terms

25. Another key element that has been considered as part of this exercise, particularly in relation to the Term Maintenance Contract, is the contract term. As with the contract model, we have considered the wider strategic ambitions of the Council and the desire to enter into a collaborative relationship with the successful contractor. Whilst certain elements can be developed and agreed during a procurement process, there is a need to enable arrangements to be developed collaboratively over time with any new contractor.
26. To facilitate the development of the new arrangements, an initial period of mobilisation and stabilisation will be required during which time, the types of innovation and improvement that the Service wants to develop with the contractor will be developed, most likely focusing on developing known themes and ideas such as carbon reduction and improved management of highway defects before embarking on the more ambitious elements of the new arrangements. A sufficiently long contract period to foster the relationships will be essential to achieving this collaborative approach.
27. Another factor when considering contract term is the service provider’s investment requirements and the affordability for the Council in reimbursement of this investment. There will be significant investment in plant such as a fleet of gritters, HGVs and LGVs to deliver the work and possibly also in the depot estate. The optimum timescales for considering the useful lifecycle of plant and equipment against their cost is between 7 and 10 years.
28. On the other hand, it is also critical to ensure that there are sufficient mechanisms in place within the contract terms to facilitate extensions where appropriate, and that those extensions are based on achievement and reward. Equally, there will need to be the option either to not extend or if required to terminate the contract where necessary. During the initial contract period and included in the process for evaluating extension periods, mechanisms will be developed to review pricing and ensure continued value for money is achieved beyond that offered at tender.
29. On balance of the above factors, it is proposed that in order to achieve the Council’s goals with this contract, the Term Maintenance Contract should be let for an initial 10

year term to maximise the investment by the successful bidder. This would then be supplemented by a series of extension each based on performance up to a maximum contract term of 21 years. The process of evaluation for extensions would be significant and completing them on too frequent a period would likely be costly and without significant benefit to the Council or the Service Provider.

30. The terms for the Traffic Signals and Professional Services contracts will be developed as part of the continuing market engagement in these specific service areas in the coming months.

### **Proposed contract strategy**

31. In summary, the proposed strategy, which has been supported and validated by the sector, is that the Council should structure its contracts by:

- procuring a Term Maintenance Contract that will deliver core services and future highways and transport transformation for a period of 10 years, with the option to extent up to a maximum term of 21 years;
- procuring a separate Professional Services contract (period to be determined over coming months) – as the scope of these services extend beyond the scope of the Core Maintenance Contract;
- procuring a separate Traffic Signals Inspections, Maintenance and Replacement contract (period to be determined over coming months) – as there is no evidence of efficiency or improvement by including it within a wider contract;
- delivery of “green space” services such as grass cutting, arboriculture and similar services through a combination of District and Borough council partners and a framework of suppliers, many of whom are local small and medium sized enterprises (SMEs);
- development of a separate aligned contracting strategy to deliver larger/more complex infrastructure projects (typically > £5 million in value); and
- continuing the PFI contract for Street Lighting until its expiry in 2035.

32. Critically, all appointed Contractors will be expected to form a partnership with the Council and each other in areas such as programming work, achieving net zero carbon, delivering social value and driving transformation and innovation in how we deliver these services as well as how the public moves around the County over the next 20 years.

### **Procurement Process and Timeline (Term Maintenance Contract)**

33. Procurements of this nature are resource-intensive to both the contracting authority and potential bidders and so it is important that flexibility is balanced against the cost of running the procurement. Potential bidders will consider a wide variety of factors when determining opportunities to bid for and so it is important to make sure both the opportunity and the process is attractive to engage as wide a group of interested parties as possible to achieve a competitively derived outcome.
34. The Council has elected to adopt the Competitive Procedure with Negotiation (CPN) process. Given the wide scope, complex structure and wider ambition for the Council in this contract, it is important both SCC and potential bidders have sufficient opportunity to discuss, develop and negotiate tenders to ensure the final submission is optimised and ambiguity all but eradicated. The CPN helps to achieve this

approach, and was, to this end, supported by feedback received from contractors in the extensive pre-market engagement (PME) sessions.

35. Following the publication of an OJEU notice on 7 October 2020, interested bidders will be required to respond to a supplier questionnaire. This will evaluate a wide variety of factors including the business health of the bidders, previous experience of delivering similar contracts and evidence of a track record of delivering the elements beyond the maintenance activities such as innovating, partnering, environmental and social value.
36. The top four bidders will be taken forward and invited to submit an initial tender outlining how they will deliver the services required by the Council. This will look beyond the day to day delivery of activities to the transformational elements. These responses will be evaluated and only the top three scoring bidders will be progressed. The purpose of this “down-selection” stage is to provide a wider range of responses with a lower cost to the bidders before moving into a more detailed negotiation phase. The down selection stage also has the benefit of reducing resource demands for the Council.
37. The Council will then conduct a series of negotiation rounds as part of the Invitation to negotiate stage (ITN). This stage will allow each of the three bidders to further explore key areas of the contract, for example - innovation, technology, specification and Social & Environmental. This will then lead to the bidders submitting their final tender responses including price which will then be evaluated and moderated by the Highways Service and Procurement.
38. The final tenders will be evaluated over the summer months and Cabinet will be presented with Officer’s recommendations for the successful bidder at its meeting in September 2021.
39. A mobilisation period will then commence allowing all parties to prepare for the new arrangements including TUPE transfer of staff if applicable, developing, agreeing and implementing any new ways of working.

#### **Procurement Process and Timeline (Professional Services and Traffic Signals)**

40. Although the procurement of the Core Maintenance contract will start in October 2020, a lesser amount of time will be required to let the other two contracts. Market engagement activity has recently commenced in these areas and the procurement processes will be developed over the next few months and OJEU notices being issued in early 2021.
41. At present, it is intended to complete those procurements at a similar time to the Core Maintenance Contract and present Cabinet with Officer’s recommendations for preferred bidders in each contract.

#### **CONSULTATION:**

42. In the previous section, we have described extensive internal and external engagement from a wide variety of sources. This has focussed on a combination of information gathering and research to inform the development of proposals followed by a process of review, iteration and validation.

43. In parallel, officers have been supported by members of the Communities, Environment and Highways Select Committee to provide input from a Member's perspective into priorities for the Service and future delivery arrangements as well as challenge and scrutiny of the outputs.
44. A Highways Assurance Board led by a member of the Corporate Leadership Team and comprised of senior officers from Procurement, Internal Audit, Strategic Finance and Strategic Commissioning provided oversight and a "critical friend" role to ensure that the research and evaluation methods used were robust.
45. Both the Corporate Leadership Team and Cabinet have been appraised of the Service's development work at key stages to ensure the proposals reflect and are structured to deliver on their strategic ambitions in such a high profile, front line service area.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

46. There are several risks that should be noted in relation to the procurement and mobilisation of new contracts.
47. An optimum procurement process will see enough bidders taking part to ensure competitiveness. However, tendering such a large and complex opportunity requires a commitment of investment in the process by potential bidders, and this ultimately will be balanced against their perceived chance of being awarded the contract. The Council has worked hard to engage potential bidders, listening to their views on good practice and what they have seen that has worked less well. To mitigate the risk of bidders being unwilling to engage due to the perceived high cost of engagement in the process, the aim is to run an efficient procurement with information provided to bidders at an early stage, only requesting information essential to inform any scoring/selection processes at each stage and ultimately helping them to manage the cost of bidding in the process.
48. There are incumbent providers delivering these services under contracts not expiring until April 2022. If for any reason an incumbent were not to proceed through any of the selection stages – either through withdrawal or not meeting the required score – there is a risk that their focus may move elsewhere during the remaining term. To ensure absolute fairness in this process, the Council's incumbent providers along with other potential bidders have been included in the Council's market engagement activity, and there is no reason that they would not bid for this opportunity or have any less chance of success than another bidder. Should it be that the incumbent provider did engage but did not proceed to the later stages of the procurement process, the Service would then work to ensure sufficient engagement with the contractor to ensure that the existing contract outcomes continue to be met.
49. Regardless of the selected preferred bidder, there are also likely to be some risks in transitioning to new contract arrangements. A new set of arrangements will most likely require changes in behaviours and processes for both Council staff and those employed by the contractors, many of whom would likely continue to be employed by the successful bidder either through continued employment by the incumbent contractor or following TUPE transfer. It is clear that regardless of the outcome of the procurement, the mobilisation phase will present risks that need to be managed.

Bidders will be asked to provide detailed mobilisation plans to identify key activities, risks associated with that phase and mitigation to minimise disruption.

50. Finally, at the time of writing, the Council is considering the presentation of a business case to the Government to become a Unitary Authority. The outcome of such a process is as yet unknown, and therefore, officers will seek to ensure the procurement and any awarded contracts have sufficient flexibility to continue operating under any future arrangements if different to today.

#### **FINANCIAL AND VALUE FOR MONEY IMPLICATIONS**

51. The services under the contracts will be funded through the Highways Services' revenue and capital works budgets. The procurement process will take into account price alongside other value factors to ensure the contract provides a value for money and sustainable solution, and contractual mechanisms will be put in place to ensure ongoing value for money is achieved.
52. When the current contracts were let in 2010, the market was in a very different place with price playing a significant factor in procuring authorities' considerations. As a result, bidders' strategies often resulted in submitting prices around a very tight expectation of scope to manage the cost risk to them. This naturally resulted in a culture across the industry of either unwillingness to be flexible or a position where costs were varied at a later point to reflect changes.
53. SCC have mostly been shielded from this trend; however, the wider market has reviewed how it approaches new opportunities with a greater desire to compete on quality for a fair price rather than squeezing a lower price hoping to find additional income to offset any built-in loss. This is a welcome trend, which has seen the sector allowing parties to focus on delivering the services to a high standard and going beyond the day to day delivery without the distraction suspicion of motive might bring about.

#### **SECTION 151 OFFICER COMMENTARY**

54. 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.
55. The services being procured through these contracts are of strategic importance and incur a significant level of expenditure for the council. It is therefore essential that the procurement strategy secures the correct services, and that the contractual arrangements provide value for money and are financially sustainable to all parties, whilst allowing flexibility for future innovation and efficiencies. The strategy set out within the report is the starting point for delivering this and these elements will continue to be assessed through the procurement process, the conclusion and financial implications of which will be presented in a future report to Cabinet. As such, the Section 151 Officer supports the proposed procurement strategy.

## LEGAL IMPLICATIONS – MONITORING OFFICER

56. This report requests authority to procure highway services contracts and a professional services contract. The anticipated total value of the project is over £5 million and pursuant to the Procurement and Contract Standing Orders, must be approved by Cabinet.
57. The proposal is to competitively procure the contracts using the Competitive Procedure with Negotiation (CPN) process. This process complies with the Public Contracts Regulations 2015.

## EQUALITIES AND DIVERSITY

58. The need for an Equality Impact Assessment (EIA) was considered, however, a conclusion was reached that as there were no implications for any public sector equalities duties due to the nature of the services being procured, an EIA was not required. Despite this, the preferred supplier will be required to comply with the Equalities Act 2010 and any relevant codes issued by the Equality and Human Rights Commission.

## ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

59. An Environmental Sustainability Assessment (ESA) has been completed as the primary subject matter is related to maintenance of infrastructure.
60. The ESA will be developed and updated once the procurement has been completed to reflect the outcome of the negotiations and to include specific actions, initiatives and interventions that are agreed with the winning bidders. This will be presented to Cabinet as part of the award decision in autumn 2020.
61. In carrying out highway maintenance and improvements there are a number of areas where environmental sustainability needs to be considered. For example:
- a. heavy goods vehicles which currently have few if any low or ultra-low emission options are used extensively in this kind of work. It is highly likely that over the term of the contract significant developments will be made in this area
  - b. The use of bitumen and concrete in this sector is extensive. The Council has and will continue to work with its suppliers to develop and incorporate lower emission materials and/or incorporating recycled materials wherever possible. The Council's materials laboratory will be a key asset in developing this area.
  - c. As with the use of new materials, there is an inevitable and unavoidable production of waste in carrying out highways maintenance and improvements. The council will work closely with the successful bidders to identify opportunities to reduce waste production in delivering services and where this cannot be avoided, seek opportunities to reuse waste in the process and ultimately seek to avoid waste being sent to landfill wherever possible.
62. As part of the documentation provided to bidders, the Council will be clear on its ambitions and anticipated outcomes such as our net zero carbon target. We will not be issuing a "shopping list" of ideas for bidders to respond to instead we will be challenging them to push the boundaries of this area and build commitments into the new contract and through a balance of that contract and a strong governance mechanism to ensure they are realised.

**WHAT HAPPENS NEXT:**

63. Following Cabinet approval, OJEU notices will be published as follows:
    - a. Term Maintenance Contract - October 2020
    - b. Professional Services and Traffic Signals – early 2021
  
  64. Teams comprised of Officers from within the Service supported by Officers from Procurement, Corporate finance and Strategic Commissioning will conduct the tenders completing negotiation, clarification and evaluation stages throughout the period to the summer selecting preferred bidders for each procurement.
  
  65. The successful bidders for each procurement including rationale will be presented to Cabinet in the late summer/early autumn 2021.
  
  66. Following contract award, a period of approximately 6 months will be provided to enable the mobilisation of the new contract arrangements either transitioning with the existing provider to a new set of arrangements or to a new provider – moving to a new provider will most likely result in the transfer of some if not most staff from the existing provider(s) to the new one under TUPE regulations which will be included as part of the mobilisation process.
  
