

# Notice of Meeting Cabinet



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COUNTY COUNCIL

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**Date & time**

Tuesday, 25 July  
2023 at 2.00 pm

**Place**

Council Chamber,  
Surrey County  
Council,  
Woodhatch Place,  
11 Cockshot Hill,  
Reigate,  
Surrey,  
RH2 8EF

**Contact**

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**Cabinet Members:** Natalie Bramhall, Clare Curran, Kevin Deanus, Matt Furniss, Marisa Heath, David Lewis, Sinead Mooney, Mark Nuti, Tim Oliver and Denise Turner-Stewart

**Deputy Cabinet Members:** Maureen Attewell, Jordan Beech, Paul Deach and Rebecca Paul

If you would like a copy of this agenda or the attached papers in another format, e.g. large print or braille, or another language please email Huma Younis on [huma.younis@surreycc.gov.uk](mailto:huma.younis@surreycc.gov.uk) or [sarah.quinn@surreycc.gov.uk](mailto:sarah.quinn@surreycc.gov.uk).

This meeting will be held in public at the venue mentioned above and may be webcast live. Generally the public seating areas are not filmed. However, by entering the meeting room and using the public seating area or attending online, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. If webcast, a recording will be available on the Council's website post-meeting. The live webcast and recording can be accessed via the Council's website:

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If you would like to attend and you have any special requirements, please contact Huma Younis or Sarah Quinn on 07866899016. Please note that public seating is limited and will be allocated on a first come first served basis.

**1 APOLOGIES FOR ABSENCE**

**2 MINUTES OF PREVIOUS MEETING: 27 JUNE 2023**

(Pages 1  
- 14)

To agree the minutes of the last meeting 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 (19 July 2023).

**b Public Questions**

The deadline for public questions is seven days before the meeting (18 July 2023).

**c Petitions**

The deadline for petitions was 14 days before the meeting, and no petitions have been received.

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

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

- 5 REPORTS FROM SELECT COMMITTEES , TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL** (Pages 15 - 18)
- To consider any reports from Select Committees, Task Groups, Local Committees and any other Committees of the Council.
- A. Report Of The Adult Learning And Skills Task Group
- 6 LEADER / DEPUTY LEADER / CABINET MEMBER/ STRATEGIC INVESTMENT BOARD DECISIONS TAKEN SINCE THE LAST CABINET MEETING** (Pages 19 - 22)
- To note any delegated decisions taken by the Leader, Deputy Leader, Cabinet Members, Strategic Investment Board and Committees in Common Sub-Committee since the last meeting of the Cabinet.
- 7 CABINET MEMBER OF THE MONTH** (Pages 23 - 26)
- To receive an update from Mark Nuti, Cabinet Member for Adults and Health.
- 8 THE CARE AND SUPPORT COMMISSIONING STRATEGY FOR EXTRA CARE HOUSING** (Pages 27 - 76)
- This report seeks approval of the Care and Support Commissioning Strategy.
- (The decisions on this item can be called-in by the Adults and Health Select Committee)*
- 9 EXTRA CARE HOUSING - PHASE 2 DELIVERY** (Pages 77 - 122)
- This report sets out Surrey County Council's proposed delivery approach for three sites proposed for Extra Care Housing and will form Phase 2 of the delivery programme.
- (The decisions on this item can be called-in by the Adults and Health Select Committee)*
- N.B There is a Part 2 report at Item 20.
- 10 SURREY HOMES FOR SURREY CHILDREN: DELIVERING A REPLACEMENT CHILDREN'S HOME** (Pages 123 - 170)
- Agreement is sought to allocate the remaining £3.3 million from the designated Care Leaver Accommodation and Children's Homes capital pipeline budget for the delivery of a new-build replacement four-bed and additional two-bed children's home on the site of an existing Surrey County Council children's home in Cobham.
- (The decisions on this item can be called-in by the Children, Families, Lifelong Learning & Culture Select Committee)*
- 11 FREEDOM TO TRAVEL STRATEGY** (Pages 171 - 226)
- Freedom to Travel is a new pipeline transformation programme to design and deliver a new model of travel assistance services for Surrey. Cabinet

is being asked to endorse a long-term strategy that accompanies the report, which sets out a positive vision for travel assistance and a clear delivery plan. As the delivery plan progresses, Cabinet will be asked to make further decisions on some specific projects at subsequent meetings.

*(The decisions on this item can be called- in by the Communities, Environment and Highways Select Committee or the Adults and Health Select Committee)*

**12 GREEN FINANCE STRATEGY** (Pages

227 -  
314)

This report seeks Cabinet approval for the approach set out in the Green Finance Strategy which builds on and develops the Initial Finance Strategy, produced in 2021.

*(The decisions on this item can be called-in by the Communities, Environment and Highways Select Committee)*

**13 PATHWAYS TO EMPLOYMENT - SURREY CAREERS HUB** (Pages

315 -  
322)

This report sets out the significant progress made since the March Cabinet report on 'Pathways to Employment: Supporting Surrey Residents' Skills Development and Employability' and provides details of the agreement reached with the Careers & Enterprise Company (CEC) for this council to create and deliver a single Careers Hub aligned to the Surrey geography starting in September 2023.

*(The decisions on this item can be called- in by the Communities, Environment and Highways Select Committee or the Children, Families and Lifelong Learning Select Committee)*

**14 APPROVAL TO PROCURE INDIVIDUAL PLACEMENT AND SUPPORT IN PRIMARY CARE (IPSPC)** (Pages

323 -  
342)

Surrey County Council has secured funding as one of 12 national sites to pioneer the Individual Placement and Support in Primary Care (IPSPC) model, in partnership with the Department for Work and Pensions (DWP). Cabinet approval to proceed with procuring the necessary services up to the value of the £6.3m DWP grant is requested.

*(The decisions on this item can be called-in by the Resources and Performance Select Committee)*

**15 APPROVAL TO PROCURE INCREASED EDUCATIONAL PSYCHOLOGY (EP) AND SPECIAL EDUCATIONAL NEEDS (SEN) SERVICE CAPACITY** (Pages

343 -  
354)

The purpose of this report is to secure the necessary approvals and delegated authority for Educational Psychology and Special Educational Needs capacity to be expanded at pace, enabling the Education, Health and Care Plan timeliness to be improved to an acceptable level as quickly as possible. This report provides a high-level overview of the accelerated EHCP Timeliness Recovery Plan and sets out the rationale for the recommendations for approval to procure.

*(The decisions on this item can be called-in by the Children, Families,*



*Lifelong Learning & Culture Select Committee)*

N.B There is a Part 2 report at Item 21.

- 16 YOUR FUND SURREY- CF265 ASHFORD COMMUNITY BUILDING** (Pages 355 - 364)
- This report sets out the key information on the Ashford Community Building Your Fund Surrey (YFS) application, for the consideration of Cabinet.
- (The decisions on this item can be called-in by the Communities, Environment and Highways Select Committee)*
- 17 YOUR FUND SURREY- CF277 WILDLIFE AID FOUNDATION** (Pages 365 - 376)
- This report sets out the key information on the Wildlife Aid Foundation Your Fund Surrey (YFS) application, for the consideration of Cabinet.
- (The decisions on this item can be called-in by the Communities, Environment and Highways Select Committee)*
- 18 2023/24 MONTH 2 (MAY) FINANCIAL REPORT** (Pages 377 - 386)
- This report provides details of the County Council's 2023/24 financial position, for revenue and capital budgets, as at 31<sup>st</sup> May 2023 (M2) and the expected outlook for the remainder of the financial year.
- (The decisions on this item can be called-in by the Resources and Performance Select Committee)*
- 19 EXCLUSION OF THE PUBLIC**
- That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information under the relevant paragraphs of Part 1 of Schedule 12A of the Act.

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

- 20 EXTRACARE HOUSING - PHASE 2 DELIVERY** (Pages 387 - 400)
- This Part 2 report contains information which is exempt from Access to Information requirements by virtue of paragraph 3, Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- (The decisions on this item can be called-in by the Adults and Health Select Committee)*
- 21 APPROVAL TO PROCURE INCREASED EDUCATIONAL PSYCHOLOGY (EP) AND SPECIAL EDUCATIONAL NEEDS (SEN) SERVICE CAPACITY** (Pages 401 - 404)
- This Part 2 report contains information which is exempt from Access to Information Requirements by virtue of paragraph 3, 'Information relating to

the financial or business affairs of any particular person including the authority holding that information’.

*(The decisions on this item can be called- in by the Children, Families, Lifelong Learning & Culture Select Committee)*

**22 PROPERTY TRANSACTION- ACQUISITION OF LAND IN WOKING FOR NORTH-WEST SURREY SHORT STAY SCHOOL PERMANENT SITE (ALTERNATIVE PROVISION)** (Pages 405 - 420)

This Part 2 report contains information which is exempt from Access to Information Requirements by virtue of paragraph 3, ‘Information relating to the financial or business affairs of any particular person including the authority holding that information’.

*(The decisions on this item can be called- in by the Resources and Performance Select Committee)*

**23 DISPOSAL OF COXBRIDGE FARM, WEST STREET, FARNHAM** (Pages 421 - 454)

This Part 2 report contains information which is exempt from Access to Information Requirements by virtue of paragraph 3, ‘Information relating to the financial or business affairs of any particular person including the authority holding that information’.

*(The decisions on this item can be called- in by the Resources and Performance Select Committee)*

**24 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**  
Published: Monday 17 July 2023

## **MOBILE TECHNOLOGY AND FILMING – ACCEPTABLE USE**

Members of the public and the press may use social media or mobile devices in silent mode during meetings. Public Wi-Fi is available; please ask the committee manager for details.

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The use of mobile devices, including for the purpose of recording or filming a meeting, is subject to no interruptions, distractions or interference being caused to any Council equipment or any general disturbance to proceedings. The Chairman may ask for mobile devices to be switched off in these circumstances.

Thank you for your co-operation.

## **QUESTIONS AND PETITIONS**

Cabinet and most committees will consider questions by elected Surrey County Council Members and questions and petitions from members of the public who are electors in the Surrey County Council area.

### **Please note the following regarding questions from the public:**

1. Members of the public can submit one written question to a meeting by the deadline stated in the agenda. Questions should relate to general policy and not to detail. Questions are asked and answered in public and 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 an 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 27 JUNE 2023 AT 2.00 PM  
COUNCIL CHAMBER, SURREY COUNTY COUNCIL, WOODHATCH  
PLACE, 11 COCKSHOT HILL, REIGATE, SURREY, RH2 8EF.**

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

Members: = Present

\*Tim Oliver (Chairman)  
\*Natalie Bramhall  
\*Clare Curran  
\*Matt Furniss  
\*David Lewis  
\*Mark Nuti  
\*Denise Turner-Stewart  
\*Sinead Mooney  
\*Marisa Heath  
\*Kevin Deanus

Deputy Cabinet Members:

\*Maureen Attewell  
\*Rebecca Paul  
Paul Deach  
\*Jordan Beech

Members in attendance:

Will Forster, Liberal Democrats Group Leader and Local Member for Woking South  
Jonathan Essex, Local Member for Redhill East  
Catherine Baart, Local Member for Earlswood and Reigate South

**PART ONE  
IN PUBLIC**

**87/23 APOLOGIES FOR ABSENCE [Item 1]**

Apologies were received from Paul Deach.

**88/23 MINUTES OF PREVIOUS MEETING: 30 MAY 2023 [Item 2]**

These were agreed as a correct record of the meeting.

**89/23 DECLARATIONS OF INTEREST [Item 3]**

**PROCEDURAL MATTERS [Item 4]**

**90/23 MEMBERS' QUESTIONS [Item 4a]**

There were four member questions. The questions and responses were published in a supplement to the agenda.

With regards to his second question, Will Forster asked if the Cabinet Member could confirm when the active travel schemes would be implemented and if

they would be implemented before DfT funding was pulled. The Cabinet Member for Transport, Infrastructure and Growth stated that the programme had already started with tranche 1 and 2 being completed. DfT had not given any indication about pulling funding and tranche 3 would start this year.

With regards to his question, Jonathan Essex queried how the sustainability improvements being made to library buildings would be communicated to residents. The Deputy Leader stated that collaborative work had been undertaken with the greener futures team to plan for these buildings. Internal and external digital library screens would showcase this work and an ongoing communication strategy was being developed.

## **91/23 PUBLIC QUESTIONS [Item 4b]**

There were six public questions. The questions and responses were published in a supplement to the agenda.

In response to her main question Sally Blake queried if the council would leave sites to nature (a type of rewilding) to help reverse the loss of biodiversity. The Cabinet Member for Environment explained that a policy was being developed to take account for the need to preserve nature and biodiversity. There may be instances where ash dieback could be left and therefore a policy would be introduced in due course. The public questioner was thanked for their engagement and bringing this to the attention of the council.

In response to his main question Andrew Stevens queried how parents could have any confidence that the SEND capital programme would support their children if Surrey did not have the proper services and people with the expertise to support their autistic children. The Cabinet Member for Education and Learning stated that the All Age autism strategy had been brought together by autistic children, young people, and adults. Family voice, parents and carers of autistic young people and the Atlas group has also been involved in this. The Cabinet Member welcomed stakeholders coming together to review how best autistic young people could be supported. The majority of service are provided via co-production means.

In response to her main question Anna Sutherland asked, with regards to key stage transfers in 2023, how many EHCP's named the actual educational placement and how many just listed the type of educational setting a child would be going to. The Cabinet Member for Education and Learning stated that she did not have this information to hand but was aware that those who had a named school was a far greater number than those who had a named type of school. The service was responding to this matter with urgency. The Leader added that he understood parents frustrations and nothing was more important than the wellbeing and welfare of a child. It was an absolute priority of the Cabinet to improve the system and get parents the support they need earlier.

Julia Dickinson thanked Cabinet for the response and asked if she could be kept informed on the Local Nature Recovery Strategy for Surrey as she was working on a chalk stream research project. The Cabinet Member for Environment welcomed this work and stated that she would be happy to engage on this topic.

**92/23 PETITIONS [Item 4c]**

There were none.

**93/23 REPRESENTATIONS RECEIVED ON REPORTS TO BE CONSIDERED IN PRIVATE [Item 4d]****94/23 REPORTS FROM SELECT COMMITTEES , TASK GROUPS AND OTHER COMMITTEES OF THE COUNCIL [Item 5]**

There were none.

**95/23 LEADER / DEPUTY LEADER / CABINET MEMBER/ STRATEGIC INVESTMENT BOARD DECISIONS TAKEN SINCE THE LAST CABINET MEETING [Item 6]**

There was one decision for noting.