  67. The new Term Maintenance Contract arrangements will commence on 27<sup>th</sup> April 2022.
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**Contact Officer:**

Paul Wheadon, Business Improvement and Consultancy Manager, 020 8541 4396

**Annexes:**

Annex 1 - Scope of Services included under Term Maintenance Contract procurement

Annex 2 – Highways Procurement Environmental Sustainability Assessment

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## **Annex 1**

Proposed 'core' activities in the Term Maintenance contract include services such as:

- Emergency response and safety defects
- Winter maintenance
- Minor planned maintenance
- Micro surfacing
- Footway surfacing
- Carriageway surfacing
- Surface dressing
- Road lines and markings
- Non-illuminated traffic signs
- Civil engineering (ITS, sustainable transport improvements and major schemes)
- Drainage schemes
- Routine drainage (cleansing and maintenance)
- Safety barrier works
- Structures inspection, maintenance and schemes

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## **Annex 2**

### Environmental Sustainability Assessment – Procurement of Highways Contracts

#### **ESA Screening**

The procurement of contracts to deliver Highways Services is a decision to be made by Cabinet and relates to the maintenance and construction of Highways Infrastructure and so warrants an Environmental Sustainability Assessment to be completed.

#### **Background**

The Council is commencing a procurement of contracts to deliver highway services. These will replace existing contracts and so in most cases any environmental impact(s) will continue into the next suite of arrangements. As with existing arrangements where we have worked in conjunction with our incumbent contractor partner to deliver environmental improvements through increased recycling of waste, reduction in carbon impact use of materials that either incorporate recycled materials or that have a lower carbon footprint than other material types, so we expect the new arrangements to, as an absolute minimum maintain these and wherever possible develop and exceed these. As part of the tender evaluation process, Bidders will be expressly scored on their past experience with other clients and their future plans to deliver an environmentally sustainable service for Surrey County Council if successful.

As part of the documentation provided to bidders, the Council will be clear on its ambitions and anticipated outcomes such as our net zero carbon target. We will not be issuing a “shopping list” of ideas for bidders to respond to instead we will be challenging them to push the boundaries of this area and build commitments into the new contract and through a balance of that contract and a strong governance mechanism to ensure they are realised.

It should be noted that once the procurement of contracts is completed, Cabinet will be asked to approve the appointment of the successful bidders in Autumn 20 and an updated ESA will be completed and presented with that report.

#### **Issues Identified, possible actions and prioritisation**

The issues described below are inherent with the delivery of Highway Services and so the possible actions described will either be a “staple” element of how they should be delivered or describe aspirations that will be evaluated in the tenders submitted and then implemented during the contract period:

Area	Relevant Topic	Issue	Possible Action	Taken Forward (√)
Risks posed by environmental conditions e.g. flooding, heatwaves etc	No			
Designated conservation sites, protected	Yes	Work carried out on or near the highway may be in close proximity to or in some cases	Contractors carrying out work on behalf of the Council are obligated to conduct a risk assessment incorporating many factors which include health and	

species and biodiversity		encompass such locations	safety, presence of underground utility equipment (fuel pipes, cables, ducts etc), locations relating to conservation, biodiversity and heritage prior to commencing work and to ensure appropriate permissions including adjustments or mitigations are in place.	
Materials and Water		Carrying out highway maintenance and improvements inevitably involves the use high volumes of materials some of which are known for having a high carbon impact in their production such as bitumen, aggregates and concrete.	The Council operates a materials testing lab which not only allows us to undertake quality control tests before, during and after work is carried out to ensure the correct products are used but also allows us to carry out trials on new products coming to the market. Potential bidders will be asked to illustrate both their current credentials in bringing lower impact materials into the delivery of their work and also how they plan to develop this with the Council into the new contract	
Waste	Yes	Waste production is intrinsically linked to the use of new materials in highways maintenance and improvements.	There is a strong record in the sector for effectively managing waste to drive high levels of re-use and recycling where possible and minimise waste going to landfill. There is an emerging field within the sector seeking to re-use materials generated as waste back into the delivery of highway maintenance and improvements ideally in the same local area.	
Energy	Yes	Energy will be consumed in many different forms in delivering these services as described such as in vehicles, materials production and waste management. In addition, energy will be consumed in offices and depots used by the contractor.	The Council will seek to work with the bidders to develop solutions to minimise energy consumption wherever possible through a combination of energy efficient practices.	
Transport	Yes	For the vast majority of activities, delivery of	<ul style="list-style-type: none"> <li>Efficient routing of work to minimise non-productive</li> </ul>	

		Highway Services requires a physical presence on the highway itself and so travelling to and from it. Further more, vehicles used will often be larger and at present less likely to benefit from a transition to low and ultra-low emission vehicles	<p>travel time resulting in greater productivity and lower carbon impact</p> <ul style="list-style-type: none"> <li>• Reduce idling time of vehicles where possible to reduce carbon emissions</li> <li>• Incorporation of low and ultra-low emission vehicles into the providers fleet where practical</li> </ul>	
Landscape and trees	No			
Heritage	No			
Education and awareness	No			

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**SURREY COUNTY COUNCIL****CABINET**

**DATE:** 29 SEPTEMBER 2020

**REPORT OF:** MR MATT FURNISS, CABINET MEMBER FOR TRANSPORT

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

**SUBJECT:** A31 AND BLACKWATER VALLEY RELIEF ROAD (BVR)  
BALANCING POND RESTORATION PROCUREMENT

**SUMMARY OF ISSUE:**

The A31 and A331, also known as the Blackwater Valley Relief Road (BVR) have several balancing ponds along their length that form an integral part of the highway drainage system. Water from the highway drains into these ponds where it is stored before it discharges into nearby watercourses. The ponds act to ensure water can effectively drain from the road in order to improve safety to users of the high-speed road whilst also protecting the local area from contamination.

Recent surveys and reports have confirmed that works are required to ensure the assets are performing as designed, and funding to refurbish and maintain these assets was approved in March 2020 as part of the Council's Medium Term Financial Plan.

This report seeks approval for the addition of these works to the Annual Procurement Forward Plan to allow us to procure a specialist contractor to refurbish and maintain these assets.

**RECOMMENDATIONS:**

It is recommended that Cabinet:

1. Approves the commissioning and procurement strategy developed by Strategic Network Resilience and Procurement teams so that a suitable contractor can be appointed to maintain and refurbish balancing ponds along the A31 and Blackwater Valley Relief Road (A331);
2. Delegates the contract award decision to the Executive Director for Environment, Transport & Infrastructure in consultation with the Cabinet Member for Transport.

**REASON FOR RECOMMENDATIONS:**

We are requesting Approval to Procure for the Balancing Pond Term Contract to enable the refurbishment of essential highway drainage assets to ensure that they are performing as designed.

**DETAILS:**

1. The Highways Service are responsible for the maintenance of Surrey's drainage assets along the A31 and A331 Blackwater Valley Relief Road (BVR) which includes balancing ponds and reed beds. Work to refurbish and maintain these assets is

estimated at £2.5 million over 10 years. The work includes statutory maintenance and responsive repairs as they arise. In addition to this work, the Council is responsible for holding a safety inspection register of the existing life buoyancy aids situated at some of the sites.

2. It is proposed that the Council appoint a specialist contractor to refurbish and maintain these assets through a “Term Contract” for up to a 10-year duration.
3. The contract will be used to enable the County Council to commission works to bring the balancing ponds and associated reed beds up to the required satisfactory standard and to enable them to perform as they were designed to do. The work will include reed bed and pond refurbishment, with associated vegetation work, ditching, fencing and safety audits. It will also include minor structures maintenance. The works will take into consideration the County Council’s Greener Futures Policy by increasing flood resilience and including the planting of trees as part of the scheme. The intention is to commence the “Term Contract” in the Autumn of 2020.
4. Reports have been produced detailing the essential works required. The designed serviceable life of the balancing ponds is 25 years and thus the work is required to bring the assets up to standard and to extend their serviceable life.
5. The proposed procurement route for these works will be through open competition using a *Sub-OJEU (Official Journal of the European Union)* Procedure.
6. Due to the specialist nature of this contract, market competition is restricted to several specialist businesses who have the expertise, knowledge and experience to construct and maintain balancing pond structures. Therefore, the route to market for this tender will be “open procedure” due to the complexity of the works to be carried out. “Open procedure” allows a wider market for bidders, therefore the Council is not restricted to framework suppliers only. This will increase the range of competitive bidders for this tender. The direct award option was not considered for this tender because there was no suitable framework in the market for this type of works contract; further, this approach would limit competition and therefore the ability to demonstrate value for money.
7. The Term Contract will initially be awarded for a 5-year period with an estimated value of £250,000 per annum with an option to renew at yearly intervals thereafter up to a maximum of five years, making the total contract term 10 years.

#### **CONSULTATION:**

8. In coming to the above recommendation on the preferred procurement route, officers consulted with several organisations to better understand the specialist nature of the works and to identify potentially suitable contractors. These organisations included the Environment Agency, the Canals and Rivers Trust and Surrey Wildlife Trust. Surrey Wildlife Trust had already carried out the Environmental Surveys and were in a good position to advise on what would be required to carry out the works in the most appropriate way. Officers also consulted with specialist contractors to understand what the work would entail and what the potential risks might be. These included contractors from our existing countryside framework and highways maintenance contracts.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

9. The contract that would result from the proposed procurement process will commit Surrey County Council to five years only and will include a three months' notice termination clause. Any extensions after that five-year period, up to ten years, will be made at the Council's choice, and the three-month termination clause will still apply to any extension period.
10. The successful contractor will have to satisfy financial checks as well as demonstrate competency in the delivery of works of this nature based on previous experience during the evaluation of the tenders. In addition, the Project/Contract Manager will be carrying out financial and insurance checks regularly in order to ensure that the contractor meets the minimum criteria during the life of the contract.
11. A 10% retention for all invoices will be held by Surrey County Council up to the value of £50,000 for the term of the contract.
12. There will be monthly meetings between the successful contractor and Surrey County Council to review the operation of and all matters affecting the contract, and where necessary, to agree corrective action when problems have been identified by either party. All contractors will have to adhere to robust performance targets.

#### **FINANCIAL AND VALUE FOR MONEY IMPLICATIONS**

13. The expected contract value over the maximum 10-year period is £2.5 million. Expenditure will be controlled and scrutinised by the Project Manager and costs are expected to be met from within the Council's existing Medium Term Financial Strategy.
14. The Term Contract will provide rates to cover all activities related to the type of works involved, whilst any items not included will be charged at the invoiced amount by the Project Manager.

#### **SECTION 151 OFFICER COMMENTARY**

15. 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 proposed commissioning and procurement strategy, which aims to ensure best value is achieved when managing the highway asset.

#### **LEGAL IMPLICATIONS – MONITORING OFFICER**

16. This report seeks the approval of Cabinet to (1) procure a contractor to carry out works to maintain and refurbish balancing ponds along highways for a total value of £2,500,000 and (2) to delegate the award of the contract to the Executive Director for

Environment, Transport & Infrastructure in consultation with the Cabinet Member for Transport.

17. Under paragraph 2.7 of the Procurement and Contract Standing Orders the decision maker to approve the procurement of a contract with a total value over £1million but under £5 million is the s 151 Officer and the relevant Portfolio Holder.
18. Cabinet is permitted to delegate the award of the contract to the Executive Director for Environment, Transport & Infrastructure in consultation with the Cabinet Member for Transport.
19. The value of the contract is under the financial threshold for works under the Public Contracts Regulations 2015 however the Council is still obliged to obtain best value. By carrying out a procurement using the open procedure best value may be realised.
20. This contract will need to be registered in the Contracts Register.

#### **EQUALITIES AND DIVERSITY**

21. All works carried out will be compliant with the Equalities Act 2010.
22. Bidders will be required to deliver social value in accordance with the Orbis Social Value Measurement Charter. This will result in employment, training and apprenticeships opportunities for residents.
23. The Project/Contract Manager will be responsible for ensuring that the winning contractor delivers the agreed level of social value as part of their overall performance duties.

#### **WHAT HAPPENS NEXT:**

24. Procurement dates:
  - a. Completion of Tender Evaluation: 13 October 2020
  - b. Approval of award decision by Executive Director for Environment, Transport and Infrastructure
  - c. Standstill Period: 10 days
  - d. Agreements issued and signed by both parties: TBC.

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#### **Contact Officer:**

Doug Hill, Strategic Network Resilience Manager

Contact Number: 020 8213 2711

#### **Sources/ background papers:**

None

**SURREY COUNTY COUNCIL**

**CABINET**

**DATE: 29 SEPTEMBER 2020**

**REPORT OF: MR COLIN KEMP, DEPUTY LEADER**

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

**SUBJECT: HOUSING INFRASTRUCTURE FUND FORWARD FUNDING – FUNDING ALLOCATION OF £41.8 MILLION TO THE A320 NORTH OF WOKING**



#### **SUMMARY OF ISSUE**

The Housing Infrastructure Fund Forward Funding is a £5.5 billion government capital grant programme launched in summer 2017 to help to deliver up to 300,000 new homes in England in response to the national shortage of good quality accessible housing. Funding is awarded to local authorities on a highly competitive basis, providing grant funding for new infrastructure that will unlock the supply of new homes in the areas of greatest housing demand.

Following a comprehensive and detailed due diligence process by Government, the Ministry of Housing, Communities & Local Government (MHCLG) have confirmed on 12 March 2020 that Surrey County Council has been awarded £41.8 million for its A320 North of Woking Housing Infrastructure Fund Forward Funding scheme. The award letter is attached to (Part 2, Annex 1). Following further work on the outstanding issues identified when this project was last considered by Cabinet on 23<sup>rd</sup> June, Cabinet are requested to agree to the signing of the GDA and move the scheme from pipeline to capital budget the cost of which will be fully rechargeable to the Scheme Funding once released.