**RESOLVED:**

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

**96/23 CABINET MEMBER OF THE MONTH [Item 7]**

The Cabinet Member for Highways and Community Resilience provided the Cabinet with an update on the work he and the services he supports had been undertaking. The following key points were raised:

- Grass cutting: Adhering to the grass cutting programme had been an issue following the transfer from District & Boroughs. It had become evident that previously published dates were unrealistic. The quality of cuts had not been good and this was because of the wet weather. Cutting the grass whilst raining or when the grass is wet is not advisable due to risk of damaging the blades, grass clippings clumping, tearing the grass at the root and impacting the quality of the cut. The website would be updated to make it clear as to why cutting cannot be done and when the next cutting would take place.
- Parking enforcement: The new parking enforcement service had now been running for just over two months. As of the first week of June, there were approximately 40 NSL Civil Enforcement Officers working on the Surrey contract following an extensive recruitment drive. During April there were 4,154hrs hours of enforcement activity with 10,965 vehicle observations resulting in 3,423 Penalty Charge Notices (PCNs) across the county. During May there were 22,458 vehicle observations resulting in 6,122 PCNs countywide.
- Potholes: A combination of periods of very cold and very wet weather over the winter and spring, coupled with a hot summer last year had left many roads across the country in a poor state. The service had increased the highways teams by 300% and they were working night and day to fix around 1,600 potholes and other defects every week. The number of new reports of potholes were dropping and the number being fixed are now increasing.

**RESOLVED:**

That the Cabinet Member of the Month update be noted.

**97/23 MODERNISING OUR LIBRARY ESTATE, LIBRARIES TRANSFORMATION - PHASE 1 [Item 8]**

The report was introduced by the Deputy Leader and Cabinet Member for Communities and Community Safety who explained that the report set out the next stage of the modernisation of the Library Estate as part of the Library and Cultural Services Transformation programme. The report sought Cabinet's approval to release funding from the capital pipeline for investment to support the major transformation of four priority libraries within Phase 1 of the programme: Epsom, Redhill, Staines and Woking. The transformation work would create vital community hubs with modern facilities. All of Surrey's transformed libraries would provide excellent book collections and resources for learning, a social space for cultural activities and events, business support and a gateway to Council and community services all of which is to ensure that no one is left behind. There was support from Cabinet on the proposals being presented. It was commented that Surrey was the second best performing library service in the UK and the work being undertaken would create popular community hubs for all residents. The Cabinet Member for Children and Families welcomed the new location for Staines library and the refurbishment plans.

**RESOLVED:**

1. That Cabinet notes that the first phase of projects is presented as one single business case comprising four library property projects, with detailed information about each individual project provided via annexes, rather than individual detailed business cases per library.
2. That Cabinet Approves capital funding for:
  - The refurbishment of Epsom Library
  - The refurbishment of Redhill library
  - The refurbishment of Woking library
  - The relocation and refurbishment of the proposed new Staines Hub

The capital funding required for these projects is commercially sensitive at this time and is set out in the Part 2 report.

3. That Cabinet approves procurement of an appropriate construction contractor partner for the delivery of all associated services and an appropriate library design partner for the design and delivery of furniture, fittings, and equipment, in accordance with the Council's Procurement and Contract Standing Orders and the Public Contracts Regulation 2015.
4. That Cabinet agrees that, regarding the procurement of supply chain partners, the Executive Director for Resources and the Director of Land and Property are authorised to award such contracts, up to +5% of the budgetary tolerance level.



## Reasons for Decisions:

- The Library and Cultural services transformation programme has delivered significant benefits to residents since its strategy was approved in November 2019. This has included enhanced customer service, technology (PCs, Wi-Fi, and self-service) and improvements to some buildings leading to an increased range of events and activities. The next phase includes plans to develop modern libraries that are bright, inviting, flexible spaces. In doing so, it focuses on transforming the county's libraries to ensure they are all vibrant hubs, providing warm, friendly spaces where everyone is welcome. Developing modern libraries as community hubs supports the Council's commitment to Empowered and Thriving Communities and No-one Left Behind. It also closely aligns with and supports the Council's ambitions around towns and villages.
- This report seeks approval for capital funding at four priority locations: Epsom, Redhill, Staines and Woking under Phase 1 of the programme. These four libraries account for 23% of the visits with a population reach of circa 300,000 residents. Based on national evidence, we are projecting that investment in these sites will deliver a 25% increase in use at these libraries. It will also enable them to support a wider range of community and Council services by creating flexible, modern spaces with increased capacity for events and activities. This will facilitate cultural, social, economic, and learning outcomes, deliver agile working spaces for Surrey County Council staff, and reduce long term maintenance costs to the Council.
- Investment in these four schemes also aligns with Surrey's Greener Futures and Net Zero ambitions as it includes works to decarbonise and increase energy efficiency of the buildings.

*(The decisions on this item can be called-in by the Children, Families, Lifelong Learning & Culture Select Committee)*

### 98/23 WEYBRIDGE HUB REDEVELOPMENT [Item 9]

The report was introduced by the Cabinet Member for Property and Waste who explained that approval was being sought for capital funding to refurbish and extend Weybridge Library, a Surrey County Council owned asset, to create a multi-use service hub delivering a wider range of services and facilities, accessible to all Weybridge residents. The recommended proposal would upgrade the existing building's facilities, extending the ground floor library space and provide refurbished space for the Council and other third-party partners to deliver additional essential services. The exterior would be upgraded to improve the look of the building and the refurbishment would also reduce energy use and carbon emissions, contributing to the Council's net zero ambitions. The planning application for the project had been submitted. The Leader as divisional member welcomed the report and stated that the building was a significant size which would allow for a mixture of activities and would be welcomed by the local community. The Deputy Leader stated that around 330,000 residents would benefit from the four libraries. Officers were thanked for getting this report to Cabinet and supporting transformation of the library service.

**RESOLVED:**

1. That Cabinet approves capital funding to redevelop Weybridge Library, extending the ground floor and refurbishing the existing building, to create a new multi-service hub. The capital funding required to redevelop the site is commercially sensitive at this time and is set out in the Part 2 report.
2. That Cabinet approves procurement of appropriate supply chain partners to deliver the design, build and fit out of the new building in accordance with the Council's Procurement and Contract Standing Orders and Public Contracts Regulation 2015, alongside other related legislation in force at the time.
3. That Cabinet notes that regarding the procurement of supply chain partners, the Executive Director for Resources and the Director of Land and Property are authorised to award such contracts up to +5% of the budgetary tolerance level.

**Reasons for Decisions:**

Approving the recommendations set out in this report will result in the following outcomes:

- Services delivered from the building will be improved, accommodating a wider range of services and facilities for Weybridge residents provided by the Council, public sector and third-party partners.
- Deliver a new, modern library and cultural provision which meets current and future needs of users and staff.
- Flexible and integrated public services, co-located in one building, accessible to all members of the community.
- Optimise and make best use of an existing Council asset.
- Create potential commercial opportunities and increase Council income from letting/hiring vacant space to third-party groups and partners.
- Improve the building's environmental performance, reducing energy use and carbon emissions.

*(The decisions on this item can be called-in by the Children, Families, Lifelong Learning & Culture Select Committee)*

**99/23 ARUNDEL HOUSE, SURREY COUNTY COUNCIL RESIDENTIAL CARE HOME [Item 10]**

The report was introduced by the Cabinet Member for Adults and Health who explained that the recommendation to close Arundel house had not been taken lightly and a vast amount of work had been undertaken in the background to ensure the council made the right decision. It was important to acknowledge that the care provided by the staff at and from Arundel House was of a high quality and that the consultation and recommendations in the report did not reflect the care and support being provided by the staff team. The Cabinet Member had visited the home and had met with residents, their family members and staff and listened to their concerns. The Arundel house building was not suitable and did not meet the needs and expectations of

people with learning disabilities and their families. The Cabinet Member explained that a dedicated team would be responsible for supporting residents and staff with transitioning. A Member queried the high number of consultation responses that wanted to keep the home open. The Cabinet Member explained that even with all the renovations the building would still not meet modern care standards. The Leader stated that if an application was made to register Arundel House with CQC it would be refused as it did not meet CQC's current guidance.

**RESOLVED:**

1. That Cabinet agrees that all services operating from the Arundel House site are closed and people are supported to move to new homes and alternative support providers.
2. That Cabinet agrees that, subject to recommendation 1 being agreed, the alternative use of the site should focus on essential worker housing with the scope to incorporate some supported independent living units into the overall development to support wider delivery of the Accommodation with Care and Support programme. This would be subject to full feasibility studies.
3. That Cabinet agrees that should the site be considered unsuitable for the purposes defined in the second recommendation above, the options appraisal process (as set out in the Council's Asset and Place Strategy 2019) will be used to determine future use of the site.

**Reasons for Decisions:**

The Council's ambition, set out in SCC's Accommodation with Care and Support Strategy is to increase independence, modernise care and improve outcomes for residents by transforming the range and quality of accommodation with support on offer to Surrey residents. Arundel House is the last in-house institutional service run by the Council for adults with learning disabilities. The building is no longer able to fully respond to the needs and expectations of people with learning disabilities or their families. Adult Social Care wants to support people to have more choice and independence. This includes supporting people to live in supported living arrangements rather than in residential care. SCC commissioners are supporting this approach by not choosing to place people at Arundel House, which is large and institutional.

*(The decisions on this item can be called-in by the Adults and Health Select Committee)*

**100/23 GOVERNANCE PROPOSAL FOR SOLAR ROOFTOP AND BUILDING DECARBONISATION PROJECTS [Item 11]**

The report was introduced by the Cabinet Member for Environment who explained that Cabinet was being asked to give in principle approval to the solar rooftops and Public Sector Decarbonisation Scheme Phase 3b schools and corporate buildings projects proposed in the report. These projects were set out in the Greener Futures Climate Change Delivery Plan, which was

approved by Cabinet in October 2021, and will deliver direct reductions in carbon emissions and generate energy savings for Surrey County Council and the schools in scope. Five maintained schools had been included in the project and eleven corporate buildings. £6 million of government funding would be needed to be utilised by March 2023. Business case approval of the solar rooftops and the PSDS3b schools and corporate building decarbonisation projects would be delegated to Cabinet Members, Executive Directors and the Capital Programme Panel. The Cabinet Member for Education and Learning stated that this project would allow the five schools involved to really make some significant savings in their energy bills and lead the way on decarbonisation and solar panels.

#### **RESOLVED:**

1. That Cabinet provides high level in principle approval to the solar rooftops and Public Sector Decarbonisation Scheme Phase 3b (PSDS3b) schools and corporate buildings projects proposed to be taken forward in this report.
2. That Cabinet delegates business case approval of the solar rooftops and the PSDS3b schools and corporate building decarbonisation projects to the Cabinet Member for Environment, the Cabinet Member for Property and Waste, and the Cabinet Member for Finance and Resources, on the recommendations of the Executive Director for Environment, Transport and Infrastructure, the Executive Director for Resources, alongside Capital Programme Panel.
3. That Cabinet agrees the delegation of approval based on the costs of the two combined programmes being no more than 10% above the total cost presented here.

#### **Reasons for Decisions:**

These projects are set out in the Greener Futures Climate Change Delivery Plan, which was approved by Cabinet in October 2021, and will deliver direct reductions in carbon emissions and generate energy savings for Surrey County Council and the schools in scope. The list of buildings in the decarbonisation and solar rooftops programme is included in Appendix A.

These projects and the associated costs are part of a wider programme of projects and initiatives that put together plot a pathway to achieve net zero 2030 for Surrey County Council as an organisation with the ambition of being overall self financing. The approach to financing SCC's net zero 2030 programme outlined in Greener Futures Finance Strategy is coming to Cabinet for approval in July 2023.

The principles of accepting Government grant funding to enable such projects was agreed by Cabinet in April 2022 (Surrey's Greener Futures Grant Programmes). The principles of these PSDS3b programmes are as already approved in December 2022 for the previous PSDS3a funded programme and will be adopted for similar future programmes, the next of which will be PSDS3c in autumn 2023. The principles are described further in Appendix B. The principles are fully in line with those which will be presented in the

overarching Greener Futures Finance Strategy, which will be brought to Cabinet in July 2023.

A high-level summary of the projects is set out in this paper along with the business case development timescales. To meet the time constraints requiring installation over the summer months it is not possible to bring a fully costed business case for all projects based on final scheme designs to Cabinet, as such this report requests that approval of the final business case be delegated to Cabinet Members via Capital Programme Panel recommendation.

To make use of this year's funding and to maximise the financial savings, the projects need to be undertaken this summer and have a very short time scale for delivery.

*(The decisions on this item can be called-in by the Communities, Environment and Highways Select Committee)*

### **101/23 SURREY INFRASTRUCTURE PLAN - PHASE 4 SCHEMES [Item 12]**

The report was introduced by the Cabinet Member for Transport, Infrastructure and Growth who explained that the report outlined a further phase of schemes to be implemented as part of the Surrey infrastructure plan, which produced a continuous cycle of schemes as they move from concept to implementation phases. The Cabinet Member provided an update on the key projects included in phase 4 including the A25 Dorking to Reigate Safer Roads Fund Project and Farnham Town Centre Improvements. It was explained that Liveable neighbourhoods would deliver solutions that would improve the pedestrian and cycling environment through interventions to lower traffic speeds and increase the perception of road safety, particularly for vulnerable road user groups. The first batch of DfT (Department for Transport) design-funded Liveable Neighbourhood zones has been identified in the towns of Egham and Sunbury which was welcomed by members. Members welcomed the phase 4 projects and the £30 million investment being made into the county.

#### **RESOLVED:**

1. That Cabinet agrees the implementation of the Surrey Infrastructure Plan Phase 4 projects identified in this report and set out in Appendix 1, within the approved budget envelope, subject to the final business case for each scheme being approved by the Capital Programme Panel.
2. That Cabinet agrees to delegate the development and delivery of the schemes to the Executive Director of Environment, Transport & Infrastructure, in consultation with the Cabinet Member for Transport, Infrastructure & Growth.

#### **Reasons for Decisions:**

The recommendations will enable the continued development and delivery of infrastructure schemes that meet a wide range of outcomes and demonstrate deliverability and affordability. They enable the implementation of the fourth phase of schemes and the development of a continuous pipeline of projects that require further feasibility work. The process is intended to remain

dynamic with new schemes added to the long list as they are identified. A continuous programme of schemes will be developed taking them from concept through to delivery identifying suitable funding opportunities as they progress.

*(The decisions on this item can be called-in by the Communities, Environment and Highways Select Committee)*

### **102/23 YOUR FUND SURREY- CF218 YVONNE ARNAUD THEATRE [Item 13]**

The report was introduced by the Deputy Leader and Cabinet Member for Communities and Community Safety who explained that the Yvonne Arnaud Theatre was Surrey's only producing house. The grade II listed three storey building welcomed 128,000 visitors a year, including audiences at performances and community groups. Approving the funding for the project would ensure entire theatre and existing community rooms would become accessible for a variety of new groups and build on the community initiatives and outreach programmes already delivered by the Theatre. The building was of concrete construction, was outdated and needs repair, refurbishment and re-design. A key element of the project is to install a new accessible lift in the centre of the building to service all floors. There were currently no accessible toilets within the theatre building so as part of the project the ground floor foyer will be redesigned to incorporate accessible toilets. The project was supported by Guildford Borough Council and the local member, Fiona Davidson. The council would only be funding 52% of the project costs. The rest would be raised via fundraising. The Cabinet Member for Adults and Health welcomed the report and commented that the theatre had an amazing outreach programme which brought many wellbeing benefits to residents. Members supported the project and recognised the wider community benefits of the theatre.

#### **RESOLVED:**

1. That Cabinet approves the full amount requested of £2,988,000 (52% of total project cost), comprised of:
  - Up to £2,988,000 of capital funding towards a project to improve the accessibility of the Yvonne Arnaud Theatre and enable wider community use. To be paid in staged payments, on evidence of spend. The final value of funding will be contingent on Surrey County Council's (SCC) review of a tender before entering into a funding agreement.
  - 5% of which will be retained as final payment until final evidence of income, expenditure and building control sign-off is provided.

#### **Reasons for Decisions:**

- This application has been the subject of a rigorous assessment process and officers consider the project meets the aims and published criteria of the Fund and to satisfy the requirements to award funding.
- The proposed project will enable the Yvonne Arnaud Theatre (YA), registered charity, to become a thriving, multi-purpose community and



cultural hub for the whole of Surrey. The facilities it provides are unique for the County, but the current building is out-dated, inaccessible and not capable of meeting current and future demand.

- The project will ensure that the entire theatre and existing community rooms will become accessible for a variety of new groups and build on the community initiatives and outreach programmes already delivered by the Theatre. Enhanced accessibility will ensure the YA is able to increase its' capacity by 30% and support arts and culture development for charities, schools and diverse community groups across Guildford and Surrey. The development of the YA will ensure the venue, which was built by monies raise by the community themselves, continues to serve a diverse and large number of residents into the future.

*(The decisions on this item can be called-in by the Communities, Environment and Highways Select Committee)*

### **103/23 2023/24 MONTH 1 (APRIL) FINANCIAL REPORT [Item 14]**

The Cabinet Member for Finance and Resources introduced the report explaining that the report provides details of the County Council's 2023/24 financial position as at 30th April 2023 (M1), and the expected outlook for the remainder of the financial year. As in previous years, M1 was a high-level review, focussing on risks and opportunities in relation to the 2023/24 budget. With regards to revenue, At M1, the Council was forecasting an overspend of £6m against the 2023/24 revenue budget approved by Council in February 2023. The overspend related to demand pressures. £15.1m of net risks to the forecast position had been quantified. Directorates would take action to mitigate risks and maximise the opportunities. With regards to the capital budget, risks to delivering the Capital Budget were considered by Capital Programme Panel (CPP) at Month 1. CPP concluded that currently there was no forecast variance to report. However, an early assessment of deliverability risk showed a potential £28m of the programme at high risk of slippage.

In July 2019, Cabinet agreed to provide Council Tax Relief for Care Leavers in independent and semi-independent living arrangements from 1 April 2020, from the age of 18 up to their 25th birthday. The relief covers the Surrey County Council element of council tax, which amounts to around 75% of the total cost. Based on historical claims, a budget of £100k per year is considered sufficient and can be contained within existing Central Income and Expenditure budgets. Cabinet were being asked to approve the extension of Council Tax Relief for Care Leavers for a further 3 years.

The Leader recognised the pressures on the budget with inflation and increasing demand on services. It would be important to carefully manage the budget over the coming months and ensure we continue to deliver services to the most vulnerable.

#### **RESOLVED:**

1. That Cabinet notes the Council's forecast revenue and capital budget positions for the year.
2. That Cabinet approves the extension of Council Tax Relief for Care Leavers for a further 3 years, to be reviewed again in 2026 (para 12 & 13).

**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 and to carry out a review of the Council Tax Relief for Care Leavers, as per the previous Cabinet decision on the subject.

*(The decisions on this item can be called-in by the Resources and Performance Select Committee)*

**104/23 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.

**105/23 MODERNISING OUR LIBRARY ESTATE, LIBRARIES TRANSFORMATION - PHASE 1 [Item 16]**

The Deputy Leader and Cabinet Member for Communities and Community Safety introduced the Part 2 report which contained information which was exempt from Access to Information requirements by virtue of Paragraph 3: information relating to the financial or business affairs of any particular person (including the authority holding that information).

**RESOLVED:**

1. That Cabinet approves capital funding from the pipeline of [E-08-23] for the:
  - Refurbishment of Epsom Library
  - Refurbishment of Redhill library
  - Refurbishment of Woking library
  - Relocation and refurbishment of the proposed new Staines Hub

**Reasons for Decisions:**

See Minute 97/23

*(The decisions on this item can be called- in by the Children, Families and Lifelong Learning Select Committee)*

**106/23 WEYBRIDGE HUB REDEVELOPMENT [Item 17]**

The Cabinet Member for Property and Waste introduced the Part 2 report which contained information which was exempt from Access to Information requirements by virtue of Paragraph 3: information relating to the financial or business affairs of any particular person (including the authority holding that information).



**RESOLVED:**

1. That Cabinet approves total capital funding of [E-09-23] to redevelop Weybridge Library, extending the ground floor and refurbishing the existing building, to create a multi-service hub. The capital funding required is within the Medium Term Financial Strategy (MTFS) and is comprised of:
  - Weybridge Hub budget allocation: [E-09-23]
  - Hubs budget allocation: [E-09-23]
2. That Cabinet notes that the Greener Futures scope has been costed at [E-09-23] but at this time the level of contribution is not confirmed. In the interim, the shortfall will be covered by the Hubs budget allocation, as detailed in the first recommendation above.

**Reasons for Decisions:**

See Minute 98/23.

*(The decisions on this item can be called- in by the Children, Families and Lifelong Learning Select Committee)*

**107/23 SURREY INFRASTRUCTURE PLAN - PHASE 4 SCHEMES [Item 18]**

The Cabinet Member for Transport, Infrastructure and Growth introduced the Part 2 report which contained information which was exempt from Access to Information requirements by virtue of Paragraph 3: information relating to the financial or business affairs of any particular person (including the authority holding that information).

**RESOLVED:**

1. That Cabinet delegates the approval of a budget envelope of [E-10-23] from the SIP pipeline, in the event that it is required, for the delivery of the project to the Executive Director – Environment, Transport and Infrastructure and Cabinet Member for Transport, Infrastructure and Growth following approval by Capital Programme Panel.

**Reasons for Decisions:**

- The recommendations will enable the continued delivery of the project which once constructed will provide additional capacity improvements to local junctions and links within the local highway network and in doing so help unlock much-needed additional housing.
- The [E-10-23] budget envelope would be the funding of last resort, and should additional funding be required Surrey County Council would firstly utilise developer s106 monies as they become available. The County Council have been in discussion with Runnymede Borough Council and are aware of potential S106 funds, but which have yet to be secured.

*(The decisions on this item can be called- in by the Communities,  
Environment and Highways Select Committee)*

**108/23 PUBLICITY FOR PART 2 ITEMS [Item 19]**

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

Meeting closed at 15:45

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**Chairman**

**CHILDREN, FAMILIES, LIFELONG LEARNING AND CULTURE SELECT COMMITTEE**

Item under consideration: REPORT OF THE ADULT LEARNING AND SKILLS TASK GROUP

Date Considered: 12 June 2023

1. A Task Group established by the Children, Families, Lifelong Learning and Culture Select Committee was tasked with considering what changes to adult learning and skills policy and provision would meet the economic and social needs of the community and deliver relevant environmental commitments. Details of the Task Group's methodology and findings may be found in full in its [report](#).
2. The Task Group's report contains 20 recommendations (listed below). In the main these are for Surrey Adult Learning (SAL), but #10-13 should also be considered by the Cabinet Member for Transport, Infrastructure and Growth whose remit includes Skills and Apprenticeships, and #3 also pertains to Libraries which are the responsibility of the Cabinet Member for Communities and Community Protection.
3. Recommendations are informed by written submissions and oral evidence from Council officers in the Directorates of both Economy and Growth and Education and Learning, including SAL, as well as Surrey Chambers of Commerce and Orbital South Colleges Group which runs East Surrey College.
4. In addition, the Task Group undertook considerable independent research. This included: an online public survey to gather learners' views, an exploration of what other local authorities are doing with regard to adult learning and skills, and the cross-referencing of locations of Surrey's adult learning centres with neighbourhoods with the highest levels of deprivation and unqualified residents.
5. The report identifies unskilled and economically inactive communities in Surrey who are not being reached, and highlights an imbalance between types of provision in the East and West of Surrey. There are two areas of exclusion currently which differ between these two regions: in the West, accredited learning is not reaching some of those most excluded from the labour market; in the East, provision is centralised and those seeking community learning are disadvantaged. For social and economic reasons considered by the Task Group to be of equal importance, both of these areas need to be addressed.
6. Recommendations seek to enhance residents' wellbeing as well as aid economic growth, and urge that community learning and work-related skills are equally valued and not subject to a postcode lottery. The most important

first stage in resolving this issue is to have a centralised and publicly accessible database in order to demonstrate where gaps need to be filled.

7. The report of the Task Group was presented to the Children, Families, Lifelong Learning and Culture Select Committee on 12 June 2023. The Committee endorsed all recommendations in the report, while noting the recommendation on using libraries may be very challenging in some smaller libraries.

## **Recommendations**

1. Develop a stronger relationship with Jobcentre Plus to (a) connect with the adults most in need of upskilling and (b) ensure courses match demand in type and location.
2. Take the teaching of functional skills to where the data shows qualifications are most lacking and unemployment is greatest. There should be a greater focus on Spelthorne, for example, where the greatest proportion of Surrey's residents have fewer than five GCSE grades 9-4 (27.9 per cent). Ideally this will not necessitate the closure of any current centre but if the budget means all courses must be in the same building, then this may mean those who can afford to travel may have to go farther.
3. Venues should be accessible by public transport and co-located with other internal services like libraries to be more community based and share costs. Every library across Surrey should also operate as an adult learning facility delivering community learning.
4. Form or strengthen partnerships with the community and voluntary sector organisations suggested in the Task Group report to encourage participation in disadvantaged and deprived areas.
5. Continue to work with teams in community engagement, economic development, land and property and health and wellbeing to analyse other ways of targeting the Council's 21 key neighbourhoods.
6. Fund transport for asylum seekers to attend training provision, particularly where it is centralised. This may use the neighbourhood portion of Community Infrastructure Levy receipts.
7. Where possible courses should be offered both in person, to allow access for those without a computer and to maximise the social aspect, and remotely, to make it easier for people without transport or limited spare time due to caring or work commitments. Liaise with Citizens Online, which has been commissioned by the Council to research digital exclusion in Surrey, and cooperate with its recommendations to minimise it.

8. Market research of the types of courses wanted and better promotion of what is available could help to avoid having to run courses mixed ability due to lack of interest.
9. Where mixed ability classes must be used for the sake of economics, train tutors how to differentiate effectively and incorporate peer and self-assessment to enable their time to be shared more equitably.
10. There should be parity in provision across Surrey. Both accredited and community aspects of learning should be accessible to both West and East without the existence of a postcode lottery. In its areas of expertise, i.e. education and social care, the Council should be offering Level 3 training; in addition to apprenticeships in these areas it should consider skills bootcamps, for which grants are available for local authorities. In other areas of learning, where it would not make good financial sense to provide these itself it should seek to commission providers to fill these gaps.
11. Working within a formal partnership of colleges and independent training providers, and the Employer Representative Body which is researching skills gaps in the county, launch an online database of available training by the end of the 2022/23 academic year. This overview of the offer in Surrey will allow SAL to see what training is missing and will better enable signposting to relevant courses when contacted by a learner or business.
12. The training database should be publicly accessible and well promoted by SAL to make the public aware of the local offer.
13. The database should be kept up-to-date with available apprenticeships throughout Surrey that SAL and careers hubs can signpost potential learners to. Should the Council take over responsibility for careers hubs as envisaged in the Pathways to Employment proposal to Cabinet in March 2023, it should promote apprenticeships and T-Levels as respectable alternative pathways to employment, in its careers advice in schools, as outlined in the Surrey Skills Plan.
14. To reflect the communication skills deficit exacerbated by the pandemic, SAL's Getting into work – refresh course should be expanded to include such skills as using the telephone and emailing.
15. In order to evidence SAL's contribution to the Government's economic drive, encourage all learners of working age, including those in 60s, to take advantage of careers advice and digital skills, help to connect ESOL students with appropriate employers, and collect data on the work/study destinations of all learners.

16. SAL uses available DfE and DWP funding to deliver retrofit courses in partnership with The Retrofit Academy by the end of 2023, including Level 2 (GCSE 4/C+) to entice learners in and prepare the groundwork for study.
17. SAL introduces free courses for residents in carbon literacy and sustainable living.
18. Ensure the drive for skills for jobs outlined in Surrey Skills Plan is not at the expense of community learning. Expand community learning into all areas of Surrey where it is lacking. Continue to work with Surrey Chambers of Commerce to prepare an accountability statement for the LSIP, while at the same time exploring ways of maintaining affordable community learning.
19. Consider setting up a skills swap service as a way of counteracting social isolation at no cost to the participants. For example, someone may be willing to teach functional skills and could trade the credit earned from this to join yoga classes.
20. Consider a community credit scheme, such as the one run by Volunteer Centre Dorset, whereby adults with learning disabilities volunteer in the community and learn new skills, aided by a mentor. Both earn credits which can be exchanged for goods or services from businesses signed up to the scheme. For example, volunteers referred by the Department for Work and Pensions, learning life skills at a furniture reuse charity in Redhill, could be incorporated into such a scheme. Recruiting volunteers to mentor may give them the self-belief they lacked and motivate them to become a tutor with SAL or to go into teacher training.

**Fiona Davidson, Chairman - Children, Families, Lifelong Learning and Culture Select Committee**

### **Background papers**

[Report of the Adult Learning and Skills Task Group](#)

[Annexes of the Report of the Adult Learning and Skills Task Group](#)

[Item 8, Children, Families, Lifelong Learning and Culture Select Committee, 12 June 2023.](#)

**SURREY COUNTY COUNCIL****CABINET****DATE:** 25 JULY 2023**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**

### **CABINET MEMBER DECISION – 27 JUNE 2023**

#### **CABINET MEMBER FOR EDUCATION AND LEARNING DECISIONS**

##### **1. SEND Capital Programme Phase 4: Proposal to expand Woodfield School onto a Special School Satellite Site at Carrington School**

###### **(i) Resolved:**

The Cabinet Member for Education and Learning determined the statutory notices published thereby bringing into effect the formal commencement of the proposal to expand Woodfield School onto a Specialist Satellite site at Carrington School from September 2023

The Cabinet Member for Education and Learning approved the proposal without modification.

###### **(ii) Reason for decision**

The proposal referenced in this paper is aligned with the SEND Capital Programmes aims to deliver 2,440 permanent additional specialist school places in Surrey between 2019-2026 to create capacity for 5,760 state-maintained specialist places by 2030/31.

The Cabinet Member for Education and Learning's approvals and recommendations completes the statutory process in accordance with the DfE guidance "Making significant changes ('Prescribed Alterations') to Maintained Schools."

#### **CABINET MEMBER FOR PROPERTY AND WASTE DECISIONS**

##### **2. APPROPRIATION OF SCC LAND TO ADOPTED HIGHWAY, LAND AT MINDENHURST PRIMARY SCHOOL, MINDENHURST ROAD, DEEPCUT, SURREY.**

###### **(i) Resolved:**

The Cabinet Member agreed to appropriation of the Surrey County Council owned land as illustrated in Annexe A of the report from land held for education purposes to public highway upon the adoption of the new Loop Road.