#### **RECOMMENDATIONS:**

It is recommended that:

1. Surrey County Council (SCC) confirms acceptance of the funding award of £41.8 million for the A320 North of Woking Housing Infrastructure Fund (HIF) Forward Funding scheme allocated by the Ministry of Housing, Communities & Local Government (MHCLG), by agreeing to proceed to sign the relevant Homes England Grant Determination Agreement (GDA);
2. Either prior to or concurrently with signing the GDA agreement, SCC enters into a side agreement / Flow Down contract with Runnymede Borough Council (RBC) regarding any GDA conditions which relate not to the delivery of the infrastructure but instead to those elements particularly associated with housing, alongside a cost sharing arrangement;
3. The scheme be moved from capital pipeline to capital budget immediately post-GDA signature but prior to the targeted receipt date for the HIF allocation of October 2020 in order to allow for the project to progress in line with the target timescale for completion;

4. The Council's capital programme make provision for a contingency of £2m to support any project cost overruns should they arise and that this be managed as detailed in this report at paragraph 12;
5. Any further decisions on this project relating to the forward funding conditions be delegated to the Executive Director Environment, Transport and Infrastructure and the Executive Director of Resources in consultation with the relevant Cabinet Member;
6. Necessary authority and permission be given to officers to proceed to facilitate land purchase through Compulsory Purchase in the event that any initial attempts through direct negotiation prove to be unsuccessful, subject to the signing of the GDA by SCC.

#### **REASONS FOR RECOMMENDATIONS:**

Reasons for recommendations are as follows:

- SCC's acceptance of the grant funding will facilitate the delivery of the road infrastructure to support the additional housing identified in RBC's Local Plan.
- The proposed flow-down/side agreement will ensure that SCC and RBC are held to account for those elements of the project and related outcomes for which they are responsible.
- Moving the scheme funding from pipeline to capital budget will release funds for further scheme development and thereby enable SCC to commence work on the scheme as early as possible considering the limited time now available within which to deliver the full improvements. The cost of expenditure incurred pre-signature will be fully rechargeable to the Scheme once funding is released.
- The additional contingency provided by SCC will ensure that should any cost overruns are able to be met, and that these are met in a way that is shared with RBC in accordance with the methodology set out in this report.
- Delegation on decisions relating to the forward funding conditions is sought to enable timely decisions to be taken on the operational aspects of delivering the scheme.
- Beyond Cabinet's previous resolution that authority be given to officers to commence early discussions with landowners with respect to acquisition by negotiation, Cabinet is also now asked to provide authority to commence land acquisition with through compulsory purchase where such negotiations are clearly failing. The provision of such authority will allow the CPO process to progress in a timely manner should the need arise particularly where the designed future alignment requires land that cannot be acquired by negotiation.

#### **BACKGROUND**

1. The HIF project will:
  - a. Facilitate the development of c. 3,000 homes across the identified sites, by 2030. These sites are as follows:

- i. Hanworth Lane sites [ 2 sites ]
  - ii. Longcross Garden Village
  - iii. Chertsey Bittams sites [ 5 sites ]
  - iv. Ottershaw East site
  - v. Vet Labs site
  - vi. Pyrcroft site
- b. Enable delivery of 1,188 affordable homes and thus meet the recognised housing demand by 2030;
  - c. Ensure the timely delivery of Longcross Garden Village.
  - d. Increase capacity at the identified junctions and links along the A320 corridor to address the anticipated increase in traffic volume to 2030, to provide a safe and balanced level of provision for all road users by 2024 (Part 2, Annex 3 shows the location of the Scheme)
2. At its meeting in June Cabinet considered the HIF project, and agreed to release early funding for the design of the project in order to enable SCC to commence work on the scheme as early as possible; however, Cabinet also identified that there were a number of outstanding issues that needed to be resolved before the Grant Determination Agreement (GDA) could be signed with MHCLG; these issues were specifically:
- a. A concern about the timescale to complete: The March 2024 deadline for spending of HIF monies was identified as a potential risk to the project, given the scale of the works required.
  - b. A concern about the costs to complete the project: It was identified in the June Cabinet report that Highways England had identified a requirement for the delivery of improvements to J11 on the M25 as a result of impacts arising from the project. The concern flagged by Cabinet was that the HIF monies did not include funding explicitly given for these works, and that therefore, the project could end up costing more than the total HIF funding received for the scheme.
  - c. SCC's exposure regarding potential failure of the housing delivery: As SCC is the accountable body for the HIF project and money, Cabinet identified a risk that SCC could potentially also be held to account for the delivery of the housing outputs agreed as part of the project when RBC is the local planning authority and therefore the responsible body for such outputs.
3. This subsequent report seeks to provide assurance to Cabinet as to how the above issues are being mitigated to enable a decision to sign the GDA with MHCLG and to enable the project to be progressed.

<b>GRANT DETERMINATION AGREEMENT: KEY ISSUES</b>
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#### **Timescale to complete**

4. The need for the scheme to effectively be delivered within the HIF timescale is recognised to be a major source of project risk. The deadline for spending of HIF funding is March 2024. Whilst this timescale was deemed sufficient for delivery of the scheme when the original bid was submitted in 2018, the window available within which to deliver the scheme has been constrained by the fact that MHCLG was one year late in confirming its award of the funding for the project – whereas the decision was expected in 2019, it was

not until 2020 that SCC was advised of the positive result. As a result, the County Council will now need to effectively deliver the necessary improvements within a much-constrained delivery programme and requiring initial design, land and associated survey work to commence with the minimum of delay.

5. Whilst this timetable is already challenging, there are two further challenges that officers have had to factor into the project timetable:
  - a. the requirement that Highways England has imposed on SCC to deliver an enhanced junction at Junction 11 of the M25. This requirement arose from Highways England's assertion that the SCC model did not adequately cater for the additional traffic resultant from the A320 scheme, particularly at peak times, resulting in their requirement that additional lanes would be required on the junction 11 slip roads; and
  - b. the project is further complicated by the need to coordinate the delivery of the A320 project with the SMART motorway works by Highways England at Junctions 10 to 16 that will be taking place from Summer 2021 to late 2023. These works were only announced and confirmed in June 2020 and hence, there is work currently now underway with Highways England and Homes England to agree how best to coordinate and therefore mitigate the risk to the A320 HIF project from these works.
6. Whilst these developments add risk to meeting the proposed deadline of March 2024, there is one development since last reporting to Cabinet that reduces the original timetable for delivery of the project – and that is the result of the Environmental Impact Assessment (EIA) Screening Opinion which has concluded that the proposed scheme of works does not constitute 'EIA development.' This means that there are no EIA grounds for revoking the County Council's permitted development rights under Class A of Part 9 of the Town & Country Planning (General Permitted Development) Order 2015 (as amended)–This in turn means that the planning process will require fewer stages and therefore less time to complete – thereby offering some mitigation to the overall timescale for delivery.
7. Nonetheless, the net impact of the above factors means that the timetable to complete the project remains challenging, and to this end, several actions have been taken by officers:
  - a. The project programme is being streamlined as much as possible, in particular by breaking the construction work into a number of smaller, manageable works contracts which will run concurrently in order to ensure their completion by the prescribed end stop date.
  - b. Given that the Junction 11 works required by Highways England of the project will require at least 14 months to construct, it has been agreed that these works will be run concurrently with Highways England's SMART motorways works. Whilst this option was not SCC's preferred option, it is the one that has been arrived at following negotiation with Highways England.
  - c. Officers are engaging with Homes England and Highways England to seek assurances that any delays caused by the Highways England SMART motorways project are not a cause for penalty if such delays cause the A320 project to run past the March 2024 deadline.
8. Even with these mitigations, however, there remain risks to the timetable. The most significant risk is the potential for conflicts and issues between the A320 project and the Highways England works, as well as the challenge that concurrent works on the Strategic

Road Network (SRN) in the same area will cause to residents and motorists travelling through this area for what is likely to be 27 months.

9. To this end, SCC is continuing to engage in further discussions with Highways England to establish the kind of joint working that will be critical to ensuring a successful coordination of these projects, and therefore the best opportunity for SCC to deliver the A320 HIF project to timescale.

#### **Cost to complete and potential for cost over-runs**

10. Concerns have been raised with Homes England with regard to SCC's exposure to a potential scheme cost overrun due to the additional works to J11 that Highways England now require, beyond the £41.8m currently available. The requirement for additional works was confirmed by Highways England *subsequent* to SCC's HIF funding bid submission, and thus the cost of this was not included for in the original amount requested of Government.
11. The construction of this enhanced scheme therefore has no HIF funding available to support it, the cost of the additional works currently estimated to be in the region of £5m. Homes England are not prepared to extend the size of the grant to cover this unplanned increase stating their 'hands are tied' with Treasury, the maximum advance to SCC having already been agreed and, Highways England are not prepared to fund, citing the reason for this J11 work being solely due to Surrey's A320 HIF scheme and the additional traffic resultant from the new developments.
12. Officers have identified a number of options for covering this (or any other) unplanned additional costs arising from the delivery of the project, depending on the scale of any such overruns:
  - a. There is a fairly significant **project contingency of c.£7.9m built into the £41.8m HIF funding** for the project such that, whilst some of this amount will likely be needed elsewhere in the scheme, there is the potential that some of this contingency could be used to cover these works.
  - b. For any costs arising in the project that exceed that HIF-funded project contingency, SCC has secured agreement from Homes England that **up to £5m of project overspend can be funded from clawed-back developer contributions** from the development enabled by the project.
  - c. Beyond £5m, it has been agreed in principle with RBC that **SCC and RBC will provide £4m total capital contribution, on a 50:50 basis** (i.e. £2m from each council) to cover any additional cost overruns. This is subject to the signing of a flow-down/side agreement as detailed at paras 20 and 21.
  - d. Any further financial risk beyond this additional contingency would be borne by SCC as the accountable body for the project.
13. With respect to point 12b, it should be noted that by the very nature of the project – i.e. a forward funding of infrastructure which will unlock/support new development – it is not expected that developer contributions will be available during the delivery of the project when the money will be needed, such that there will need to be forward funding of this up to £5m overrun budget if required. This forward funding would be provided by SCC and RBC in line with the flow-down side agreement referenced in paras 20 and 21 on the basis that both councils will be repaid when developer contributions are received.

14. As the use of clawed back developer monies for cost over runs is capped at £5m by Homes England, if there are cost over-runs beyond £5m, the flow-down side agreement with RBC includes a provision to share the risk for any overspends above £5m, such that the repayment of each council's £2m initial investment would be reduced on a 50:50 basis for any cost over runs between £5m and £9m. As noted in para 12c, any cost overruns that exceed this £9m would be borne by SCC alone. Provision for a contingency of £2m from the Council's capital programme is being requested as this Council's matching investment to that of RBC as set out in recommendation 4.

#### **SCC's exposure regarding potential failure of the housing delivery**

15. In relation to SCC's exposure in respect of possible failure of the intended housing delivery, SCC officers have identified a means by which this potential risk to SCC is effectively diminish. Whilst the GDA requires the grant recipient, SCC, to confirm the number of planned housing outputs anticipated with the delivery of the HIF project, officers have agreed with RBC to put in place a jointly signed legal 'side' or flow down agreement with RBC, linked to the GDA, which will encompass and effectively draw RBC into sharing responsibility with SCC for all such housing-related terms and conditions, and that RBC would be particularly responsible for those in respect of housing delivery.
16. More importantly, however, Homes England have confirmed that although it is expected that the grant recipient and relevant planning authority would put in place a plan for rectifying and attempting to recover any such failure to deliver, there is no actual penalty for such a failure particularly as the potential likelihood of such an event occurring will be beyond 2024 scheme end stop date.

<b>GRANT DETERMINATION AGREEMENT</b>
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17. Provided that Cabinet are satisfied that the issues identified at June Cabinet have been sufficiently mitigated, SCC will be required to enter into a GDA with MHCLG in order to draw down the HIF funding and to be able to proceed with the project. The GDA confirms the terms and conditions for the grant funding, including the availability period within which the funds are available to be drawn and the project end date. It defines the 'project' and the deliverables (including key milestones & outputs) to be monitored. It also includes an initial cashflow setting out costs, values, funding and outputs. The Grant Recipient, in this case SCC, is accountable for the successful delivery of the project, including conditions, claims, representations and warranties.
18. The offer of HIF funding is time-sensitive and there is always a risk of Homes England withdrawing the funding offer if the Council fails to enter the GDA in a timely manner. Should this occur, the scheme would likely not proceed and the development it aims to facilitate may be put at risk and there may be pressure to compromise on the provision of other community infrastructure and planning obligations.
19. Pinsent Masons have been appointed as legal advisors to SCC in the development of this GDA with MHCLG. They will be responsible for the preparation of the GDA and its completion, in conjunction with legal counsel for Homes England. They will also be responsible for the preparation of the legal 'flow down' agreement.
20. As set out in paragraph 15, the conditions relating to the delivery of housing units, provision of associated housing data and local plan information all of which form part of the GDA, are to be discharged directly by RBC by mechanism of a legally binding *flow-*

down agreement between SCC and RBC. This agreement will bind RBC to the general GDA obligations as well as those particularly associated with housing delivery, outputs, HIF recycling & recovery, developer contributions recovery and the like, without which such requirements and obligations being instead imposed solely on the Grant recipient.

21. Notwithstanding the contingency of c.£7.9m already contained in the HIF funding, with the likelihood of this sum being exceeded due to the probability of enhanced J11 works, the GDA and flow-down agreement will also confirm a commitment by RBC and SCC to provide additional capital funding to cover cost over-runs up to a certain amount. As set out above in paras 12 and 13, cost overruns will be managed through a project contingency of c.£7.9m built into the £41.8m HIF funding, from clawed-back developer contributions from the development enabled by the HIF project and an SCC and RBC £4m total capital contribution on a 50:50 basis (i.e. £2m from each council), with the Council's capital programme being asked to make provision for a contingency of £2m for this purpose as set out in recommendation 4.
22. Part 2, Annexes 4 and 5 provide further comment and detail in respect of the GDA.

#### LAND PURCHASE

23. In order to successfully construct all elements of the proposed infrastructure additional third-party land will be required. This land will need to be taken permanently, either where SCC are looking to acquire the freehold interest e.g. the site of the enlarged carriageway; or, where instead, we do not need a freehold interest, but only a lesser interest e.g. a permanent right of way or, where the land may instead need to be taken temporarily, for a fixed period, after which the land will be returned to the owner e.g. a contractor's work site.
24. Initial attempts to purchase will be by negotiation. Where such a method proves unsuccessful SCC will instead seek to acquire the necessary land through the compulsory purchase order (CPO) process as a *remedy of last resort*. The full extent of additional third-party land required will be fully understood once the agreed design is complete.
25. It is therefore recommended that Cabinet agree to delegate the necessary authority and permission to officers to facilitate land purchase through CPO in the event that any initial attempts through direct negotiation prove to be unsuccessful, subject to the signing of the GDA by SCC.