###### **(ii) Reason for decision**

The new Mindenhurst Primary School was built by Skanska Construction on behalf of the Defence Infrastructure Organisation (DIO). The building of the school and the transfer of the school site was required by a s106 planning agreement to support the new Mindenhurst development. However, since the construction of the school, a change in design to the proposed new adjacent highway, the loop road, means that part of the school land needs to be appropriated as highway.

In order to bring about the appropriation, the Council needs to exercise its powers under s122 of the Local Govt Act 1972 in relation to appropriation of land where County land is no longer required for the purpose for which it is currently held.

## **COMMITTEES-IN-COMMON SUB-COMMITTEE DECISIONS – 28 JUNE 2023**

### **3. SURREY ALL AGE MENTAL HEALTH INVESTMENT FUND (MHIF): PROCESS FOR USE OF FUNDING**

#### **RESOLVED:**

1. That £1.2m of the MHIF budget to be used to support a school-based needs mental health intervention programme which will be invested into an existing contract which is jointly commissioned by Surrey Heartlands ICB and Surrey County Council was agreed.
2. That £1m of the MHIF budget be used by the Surrey Adults Integrated Commissioning team to fund the extension and expansion of specific current prevention and early intervention programmes which align with the criteria of the MHIF and Priority two of the Health and Wellbeing Strategy was agreed.
3. That £1m of the MHIF budget be used by the Surrey Children's Integrated Commissioning team to fund the extension and expansion of specific current prevention and early intervention programmes which align with the criteria of the MHIF and Priority two of the Health and Wellbeing Strategy.

#### **Reasons for Decision:**

The Mental Health Investment Fund (MHIF) is a Surrey wide resource to enable the delivery of the outcomes in Priority Two of the Health and Wellbeing Strategy. The three recommendations in this paper, alongside the ongoing funding rounds for the MHIF, will enable residents of Surrey to receive MH prevention support which is managed in a Surrey-wide Commissioning Committees in Common 28/06/2023/ MHIF: Process for Use of Funding 3 holistic and structured way and enables the flexibility of extending and expanding specific prevention and early intervention programmes with a proven delivery benefit, whilst not losing the benefits of the innovation fund

## Discharge to Recover and Assess (D2RA)

Surrey is well placed to deliver D2RA through improvements made in harnessing positive provider relationships, detailed market analysis and more consistent approaches to procuring and purchasing care as a result of the move to embed strategic commissioning. D2RA in Surrey has benefitted from jointly commissioned services, such as Care within the Home and Residential and Nursing Care 65+, led by the local authority in collaboration with NHS Continuing Healthcare for Frimley and Surrey Heartlands ICS.

In Surrey, D2RA formed a large part of the health and social care integration conversation prior to the pandemic but progress was accelerated during this period due to critical need and unprecedented demand. Two core assumptions stand at heart of DR2A:

- Reduce the time people spend in hospital; best for patients and for the NHS, increases availability of hospital beds and improves health outcomes.
- Assessing patients in a suitable environment when not in crisis, ideally at home, ensures better outcomes for residents, ideally returning home or entering health and care arrangements proportionate to their long-term needs.

Uncertainty during the pandemic relating to funding for D2RA and successive rounds of short term funding has seen D2RA being reactive as opposed to strategically embedding best practice. Initially funding was used to block purchase significant care home capacity and extend services such as reablement and home care without focusing on the principles of home first, step down, strength gain, reablement, rehabilitation and critically flow and move on from these services.

With both Frimley and Heartlands ICBs committing longer term funding these pathways will be enhanced and outcomes for both residents and the integrated system improved. Providers will be able to commit to new ways of working and support innovative approaches. Key learning that will ensure improved success include the following:

- **Understanding 'both sides'** - Social Care staff are (also) under significant pressure and resource is required to ensure successful D2RA referrals and future transition. This includes the reliance on ASC commissioning time.
- **Improved governance** - Clarity of decision making at place and County level.
- **Baselining need** - Ensure the right capacity is set up at the right time, avoiding the need to change services through the life of a contract.
- **Consistent discharge process and assessment** - (Impower work) increase provider confidence and reduce placement breakdown.
- **Clear goals** - D2RA must be used appropriately to ensure improved resident outcomes and reduced numbers of individuals remaining in inappropriate services through extended length of stay or even resulting in a long-term placement.
- **Primary Care must be involved** - The wider system needs to be able to respond to the changing landscape of resident need at place when new services are established.
- **Consistent, clear family communication** - D2RA is not optional, it is part of the core offer to improve outcomes for patients being discharged.
- **Complex needs** - Often hard to place in Surrey's market, work is underway to improve pathways for these individuals.

## Case Study One – Equipment Delay (Step-down)

- Mrs K lives with a long-standing neurological condition. She was in contact with the ASC team in the locality looking at additional equipment for her home as she felt she was struggling with mobility. She had a fall and was not able to get up and was admitted to hospital.
- To support a safe discharge, she required a Sara Steady to support transfers and a high back chair. This was ordered by the neuro Occupational Therapist on the ward but there was a delay on the equipment availability. Mrs K could not return home safely without this equipment.
- Rather than remain in the acute hospital, Mrs K agreed to go to Priory Court to give time for her equipment to be delivered and to gain some strength with transfers. She spent almost four weeks in the care home.
- She was assessed as having goals on her return home and was supported by the ASC Reablement Team to settle back into her own home and regain her confidence.

## Case Study 2 – Rehabilitation and returned home (Rehabilitation)

- Mrs X was discharged to a rehabilitation bed and staff at the care home actively engaged in a multi-disciplinary approach with ASC, GP and physiotherapist to help her achieve her rehabilitation goals.
- The ASC practitioner and the care home worked alongside the client's relatives to communicate the intentions of the service and the client's progress.
- She was discharged home after 21 days with a short-term reablement package, having regained her mobility and evidencing a continued upwards trajectory in terms of her independence.

## Case Study 3 – Awaiting care agency availability (Step-down)

- Mrs C lived at home with a live in care worker funded through ASC via a Direct Payment. Her daughter was her main carer.
- Mrs C was housebound, visually impaired and had hearing loss, so conversations were challenging for her. She required full support with all personal care and home management.
- Mrs C had a fall at home and was found to have a chest infection; she was admitted to hospital for 12 days. The multidisciplinary team requested a restart to her care service, but they were unable to start immediately. As Mrs C no longer required care in an acute hospital, it was suggested she had a short stay in a care home whilst the agency arranged her regular care worker and confirmed that her needs were the same as prior to her admission. Mrs C and her daughter were happy with this.
- Mrs C then returned to her own home after 6 days in the nursing home with her regular care worker and her daughter supporting her.

## Hospital Discharge and Flow – IMPOWER

IMPOWER were commissioned by Surrey County Council to support discharge and flow in East Surrey and Royal Surrey acute hospitals through winter and spring (November 22 - May 23). This work included supporting the identification of opportunities and delivery of interventions at three levels - i) on wards, ii) within each acute hospital and iii) across the wider system, including community hospitals. The work aimed to improve outcomes for patients, relieve pressure from the acutes by increasing discharges and reducing length of stay, and reduce avoidable adult social care long-term care and support costs.

Several critical considerations from a Surrey County Council lens were identified with regards to resident outcomes, maximising independence and reducing avoidable long-term care package costs:

1. Standardised approaches to hospital social work, notably social workers embedded on wards, with the right support and skills, enables holistic multidisciplinary team planning and consistent expectation setting. This drives faster decision making with more appropriate discharge destinations evidenced through the introduction of integrated working on East Surrey's Godstone Ward.
2. Optimised care and strengths-based approaches to assessing patients reduces the level of home-based care a person receives in the community, including consideration of short-term support and the use of Technology Enabled Care.
3. Commissioning the model that supports the system's home first ambition, enabling greater short-long term home care support, rehabilitation and reablement capacity and creating a home-first culture across frontline health and care teams. We have noted that a lack of community reablement capacity is a driver for over-referrals to long-term high-cost home care or risk-averse placements.
4. More effective use of short-term placements, embodying D2RA principles, enables faster discharge and more appropriate assessments of people's long-term needs, reducing avoidable, risk-averse decisions for long-term placements.
5. Empty community beds occur due to poor availability of provision for patients with particular / challenging needs, notably cognitive and behavioural, resulting in increased pressure on acutes, patient deterioration and challenges sourcing appropriate care and support long-term. This has informed Integrated Commissioning decision to develop the Enhanced Nursing Rate.
6. Systemic data and insight informed decision making is in development. Embedding this at speed is essential to informing commissioning requirements and matching patient needs to appropriate support.

The work delivered:

- Increased weekly discharges - 9% hospital wide and 25 additional from assessment areas and 17% reduction of failed no criteria to reside discharges.
- Reduced average length of stay (LOS) - 9% less inpatients with  $\geq 21$  day LOS hospital wide. 17% LOS reduction on older persons unit.
- Reduced discharges to long-term placements - 42% reduction from intermediate care ward.

- Increased staff understanding of best practice - 78% increase in staff understanding of best practice.

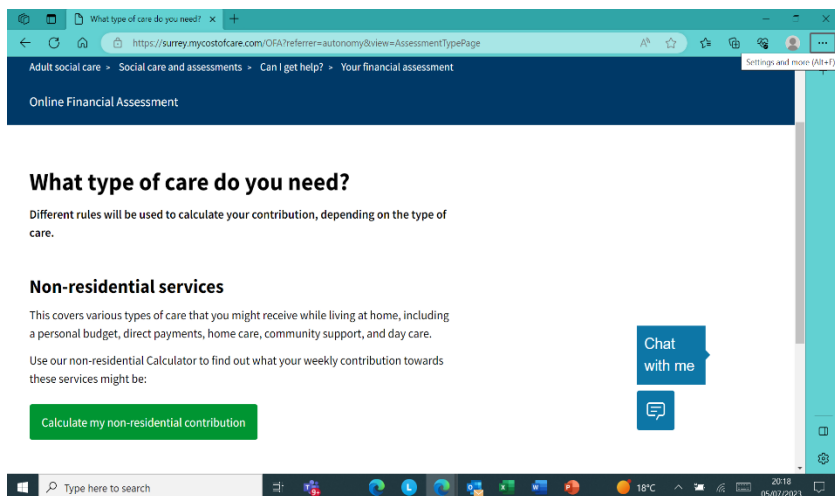
## ASC Front Door

A Transformation Programme is underway to identify the opportunity for implementing the corporate SCC customer operating model to our Adult Social Care [ASC] directorate. The wider ambition is to understand the impact, design and approach to implementing the SCC customer operating model at a cross organisational level and we are starting this work with a focus on Adult Social Care by maximising current capabilities (including our accessible digital offer) and single point of access arrangement, as well as redesigning customer pathways to better shape demand for ASC services and deliver an improved experience.

The programme is currently in the discovery phase, the aim of which is to investigate and analyse the landscape of existing entry points to ASC services and undertake a demand management analysis of all ASC entry points, identifying who uses them, when, why and how, including associated pain points from a service delivery perspective and from a service user perspective. The outputs from this discovery phase will be explored further in the design phase to achieve closer alignment to the SCC Customer Experience Model.

The programme team will also be looking to expand on the existing digital initiatives for example, one such initiative is the widely used Online Financial Assessment portal. The portal enables residents to submit their financial details securely online and to upload supporting evidence. Using robotics, ASC can check whether evidence has been provided, send a letter requesting any missing information and acknowledge the application without intervention by a member of staff. In addition, chat bot and web chat services are available to support people through the application process. To this end, the chat bot was co-designed with support from colleagues from the Surrey Coalition for Disabled People. Over the last 6 months there have been 1,343 conversations via the chat bot and only 56 requests for a call back.

The illustration below shows where the chat bot can be found on the ASC web pages



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**SURREY COUNTY COUNCIL****CABINET****DATE: 25 JULY 2023****REPORT OF CABINET MEMBER: MARK NUTI, CABINET MEMBER FOR ADULTS AND HEALTH****LEAD OFFICER: LIZ BRUCE, EXECUTIVE DIRECTOR FOR ADULT SOCIAL CARE AND INTEGRATED COMMISSIONING****SUBJECT: THE CARE AND SUPPORT COMMISSIONING STRATEGY FOR EXTRA CARE HOUSING****ORGANISATION STRATEGY PRIORITY AREA: TACKLING HEALTH INEQUALITY AND EMPOWERING COMMUNITIES****Purpose of the Report:**

In July 2019 Cabinet endorsed Surrey County Council's (the Council) Accommodation with Care and Support Strategy. A major programme within the strategy is the delivery of 725 units of affordable Extra Care Housing for older people by 2030. Since then, we have made good progress delivering our ambition and have plans in place to deliver circa 370 units across six sites in Surrey. Cabinet will be asked to approve a further three sites in July 2023, which will deliver a further circa 200 units of Extra Care Housing.

We anticipate that the first of these six new Extra Care Housing settings will open in the Winter of 2024/25 and, subject to a successful tender outcome, the remaining five sites will open on a phased basis from Autumn 2025 until 2030.

In anticipation, we will need to commission CQC registered providers of care and support to work in partnership with the future operators of the sites. The Extra Care Housing - Care and Support Commissioning Strategy sets out how this provision will be put in place for the new accommodation, so that residents in Extra Care Housing receive high quality care alongside housing support from the first day of opening at each setting.

This report seeks approval of the Care and Support Commissioning Strategy.

**Recommendations:**

It is recommended that Cabinet:

1. Approves the Care and Support Commissioning Strategy for Extra Care Housing at Surrey County Council owned sites.

**Reason for Recommendations:**

Tackling health inequality and empowering our communities are two of the Council's four strategic priorities. It is essential that the care and support provided by ASC enables us to deliver our Community Vision for 2030 and promotes the independence of the individual in all scenarios. We know that getting older and living longer is something we should all look forward to. However, living a healthy life and living well for yourself, including staying in your



own home, can be more difficult for some people. Our Living Well in Later Life Commissioning Strategy for Older People – Living Well in Later Life – 2021-2030<sup>1</sup> is our plan to help support older people in Surrey to make this happen. It shows how we will help residents to have more choice and control over the care and support they need, when and where they need it.

A key component of Our Living Well in Later Life Strategy are our plans to deliver Accommodation with Care and Support: Extra Care Housing<sup>2</sup>, which will provide Surrey's residents with suitable accommodation with care and support, where they can access the right health and social care at the right time in the right place.

Extra Care Housing is a housing with care model, with a separation in responsibilities between the operators of each setting and the dedicated providers commissioned to deliver care and support to each setting's residents. For the settings which will be delivered through the Accommodation with Care and Support Strategy, while the operators will be regulated by the Regulator of Social Housing and deliver high quality housing management in line with the Council's lease, the care providers will be regulated by the Care Quality Commission and separately commissioned through Adult Social Care contracts. In Annex 1 we provide a diagram which demonstrates the relationship between the different partner organisation involved in the delivery of Extra Care Housing.

The Care and Support Commissioning Strategy for Extra Care Housing sets out the Council's approach to securing high quality, sustainable support through CQC-regulated care providers, and will ensure that future residents in the new settings 'live their best lives'<sup>3</sup>.

## The Care and Support Commissioning Strategy for Extra Care Housing

### Scope of the Care and Support Commissioning Strategy

1. The Care and Support Commissioning Strategy for Extra Care Housing will ensure the delivery of on-site CQC regulated services to support residents to maintain their independence and 'live their best lives'. The dedicated on-site care providers will support Extra Care Housing residents with personal care (e.g. washing, dressing, support with eating and drinking and other daily living activities) and other support for people to remain independent. While it will be expected to deliver residents' planned support it will maintain a 24 hour staff presence to respond quickly to care emergencies.
2. This Strategy focuses on the care and support required at future Surrey County Council affordable Extra Care Housing. We have committed to delivering 725 units of affordable Extra Care Housing by 2030. There are currently six sites, across the county, that have been approved by Cabinet for Extra Care Housing. These sites are:
  - i. Bentley Day Centre, Banstead
  - ii. Brockhurst, Ottershaw
  - iii. Cuddington, Epsom
  - iv. Lakeside, Frimley
  - v. Pinehurst, Camberley

<sup>1</sup> [Living Well in Later Life Older People's Commissioning Strategy 2021 to 2030 - Surrey County Council \(surreycc.gov.uk\)](https://www.surreycc.gov.uk/older-people/living-well-in-later-life-commissioning-strategy-2021-to-2030)

<sup>2</sup> [16. Accommodation with Care support Cabinet report July 2019.pdf \(surreycc.gov.uk\)](#)

<sup>3</sup> [Adult social care strategies and plans - Surrey County Council \(surreycc.gov.uk\)](#)



- vi. Pond Meadow, Guildford
- 3. Subject to Cabinet's approval in July, there will be a further three sites, which are:
  - a) Birchlands, Englefield Green
  - b) Colebrook, Redhill
  - c) Orchard Court, Lingfield
- 4. This Strategy will include any further sites that are approved by Cabinet for Extra Care Housing.

### **The need for a Care and Support Commissioning Strategy**

- 5. The Care and Support Commissioning Strategy for Extra Care Housing will ensure appropriate, high quality and value for money care and support is delivered to residents of future affordable Extra Care Housing settings. In this Strategy we will ensure the below guiding principles for Extra Care Housing delivery are followed and adhered to:
  - a) The financial benefits attributable to the Council must clearly outweigh the costs. The Strategy will need to ensure that commissioned services clearly evidence financial benefits, not just to Surrey County Council but to the joint housing, health and social care system, throughout each contract's lifecycle.
  - b) The Council will commission the development of sites to secure nomination rights for a sufficient number of affordable rental units to ensure the financial benefits outweigh the development costs to the Council. While the default position is 100% nomination rights for affordable rental units and the schemes approved thus far by Cabinet have been agreed for development on this basis, should shared ownership units be required in certain circumstances then nomination rights may vary.
  - c) The contractual arrangements for the care and support provision are separate and distinct from the housing management contracts. This will enable the Council to manage delivery of the care and support and the housing management independently of each other and will enable us to ensure respective quality standards are upheld and the greater flexibility will help ensure best value is achieved through contracts that are commissioned.
  - d) New services will need to be contracted substantially in advance of the practical completion date for each Extra Care Housing setting. This will provide sufficient time for providers to mobilise staff to deliver sufficient care and support for new residents from each opening day onwards.
  - e) Tender processes will be flexible, to allow the Council to efficiently approach the market for care and support while setting consistent standards for quality of services, bearing in mind that the future Extra Care Housing will be delivered on a staged basis located across the county.

### **Care and support provided in Extra Care Housing**

- 6. The care and support provided to residents in Extra Care Housing is designed to promote the individual's independence and enable them to live the life they want to. Extra Care Housing is not a form of residential care. Each resident will have their

own front door and it will be their place to call home (ideally where they can be supported to end of life). The future Extra Care Housing settings will be in locations with good access to amenities and will offer the residents the opportunity to connect with their local communities. They will also provide an inclusive environment to share with their family and friends, such as communal areas and landscaped gardens.

7. Each Extra Care Housing setting will have its own individual contract, which details the dedicated care service to be delivered by a CQC-regulated provider.
8. At each setting the dedicated provider will be expected to:
  - a) Meet the planned support needs of any residents whose care is funded by the Council. This is our default expectation but with an acknowledgement that some residents may choose alternative care providers to support them.
  - b) Maintain a 24/7 on-site staffing presence to attend to care emergencies, including a waking night service.
  - c) Work in full collaboration with the housing management team to maximise the wellbeing, inclusivity and independence with residents, but with a very clear understanding of their differing responsibilities within an Extra Care housing setting.
  - d) Deliver good quality, flexible, inclusive, person-centred and outcome focused support that can meet a wide range of needs.
9. In Annex 2 we provide an overview of Extra Care Housing and how it is different to Retirement Housing, Residential Care Homes and Nursing Care Homes.

### **Target Needs Mix**

10. Extra Care Housing, as a housing with care model, sits as an accommodation option between sheltered housing (where housing need is responded to within the built environment and by a limited level of housing management, and where care is delivered individually in the resident's home) and care homes (where accommodation is inseparable from care delivery, where all residents have a licence to occupy which is based on meeting care needs and without security of tenure and housing rights).
11. In order to avoid an Extra Care Housing setting from becoming a similar setting to sheltered housing (where people do not need the on-site care and support or the level of communal facilities on offer), or to appear similar to a care home (where needs are so high that communal facilities are challenging to access and with few opportunities to maintain independence) it is vital that a balance of low, medium and higher needs is maintained amongst residents. This will help create and sustain inclusive, mixed communities in Extra Care Housing, where residents receive support on a proactive basis (i.e. to avoid a future decline in independence) and after a crisis (i.e. to avoid future unnecessary care home admission).
12. It is important to bear in mind that the balance of needs within an Extra Care Housing setting can only be managed on entry. Such a target mix considers the complexity of care needs rather than just a total number of care hours delivered on site and helps decision makers decide on how best to prioritise residents for new tenancies.

## Identifying future residents for Extra Care Housing and the referral process

13. We acknowledge the importance of early identification of potential residents of Extra Care Housing and the need to actively maintain waiting lists for each of the settings. Social workers and occupational therapists will play a leading role in working with individuals, their families and carers to highlight the benefits available to them from moving into Extra Care Housing.
14. We will engage individuals early and have sensitive discussions with them and their families to promote this as an option available for them. We are recruiting an operational Senior Manager for Extra Care Housing, which amongst their other responsibilities, will focus on our policies and procedures for identifying future residents. They will work with social workers and occupational therapists to identify future residents for Extra Care Housing and operationalise the new service with locality teams.
15. Our nomination agreements will set out the Council's relationship with the Extra Care Housing operator, the dedicated on-site care provider and the local housing authority (district and borough councils) for the letting of Extra Care Housing accommodation. In each of our nomination agreements the following aspects will be standard requirements:
  - a) A minimum age for people to be considered as future tenants in Extra Care Housing, but with exceptions only to be determined by the Council.
  - b) Any potential resident must have their needs for care support assessed by the Council in order to determine their suitability for Extra Care Housing.
  - c) The maintenance of a waiting list of eligible residents in partnership with the local housing authority (i.e. the borough or district Council where the Extra Care Housing setting is located).
  - d) A nominations panel, comprised of representatives from the Council, the Extra Care Housing operator, the local housing authority and the dedicated care provider, which will consider and prioritise the eligible potential residents on the waiting list. The key consideration for priority will focus on the care and support needs and the risks to a potential resident's health and wellbeing of not being awarded a tenancy.
  - e) A process for initial awarding of tenancies for Extra Care Housing settings will commence 9 months prior to a setting's practical completion date.

## Technology Enabled Care in Extra Care Housing

16. We want future residents of Extra Care Housing to fully benefit from the opportunities that technology provides. We will build on Surrey's existing Telecare offer, which provides reactive emergency responses to alerts via pendant alarms, community alarms and GPS devices etc. In our future Extra Care Housing we will employ proactive technology solutions known as Connected Care. This type of technology provides solutions for residents to enable them to stay independent in Extra Care Housing for longer. Using remote monitoring we will capture data over a period of time to provide actionable insights to better inform the care and support needs of the resident as and when they change.

17. An example of a Connected Care solution could be connecting a data and analytics platform to sensors, smart plugs and other devices. The core sensors monitor air temperature and movement. The smart plugs monitor the use of electrical equipment and, for example, can evidence whether someone is using their kettle or microwave to monitor activities of daily living. Other devices, such as bed and chair sensors can be used to help monitor a person's mobility and help avoid falls.
18. Connected Care is already making a difference for residents in Surrey through the 'Enabling You with Technology' transformation programme and the following benefits have been identified:
- a) Supported individuals to remain in own home for longer.
  - b) Provided short term support in a crisis or urgent situation.
  - c) Avoided conveyance to hospital and likely hospital admissions.
  - d) Avoided increase in home-based care or reablement.
  - e) Reduced reablement input.
  - f) Enabled early intervention to support declining physical, mental health and wellbeing i.e. more frequent visits to the bathroom have indicated urinary tract infections.
  - g) Enabled care practitioners to make evidence-based decisions.
  - h) Prevented temporary short-term admission into a care/ nursing home and enabled people to return home after a short period of respite.
19. We will ensure future residents of Extra Care Housing will be offered access to both Telecare and Connected Care services in their accommodation.
20. Connected Care is not to be seen as a replacement for personal care. These services, when designed around the individual, provide better opportunities for residents to maximise the use of their homes, increase their independence and ensure the use of valuable care hours is optimised to achieve their personal goals and outcomes.

### **Procurement route to market**

21. It is proposed that a countywide Framework Agreement under the Light Touch Regime is established, with the provision to open the agreement up to new providers at the Council's discretion at any point in the lifetime of the contract. Mini-competitions will be run in anticipation of a 6-month mobilisation period for each Extra Care Housing setting being built.
22. The Framework Agreement will set out the overall terms and standards of the care and support that providers will be expected to deliver. The subsequent mini-competitions will then be used to identify a provider and award the specific contracts for each Extra Care Housing setting.
23. In order to enable all future Extra Care Housing settings to be procured using the Framework, it is proposed that the Framework Contract should have an initial term of 4 years with two 1-year extension periods giving a maximum duration of 6 years.
24. It is proposed that the site-specific care contracts (i.e. those awarded through mini-competition) have a duration of 4 years with two 2-year extension periods. This is in

line with the current care contracts at other sites where Surrey County Council has nomination rights.

25. The route to market has been chosen for the following reasons:
- a) Allows the Council to work with a small number of high-quality Extra Care Housing care providers that are awarded a place on the Framework Agreement.
  - b) Ability, under the Light Touch Regime, to open the Framework up to new providers at a later date on a business need basis.
  - c) Rates can be evaluated at mini-competition stage, to ensure the most up to date pricing is agreed at the time of contract award.
  - d) The Framework route allows flexibility to include site-specific requirements in each mini-competition.
26. We engaged the market on our approach through a Request for Information and will undertake further market engagement as we prepare for the Invitation to Tender.

#### **Consultation:**

27. The consultation for this report builds on the previous discussions that have occurred during the lifespan of this programme, as outlined in previous Cabinet reports.
28. The Council is committed to working with existing and future residents of Extra Care Housing to design and deliver care and support services. Throughout the design and delivery phase of this strategy we will engage and coproduce the care and support services with existing and future residents, as well as seek feedback from their families and carers.
29. The Council has undertaken significant market engagement with potential providers of Extra Care Housing care and support services in the preparation of this strategy. The feedback from the care and support market has informed our strategy and approach to procurement. We will continue to undertake market engagement to ensure we secure excellent care and support services at the future Extra Care Housing.
30. In advance of publishing this report briefing notes have been circulated to the Adults and Health Select Committee and Surrey's Integrated Care Boards.

#### **Risk Management and Implications:**

31. There is a risk that commissioned care services could become unsustainable due to a gradual decline in the level of care required by residents. In order to support the development of mixed communities, where people are supported proactively (i.e. to avoid a future decline in independence) and also in crisis (i.e. to avoid future unnecessary care home admission) a target mix of needs is used to provide guidance to members of the nomination panels.
32. The home-based care market is vibrant, and the potential number of bidders for care services in Extra Care Housing settings could therefore become unmanageable in a standard tender process. To reflect the fact that the requirements for care providers in Extra Care Housing settings are far broader than those for a home-based care service, the tender process for the framework will ensure that applications are only

fully considered from providers that can evidence they have the knowledge or capability to deliver dedicated, high-quality care and support to specialist housing settings.

33. Successful bidders for care service contracts will need time to recruit and train staff to respond to residents' needs in advance of the opening day of a new Extra Care Housing setting. The route to market timescales factors this mobilisation time in, with successful bidders for services at each setting having six months to prepare.
34. The successful delivery of a care service in an Extra Care Housing setting relies upon very positive working relationships between the care provider, social care staff (social workers, occupational therapists), allied health professionals and the operators of Extra Care Housing settings. While any bidders to join the framework will be expected to demonstrate their capability of managing these relationships, in the case of the operators (and housing management staff) service level agreements will clearly set out who is responsible for which function in delivering an overarching personalised, inclusive, responsive approach to support the independence of all residents.
35. Due to the uncertainty of the planning process, there is a risk of delays to the sites becoming operational. Extensive market engagement will be undertaken to ensure the market is aware of the pipeline of sites that will require care to be commissioned into them and provide them with the most up to date timeline.

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

36. As set out in the Accommodation with Care and Support Strategy presented to Cabinet in July 2019, the development of Extra Care Housing is expected to deliver financial savings compared to alternative forms of care for two main reasons:
  - a. The design and nature of Extra Care Housing settings means that in the vast majority of cases people should be able to live there throughout their remaining life and avoid the need to go into residential and nursing care homes when their care needs increase. Some admissions into more expensive residential and nursing homes will therefore be avoided.
  - b. The provision of care to people's own homes in Extra Care Housing settings is generally less expensive when compared to normal residences. This is due to a concentration of need within a bespoke housing setting, which allows care providers to minimise travel costs for care workers and more efficiently deploy staff to support Extra Care Housing residents. The average number of hours of care are also typically lower for people in Extra Care Housing settings.
37. Modelling based on the planned usage of the Council's new affordable Extra Care Housing units indicates that the Council should achieve savings of £5,100 per unit per year compared to traditional alternative forms of care. As such, c.£3.7m per annum of care package savings are expected to be delivered through successfully delivering the targeted 725 of additional affordable units of Extra Care Housing. These care package efficiencies will offset the revenue borrowing costs for capital expenditure that the Council is required to commit to developing any of the new sites, with residual savings above those required to cover borrowing costs helping to mitigate pressures in Adult Social Care's care package budget.
38. The successful delivery of the care and support commissioning strategy to secure care providers at competitive rates to provide care and support services in the new



Extra Care Housing settings will be essential to achieving these care package savings.

39. Beyond the direct savings to the Council, it is also important to recognise the wider financial benefits to the health and social care system. Evidence indicates that well-managed Extra Care Housing schemes will typically result in fewer people requiring admission to hospital. Not only is this of course very positive for people's wellbeing and independence, but it also reduces pressure on the health care system and avoids the higher levels of social care expenditure typically required following hospital discharge.