#### CONSULTATION

26. SCC will be undertaking the appropriate local consultation on the proposed highway improvements as part of the scheme delivery process, particularly during the feasibility design stage, so as to enable an early determination of the preferred design solution and needs for any additional land. The consultation may well be undertaken in conjunction with RBC.

#### RISK MANAGEMENT

27. The processes for ensuring that risks are being managed effectively will be the same as that process currently used successfully elsewhere by SCC to deliver similar major highway schemes. SCC will bear all those risks associated with the delivery of this project with the exception of those directly related to the delivery of housing units, provision of housing data and associated local plan issues which, although included in the GDA

between SCC and MHCLG, are instead to be discharged by RBC through a relevant binding sub-agreement between SCC and RBC.

28. The total project risk and contingency budget is £7.97m and a commuted sum for maintenance of circa £1M representing about 19% and 2% respectively of the total scheme.
29. In respect of any cost overrun that exceeds this contingency, it has been agreed in principle that RBC and SCC will jointly sign a further agreement that will see the two authorities equally share in any cost overrun up to £4m, beyond which SCC would bear the financial risk, with the expectation of recovering up to £5m of any additional cost from future developer receipts, as set out at paras 12 to 14.
30. At present it has not been possible to negotiate an extension to the delivery timetable beyond March 2024. Whilst SCC will continue to consult and renegotiate with the MHCLG to secure an extension on the basis of the Government's own delay in decision making on the HIF funding, COVID 19 and the need to coordinate with only recently announced Highways England SMART motorway works, officers have reviewed and revised the programme to deliver the project in the timescale, albeit with minimal contingency.
31. A full overview of risks is contained at Part 2, Annex 6.

#### **FINANCIAL AND VALUE FOR MONEY IMPLICATIONS**

32. The current value of HIF funding is £41,828,129. Within this sum the total project risk and contingency budget is £7.97m. In addition, there are further anticipated costs of c. £5.0m currently identified to deliver the enhanced J11 works required by Highways England.
33. The project and the associated J11 works will be delivered in the first instance using the HIF funding provided by Homes England. The available budget includes for a fairly significant risk and contingency budget and should this not be required elsewhere in the scheme it could cover in part at least the additional cost arising from the enhanced J11 works. If, however, there are any costs associated with the project that cannot be met by the HIF funding, these will be managed using the methodology described above in para 12.
34. The Business Case has identified the Net Present Value (NPV) of the additional housing benefits, monetised using the land value uplift is £345 million compared to the do-nothing option. The assumed Gross Development Value (GDV) for the scheme is £1.74 billion.
35. The financial aspects of this project have been scrutinised in detail by Homes England bid assessment team. The costs for the project was produced by specialist infrastructure cost management consultants commissioned by RBC. The project costs were derived based on the outline design produced for the Business Case and represent the best costs estimates at that time. SCC have applied the appropriate contingency and risk allowance in the Business Case. These may change when SCC undertakes the costings on the detailed design. SCC will undertake a project cost review when the detailed design is complete.

## 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.
37. The A320 North of Woking was expected to be fully funded through HIF Forward Funding grant of £41.8m, including the cost of design, land purchase, construction, associated fees and future maintenance costs. The grant allocation includes a risk allowance of c.£8m in recognition of the potential for cost increases arising as the scheme progresses through design, procurement and construction phases. Since the scheme was last reported to Cabinet the requirement for additional works has become apparent, at an estimated cost of £5m.
38. There is therefore a likelihood that overall scheme costs will exceed the grant allocation of £41.8m. In mitigation, SCC and RBC have agreed to share the risk of cost increases up to £4m on a 50:50 basis, beyond which any additional cost would initially need to be met by SCC. It is expected that additional costs up to £5m will be recovered from future developer contributions arising from the scheme, although the exact value and timing of those receipts will depend on a number of factors including the health of the housing market. Recommendation 4 seeks to make provision for these additional costs within the Council's capital programme, which will need to be reviewed as the scheme progresses.
39. In the meantime, the Council continues to incur costs in advance of entering into a formal agreement with Homes England. Discussions between Highways officers and Homes England indicate that those costs can be recovered from future grant. If that is not possible, or if the scheme does not proceed, SCC could need to fund those costs (estimated at up to c.£0.73m) itself.

## LEGAL IMPLICATIONS – MONITORING OFFICER

40. Section 1 of the Localism Act 2011 provides Surrey County Council with the power to do anything an individual may do, subject to a number of limitations. This is referred to as the "general power of competence". A local authority may exercise the general power of competence for its own purpose, for a commercial purpose and/or for the benefit of others. The general power of competence allows the Surrey County Council to apply for the funding described in this report and to procure a contractor / contractors to undertake the works described.
41. Funding awarded must be spent in accordance with all legal requirements, which will include state aid, public procurement law, wider public law (including the Public Sector Equality Duty), and planning law. Surrey County Council has obligations under the overarching GDA, including the delivery of objectives within agreed timeframes.

42. Any procurement required as a result of the funding must be conducted in accordance with Surrey County Council's Constitution, including the Procurement & Contract Stranding Orders and the Public Contracts Regulations 2015.
43. Section 226(1) of the Town and Country Planning Act allows local authorities to acquire compulsorily any land in their area by compulsory purchase subject to authority from the Secretary of State. Authority to pursue a Compulsory Purchase Order must be sought by a further report to the Cabinet Member should negotiations fail.

#### **EQUALITIES AND DIVERSITY**

44. An Equality Impact Analysis [EqIA] is currently in preparation and will be developed in keeping with the emerging design. SCC is satisfied that there are currently no identifiable negative Equality implications arising from the proposals. The benefits of the delivery of necessary infrastructure to support housing in principle applies equally to all individuals including those within protected characteristic groups. Further opportunities to make improvements for those with relevant protected characteristics, including disability and age, will be taken at the detailed design stage, when appropriate design features can be incorporated, and other opportunities considered to promote inclusivity for access and transport.

#### **WHAT HAPPENS NEXT:**

46. Provided Cabinet approve the recommendations identified in this report, the following are the next steps in taking forward this project:
  - a. Signing of legal agreement between SCC and the MHCLG encompassing all relevant terms and conditions of the award to be completed;
  - b. Signing of legal side / Flow Down agreement between SCC and RBC relating to all relevant terms and conditions of the award in respect of housing; and
  - c. Commencement of the reimbursement process from Homes England in respect of all *Historic expenditure* which is recoverable against the bid, incurred in its preparation prior to GDA signature.

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#### **Contact Officer:**

Lyndon Mendes, Transport Policy Team Manager

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#### **Annexes:**

- Part 2 Report

**SURREY COUNTY COUNCIL**

**CABINET**

**DATE: 29 SEPTEMBER 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:**

On 21 July 2020, Cabinet approved the development of the Community Projects Fund (CPF) – a unique and potentially transformative capital fund of £100m over five years designed to deliver place-making and place-changing projects led by residents and communities on a significant scale. At the time, Cabinet agreed to an initial phase of community co-design to test key aspects of the Fund prior to the formal launch of the Fund in the Autumn. This report sets out the findings from the co-design and resulting changes proposed to the Fund.

#### **RECOMMENDATIONS:**

It is recommended that Cabinet:

1. Note the key findings from the community co-design work carried out;
2. Consider and agree the proposed updates to the process, criteria and framework for delivery of the Fund;
3. Note the recruitment of the officer roles to manage the CPF process;
4. Note the communications and engagement approach for the launch and delivery of the Fund; and
5. Agree the suggested timescales for the launch of the Fund and the opening of the first funding window.

#### **REASON FOR RECOMMENDATIONS:**

The development of the Community Project Fund (CPF) represents a significant and exciting opportunity for Surrey County Council (SCC) to invest in a meaningful and lasting way in communities, and for communities to drive projects that will make a real difference to where they live. Crucially the Fund fills a unique gap in the market for investment in truly resident and community-led projects to have a positive impact on the places in which they live.

The recommendations in this report will enable the Fund to be launched and to be delivered in a way that ensures the Fund is accessible to all, supports successful projects and that communities' benefit.

<b>DETAILS:</b>
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## Background

1. The Community Projects Fund (CPF) has been developed to bring community-led place-making and place-improving projects to life at a scale to make a truly significant difference to communities. It will fundamentally support the aims of the Community Vision for 2030, in which Surrey is a place in which communities feel supported and people can 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 Vision cannot be delivered by SCC and our partners alone – it is vital that communities 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 critical 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. On **21 July 2020** Cabinet approved the development of the Fund, along with a proposed process and governance for the management of the Fund and agreed for a piece of community co-design to be carried out to test key aspects of the CPF prior to the formal launch of the Fund. This reflects a genuine desire by Cabinet Members to ensure that the Fund is accessible and relevant as possible to those communities it is meant to serve.

## Community co-design

4. The aim of the co-design was to work with Surrey residents and community groups to identify any potential barriers to submitting applications, so these could be removed, and to ensure the fund is a success so that communities' benefit.
5. The co-design work took the form of five one-and-a-half hour workshops delivered through Zoom and facilitated by a research company, Stripe Partners. The workshops were attended by a mixture of residents and representatives from voluntary community and faith sector (VCFS) groups, with 5 to 6 attendees in each group. The workshops took participants through the process, step by step, to understand any potential barriers and/or support that residents and communities might need to engage effectively with the Fund.
6. In addition to those that took part in the workshops, approximately 100 further residents and VCFS group members that put themselves forward to take part in the co-design were invited to share their views on the process and criteria through the Common Place engagement tool, which has been developed as a key interface for communities in engaging with the Fund.
7. Overall, the co-design showed that the idea and opportunity of capital funding was well received among the sample of participants. They agreed that the application process was logical, easy to navigate and straightforward, and that the support opportunities that were proposed at each stage were appreciated. Participants offered some additional suggestions to help with the success of the fund, including a smooth community/SCC partnership process and suggestions as to the role that VCFS organisations could play in support of residents and communities developing

ideas. Key themes and findings from the workshops and feedback gathered through Common Place are summarised below.

### Key findings

- **Positive feedback on the opportunity of the Fund:** Participant reactions to the fund were positive, and £100m of capital funding was welcomed, with most able to identify capital needs in their areas. The overall application process and criteria was seen to be clear and easy to understand and compared favourably with other funding applications with which participants had experience.
  - **There is a real need for support to residents and communities in developing ideas at the scale of the Fund:** For residents without the experience of putting funding applications and projects together, support of local members, SCC officers or VCFS infrastructure organisations at some stages would help groups to be successful in making bids to the Fund. It was also felt that the development, and then delivery of projects may sometimes require a degree of revenue funding, either for the development of the project or for the organisation running the project.
  - **Clear communications supporting residents to understand the process but also generate ideas will be key:** The scale of the funding, whilst exciting, is genuinely different to what communities will be used to bidding for. As such, targeted communications highlighting potential ideas and case studies will help inspire and encourage potential applicants to 'think big'.
  - **The role of Common Place in the process was recognised, but also the role of a number of other channels in engaging with residents to get them to engage in the Fund in the first place:** The proposed Common Place web platform will be a helpful tool to show project ideas, level of community backing and help with information sharing before the expression of interest stage and as a rolling participation tool – although it was suggested that a whole variety of channels should be used in communicating the funding opportunity with residents from the outset to encourage as many as possible to engage with the Fund. For some groups within certain protected characteristics, there may need to be some support around accessibility so that the digital platform doesn't become a barrier to those applying.
  - **Communications will be key in highlighting the genuine opportunity for residents to access funding to make a difference:** There was a concern raised by some participants about being in competition with others when bidding for the Fund and where ideas may be similar. Once again, communications will be key to ensuring that residents and communities understand the scale of the funding on offer to allay any concerns that people may have around competition and that they could 'miss out'.
8. A summary of how it is proposed that the Fund be developed further to address the above points is set out below. The resulting proposed process and criteria is set out at **Annex 1** to this report.

### Ensuring the community can access the Fund and successfully deliver projects

9. There was recognition from Cabinet in July that communities in Surrey would welcome the opportunities presented by the CPF, but that some residents may feel they do not have the experience to manage all aspects of delivering a project. It was set out at that stage that a level of officer resource would be set up to support residents and groups in delivering projects through the Fund.

10. Whilst this officer resource is critical, particularly once projects have been developed to a point of submitting a full application to the Fund the feedback from the co-design process has made clear that there is a need for support for communities in the early development of ideas. Here, it is recommended that **the role of the local member** is vital.
11. It is recognised that local members have a depth of knowledge as to the needs of their residents and are in a unique position with which to champion ideas to resolve them. They also have an ability to connect residents within their communities in a way that will help them to better develop ideas. As such, the role of the local member has been strengthened and highlighted in the updated process. There is an intention to brief all county councillors in the run up to the launch of the Fund to enable them to play a fuller part in this process.
12. In addition, it is proposed that several different types of support be developed to further support communities in the development of ideas for the Fund, these include:
- Outreach Sessions online and in localities to provide residents and groups with the chance to discuss ideas or receive answers to queries
  - Networking Opportunities, helping residents and groups to link with previous successful applicants and projects, in order to generate and share ideas, expertise or offers of help and support.
  - Upskilling and partnering when things are beyond a group's skill set, through access to training, resource materials and advice on aspects crucial to the success of a project such as project management or financial controls.
13. Finally, in respect of the points made about revenue funding, there is a provision in the Fund's development as set out to Cabinet in July for a degree of revenue funding that would be available to support the development and delivery of some projects. It was previously estimated that development funding of up to 10% of the value of the fund will be needed to support development of shortlisted projects and as set out in July, this funding will be managed in line with the 2021/22 budget process and medium-term financial strategy. This will be kept under review to ensure that the feasibility budget remains sufficient to meet the delivery of the wider capital programme.
14. Further, as part of the offer of support, officers in the CPF Team will aim to signpost applicants to other funds where appropriate in order to provide additional funding to support their bids or in cases where bidders are unsuccessful.