#### **Section 151 Officer Commentary:**

40. Significant progress has been made in recent years to improve the Council's financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.
41. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, 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 the stable provision of services in the medium term.
42. As such, the Section 151 Officer recognises the importance of the care and support commissioning strategy set out in this paper to ensure best value arrangements are put in place and expected care package savings are achieved for the delivery of care and support services in the new affordable Extra Care Housing schemes planned to be developed as part of Adult Social Care's Accommodation with Care & Support strategy. The outcome of tenders for care and support services through the planned framework will be factored into Medium Term Financial Strategy.
43. It will be important that the Extra Care Housing project team work collaboratively in continuing to develop the planned framework for care and support services at new settings so that learning at each stage of this process is fed into the commissioning of care and support services for the next batch of sites.

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

44. There are no legal implications at this stage. Legal advice and support will be given to ensure that Best Value Duty is adhered to, and other relevant regulations is compiled with if/when it becomes applicable.

#### **Equalities and Diversity:**

45. An Equality Impact Assessment (EIA) is included as Annex 1, examining areas of consideration for any implementation of the Accommodation with Care and Support Strategy. Identified impacts at this stage centre on improved resident experience and outcomes, more people remaining independent within their own homes for longer

and further consideration needed of people's natural communities, recognising that communities do not necessarily fit with statutory boundaries.

**Other Implications:**

46. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

<b>Area assessed:</b>	<b>Direct Implications:</b>
Corporate Parenting/Looked After Children	No significant implications arising from this report.
Safeguarding responsibilities for vulnerable children and adults	Safeguarding policies and procedures for Extra Care Housing care providers must meet the standards as set out by the Surrey Safeguarding Adults Board (SSAB) in the 'Adult Safeguarding Policy and Procedures 2018'. They will need to demonstrate an understanding of best practice as set out by the SSAB in the evaluation process. Providers will be subject to monitoring by CQC and the Council's Quality Assurance Team.
Environmental sustainability	<p>Future Extra Care Housing will have good access to local communities and amenities. This will limit the need for travel from the site for future residents and there will be access to public transport, whilst also maintain active and healthy lives.</p> <p>The Extra Care Housing care and support will be offered on one site and there will be a 24 hour presence from care and support staff. Therefore once onsite there will be less travel required to deliver care and support than would be necessary for the delivery of domiciliary care and support.</p> <p>The Extra Care Housing environment will be built to high standards in terms of insulation and heating. This will reduce the burden on energy consumption to heat the building and the individual flats, as compared to other less energy efficient buildings.</p>
Compliance against net-zero emissions target and future climate compatibility/resilience	<p>In terms of the built environment the future buildings will be consistent with the Council's Net-Zero Carbon target, the Extra Care Housing will be designed to be LETi Net Zero (London Energy Transformation Initiative) and future-proofed to be adapted and resilient to the impacts of climate change.</p> <p>The key features of an operationally net-zero carbon Extra Care Housing include: high thermal efficiency,</p>



	<p>a low carbon heating system, and maximising the generation and use of on-site renewable energy.</p> <p>Materials and construction emissions will be reduced where feasible. Future design stages will address the Green Agenda within the budget allowance for the project and will design solutions to address the agenda, e.g.: Sustainable Drainage Systems, opportunities for rainwater harvesting, irrigation solutions, biodiversity net gain, landscape boundary treatments etc.</p>
Public Health	<p>Extra Care Housing can positively impact on public health outcomes, including reductions in social isolation and/or loneliness; improved nutrition and hydration; increased wellbeing for residents participating in activities, such as exercise classes, and minimising the ill effects of fuel poverty and/or seasonal health risks.</p>

**What Happens Next:**

47. If Cabinet approve the recommendations in this paper:

- a. We will continue with ongoing market engagement events with Extra Care Housing care and support providers.
- b. We will continue to coproduce the design and delivery of the strategy with existing and potential Extra Care Housing residents, as well as their families and carers.
- c. We will continue to coproduce the design and delivery of the strategy with social workers and occupational therapists. This approach will be enhanced by the recent appointment of a Senior Manager dedicated to this function and maximising social care outcomes from future Extra Care Housing sites.
- d. We will design and build policies and procedures for referring and nominating future Extra Care Housing residents.
- e. We will continue to produce and disseminate information that provides clarity to partners and residents about Extra Care Housing design and delivery and how this model enhances the offer to residents requiring adult social care.
- f. We will begin to develop and maintain waiting lists for potential future residents of Extra Care Housing through raising public and staff awareness of Extra Care Housing.
- g. We plan to publish the tender for the Extra Care Housing Care and Support Framework in the Autumn.



**Report Author:**

John Woodroffe, Senior Commissioning Manager

**Consulted:**

Adults and Health Select Committee

Care and Support Providers

Integrated Care Boards

**Annexes:**

Annex 1: Working with partner organisation to deliver Extra Care Housing

Annex 2: Accommodation Settings for Older People

Annex 3: Extra Care Housing Equality Impact Assessment

**Sources/background papers:**

Adult Social Care Accommodation with Care and Support Strategy for Extra Care Housing for Older People and Independent Living Schemes for adults with a learning disability and/or autism

<https://mycouncil.surreycc.gov.uk/ieListDocuments.aspx?CId=120&MId=6328&Ver=4>

Living Well in Later Life Older People's Commissioning Strategy 2021 to 2030 [Living Well in Later Life Older People's Commissioning Strategy 2021 to 2030 - Surrey County Council \(surreycc.gov.uk\)](#)

Adult Social Care Vision – 'Supporting people to live their best life' [Adult social care strategies and plans - Surrey County Council \(surreycc.gov.uk\)](#)

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# Extra Care Housing

## KEY

### Extra Care Housing

Well designed, self-contained homes with communal facilities and with housing and care services to maximise residents' independence and wellbeing.

### Care Provider

A dedicated Care Provider supporting residents with planned personal care and other support and on-site 24 hours a day for emergencies.

### Service Level Agreement

Sets out the responsibilities between the Care Provider and the Housing Manager, so they can work in partnership to deliver the best possible outcomes for all residents.

### Licence Agreement

Sets out the basis on which the Care Provider can have access to Extra Care Housing facilities to deliver its services.

### Housing Manager

With supporting staff, responsible for the administration, maintenance, activities and housing services for Extra Care Housing residents.

### Care Contract

Sets out Surrey County Council's expectations of the Care Provider so that they deliver high quality and effective care and support services.

### Lease Agreement

Sets out the responsibilities between the Housing Manager and Surrey County Council.

### Surrey County Council

Commissions the Care Provider to help residents stay independent, safe, well and live the lives they want to, and monitors the Housing Manager through the Lease Agreement.

### District and Borough Council Housing Officers

Meet housing needs on behalf of their local housing authorities.

### Nominations Agreement

Sets out Surrey County Council's relationship with the Extra Care Housing operator, the Care Provider and the Housing Officers for the letting of Extra Care Housing flats.



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## Annex 2 – Accommodation Options for Older People

Type of accommodation setting	Affordable Retirement Housing (Sheltered Housing, Retirement Living, Senior Living etc)	Affordable Extra Care Housing	Residential Care Homes & Nursing Care Homes
Accommodation arrangements	Self-contained homes for shared-ownership or rent as part of a wider setting	Self-contained homes for shared-ownership or rent as part of a wider setting	Communal residential living with residents occupying individual rooms, often with an en-suite bathroom.
Support model	Housing only	Housing with Care	Care facility
Planning classification	C3	C2 or C3	C2
Referral process	Local allocation policy of housing authority	Through nominations agreement between operator, care authority and housing authority	Direct contact from person needing a care home place or their representative.
Occupancy rights	Rights in accordance with tenancy agreements. Almshouses' licences to occupy afford the same rights as tenancies. Can only be evicted through breaching the agreement.	Rights in accordance with tenancy agreements. Can only be evicted through breaching the agreement.	Rights as set out in licences to occupy, which reference accommodation and care arrangements together. 28 days' written notice to leave is deemed reasonable.
Regulation	Regulator of Social Housing	Housing management: Regulator of Social Housing Dedicated care provider: Care Quality Commission	Care Quality Commission
Typical facilities	Communal lounge Laundry facilities Gardens Guest room Mobility scooter parking/charging	Restaurant /café Activity rooms/spaces Communal lounge Hairdressers Gardens Guest room Mobility scooter parking/charging	Communal lounge Laundry facilities Gardens Guest room
Support arrangements	Part-time warden Emergency call systems No dedicated care service Individual tenants purchase any care and support from the care market	24 hour on-site staff Dedicated care service working in partnership with housing management. Tenants with care needs can choose an alternative care provider if they wish	24 hour on-site care and support staff. Nursing care home has registered nurse on-site at all times. Meals etc included and paid for as part of occupancy.

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<b>EIA Title</b>	Accommodation with Care Strategy – Extra Care			
<b>Did you use the EIA Screening Tool?</b> (Please tick or specify)	Yes (Please attach upon submission)		No	X

## 1. Explaining the matter being assessed

<p><b>What policy, function or service change are you assessing?</b></p>	<p>Now and in the coming years, Surrey County Council (SCC) faces unprecedented financial challenges in meeting care and support needs in Surrey. This is compounded by the demographic challenges and fragile provider market. The accommodation with care and support programme has been set up to respond to some of these challenges.</p> <p>The overall aim of the extra care element of the Accommodation with Care and Support Strategy (as set out in the SCC Cabinet report of 16 July 2019) is to address the current limited availability of extra care units in the county.</p> <p>Extra care (also known as “assisted living” when focused on the private market) is a particular housing model which focuses mainly on older people, and offers accessible and adaptable housing (under rental, shared ownership or leasehold arrangements) alongside formalised care services which can meet a range of needs on site and respond to care emergencies 24 hours a day, 7 days a week. Through a range of delivery approaches, ranging from SCC controlled delivery, tender processes and indirect support to appropriate private planning proposals, SCC aims to achieve the equivalent of 25 extra care units per 1,000 of Surrey’s 75+ population by the end of the decade.</p>
<p><b>Why does this EIA need to be completed?</b></p>	<p>The development and operation of new extra care capacity through the Accommodation with Care Strategy will involve changes to policies and functions amongst operational staff, and present new services to people living in Surrey, their carers and relatives.</p> <p>This EIA helps us to build up a profile of the existing users of extra care in Surrey, and from this profile consider how both current and future users of extra care may be affected by the extra care element of the Accommodation with Care Strategy.</p> <p>The anticipated impacts will be assessed with regard to those with protected characteristics, as identified under the Equality Act 2010. This is to identify actions to, where possible, mitigate any potential negative impacts, maximise positive impacts associated with the extra care programme and break down barriers to accessing these services.</p>

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<p><b>Who is affected by the proposals outlined above?</b></p>	<p>The proposals will affect:</p> <ul style="list-style-type: none"> <li>• Future users of publicly funded housing and support at extra care settings in Surrey, their relatives and carers</li> </ul>			
<p><b>How does your service proposal support the outcomes in <a href="#">the Community Vision for Surrey 2030</a>?</b></p>	<p>The delivery of high quality, sustainable care and support to vulnerable adults is vital for SCC to deliver the Community Vision for 2030.</p> <p>The overarching Accommodation with Care and Support Strategy, of which extra care housing delivery is a part, is focused on enabling people to access the right health and social care at the right time in the right place through the delivery of the most suitable accommodation with care and support for Surrey residents.</p> <p>Extra care will support the Community Vision for Surrey 2030 by addressing a gap in specialist accommodation provision for older people, which will offer appropriately designed, accessible and adaptable housing together with communal facilities and formalised care services on site. In so doing it will support the help to make Surrey a place where older people can “live healthy and fulfilling lives, are enabled to achieve their full potential and contribute to their community, and no one is left behind.”</p>			
<p><b>Are there any specific geographies in Surrey where this will make an impact?</b> (Please tick or specify)</p>	County Wide	<b>X</b>	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):			



<p><b>Briefly list what evidence you have gathered on the impact of your proposals?</b></p>	<p>In order to identify the impacts of the proposals, a snapshot has been taken of residents of extra care known to Surrey County Council as at 4 September 2020.</p> <p>As extra care as a housing with care model is primarily focused on older people (i.e. people aged 65 or over) wider indicators of need associated with older people in general will be examined alongside the snapshot data.</p> <p>It is clear from national studies (primarily led by the Housing LIN) that extra care settings can offer a long-term solution with regard to housing and care for older people where, due to disability or frailty, maintaining independence in mainstream housing settings is proving difficult. Studies have demonstrated that individuals living in extra care accommodation have better health and wellbeing outcomes when compared with others with similar needs in more restrictive care settings like residential and nursing care homes. Analysis conducted by Surrey County Council of care journeys experienced people living in extra care settings bears this out, and it is recognised that people are more likely to remain independently at their home for longer in these settings, with fewer admissions to hospital and at a reduced risk of care home admission, to equivalent populations living in mainstream accommodation.</p> <p>Other evidence gathered to inform this Equality Impact Assessment included:</p> <ul style="list-style-type: none"> <li>• Projecting Older People Population Information System (POPPI)</li> <li>• NHS website on conditions, stress, anxiety, depression and loneliness in older people</li> <li>• Data retrieved from LAS, as at 4 September 2020</li> <li>• 2011 census</li> <li>• Office for National Statistics Annual Population Survey</li> <li>• Surrey-i</li> <li>• Surrey’s Joint Strategic Needs Assessment</li> </ul>
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## 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 (no impacts)
5. Race including ethnic or national origins, colour or nationality
6. Religion or belief including lack of belief
7. Sex
8. Sexual orientation
9. Marriage/civil partnerships
10. Carers protected by association

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

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

## AGE

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

According to Projecting Older People Population Information System (POPPI), while Surrey's population aged 65 and over is set to increase in the coming years, the population aged 85 and over is expected to increase the most as a proportion:

	2020		2025		2030		2035	
	No.	% of 65+	No.	% of 65+	No.	% of 65+	No.	% of 65+
People aged 65-69	57,300	24.7%	63,700	25.3%	74,400	26.5%	75,500	24.5%
People aged 70-74	59,900	25.8%	53,800	21.3%	60,000	21.4%	70,300	22.9%
People aged 75-79	44,300	19.1%	54,900	21.8%	49,800	17.7%	55,900	18.2%
People aged 80-84	33,500	14.5%	38,200	15.2%	47,800	17.0%	44,100	14.3%
People aged 85-89	22,500	9.7%	25,000	9.9%	29,300	10.4%	37,400	12.2%
People aged 90 and over	14,300	6.2%	16,500	6.5%	19,700	7.0%	24,400	7.9%
Total population 65 and over	231,800	100.0%	252,100	100.0%	281,000	100.0%	307,600	100.0%

Source: [www.poppi.gov.uk](http://www.poppi.gov.uk), as retrieved on 8 September 2020

In comparison, of the extra care residents known to Surrey County Council as at 4 September 2020, the largest proportion by age group at the settings is in the 85+ category, where acuity of care need and risk of emergency care is highest. Please see below:

Extra care setting	Average age	Up to 54	55-64	65-74	75-84	85+	Total
Aldwyn Place	75.6	2	2	3	6	5	18
Anvil Court	78.2	0	4	9	7	11	31
Beechwood Court	81.1	0	2	2	4	7	15
Brockhill	79.2	2	1	2	4	10	19
Chestnut Court	70.4	4	4	14	5	6	33
Dray Court	79.6	1	1	7	8	10	27
Falkner Court	80.9	0	0	2	4	2	8

Huntley House	89.9	0	0	1	3	15	19
Japonica Court	78.1	0	1	5	3	7	16
Mitchison Court	70.9	3	10	4	6	7	30
Riverside Court	85.6	0	2	0	2	9	13
Grand Total	77.8	12	27	49	52	89	229
		<b>5.2%</b>	<b>11.8%</b>	<b>21.4%</b>	<b>22.7%</b>	<b>38.9%</b>	<b>100%</b>

From the above it is clear that extra care’s key client group is the “oldest old”, with people aged 85 and over accounting for almost 40% of the snapshot in comparison to 16% of Surrey’s current population, and with an average age of 78. That said, as 38.4% of the 4 September snapshot are aged under 75, it is also evident that extra care can operate both as an appropriate setting to meet current needs, and as a proactive choice of long term living arrangement in anticipation of care needs developing with age.