### **Communications and engagement**

15. As highlighted in the feedback from the co-design, communications and engagement are a key part of the CPF. They will be crucial to stimulating ideas from the community, getting resident feedback on proposed projects and highlighting the projects delivered through the Fund.
16. The feedback from the co-design suggests that Common Place will have an important role to play in the delivery of the Fund, but that it needs to be considered as one of several channels through which the Council communicates with communities about the Fund from the outset. It was felt that it can be a key communications and inspiration tool to help people 'think big', join up people with others near them and help people to explore what's possible.

17. Building on the co-design process, the communications plan for the Fund will seek to raise awareness of the CPF and what it is for, including getting people to think imaginatively and ambitiously about what could be done. Communications will encourage residents to engage with the Fund and give opinion on suggested projects while also updating residents and stakeholders on the ongoing work of the CPF and publicising successful projects.
18. A mix of communications channels will be used including, but not limited to, digital engagement, social media, outdoor advertising, local engagement events, local press outlets and web pages. Direct engagement with voluntary, community and faith sector groups will also be crucial in stimulating ideas and ensuring the application and delivery process is effective.
19. Elected members will also be expected to take have a critical role in highlighting the Fund to residents and community groups within the areas they represent, guiding people through the process and passing on feedback to the CPF team.
20. Information and details of the Fund will be published on dedicated CPF webpages, and available offline through a variety of communication and engagement measures, including those outlined in paragraph 18. Plain English will be used throughout to ensure the fund is accessible as possible.
21. Project ideas will be publicised, both online and offline locally using targeted communications to specific geographies and demographics where relevant. Residents will be encouraged to offer their views on proposals that have been submitted.
22. There will be ongoing communication and engagement throughout the delivery and completion of successful projects, making clear the partnership role in delivery alongside the local community.
23. Finally, in respect of the Common Place platform, the feedback from the co-design would suggest that it has a key role to play in the development and submission of ideas, and sharing those ideas with others in communities to build support; that it could be positioned as a form of crowd-sourced “ideas hopper” - providing resident ideas on what is needed and what is widespread across the county.
24. In line with this, it is proposed that through Common Place, applicants will be able to demonstrate that others in their community support a project idea. It is proposed that the criteria of having wider community backing becomes a pass/fail assessment at the review of ideas stage, as set out in more detail in Annex 2, to emphasise the importance of projects that benefit the wider community.
25. Steps will be taken to ensure that where people may need support with accessing online materials there will be the opportunity for them to receive support in community spaces such as libraries to help them on-board and know what they need to do. Local members and VCFS groups will also be able to support people with discussing their ideas and setting out how they can access the Fund.

### **Next steps**

26. It is proposed that with the above changes and revisions to the Fund, the Fund is launched in October 2020 alongside a communications campaign to develop interest and awareness. The Common Place platform will be built and ready for launch in mid – November 2020 to begin exploration of project ideas with communities.

27. In order to proceed with this launch, the process for recruiting CPF team as set out and agreed by Cabinet at its July meeting will be progressed.

#### **CONSULTATION:**

28. 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.
29. A Member Task Group made up of members of the Communities, Environment and Highways Select Committee was established in March 2020 to advise the officer steering group on the process and criteria for the Fund, as well as the administration and governance.
30. Meetings of the Task Group took place on 21 May, 10 June, 24 June and 29 June with their feedback informing the Cabinet report in July.
31. A piece of community co-design work was undertaken in August 2020, through five one-and-a-half hour workshops delivered through Zoom and facilitated by a research company, Stripe Partners. The workshops were attended by a mixture of residents and representatives from VCFS groups, with 5 to 6 attendees in each group.
32. In addition to those that took part in the workshops, approximately 100 further residents and VCFS group members that put themselves forward to take part in the co-design were invited to share their views on the process and criteria online.
33. Findings from the co-design have been summarised in this report.

#### **FINANCIAL AND VALUE FOR MONEY IMPLICATIONS**

34. The £100m of capital funding allocated to the Community Projects Fund is within the agreed budget for the capital programme.
35. Cabinet agreed in July to allocate £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**

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.

37. 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

38. 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

39. 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.
40. In the report to Cabinet in July, it was highlighted that there could be potential barriers to accessing the Fund for some within the protected characteristics in terms of the use of the online platform and support that may be required in developing projects to enable their delivery. Some of these points were also raised through the co-design work.
41. Details for how these potential impacts will be addressed is set out in the Equalities Impact Assessment attached at **Annex 2**.
42. 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.
43. Any formal applications to the Fund will be expected to have carried out a form of an Equality Impact Assessment for their project proposal, which will be reviewed as part of the scoring process.

#### ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

44. As part of the criteria for assessing bids, any formal applications to the Fund will have to set out how the environmental impact of the project been considered and show that it will encourage sustainable practices and activity. 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:

45. The proposed timeline for the launch of the Community Projects Fund is as follows:
- Recruitment of team to support the CPF to take place in September 2020
  - Fund launched in October 2020 to develop awareness and interest
  - Build digital engagement platform ready for launch in mid – November to begin exploration of project ideas with communities

- First bidding round anticipated for Spring 2021
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**Consulted:**

- Community co-design with residents and VCFS representatives
- CVS'
- Member Task Group
- Communities, Environment and Highways Select Committee
- Council officers

**Annexes:**

Annex 1 – CPF process and criteria

Annex 2 - Equalities Impact Assessment

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## **Annex 1**

### **Project proposal process and criteria**

#### **Support throughout the process**

- It is recognised that residents and community groups who may have limited experience of applying for grants and funding would value support in the development of ideas, particularly at the idea's creation and development stage. Whilst officers will be on hand to support specific elements of projects, and to support the further development of projects at later stages, the role of the local member will be developed to support their communities at this first stage.
- Throughout the process, the CPF Team will provide a point of contact for applicants and facilitate the input of officers from across the council more widely as required. Alongside the core team, officers from across the organisation will be involved in helping to support projects depending on the type of project involved.
- There is also a critical role that local members will play in supporting the development and promotion of ideas in their communities. It is recognised that local members have a depth of knowledge as to the needs of their residents, and in a unique position with which to champion ideas to resolve them. They also have an ability to connect residents within their communities in a way that will help them to better develop their ideas.

#### **Stage 1 – Idea creation and development**

- Those with initial ideas for a bid will complete a short form setting out a brief outline of their proposal.
- The questions will be developed to encourage respondents to be creative and 'think big' whilst also highlighting some of the more practical issues which will need to be addressed later in the process.
- Guidance documents will be available that set out the rules for how funding can be used. The idea is to give bidders a clear understanding of what the fund can be used for to avoid having to reject ideas, as well as highlighting work the council has done on identifying the type of projects that different local areas could benefit from. As part of guidance materials, case studies will be highlighted about projects which will help to encourage bidders to see what is possible.
- An applicant checklist will be designed to set out helpful questions that someone putting together a proposal may want to consider.

#### **Stage 2 – Application**

##### **Phase 1 – Idea submission**

- Once applicants have engaged with Common Place and developed their idea, they can submit the first phase of the application form. This phase of the application process will be open at all times.

- Applicants will be asked to complete high-level fields detailing their project idea, name and contact details of their organisation and whether they conform to the grant criteria.
- The Guidance documents provided previously will again be made available to set out the rules for how funding can be used, as well as specific guidance around filling in the form itself.

## Phase 2 – Review of idea and Full application

- Following idea submission, officers will carry out an initial review of a proposal. This will involve assessing proposals against the pass/fail criteria set out below and will give an idea to whether the idea has the potential to be taken forward.

Pass/Fail Criteria	Details
Does the idea fit with the aims of Surrey's Community Vision 2030?	<p>Highlight which of the aims the project will meet:</p> <ul style="list-style-type: none"> <li>• Tackling inequality - whilst many in Surrey have a wonderful quality of life there are many people who are struggling</li> <li>• Supporting independence - enabling people to live healthier lives for longer by boosting their independence</li> <li>• Embracing Surrey's diversity - every citizen counts</li> <li>• Supporting the local economy - enabling our local economy to grow</li> <li>• Enabling digital revolution - making sure no one is left behind digitally, and Surrey is fit for the future</li> <li>• Partnership - drawing on skills and expertise from different organisational, community and individual partners</li> <li>• Creating a greener future including links to Surrey Climate Change Strategy</li> </ul>
Do you have the right financial set up in place?	<p>Bidders will be made aware of the requirement of a certified bank account in the name of their organisation. They will be asked to confirm if:</p> <ul style="list-style-type: none"> <li>• They have one</li> <li>• They are taking steps towards getting one</li> <li>• They require support from SCC or Partners to set one up</li> </ul>
You will need to confirm that the Funding won't be used for.....	<ul style="list-style-type: none"> <li>• Supporting political organisations or individuals</li> <li>• Covering ongoing revenue costs, such as salaries or running costs</li> <li>• Replacing any withdrawn funding from the Council for existing projects</li> <li>• Funding public sector bodies or private companies to carry out their statutory duties</li> <li>• Projects that contravene any of the Council's agreed policies or priorities</li> <li>• Paying for a consultant to make an application to the fund on the applicants' behalf</li> <li>• Retrospective funding</li> </ul>
Is there wider community support?	<p>Using the Common place platform, you will need to demonstrate that others in your community support the project idea and that it will benefit the wider community. Where possible you can also highlight any backing received from your local councillor,</p>

	other local community groups or clubs or any other organisations from across Surrey
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- Where officers believe the project has viability, bidders will be invited to complete the full application form.
- As part of the initial review of an Idea Submission, 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 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.
- 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

- 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.
- Depending on the scale, some projects may be expected to have carried out a version of the council's Equality Impact Assessment and Environmental Sustainability Assessment which will be reviewed as part of the scoring process.

Criteria to be scored against	Details
How will the project be delivered?	Projects should have a clear project plan in place to show how the project will be delivered and demonstrate you have the necessary support needed to do so
Is there any additional help needed to run the project?	Proposals should highlight if there are additional people or volunteers that can be called upon, or money from other sources that can be used to make the project work
What are the long-term benefits?	Please outline how using the funding will have lasting benefits, for at least five years going forward, explaining who will benefit and how they will benefit
Does it make a positive difference to people's lives?	Show us how the project will make a positive difference to peoples' lives and the wider community. This could include improving people's health and wellbeing, the environment around them or helping people to come together
Has the environmental impact of the project been considered?	Show that the project will encourage sustainable practices and activity and that long term won't have a negative impact on the environment

### Scoring

- The process of scoring will be coordinated by CPF Officers, and as required will involve input from specific teams that will have detailed knowledge in the service area related to the aims of the project.

## Weighting

- Outside the 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
Does the idea fit with the aims of Surrey's Community Vision 2030?	Pass/Fail	N/A
Do you have the right financial set up in place?	Pass/Fail	N/A
Does not meet any of the restrictions set out for the use of the fund	Pass/Fail	N/A
Is there wider community support?	Pass/Fail	N/A
How will the project be delivered?	1 – 5	30
Is there any additional help needed to run the project?	1 – 5	17.5
What are the long-term benefits?	1 – 5	17.5
Does it make a positive difference to people's lives?	1 – 5	17.5
Has the environmental impact of the project been considered?	1 – 5	17.5

To be assessed at the initial review stage

- 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.
- For projects 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

- 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. 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.
- The CPF Panel will consider applications that have made it to this stage and make a recommendation on the decision to award funding to the appropriate delegated decision maker or making body.
- The CPF Panel will be comprised of a representative selection of Members from across parties, 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.

- 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.
- Shortlisted applicants may be asked to provide a short presentation and answer questions from the Panel to assist with the decision process.

### **Stage 5 – Award of funding**

- 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.

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## Annex 2

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

### 1. Explaining the matter being assessed

<b>What policy, function or service change are you assessing?</b>	<i>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.</i>			
<b>Why does this EIA need to be completed?</b>	<i>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.</i>			
<b>Who is affected by the proposals outlined above?</b>	<p><i>The fund is targeted at all residents in Surrey, therefore key stakeholders/advocates for the Fund could include::</i></p> <ul style="list-style-type: none"> <li>• <i>Residents</i></li> <li>• <i>The Voluntary, Community and Faith Sector</i></li> <li>• <i>District &amp; Borough Councils</i></li> <li>• <i>District &amp; Borough Members</i></li> <li>• <i>Parish Councils</i></li> <li>• <i>Parish Councillors</i></li> <li>• <i>County Council</i></li> <li>• <i>County Council Members</i></li> </ul>			
<b>How does your service proposal support the outcomes in <a href="#">the Community Vision for Surrey 2030</a>?</b>	<i>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.</i>			
<b>Are there any specific geographies in Surrey where this will make an impact?</b> (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):			
<b>Briefly list what evidence you have gathered on the impact of your proposals?</b>	<i>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.</i>			



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*A piece of community co-design work was undertaken in August 2020, through workshops. The workshops involved a mixture of residents and representatives from VCFS groups. In addition to those that took part in the workshops, further residents and VCFS group members that put themselves forward to take part in the co-design were invited to share their views on the process and criteria online.*

## 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

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*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.*

**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	

<p>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.</p>	<p>The Fund will support projects that may be designed to have a particular impact on young people and older people.</p>	<p>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.</p> <p>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.</p>	<p>The criteria will be in place for the launch of the Fund in October 2020</p> <p>Monitoring of the Fund will take place at the end of each funding round</p>	<p>CPF Steering Group and project team</p> <p>CPF Steering Group and project team with input from Analytics and Insight Team</p>
<p>Submitting proposals through an online platform may cause issues for accessing the Fund.</p>	<p>It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund.</p>	<p>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</p>	<p>Design of the online platform with the provider to be completed by October 2020</p>	<p>CPF Steering Group and project team working with the provider</p>

		<p>fall within a seldom listened to category to ensure that they can engage with the Fund.</p> <p>Exploring opportunities for reaching people through community spaces with tablets to help them on-board and know what they need to do/ discuss ideas and options.</p> <p>'Co-design' work was undertaken with a group of residents and representatives from VCFS groups to consider all aspects of the grant making process for the CPF to ensure its accessibility.</p>	<p>Work to ensure the accessibility of the Fund will be completed by the opening of the first funding window (new year 2021)</p> <p>Co-design work took place in August 2020</p>	<p>CPF Steering Group and project team</p>
<p>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.</p>	<p>It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund.</p>	<p>'Co-design' work was undertaken with a group of residents and representatives from VCFS groups to consider all aspects of the grant making process for the CPF to ensure its accessibility.</p> <p>Work is being undertaken to assess how support can be provided to those submitting</p>	<p>Co-design work took place in August 2020</p> <p>Work expected to be completed</p>	<p>CPF Steering Group and project team</p>

		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.	by the opening of the first funding window (new year 2021)	
<b>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</b>				
N/A				
<b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b>				
N/A				

<b>DISABILITY</b>
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>
<p><i>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.</i></p> <p><i>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".</i></p> <p><i>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.</i></p>

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	
<p>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.</p>	<p>Those with disabilities and other health difficulties 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.</p>		<p>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.</p> <p>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.</p>	<p>The criteria will be in place for the launch of the Fund in October 2020</p> <p>Monitoring of the Fund will take place at the end of each funding round</p>	<p>CPF Steering Group and project team</p> <p>CPF Steering Group and project team with input from Analytics and Insight Team</p>	

<p>Submitting proposals through an online platform may cause issues for accessing the Fund.</p>	<p>It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund.</p>	<p>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.</p> <p>Exploring opportunities for reaching people through community spaces with tablets to help them on-board and know what they need to do/ discuss ideas and options.</p> <p>'Co-design' work was undertaken with a group of residents and representatives from VCFS groups to consider all aspects of the grant making process for the CPF to ensure its accessibility.</p>	<p>Design of the online platform with the provider to be completed by October 2020</p> <p>Work to ensure the accessibility of the Fund will be completed by the opening of the first funding window (new year 2021)</p> <p>Co-design work took place in August 2020</p>	<p>CPF Steering Group and project team working with the provider</p> <p>CPF Steering Group and project team</p>
<p>The process and criteria for putting together a project proposal might prevent some individuals or groups from</p>	<p>It is recognised that those within this protected characteristic may encounter barriers in being</p>	<p>'Co-design' work was undertaken with a group of residents and representatives from VCFS groups to consider all aspects of the</p>	<p>Co-design work took place in August 2020</p>	<p>CPF Steering Group and project team</p>

<p>feeling they can put together bids to the Fund.</p>	<p>able to submit ideas/bids to the Fund.</p>	<p>grant making process for the CPF to ensure its accessibility.</p> <p>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.</p>	<p>Work expected to be completed by the opening of the first funding window (new year 2021)</p>	
<p><b>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</b></p>				
<p>N/A</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p>				
<p>N/A</p>				

## GENDER REASIGNMENT

**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.*

*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	
<p>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.</p>	<p>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 community and encourage engagement.</p>		<p>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.</p> <p>Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities</p>	<p>The criteria will be in place for the launch of the Fund in October 2020</p> <p>Monitoring of the Fund will take place at</p>	<p>CPF Steering Group and project team</p> <p>CPF Steering Group and project team with input from Analytics and Insight Team</p>	

		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.	the end of each funding round	
<p><b>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</b></p>				
<p>N/A</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p>				
<p>N/A</p>				

**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).*

# Equality Impact Assessment

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	
<p>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.</p>	<p>The Fund is designed to provide investment in schemes and projects assisting the development of both parents and small children.</p>		<p>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.</p> <p>Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities</p>	<p>The criteria will be in place for the launch of the Fund in October 2020</p> <p>Monitoring of the Fund will take place at</p>	<p>CPF Steering Group and project team</p> <p>CPF Steering Group and project team with input from Analytics and Insight Team</p>	

		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 end of each funding round	
<p><b>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</b></p>				
<p>N/A</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p>				
<p>N/A</p>				

**RACE**

**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 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.*

# Equality Impact Assessment

*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
<p>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.</p>	<p>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.</p>			<p>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.</p> <p>Data and evidence will be used to monitor bids and successful funding awards to identify if certain communities</p>	<p>The criteria will be in place for the launch of the Fund in October 2020</p> <p>Monitoring of the Fund will take place at</p>	<p>CPF Steering Group and project team</p> <p>CPF Steering Group and project team with input from Analytics and Insight Team</p>

		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 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.	<p>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.</p> <p>Exploring opportunities for reaching people through community spaces with tablets to help them on-board and know what they need to do/ discuss ideas and options.</p> <p>'Co-design' work was undertaken with a group of residents and representatives from VCFS groups to consider all aspects of the grant making process for the</p>	<p>Design of the online platform with the provider to be completed by October 2020</p> <p>Work to ensure the accessibility of the Fund will be completed by the opening of the first funding window (new year 2021)</p> <p>Co-design work took place in August 2020</p>	<p>CPF Steering Group and project team working with the provider</p> <p>CPF Steering Group and project team</p>

		CPF to ensure its accessibility.		
<p>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.</p>	<p>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.</p>	<p>'Co-design' work was undertaken with a group of residents and representatives from VCFS groups to consider all aspects of the grant making process for the CPF to ensure its accessibility.</p> <p>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.</p>	<p>Co-design work took place in August 2020</p> <p>Work expected to be completed by the opening of the first funding window (new year 2021)</p>	<p>CPF Steering Group and project team</p>
<p><b>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</b></p>				
<p>N/A</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p>				
<p>N/A</p>				

## 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	
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Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
<p>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.</p>	<p>Those in faith groups are often proactive in community engagement with the development of social capital at the core of their value system.</p>	<p>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.</p>	<p>The criteria will be in place for the launch of the Fund in October 2020</p>	<p>CPF Steering Group and project team</p>

		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.	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
<p><b>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</b></p>				
N/A				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p>				
N/A				

SEX
<p><b>What information (data) do you have on affected service users/residents with this characteristic?</b></p> <p><i>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.</i></p> <p><i>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.</i></p> <p><i>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).</i></p>

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
<p>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.</p>	<p>There is no specific positive or negative impact identified for those with this protected characteristic</p>			<p>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.</p> <p>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.</p>	<p>The criteria will be in place for the launch of the Fund in October 2020</p> <p>Monitoring of the Fund will take place at the end of each funding round</p>	<p>CPF Steering Group and project team</p> <p>CPF Steering Group and project team with input from Analytics and Insight Team</p>

**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.*

<b>Impacts</b> (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
<p>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.</p>	<p>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.</p>	<p>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.</p> <p>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.</p>	<p>The criteria will be in place for the launch of the Fund in October 2020</p> <p>Monitoring of the Fund will take place at the end of each funding round</p>	<p>CPF Steering Group and project team</p> <p>CPF Steering Group and project team with input from Analytics and Insight Team</p>
<p><b>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</b></p>				

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 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	The criteria will be in place for the launch of the Fund in October 2020	CPF Steering Group and project team	

		<p>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.</p> <p>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.</p>	<p>Monitoring of the Fund will take place at the end of each funding round</p>	<p>CPF Steering Group and project team with input from Analytics and Insight Team</p>
<p><b>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</b></p>				
<p>N/A</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p>				
<p>N/A</p>				

**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 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.	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
<b>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</b>				
N/A				
<b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b>				
N/A				

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<b>SOCIO-ECONOMIC DISADVANTAGE</b>
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>
<i>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.</i>

# 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	
<p>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.</p>	<p>Those at a socio-economic disadvantage are likely to benefit from schemes that support the community and encourage engagement.</p>		<p>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.</p> <p>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.</p>	<p>The criteria will be in place for the launch of the Fund in October 2020</p> <p>Monitoring of the Fund will take place at the end of each funding round</p>	<p>CPF Steering Group and project team</p> <p>CPF Steering Group and project team with input from Analytics and Insight Team</p>	

<p>Submitting proposals through an online platform may cause issues for accessing the Fund.</p>	<p>It is recognised that those within this protected characteristic may encounter barriers in being able to submit ideas/bids to the Fund.</p>	<p>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.</p> <p>Exploring opportunities for reaching people through community spaces with tablets to help them on-board and know what they need to do/ discuss ideas and options.</p> <p>'Co-design' work was undertaken with a group of residents and representatives from VCFS groups to consider all aspects of the grant making process for the CPF to ensure its accessibility.</p>	<p>Design of the online platform with the provider to be completed by October 2020</p> <p>Work to ensure the accessibility of the Fund will be completed by the opening of the first funding window (new year 2021)</p> <p>Co-design work took place in August 2020</p>	<p>CPF Steering Group and project team working with the provider</p> <p>CPF Steering Group and project team</p>
<p>The process and criteria for putting together a project proposal might prevent some individuals or groups from</p>	<p>It is recognised that those within this protected characteristic may encounter barriers in being</p>	<p>'Co-design' work is to be undertaken with a representative group of residents to consider all aspects of the grant making</p>	<p>Co-design work took place in August 2020</p>	<p>CPF Steering Group and project team</p>

# Equality Impact Assessment

feeling they can put together bids to the Fund.	able to submit ideas/bids to the Fund.	process for the CPF to ensure its accessibility.  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.	Work expected to be completed by the opening of the first funding window (new year 2021)	
<b>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</b>				
N/A				
<b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b>				
N/A				

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## 3. Staff

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

## 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	<b>No major change to the policy/service/function required.</b> This EIA has not identified any potential for discrimination or negative impact, and all opportunities to promote equality have been undertaken	✓
Outcome Two	<b>Adjust the policy/service/function</b> 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	<b>Continue the policy/service/function</b> 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: <ul style="list-style-type: none"> <li>• Sufficient plans to stop or minimise the negative impact</li> <li>• Mitigating actions for any remaining negative impacts plans to monitor the actual impact.</li> </ul>	
Outcome Four	<b>Stop and rethink</b> 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 <a href="#">here</a> ).	
<i>Please use the box on the right to explain the rationale for your recommendation</i>	<p>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.</p> <p>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.</p>	



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.

## 6a. Version Control

Version Number	Purpose/Change	Author	Date
1.0	N/A	Matthew Snelling	01/07/20
1.1	Update to mitigating actions following community co-design work carried out	Matthew Snelling	07/09/20

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
<b>Approved by*</b>	<i>Head of Service</i>	
	<i>Executive Director</i>	04/09/2020
	<i>Cabinet Member</i>	
	<i>Directorate Equality Group</i>	

<b>EIA Author</b>	Matthew Snelling, Strategic Lead – Policy and Strategy
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\*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



**SURREY COUNTY COUNCIL****CABINET****DATE: 29 SEPTEMBER 2020****REPORT OF: DR ZULLY GRANT-DUFF, CABINET MEMBER FOR CORPORATE SUPPORT****LEAD OFFICER: LEIGH WHITEHOUSE, EXECUTIVE DIRECTOR- RESOURCES****SUBJECT: HYPERCONVERGED SYSTEM PHASE 2 PROCUREMENT****SUMMARY OF ISSUE:**

This report sets out recommendations arising from a requirement to add a procurement to the 2020/21 Annual Procurement Forward Plan for the provision of Hyperconverged Systems.

The Hyperconverged System phase 2 procurement, part of the Core Infrastructure Architecture project, is to procure the final required hardware to reduce the complexity of the council's data centres server infrastructure, increasing scalability and improving performance and stability.

Following the introduction of an Annual Procurement Forward Plan, Cabinet approval is required in order to add the procurement to the 2020/21 Annual Procurement Forward Plan and to commence the procurement in October 2020.

**RECOMMENDATIONS:**

It is recommended that Cabinet:

1. Gives approval for the procurement for Hyperconverged System Phase 2 to be added to the 2020/21 Annual Procurement Forward Plan (APFP) in accordance with the Council's Procurement and Contract Standing Orders;
2. Agrees that where the first ranked tender for this project is within the +/-5% budgetary tolerance level, the relevant Executive Director, Director or Head of Service (as appropriate) is authorised to award such contracts.

**REASON FOR RECOMMENDATIONS:**

- To comply with the Procurement and Contract Standing Orders agreed by the Council in May 2019.
- To provide Cabinet with strategic oversight of planned procurement projects for 2020/21.
- New hardware is required to address current issues with the data centres server infrastructure, including:

- Increasing hardware faults, in particular hard disk failures, caused by the current infrastructure reaching end of life;
- Capacity issues with the current infrastructure;
- Ability to make critical systems (*e.g. Children's, Finance, ERP*) highly available.

#### **DETAILS:**

#### **Approval to Procure**

1. The Approval to Procure form has been approved by Anna Kwiatkowska, Head of Procurement, and Leigh Whitehouse, Executive Director of Resources and S151 Officer.
2. The procurement represents the purchase of hardware (servers) in alignment with the Core Infrastructure Architecture (C.I.A) Strategy.
3. Under section 1.6 of the Procurement & Contract Standing Orders (PCSO), where the need arises during the year for procurement activity on contracts over the Regulatory Thresholds which have not been pre-approved through the APFP, then Approval to Procure must be sought by the Head of Service concerned before any procurement activity may begin. For capital projects, approval can be given by the capital programme panel, then as below.

Value under £1m:      Head of Procurement (SCC), Executive Director in consultation with Portfolio Holder, and S151 Officer

Value over £1m:      Head of Procurement (SCC), S151 Officer and Cabinet

#### **Phase 2 - Hyperconverged System Procurement**

- Over the 18 months IT & Digital has been implementing the Orbis wide Core Infrastructure Architecture Strategy (C.I.A).
- The C.I.A represents a new approach to how the council will provide infrastructure services, in a more cost effective and simple way and encompassing the very latest technologies and industry best practice. It will drive up the availability of systems within the data centres, bring data centre server hardware up to date and enhance the overall disaster recovery capability for the council. The C.I.A is a core enabler for our systems to scale for situations such as COVID-19 (*e.g. by allowing for immediate capacity to be allocated for an influx of remote working*).
- Hyperconvergence or **HyperConverged Infrastructure (HCI)** is the current industry standard in the context of providing high performing computer services within data centre environments.