Impacts (Please tick or specify)	Positive		Negative		Both	X
Impacts identified	Supporting evidence		How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner	
- Age restrictions may prevent some people, whose needs may best be met at an extra care setting, from being considered for referral	An age ‘cut off’ is used as a general guide for applications to extra care settings, as they are generally regarded as communities for people aged over 55 years of age or more.		The age of individuals is a key factor for nominations processes, where decisions are made on who may be offered an extra care tenancy. However, individuals under 55 years of age may be considered exceptionally on the basis of need and urgency, particularly where alternative settings are not regarded as suitable	Consideration will be made for people under the age restriction in partnership with local housing authorities and providers as part of an exceptions process in nominations decisions. Agreed approaches will therefore be factored into	The Extra Care Strategy Team and (once nominations processes are operational) social care Locality Team staff, in partnership with local housing authorities and extra care providers	

			nominations policies	
+ Older residents will have increased choice with more accommodation options available to meet their care needs.	The Council's ambition through the Accommodation with Care Strategy is to develop a range of housing options across the county. Extra care is an additional housing option primarily aimed at older people.	Ensure that an appropriate mix of accommodation is developed in local areas to cater for the range of needs experienced by older people.	This will be implemented as new extra care settings are developed across the county.	The Extra Care Strategy Team will lead on ensuring greater diversity of options is available
+ Flexible care that can adapt to individual needs, enabling older people to live in extra care settings for the rest of their lives with a lower risk of transfers elsewhere (e.g. residential care) due to care emergencies	Care packages can be better tailored to individual needs within extra care settings with the provision of shared emergency care and flexible personalised care. This will prevent the necessity for many individuals to move as their needs change, and minimise the risks of transfers elsewhere in response to a crisis.	The establishment of a flexible care and support commissioning offer to go alongside the provision of accommodation.	This will be implemented as new extra care settings are developed across the county.	The Extra Care Strategy Team
+ Accommodation that offers longevity with purpose-built buildings for older people that are fit for the future	SCC developments will be newly built to a design standard that meets the needs of an ageing population and enables future modification. SCC will work to ensure that any accommodation they develop is in the right location and will meet people's changing needs.	Clear design briefs for SCC developments, incorporating requirements for accessibility and adaptability, will be key to the tender documentation for SCC owned sites. Clear best practice expectations will also be developed and published for the independent sector and local authority planners, to assist with design documentation for planning applications.	This will be ongoing as new housing options are delivered.	The Extra Care Strategy Team and Property Services.

<p>+ Older people will benefit from access to communal facilities on site and nearby facilities, which will help to reduce social isolation and loneliness</p>	<p>Older people are more likely than their younger counterparts to suffer from loneliness or social isolation, particularly if they live alone and reside in locations set away from communities. While this is widely researched as an issue, the NHS website states the following:  <a href="https://www.nhs.uk/conditions/stress-anxiety-depression/loneliness-in-older-people/">https://www.nhs.uk/conditions/stress-anxiety-depression/loneliness-in-older-people/</a></p>	<p>Future extra care settings will feature an array of communal facilities, which will allow residents to regularly engage with each other and visitors, they will be set clearly in the heart of local communities with nearby transport routes.</p>	<p>This will be implemented as new extra care settings are developed across the county.</p>	<p>The Extra Care Strategy Team and Property Services.</p>
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**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?**

The Older People’s Commissioning programme – including the following areas of work:

- Review of the sourcing function for older people’s care and support, including eligibility and referral processes for extra care
- The recommissioning of home based care, upon which planned care delivery on extra care sites will be monitored
- Technology Enabled Care (TEC) programme, including telecare and other assistive technology that may be required by people living in extra care settings
- Engagement with local authority planners on future care developments, linked to a wider market shaping strategy

Wider commissioning arrangements with regard to aids and adaptations to property is also a dependency over the course of the Accommodation with Care Strategy’s lifetime.

Surrey County Council operational practice amongst social care teams with regard to the promotion of extra care, as opposed to care homes and other more restrictive settings, will be crucial in ensuring that appropriate people are referred to become tenants. This will be linked to the wider cultural shift of engaging with people through a strength-based approach to support them in their community.

Surrey County Council is currently reviewing its asset and property portfolio as part of its Asset and Place Strategy. As part of this strategy a pipeline of SCC-owned sites will be identified that can be developed for extra care schemes. In addition, over the course of the Accommodation with Care Strategy life cycle, other opportunities may be explored with strategic partners and the extra care market in order to maximise the development of appropriate new extra care sites across the county.

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

None known

## DISABILITY

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

In order to be defined as eligible for extra care housing, potential occupants will need to be recognised as requiring a minimum level of care and support alongside requiring suitably configured accommodation. The needs warranting this requirement may be due to physical disabilities, frailty, sensory impairments or loss, or mental health problems (including cognitive impairments due to dementia or other conditions).

As stated in the “Age” section above, extra care can operate both as an appropriate setting to meet current needs, and as a proactive choice of long-term living arrangement. As a result the extra care population is diverse with regard to disability, with the following “primary support reasons” amongst residents known to Surrey County Council as at 4 September 2020 (source: LAS):

Primary support reason	No.	%
Learning disability	14	6.11%
Mental health support	21	9.17%
Physical support	175	76.42%
Sensory disabilities and impairment	6	2.62%
Social isolation/other	11	4.80%
Unknown	2	0.87%

In response to these needs the majority receive a home based care service (80%), while a small minority pay for care and support through a direct payment (4%). Although just over 16% do not receive a service funded by Surrey County Council, this is likely due to their status as self-funders of care and support or their status as cohabiting carers of residents.



# Equality Impact Assessment

It is important to note that 30% of the extra care residents known to Surrey County Council have been recognised as having a communication need, whether relating to hearing loss or dual sensory loss, learning disability or visual impairment.

<b>Impacts (Please tick or specify)</b>	Positive		Negative		Both	X
<b>Impacts identified</b>	<b>Supporting evidence</b>		<b>How will you maximise positive/minimise negative impacts?</b>	<b>When will this be implemented by?</b>		<b>Owner</b>
+ Extra care settings provide an environment that is built fundamentally with accessibility and adaptability in mind to support people with physical and sensory disabilities and cognitive impairments	Extra care settings will be built to best practice principles with regard to accessibility and design.		Clear design briefs for SCC developments, incorporating requirements for accessibility and adaptability, will be key to the tender documentation for SCC owned sites. Clear best practice expectations will also be developed and published for the independent sector and local authority planners, to assist with design documentation for planning applications.	This will be on-going as new housing options are delivered.		The Extra Care Strategy Team and Property Services.
+ Flexible care will be delivered in extra care settings that can adapt to individual needs, enabling people with disabilities to live in extra care settings for the rest of their lives with a lower risk of transfers elsewhere (e.g.	Care packages can be better tailored to individual needs within extra care settings with the provision of shared emergency care and flexible personalised care. This will prevent the necessity for many individuals to move as their needs change, and minimise the risks of		The establishment of a flexible care and support commissioning offer to go alongside the provision of accommodation.	This will be implemented as new extra care settings are developed across the county.		The Extra Care Strategy Team

<p>residential care) due to care emergencies</p>	<p>transfers elsewhere in response to a crisis.</p>			
<p>+ Extra care settings not only support the efficient delivery of a care service on-site but also positive relationships with health partners to support people with complex care needs associated with a disability</p>	<p>While extra care settings will include flexible facilities that could be used by visiting health services, providers will be expected to actively support people with their access to universal and specialist health care.</p>	<p>Primary and secondary care providers (GPs, dentists, community health providers etc) will be engaged with during the development of new extra care settings. Future operators of the settings will be expected to engage with them routinely, in direct response to residents' needs.</p>	<p>This will be delivered throughout the lifespan of the Strategy.</p>	<p>The Extra Care Strategy Team and (once settings are operational) social care Locality Team staff</p>
<p>- People with communication needs may not be made aware of the opportunities presented by extra care settings, or may not apply to be referred, because the communication method used is inappropriate, and extra care settings may not be responsive to their needs once they become residents</p>	<p>Information on the communication needs of current extra care residents provides an indication of the communication needs of people who may benefit from extra care in the future</p>	<p>The tender documentation and contractual expectations for new extra care settings will be clear on the need for housing managers and care providers to engage with people through a variety of communication approaches</p>	<p>This will be delivered throughout the lifespan of the Strategy.</p>	<p>The Extra Care Strategy Team and (once settings are operational) social care Locality Team staff</p>
<p>- While efforts will be made to maximise the number of fully-wheelchair accessible accommodation units on</p>	<p>Extra care developments, due to site size limitations and management of costs, very rarely offer 100% of their units as fully</p>	<p>The Extra Care Strategy Team and Property Team will work to ensure that the number of fully wheelchair accessible units available is proportionate to the needs</p>	<p>This will be delivered throughout the lifespan of the Strategy.</p>	<p>The Extra Care Strategy Team and Property Services.</p>

# Equality Impact Assessment

<p>individual extra care sites (as defined in building regulations under M4(3)), due to the need to ensure that sites are viable there will be a limit to the number of these types of units.</p>	<p>wheelchair accessible dwellings as per building regulations M4(3).</p>	<p>of future residents, both on an individual setting basis but also as an offer across the county as sites are developed.</p>		
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b>  <b>Are there any dependencies decisions makers need to be aware of?</b>          As per those identified in the “Age” section.</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why.</b>          None known</p>				

## GENDER REASSIGNMENT

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

Population statistics on gender reassignment are very limited, particularly because the 2011 census (from which population projections are usually produced) did not collect appropriate information – the only question on gender was in relation to sex being male or female (source: <https://www.ons.gov.uk/census/censustransformationprogramme/questiondevelopment/genderidentity>).

It is expected that this will change with the inclusion of a question on gender identity in the 2021 census, which will collect information on those whose gender is different from their sex assigned at birth. Of course, any information from this census will be factored into future iterations of the Extra Care Equality Impact Assessment.

SCC Adult Social Care does not specifically record whether individuals are undergoing gender reassignment as a reportable aspect of their care records. There is therefore no current way to reliably calculate the number of people, with this protected characteristic, who may be impacted by the changes of the extra care element of the Accommodation with Care Strategy.

Impacts (Please tick or specify)	Positive		Negative		Both	<b>X</b>
<b>Impacts identified</b>	<b>Supporting evidence</b>		<b>How will you maximise positive/minimise negative impacts?</b>	<b>When will this be implemented by?</b>		<b>Owner</b>
+ People in extra care settings will live in self-contained apartments including dedicated toileting and bathroom facilities, allowing for privacy and dignity for any residents undergoing gender reassignment	Self-contained accommodation will allow for privacy, while the overall design ethos of extra care facilities is to flexibly suit changing needs, including the needs of people undergoing gender reassignment.		Ensure that the design and construction of extra care settings accommodates the needs of people undergoing gender reassignment alongside others who have protected characteristics	On-going during the lifespan of the Accommodation with Care Strategy.		The commissioning team are leading on the tenders for new extra care developments, and engagement with providers of extra care settings while they are in the

				process of being built
<p>- Risk of discrimination due to lack of awareness and training of people working at new extra care settings, reflecting what could be experienced elsewhere in society</p>	<p>Ongoing stigma related to gender reassignment within society</p>	<p>Extra care operators and support providers will be expected to be responsive to the needs of people undergoing gender reassignment, and support them without discrimination and ensure staff are appropriately trained.</p>	<p>On-going during the lifespan of the Accommodation with Care Strategy.</p>	<p>The commissioning team are leading on the tenders for new extra care developments (including housing management) and associated care contracts, and staff training delivery will be monitored over the life of these contracts.</p>
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b>  <b>Are there any dependencies decisions makers need to be aware of?</b>          None known</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b>          Residents in extra care settings may behave in a discriminatory manner to others, and efforts to change long held perceptions of people different to themselves may prove highly problematic or (particularly in the case of cognitive impairment) fruitless.          While abuse will of course be challenged and investigated, less direct examples of discrimination would be very difficult to police through existing policies and procedures.</p>				

**RACE**

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

Breakdowns on race in Surrey’s population are drawn from the 2011 census, and statisticians, according to Projecting Older People Population Information System (POPPI), have not made projections further forward than from this date as the figures would not be seen to be reliable. Bearing this in mind, the census gives the following racial breakdown of Surrey’s population aged 65 and over:

<b>Age</b>	<b>White</b>	<b>Mixed/ multiple ethnic group</b>	<b>Asian/ Asian British</b>	<b>Black/ African/ Caribbean/ Black British</b>	<b>Other Ethnic Group</b>
<b>65-74</b>	96.53%	0.39%	2.38%	0.30%	0.40%
<b>75-84</b>	97.72%	0.34%	1.54%	0.18%	0.21%
<b>85+</b>	99.00%	0.24%	0.58%	0.07%	0.11%
<b>Total 65+</b>	97.32%	0.35%	1.82%	0.22%	0.29%

This can be compared with the statistics drawn from the snapshot of extra care residents (below). While this reveals a more diverse population, it is notable that none of the residents identified as Black/African/Caribbean/Black British:

	<b>White</b>	<b>Mixed/ multiple ethnic group</b>	<b>Asian/ Asian British</b>	<b>Black/ African/ Caribbean/ Black British</b>	<b>Other Ethnic Group</b>
<b>Extra care residents - declared race</b>	93.52%	0.93%	3.70%	0.00%	1.85%

It should also be noted that this is not an absolutely complete picture, as 13 residents have not identified their race. The above is therefore indicative rather than an absolute reflection of the racial characteristics in the snapshot.