By introducing hyperconvergence technology into the council's data centres we can achieve a range of time and resource efficiencies and more robust protection of data.

- Traditionally, these services have been deployed by purchasing large disk storage, servers and networking components. Each component would usually represent a separate procurement. Individual components are also more complex to implement and maintain and don't allow for extending capacity without risks.
- Introducing hyperconvergence technology will enable the use of our existing hardware whilst benefiting from the addition of cloud-based services (*external servers e.g. Microsoft Azure and O365*) as and when a 'ramp-up' in demand or specialist data requirements is received.

#### 4. Rationale for Procurement

The infrastructure that hosts a number of our core IT services has reached an age where it needs to be refreshed to maintain a high level of confidence to provide the performance and stability we require. This is backed up by the increasing frequency of hardware faults, particularly with hard disk failures. In addition to this some of the services that are hosted on this infrastructure are reaching a critical capacity point where extra capacity is needed. Adding to the current infrastructure would be both expensive and a false economy considering its current age.

Due to the justifications above, and favourable pricing available from suppliers during 2020/21, it is proposed that the procurement of the hyperconverged system, and completion of phase 2 of the project, is brought forward a year. Funding is available within the existing IT&D capital budgets and will be reflected in the future refresh of the capital programme.

It is therefore recommended that the phase 2 procurement is added to the Annual Procurement Forward Plan for 2020/21.

#### 5. Scope of Procurement

This procurement focuses on the phase 2 purchasing of hardware (servers) to complete the council's move to Hyperconverged Infrastructure.

#### 6. Technical Benefits

This procurement will deliver the following technical benefits:

- Remove end of life servers that currently host critical systems therefore reducing risk.
- Remove a £120K annual revenue cost for legacy software licenses and support from 22/23.
- Add capacity and resilience to existing infrastructure, making key services to the business (*e.g. Children's / Adults and Finance*) more available and less susceptible to failure.
- Implement a solution where we can clearly model future demands both from a capacity and cost point of view.
- Provide a fully supported infrastructure for the next 5 years.
- Reduce power and cooling consumption within the council's data centres.

- Reduce complexity of the council's IT infrastructure, making it simpler to manage and free staff to focus on driving the council's Transformation and Agile agenda.
- Ability to add capacity through a mixed provision of hardware servers and cloud hosted 'virtualised' servers.
- Maximised utilisation of the council's data centres IT assets.
- Risk based approach for positioning sensitive organisational data either on hardware or cloud-hosted servers.
- More robust disaster recovery provision, making services highly available across the council's two data centres, reducing risk of downtime and data loss.

#### **CONSULTATION:**

7. The proposed procurement has been approved by the IT & Digital Capital and Revenue Governance Board and is due to go to Capital Programme Panel on September 23rd in advance of the cabinet meeting.
8. The Approval to Procure Form has been completed and approved by Anna Kwiatkowska, Head of Procurement, and Leigh Whitehouse, Executive Director of Resources and S151 Officer.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

9. Any risks identified will be managed through the procurement process.
10. The procurement process includes approvals before publication and again prior to contract award. Approvers include Finance, Legal, IT&D and Procurement.

#### **Financial and Value for Money Implications**

11. The overall estimated value of the contract is £2,000,000. This is affordable within the existing IT&D capital programme for 2020/21 and will be reflected in the future refresh of the capital programme.
12. Further financial and Value for Money implications will be considered in the Procurement Report.
13. No further approval for the contract award is required provided that the outcome is within +/-5% of the budget agreed with Finance when each procurement begins.
14. Where the outcome is not within these budget parameters, this must be reported to and approved by the S151 Officer and Portfolio Holder, as required in table 2.7a of the Procurement and Contracts Standing Orders, in the case of overspend above 5%, or for information in the case of a saving greater than 5% being delivered. In the case of overspend the contract award must be put on hold pending approval.

### **Section 151 Officer Commentary**

15. 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.
16. As such, the Section 151 Officer supports the addition of the procurement of a Hyperconverged System to the Annual Procurement Forward Plan 2020/21 and the commencement of the procurement in October 2020. The capital cost is contained within the existing 2020/21 IT&D capital budget. The revenue efficiencies, arising from the removal of the annual revenue cost for legacy software licenses and support will be factored into the Medium-Term Financial Strategy.

### **Legal Implications – Monitoring Officer**

17. Cabinet is being asked to give formal Approval to Procure for this project in accordance with the Council's Procurement and Contract Standing Orders. In making this decision, Cabinet should be cognisant of its fiduciary duty to Surrey residents to ensure services are provided effectively while also maintaining a balanced budget.
18. Notwithstanding Cabinet giving Approval to Procure, officers will have to ensure that the Public Contracts Regulations 2015 are complied with in relation to any procurements undertaken. Furthermore, commissioners will need to be aware of the 'best value duty' under Section 3 of the Local Government Act 1999 and its requirements on them. It states that the Council "...must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness."
19. The procurement is expected to be carried out using a compliant public sector framework and will be subject to the framework terms and conditions.
20. Where required Legal Services will provide support for reviewing the framework, drafting the contract and sealing the contract.

### **Equalities and Diversity**

21. An EIA is not required. The procurement is for hardware for the Data Centre and will enable the Council to function but does not have any direct impact on residents and staff with different protected characteristics.

### **Environmental sustainability implications**

22. The hardware being procured will be more energy efficient than the current infrastructure equipment.

**WHAT HAPPENS NEXT:**

23. The timetable for implementation is as follows:

<b>Action</b>	<b>Date</b>
Cabinet decision to add the procurement to the Annual Procurement Forward Plan 2020/21	29 September 2020
Procurement Planning	October 2020
Framework mini competition	October/November 2020
Contract Signature	November 2020
Contract Commencement Date	November 2020

**Contact Officer:**

Nathaniel Burrows, Procurement Partner (IT&D and Corporate)

Contact Number: 07703 453452

**Consulted:**

Matt Scott,	Chief Digital Information Officer
Andy Grogan,	Head of Enterprise and Technology
Anna Kwiatkowska,	Head of Procurement
Nikki O'Connor,	Strategic Finance Business Partner

**Sources/background papers:**

None

SURREY COUNTY COUNCIL

CABINET

DATE: 29 SEPTEMBER 2020



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

LEAD OFFICER: EXECUTIVE DIRECTOR RESOURCES (S151 OFFICER)

SUBJECT: 2020/21 MONTH 4 (JULY) FINANCIAL REPORT

#### SUMMARY OF ISSUE:

This report provides the details of the County Council's 2020/21 financial position as at 31<sup>st</sup> July 2020 (M4) for revenue and capital budgets and the projected outlook for the financial year. As there was no Cabinet meeting in August at which the June (M3) position could be presented, this report compares the M4 position to M2, as reported to Cabinet in July.

#### Key Messages – Revenue

- **As at July 2020 (M4) the Council is forecasting a deficit of £9.1m, against a budget of £1,019.7m; an increase of £0.1m from M2. The details are shown in Annex 1 and summarised in Table 1.**
- On 16th July, SCC received an **additional £6.4m of CV-19 funding**. £1.5m replenished the contingency reserve with £3.0m added to the CFL, S&C and C&T budgets to meet increases in CV-19 forecasts (adjusting the budget to £1,019.7m). **The balance of £1.9m will be held in an Earmarked Reserve for CV-19** related costs.
- Further Government funding is expected to compensate local authorities for lost income in other revenue, fees and charges incurred due to CV-19. Surrey County Council's share is yet to be confirmed.

#### Key Messages - Capital

- The Council approved a capital budget for 2020/21 of £175.7m in February 2020. At July 2020 (M4), the capital budget has been restated to £230.1m to reflect the acquisition and associated costs of the Woodhatch site in Reigate.
- The M4 capital forecast shows **increased spend of £8.7m from M2**, with forecast spend of **£222.3m**; net forecast slippage for the year of £7.9m against the approved budget. The forecast will continue to be reviewed monthly and the budget may be reset when the impact of CV-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;
2. note the transfer of the balance of the CV-19 funding (£1.9m) and amended revenue budget baseline as £1,019.7m (Para 5 - 7); and
3. approve the addition of the 20/21 contingency (£20.4m) to the Budget Equalisation Reserve (Para 8)

**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 M4, the Council is forecasting a deficit of £9.1m, against the reset budget approved by Cabinet in July 2020.
2. To enhance the capacity of the Corporate Leadership Team, thereby ensuring the council is able to deliver its strategic objectives, agreed priorities, as well as fulfil its statutory requirements an interim management structure was implemented. The new structure led to the creation of four new directorates (Strategy & Commissioning, Community & Transformation, HR & Communications and Deputy Chief Executive). All of the financial tables have been amended to reflect this change.
3. Table 1 below shows the forecast revenue budget outturn for the year and reflects the revised interim management structure, including COVID-19 related spend.

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

Directorate	20/21 outturn forecast at M4 £m	Annual Budget £m	Forecast Variance £m	Change in forecast since M2 £m
Adult Social Care	385.1	385.2	(0.1)	(0.1)
Public Health	31.4	31.1	0.3	0.3
Children, Families & Lifelong Learning	201.8	194.5	7.3	4.4
Environment, Transport & Infrastructure	135.3	131.9	3.4	0.8
Community Protection	37.5	36.6	0.9	0.6
Community & Transformation	15.0	15.5	(0.5)	(0.1)
Strategy & Commissioning	54.6	55.6	(1.0)	0.2
HR & Communications	8.4	8.4	(0.1)	(0.2)
Deputy CEX	2.3	2.3	(0.0)	(0.0)
Resources	76.1	75.5	0.6	0.2
Central Income & Expenditure	81.5	83.5	(2.0)	(2.0)
<b>Directorate Budget Envelopes</b>	<b>1,028.8</b>	<b>1,020.1</b>	<b>8.7</b>	<b>4.0</b>
Efficiencies unachievable due to CV-19	3.5	(0.4)	3.9	(0.4)
Amount already assumed in Directorate figures above	(3.5)	0.0	(3.5)	(3.5)
<b>Overall before central funding</b>	<b>1,028.8</b>	<b>1,019.7</b>	<b>9.1</b>	<b>0.1</b>
Central Funding	(1,019.7)	(1,019.7)	0.0	0.0
<b>Overall after central funding</b>	<b>9.1</b>	<b>0.0</b>	<b>9.1</b>	<b>0.1</b>

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

4. The main drivers of the **deficit of £9.1m comprise £12.7m in additional costs** offset by **underspends and other efficiencies of £3.6m** as set out below:

**Additional costs of £12.7m:**

- **£7.3m - Children, Families and Lifelong Learning (CFL)** - £7.9m increased corporate parenting and SEND caseload increasing placement costs, and £1.5m for staffing in Corporate Parenting and Family Resilience due to agency staff covering permanent roles.  
  
The overspend is partly offset by £1.4m additional asylum seeker grant income
- Included in the CFL position is a £3.9m variance on the Dedicated Schools Grant (DSG) High Needs Block (HNB). This consists of a £27.9m overspend of which £24m was anticipated in the budget. The variance is due to increased placement costs and support packages which had previously been highlighted as a risk. The start of the new school year has clarified the current position in terms of transfers and work is ongoing to mitigate and reduce this overspend.
- **£3.4m - Environment, Transport and Infrastructure** – £2.9m due to higher waste costs associated with increase in volumes and lower recycling values and £0.7m net non-achievement of efficiencies after one-off utilisation of grant. The forecast assumes that pressures can be partially mitigated
- **£0.9m - Community Protection Group** - Coroner's service of £0.7m including the cost of managing a backlog of cases, plus increased CV-19 costs of £0.2m
- **£0.6m - Resources**, increased loss of income of £0.4m (CV-19), Orbis Joint Operating budget of £0.1m
- **£0.4m net forecast for the non-delivery of the efficiencies as a result of CV-19** (£3.9m in total, with £3.5m offset in ASC directorate underspend). As CV-19 non-delivery of efficiencies were not part of the budget reset this is shown separately in Table 1.

**Offset by £3.6m of underspends and efficiencies**

- **£0.1m Adult Social Care** - £4.4m underspend across the whole ASC budget based on current forecast largely due to an expected reduction in Older People care package volumes as a result of CV-19, offset by expected £4.3m increase in Older People care package expenditure
- **£0.5m Community & Transformation (C&T)** consists of £0.1m underspend on the Customer Relation team and Web Ops team staffing and £0.4m reduced library expenditure due to temporary closures
- **£1.0m Strategy & Commissioning (S&C)** – £2.0m non achievement of joint placement reviews with health efficiency, offset by Home to School Transport savings
- **£2.0m Central Income & Expenditure** – a recent actuarial review and changing the payment profile has reduced secondary employer's pension contributions.

## CV-19 Update

5. At M4, the net CV-19 forecast deficit is £6.4m, with £1.9m held in reserve to set against this. The CV-19 deficit is included in the Directorate positions shown in Table 1 and paragraph 4. The net deficit of £6.4m consists of:
  - Total costs, lost income and unachievable efficiency savings of **£82.5m**
  - Funded through:
    - £53.4m of general Government CV-19 funding (of which £0.9m used in 2019/20 and £1.9m held in reserve) leaving **£50.6m in the 2020/21 budget**
    - **£25.5m** of specific Government CV-19 relating to Infection Control, Test and Trace funding and grants for active travel and bus services.
  
6. During M4 the CV-19 forecast across CFL, S&C and C&T has increased by £3.0m. This increase, that is included within the respective overall variances, is due primarily to:
  - CFL - £1m for early intervention and prevention work including Domestic Abuse, short breaks, crisis support and return to school support; £0.5m to reflect the increased volumes of Family residential placements (1 in February to 12 in June) - partly due to the lack of family and community support for families with babies and the inability to provide face-to-face contact during lockdown;
  - C&T - £1m increase in projected income loss for Registrars due to increased cancellations and the commencement of ceremonies being slower than originally projected.
  - S&C - £0.2m for the expansion of summer holiday club provision due to anticipated increased demand as a result of COVID-19 and £0.2m of property costs for the additional refuge spaces, this was originally expected to be coded directly to Property but is being paid through CFL.

This increase has led to £3.0m of the latest tranche of CV-19 (£6.4m) funding being added to the budget for 2020/21. After replenishing £1.5m of corporate contingency used in the M2 CV-19 budget reset, £1.9m remains to transfer to reserve.

7. CV-19 costs, income loss and unachievable efficiencies will be monitored closely to determine whether service budgets will need further reset in 20/21.

## Revenue Budget Changes and Contribution to Reserves

8. As part of Financial Regulations any increase in reserves of more than £2m requires Cabinet approval. Any agreed drawdowns that are for the reserve purpose are subject to S151 Officer authorisation.

As part of the budget reset, the 2020/21 Contingency of £20.4m has been reviewed and it is proposed to transfer it to the Budget Equalisation reserve.

The revenue budget has increased from £968.4m to £1,019.7m during the year, as follows:

	£m
Budget book central funding	968.4
Covid 19 - LA Support Grant - tranche 1 & 2	46.1
Covid 19 - LA Support Grant - tranche 3	6.4
Public Grant - Agenda for Change	0.8
	1,021.6
Less : CV-19 reserve	(1.9)
	1,019.7

## Capital Budget

9. In February 2020, Council approved a capital budget of £175.7m. At M4, the capital budget has been restated from to £230.1m to reflect the purchase of and other costs relating to the Woodhatch site in Reigate.

**Table 4**, below, provides a summary of the forecast full-year outturn at M4; **Against the revised budget, forecast capital spend is £222.3m. Net slippage of £7.9m is an improvement of £8.7m from £16.6m at M2.**

**Table 4 - Capital Programme Forecast at M4**

Strategic Capital Groups	Annual Budget £m	Restated Budget £m	Forecast outturn at M4 £m	M4 Reported Variance £m	Change from M2 to M4 £m
<b>Property</b>					
Property Schemes	78.5	133.0	118.9	(14.1)	7.3
ASC Schemes	1.9	1.9	1.9	0.0	0.0
CFL Schemes	1.7	1.7	1.8	0.1	0.1
<b>Property Total</b>	<b>82.0</b>	<b>136.5</b>	<b>122.5</b>	<b>(14.0)</b>	<b>7.4</b>
<b>Infrastructure</b>					
Highways and Transport	70.5	70.5	78.3	7.8	0.0
Environment	2.6	2.6	2.0	(0.6)	0.0
Community Protection	3.8	3.8	3.8	0.0	0.0
<b>Infrastructure Total</b>	<b>76.8</b>	<b>76.8</b>	<b>84.0</b>	<b>7.2</b>	<b>0.0</b>
<b>IT</b>					
IT Service Schemes	15.9	15.9	15.4	(0.5)	1.3
CFL - EMS	0.9	0.9	0.3	(0.6)	0.0
<b>IT Total</b>	<b>16.8</b>	<b>16.8</b>	<b>15.7</b>	<b>(1.1)</b>	<b>1.3</b>
<b>Total</b>	<b>175.7</b>	<b>230.1</b>	<b>222.3</b>	<b>(7.9)</b>	<b>8.7</b>

10. The change in variance of £8.7m relates primarily to Property schemes, where the impact of CV-19 on delivering Schools Basic Need projects (£5.6m) and Priority Schools Building Programme 2 (£2m) has been less severe than previously forecast. A £4.0m reduction in forecast spend due to the withdrawal of the Cranleigh School project has been largely offset by accelerated capital maintenance (£2.4m) and new approvals for Looked After and Adopted Children (LAAC) of (£0.7m).
11. The forecast for IT has increased by a net £1.3m due to the inclusion of the Digital Business and Insights programme (£6.0m), offset by reduced spend on hardware (£1.8m) and slippage in planned spend on the Unicorn Network (£2.5m).

12. 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:**

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

#### **RISK MANAGEMENT AND IMPLICATIONS:**

14. Risk implications are stated throughout the report and each relevant director or head of service has updated their strategic and or service risk registers accordingly. In addition, the Leadership Risk Register continues to reflect the increasing uncertainty of future funding likely to be allocated to the Council and the sustainability of the Medium Term Financial 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:**

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

#### **SECTION 151 OFFICER COMMENTARY:**

16. The 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.
17. 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:**

18. The Council is under a duty to set a balanced and sustainable budget. The Local Government Finance Act requires the Council to take steps to ensure that the Council's expenditure (that is expenditure incurred already in year and anticipated to be incurred) does not exceed the resources available whilst continuing to meet its statutory duties.
19. Cabinet should be aware that if the Section 151 Officer, at any time, is not satisfied that appropriate strategies and controls are in place to manage expenditure within the in-year budget they must formally draw this to the attention of the Cabinet and Council and they must take

immediate steps to ensure a balanced in-year budget, whilst complying with its statutory and common law duties.

#### **EQUALITIES AND DIVERSITY:**

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

#### **WHAT HAPPENS NEXT:**

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

**Contact Officer:**

Leigh Whitehouse, Executive Director of Resources  
020 8541 7246

**Consulted:**

Cabinet, Executive Directors, Heads of Service

**Annex:**

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

## Annex 1

## Detailed Revenue Budget by Service – 31 July 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	0.3	0.3	(0.0)	297.9	(0.0)	0.0	0.0
Education, Lifelong Learning & Culture	J Iles	18.6	32.2	34.1	2.0	214.3	50.1	53.6	3.5
Family Resilience	M Lewis	29.6	30.3	28.8	(1.5)	103.6	89.7	92.4	2.7
Corporate Parenting	M Lewis	15.6	15.6	13.6	(2.0)	44.8	40.5	41.7	1.2
Quality & Performance	M Lewis / J Iles	2.7	2.8	2.5	(0.4)	10.5	8.5	8.3	(0.3)
Directorate wide savings	M Lewis / J Iles	0.0	(0.2)	1.6	1.9	4.9	5.7	5.9	0.1
<b>Children, Families, Learning</b>		<b>66.5</b>	<b>81.0</b>	<b>81.0</b>	<b>(0.0)</b>	<b>675.8</b>	<b>194.5</b>	<b>201.8</b>	<b>7.3</b>
<b>Public Health</b>	S Mooney	<b>10.1</b>	<b>9.8</b>	<b>6.1</b>	<b>(3.6)</b>	<b>31.1</b>	<b>31.1</b>	<b>31.4</b>	<b>0.3</b>
<b>Adult Social Care</b>	S Mooney	<b>119.0</b>	<b>133.2</b>	<b>121.7</b>	<b>(11.5)</b>	<b>533.3</b>	<b>385.2</b>	<b>385.1</b>	<b>(0.1)</b>
Highways & Transport	M Furniss	19.5	17.3	17.0	(0.3)	69.2	58.5	58.5	0.0
Environment	N Bramhall	18.3	23.6	24.3	0.7	75.2	71.3	74.3	3.0
Leadership Team (ETI)	M Furniss /N Bramhall	0.3	(0.0)	0.2	0.3	(0.1)	(0.1)	(1.1)	(1.0)
ETI CV-19	M Furniss /N Bramhall	0.0	1.4	1.3	(0.1)	8.4	2.2	3.6	1.4
<b>Environment, Transport &amp; Infrastructure</b>		<b>38.2</b>	<b>42.3</b>	<b>42.8</b>	<b>0.6</b>	<b>152.8</b>	<b>131.9</b>	<b>135.3</b>	<b>3.4</b>
Fire and Rescue	D Turner-Stewart	10.7	10.3	10.6	0.2	35.7	31.0	31.0	(0.0)
Trading Standards	D Turner-Stewart	0.6	0.6	0.6	(0.1)	4.0	1.9	1.9	(0.0)
Chief of Staff	D Turner-Stewart	0.0	0.2	0.2	(0.0)	0.7	0.7	0.7	0.0
Emergency Management	D Turner-Stewart	0.1	0.2	0.2	0.0	0.5	0.5	0.5	0.0
Coroner	D Turner-Stewart	0.7	0.4	0.9	0.5	2.5	2.1	2.8	0.7
Health & Safety	D Turner-Stewart	0.0	0.0	0.0	0.0	0.1	0.1	0.1	(0.0)
CP CV-19	D Turner-Stewart	0.0	0.1	0.4	0.3	0.6	0.2	0.4	0.2
Armed Forces and Resilience	D Turner-Stewart	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.0
<b>Community Protection</b>		<b>12.1</b>	<b>11.9</b>	<b>12.9</b>	<b>1.0</b>	<b>44.1</b>	<b>36.6</b>	<b>37.5</b>	<b>0.9</b>
Human Resources & Organisational Development	Z Grant-Duff	0.9	2.2	1.8	(0.4)	6.6	6.6	6.5	(0.1)
Communications	Z Grant-Duff	0.4	0.5	0.5	0.0	1.4	1.4	1.5	0.0
HR & Comm CV-19	Z Grant-Duff	0.0	0.1	0.1	0.0	0.4	0.4	0.4	0.0
<b>HR &amp; Communications</b>		<b>1.3</b>	<b>2.8</b>	<b>2.4</b>	<b>(0.4)</b>	<b>8.4</b>	<b>8.4</b>	<b>8.4</b>	<b>(0.1)</b>
Transformation Support Unit	T Oliver	0.0	0.3	0.3	0.1	0.8	0.8	0.8	(0.0)
Customer Services	Z Grant-Duff	1.0	1.0	0.9	(0.1)	3.1	2.9	2.8	(0.1)
Community Partnerships	Z Grant-Duff	0.4	0.4	0.3	(0.1)	1.3	1.3	1.3	0.0
Libraries, Registrars & Culture	J Iles	1.7	5.0	3.7	(1.3)	16.5	10.3	9.8	(0.4)
C&T CV-19	T Oliver / J Iles	0.0	0.2	0.2	0.0	(0.5)	0.3	0.3	0.0
<b>Community &amp; Transformation</b>		<b>3.0</b>	<b>6.9</b>	<b>5.4</b>	<b>(1.5)</b>	<b>21.2</b>	<b>15.5</b>	<b>15.0</b>	<b>(0.5)</b>
Strategic Commissioning	M Lewis / J Iles	4.0	17.0	18.7	1.7	130.5	52.0	51.1	(0.9)
Insight, Analytics & Intelligence	Z Grant-Duff	1.0	1.1	1.0	(0.2)	2.8	2.0	1.9	(0.1)
S&C CV-19	J Iles / Z Grant-Duff	0.0	0.7	0.9	0.2	0.7	1.6	1.5	(0.0)
<b>Strategy &amp; Commissioning</b>		<b>5.1</b>	<b>18.8</b>	<b>20.6</b>	<b>1.8</b>	<b>133.9</b>	<b>55.6</b>	<b>54.6</b>	<b>(1.0)</b>
Strategic Leadership	T Oliver	0.5	0.5	0.5	0.0	2.8	1.5	1.5	(0.0)
Economic Growth	C Kemp	0.2	0.3	0.2	(0.1)	0.8	0.8	0.8	(0.0)
DCEX CV-19	C Kemp	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Deputy CEX</b>		<b>0.7</b>	<b>0.8</b>	<b>0.7</b>	<b>(0.1)</b>	<b>3.6</b>	<b>2.3</b>	<b>2.3</b>	<b>(0.0)</b>
Joint Operating Budget ORBIS	M Few	11.2	5.7	6.4	0.6	17.2	17.6	17.7	0.1
Land & Property	M Few	5.5	8.0	9.2	1.2	36.3	27.2	27.2	(0.0)
Information Technology & Digital	M Few	3.1	3.6	3.1	(0.5)	11.4	10.7	10.7	(0.0)
Finance	M Few	0.8	1.8	2.0	0.1	7.6	5.5	5.6	0.0
Legal Services	M Few	1.3	1.4	1.4	(0.0)	4.6	4.1	4.3	0.2
Democratic Services	M Few	1.1	1.1	1.1	(0.0)	3.5	3.2	3.3	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	0.3	0.2	(0.1)	0.9	0.8	0.8	(0.0)
Twelve15	M Few	0.0	3.8	2.9	(0.8)	18.6	3.6	3.5	(0.0)
Resources CV-19	M Few / Z Grant-Duff	0.0	0.7	0.5	(0.3)	7.3	3.0	3.2	0.2
<b>Resources</b>		<b>23.1</b>	<b>26.3</b>	<b>26.6</b>	<b>0.4</b>	<b>106.9</b>	<b>75.5</b>	<b>76.1</b>	<b>0.6</b>
<b>Corporate Expenditure</b>	<b>M Few</b>	<b>2.7</b>	<b>15.6</b>	<b>10.9</b>	<b>(4.7)</b>	<b>94.4</b>	<b>83.5</b>	<b>81.5</b>	<b>(2.0)</b>
<b>Business as Usual</b>		<b>281.6</b>	<b>349.2</b>	<b>331.2</b>	<b>(18.0)</b>	<b>1,805.6</b>	<b>1,020.1</b>	<b>1,028.8</b>	<b>8.7</b>
Efficiencies unachievable due to CV-19							(0.4)	3.5	3.9
Amount already assumed in Directorate figures above							0.0	(3.5)	(3.5)
<b>Total services' revenue expenditure</b>		<b>281.6</b>	<b>349.2</b>	<b>331.2</b>	<b>(18.0)</b>	<b>1,805.6</b>	<b>1,019.7</b>	<b>1,028.8</b>	<b>9.1</b>
Central funding		(342.5)	(430.4)	(430.4)	0.0	0.0	(1,019.7)	(1,019.7)	0.0
<b>Total Net revenue expenditure</b>		<b>(61.0)</b>	<b>(81.3)</b>	<b>(99.3)</b>	<b>(18.0)</b>	<b>1,805.6</b>	<b>0.0</b>	<b>9.1</b>	<b>9.1</b>

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

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