# Equality Impact Assessment

Impacts (Please tick or specify)	Positive		Negative		Both	X
Impacts identified	Supporting evidence		How will you maximise positive/minimise negative impacts?	When will this be implemented by?		Owner
+ Extra care settings will allow for the flexible use of facilities (including food provision) to accommodate a range of cultural activities related to race	The design requirements documentation used in extra care tenders require flexible spaces to be an integral part of any extra care development, while clear expectations are set in tender processes regarding anti-discriminatory practice		As part of contract management, extra care settings will need to demonstrate that they are responsive to the diverse needs of residents in the use of communal facilities, and provide a range of activities and (through kitchen facilities) appropriate food options.	On-going during the lifespan of the Accommodation with Care Strategy.		The commissioning team are leading on the tenders for new extra care developments, and engagement with providers of extra care settings while they are in the process of being built
- Risk of discrimination due to lack of awareness and training of people working at new extra care settings, reflecting what could be experienced elsewhere in society	Ongoing challenge in combating racism and discrimination within society, including in the delivery of care and support		Extra care operators and support providers will be expected to be responsive to the needs of people regardless of race, and support them without discrimination and ensure staff are appropriately trained.	On-going during the lifespan of the Accommodation with Care Strategy.		The commissioning team are leading on the tenders for new extra care developments (including housing management) and associated care contracts, and staff

				<p>training delivery will be monitored over the life of these contracts.</p>
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b>  <b>Are there any dependencies decisions makers need to be aware of?</b>          None Known</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b>          Residents in extra care settings may behave in a discriminatory manner to others, and efforts to change long held perceptions of people different to themselves may prove highly problematic or (particularly in the case of cognitive impairment) fruitless.          While abuse will of course be challenged and investigated, less direct examples of discrimination would be very difficult to police through existing policies and procedures.</p>				



## RELIGION OR BELIEF (INCLUDING LACK OF BELIEF)

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

As with the “Race” section above, while the Office for National Statistics Annual Population Survey has produced national statistics more recently, for a picture of religion or belief in Surrey the census figures for 2011 are regarded the only reliable source of information.

The 2011 census gives the following breakdown of Surrey’s population aged 65 and over:

Religion	Christian (all denominations)	Muslim	Hindu	Any Other Religion	No religion	Religion not stated
Surrey 65+	80.0%	0.6%	0.5%	0.9%	10.0%	8.0%

Source: Surrey-i

This can be compared with the statistics drawn from the snapshot of extra care residents (below). It should be noted that almost a fifth of the residents either did not respond to questions on religion or belief.

Religion	Christian (all denominations)	Muslim	Hindu	Any Other Religion	No religion	Religion not stated
Extra care	65.5%	1.7%	0.9%	2.6%	10.9%	18.3%

Impacts (Please tick or specify)	Positive		Negative		Both	X
Impacts identified	Supporting evidence		How will you maximise positive/minimise negative impacts?	When will this be implemented by?		Owner
+ Extra care settings will allow for the flexible use of facilities (including food provision) to	The design requirements documentation used in extra care tenders require flexible spaces to be an integral part of any extra care development, while clear		As part of contract management, extra care settings will need to demonstrate that they are responsive to the diverse	On-going during the lifespan of the Accommodation with Care Strategy.		The commissioning team are leading on the tenders for new

<p>accommodate a range of religions and beliefs</p>	<p>expectations are set in tender processes regarding anti-discriminatory practice</p>	<p>needs of residents in the use of communal facilities, and provide a range of activities and (through kitchen facilities) appropriate food options.</p>		<p>extra care developments, and engagement with providers of extra care settings while they are in the process of being built</p>
<p>- Risk of discrimination due to lack of awareness and training of people working at new extra care settings, reflecting what could be experienced elsewhere</p>	<p>Ongoing challenge in combating racism and discrimination within society, including in the delivery of care and support</p>	<p>Extra care operators and support providers will be expected to be responsive to the needs of people regardless of religion or belief (including lack of belief), and support them without discrimination and ensure staff are appropriately trained.</p>	<p>On-going during the lifespan of the Accommodation with Care Strategy.</p>	<p>The commissioning team are leading on the tenders for new extra care developments (including housing management) and associated care contracts, and staff training delivery will be monitored over the life of these contracts.</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?**  
 None Known

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

Residents in extra care settings may behave in a discriminatory manner to others, and efforts to change long held perceptions of people different to themselves may prove highly problematic, particularly in the case of cognitive impairment. While abuse will of course be challenged and investigated, less direct examples of discrimination would be very difficult to police through existing policies and procedures.

## SEX

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

The Office for National Statistics subnational population projections, as published in May 2018, present the following information regarding the sex of people aged 65 and over in Surrey:

Age	2020		2025		2030		2035	
	Female %	Male %	Female %	Male %	Female %	Male %	Female %	Male %
65-69	51.7%	48.3%	51.5%	48.5%	51.1%	48.9%	51.4%	48.6%
70-74	52.8%	47.2%	52.8%	47.2%	52.3%	47.7%	52.1%	47.9%
75-79	53.8%	46.2%	53.7%	46.3%	53.6%	46.4%	53.2%	46.8%
80-84	55.8%	44.2%	55.5%	44.5%	55.2%	44.8%	55.0%	45.0%
85-89	59.6%	40.4%	58.4%	41.6%	57.7%	42.3%	57.4%	42.6%
90 and over	65.0%	35.0%	62.4%	37.6%	60.4%	39.6%	59.4%	40.6%
Total 65+	54.6%	45.4%	54.3%	45.7%	53.9%	46.1%	53.8%	46.2%

The female/male breakdown in the extra care snapshot is variable, but in general the number of female residents is almost twice that of male residents:

Extra care setting	Female %	Male %
Aldwyn Place	60.0%	40.0%
Anvil Court	73.7%	26.3%
Beechwood Court	42.4%	57.6%
Brockhill	74.1%	25.9%
Chestnut Court	62.5%	37.5%
Dray Court	78.9%	21.1%

# Equality Impact Assessment

Falkner Court	62.5%	37.5%
Huntley House	63.3%	36.7%
Japonica Court	84.6%	15.4%
Mitchison Court	64.5%	35.5%
Riverside Court	63.3%	36.7%
<b>% overall</b>	<b>63.3%</b>	<b>36.7%</b>

While there are potential reasons for this – Surrey’s Joint Strategic Needs Assessment notes that women have double the risk of developing frailty (9.6%) compared to men (5.2%), and are statistically likely to experience a 40% loss of mobility between the ages of 75 and 85 – further investigation is needed to understand why the population living in extra care contains more females than in the population in general, particularly as the proportion of men in the older age groups is projected to increase in the coming decades.

The average age of residents also varies according to sex – female residents in the snapshot have an average age of almost 81, while the equivalent for male residents is 73.

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<b>Impacts (Please tick or specify)</b>	Positive		Negative		Both	<b>X</b>
<b>Impacts Identified</b>	<b>Supporting evidence</b>		<b>How will you maximise positive/minimise negative impacts?</b>	<b>When will this be implemented by?</b>	<b>Owner</b>	
+ People in extra care settings will live in self-contained apartments including dedicated toileting and bathroom facilities, allowing for privacy and dignity for residents regardless of sex	The design requirements documentation used in extra care tenders are clear on the requirements for individual units of extra care accommodation		Ensure that no discriminatory practice exists with regard to the provision of accommodation and associated facilities, including equipment and adaptations	On-going during the lifespan of the Strategy.	The commissioning team are leading on the tenders for new extra care developments, and engagement with providers of extra care settings while they are in the	

				process of being built and during their operational lifetime.
- Risk (based on existing data) of inequitable referral outcomes for extra care on the basis of sex	Current data indicates an extra care population where females make up a higher percentage than in other housing settings in Surrey	Ensure that no discriminatory practice exists with nomination processes and decision making, and that extra care settings are promoted in a way that is appealing to both men and women	On-going during the lifespan of the Strategy.	The commissioning team will engage regularly with providers of extra care settings while they are in the process of being built and during their operational lifetime. In partnership with operational colleagues, they will also liaise with housing authorities and extra care providers regarding nominations and referral processes.
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b></p> <p><b>Are there any dependencies decisions makers need to be aware of?</b></p> <p>None known</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p> <p>None known</p>				

## SEXUAL ORIENTATION

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

The Office for National Statistics Annual Population Survey presents the following estimates for sexual orientation amongst people aged 65+ in the South East of England, as at 2018:

Sexual orientation – 65+ South East England 2018	%
Heterosexual or straight	96.4
Gay or lesbian	0.4
Bisexual	0.3
Other	0.5
Don't know or refuse	2.4

Source: <https://www.ons.gov.uk/peoplepopulationandcommunity/culturalidentity/sexuality/bulletins/sexualidentityuk/2018>

The equivalent information is almost non-existent for extra care residents, as for the vast majority of cases, sexual orientation was not recorded by Surrey County Council. As per the snapshot:

Sexual orientation – extra care	%
Heterosexual	3.9%
Not Disclosed	1.3%
Not Recorded	94.8%

Impacts (Please tick or specify)	Positive		Negative		Both	X
Impacts Identified	Supporting evidence		How will you maximise positive/minimise negative impacts?	When will this be implemented by?		Owner
+Extra care accommodation will be managed in line with all equalities legislation ensuring that all residents receive services and support appropriately and regardless of sexual orientation.	As extra care housing will be tenancy based, individuals' rights in relation to housing are protected under the Equality Act 2010		Extra care housing managers and care providers will be expected to deliver services in compliance with equalities legislation, including equal access to quality services for all, regardless of sexual orientation. Contracts will be regularly monitored to ensure compliance over the operational lifetime of the extra care settings.	On-going during the lifespan of the Strategy.		The Extra Care Strategy Team will be responsible for ensuring compliance by housing and care providers
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b></p> <p><b>Are there any dependencies decisions makers need to be aware of?</b></p> <p>None known</p>						
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p> <p>Residents in extra care settings may behave in a discriminatory manner to others, and efforts to change long held perceptions of people different to themselves may prove highly problematic, particularly in the case of cognitive impairment.</p> <p>While abuse will of course be challenged and investigated, less direct examples of discrimination would be very difficult to police through existing policies and procedures.</p>						



## MARRIAGE / CIVIL PARTNERSHIPS

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

The Office for National Statistics has observed that, while the proportion of people married in the population as a whole has been in decline over the last decade, while the single population has been increasing, the picture amongst people aged 70s shows a different trend. Instead, despite a modest rise in the divorced population, the proportion of people aged 70 years and over who are married has been increasing at a greater rate.

A simple breakdown of the ONS data for England and Wales in 2018 is presented below:

Marital status	Single %	Married %	Divorced %
65-69	7.8	67.4	15.0
70-74	5.7	66.7	12.2
75-79	4	58	11.2
80-84	3.4	51.1	6.3
85+	3.6	35.9	6.5

Information on the marital status of extra care residents known to Surrey County Council is as follows:

Marital status extra care	Single %	Married* %	Widowed %	Divorced %	Not recorded %
Extra care	19.2	20.5	17.0	9.6	33.6

\* "Married" includes people who have identified themselves as married (19.2%) or separated (1.3%)

While the percentage of known residents without a recorded marital status is high, it is not particularly clear how these figures, which include "Widowed" as a status, should be compared to the ONS statistics, given the different recording practices involved.

Impacts (Please tick or specify)	Positive	X	Negative		Both	
Impacts Identified	Supporting evidence		How will you maximise positive/minimise negative impacts?	When will this be implemented by?		Owner
+ Extra care settings will include a mix of 1 and 2 bedroom units, which will enable cohabiting people (of whatever marital status) to continue to live together in self-contained accommodation if this is their choice	Design requirements documents stipulate the need for a mix of 1 and 2 bedroom units in extra care settings		Nominations agreements and referral processes have been designed with flexibility to allow people to cohabit in extra care accommodation. No discrimination will be made on the basis of marital status.	On-going during the lifespan of the Strategy.		The Extra Care Strategy Team and (once nominations processes are operational) social care Locality Team staff, in partnership with local housing authorities and extra care providers
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b></p> <p><b>Are there any dependencies decisions makers need to be aware of?</b></p> <p>None known</p>						
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p> <p>None known</p>						

## CARERS

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

Surrey County Council's Joint Strategic Needs assessment on Adult Carers provides significant amounts of information on Adult Carers: <https://www.surreyi.gov.uk/jsna/adult-carers/>

It states that the number of carers aged 65 and over living in Surrey is expected to increase by 17.6% from 2016 to 2025, while the number of carers aged 85 and over is expected to increase by 31.2% over the same period.

Of the extra care residents currently known to Surrey County Council, 7.7% have identified themselves as either being carers or as having caring responsibilities. While this could be due in some cases to current residents' personal circumstances (e.g. they have been socially isolated, or no longer have caring responsibilities following the death of a person they cared for), it may also point to underreporting in statistics, or because many residents simply haven't regarded themselves as a carer, even though they deliver care and support to others.

Impacts (Please tick or specify)	Positive	X	Negative		Both	
Impacts Identified	Supporting evidence		How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner	
+ New extra care settings will include a mix of 1 and 2 bedroom units, which may enable people to continue to care for the person in need of care and support in self-contained accommodation if this is their choice	Design requirements documents stipulate the need for a mix of 1 and 2 bedroom units in extra care settings		Nominations agreements and referral processes have been designed with flexibility to allow people to cohabit in extra care accommodation, where either one or both of the residents has eligible needs. No discrimination will be made on the basis of marital status.	On-going during the lifespan of the Strategy.	The Extra Care Strategy Team and (once nominations processes are operational) social care Locality Team staff, in partnership with local housing authorities and extra care providers	

<p>+ People will benefit from access to communal facilities on site and nearby facilities, which will help to reduce social isolation and loneliness amongst people with caring responsibilities</p>	<p>People with caring responsibilities are risk of suffering from loneliness or social isolation, and the availability of communal facilities and activities on site will help to mitigate this. The facilities will also be outward facing, and welcome visitors in a caring role as well as cater for people and their carers who live at the setting.</p>	<p>Future extra care settings will feature an array of communal facilities, which will allow residents to regularly engage with each other and visitors, and they will be set clearly in the heart of local communities with nearby transport routes. Housing managers and care providers will also be expected to be carer aware through training and work to support people in their caring roles.</p>	<p>This will be implemented as new extra care settings are developed across the county.</p>	<p>The Extra Care Strategy Team</p>
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b></p> <p><b>Are there any dependencies decisions makers need to be aware of?</b></p> <p>The Adult Social Care Strategy for Carers, in particular the development of carer friendly communities and the encouragement of carer aware health and social care provider services that are able to identify carers and refer them to sources of preventative support, including support for their psychological and social wellbeing.</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p> <p>None known</p>				

## 3. Amendments to the proposals

CHANGE	REASON FOR CHANGE
No changes to the proposals have been identified as a result of undertaking the EIA	-

## 4. 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.

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Outcome Number	Description	Tick
<b>Outcome One</b>	<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	
<b>Outcome Two</b>	<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?	<b>X</b>
<b>Outcome Three</b>	<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>	
<b>Outcome Four</b>	<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> ).	

<p><i>Please use the box on the right to explain the rationale for your recommendation</i></p>	<p>Engagement will be needed with potential future residents of extra care, regarding:</p> <ul style="list-style-type: none"> <li>• Cultural and faith needs</li> <li>• Communication needs</li> <li>• Maintaining dignity and respect</li> <li>• Dietary requirements</li> <li>• Accessibility requirements (e.g. the number of wheelchair accessible units required in various locations)</li> <li>• How best to maintain an inclusive environment that maximises independence</li> <li>• Referral routes for people interested in becoming an extra care resident</li> </ul> <p>While this engagement will help to identify actions to respond to impacts identified in this EIA, it will allow the Extra Care Strategy Team to:</p> <ul style="list-style-type: none"> <li>• Better understand current expectations for extra care in general</li> <li>• Set clear guidance and objectives for housing managers and care providers delivering services at newly opened sites, and</li> <li>• Inform future approaches to promoting extra care settings to people with care and support needs living in Surrey.</li> </ul>
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## 5a. Version Control

Version Number	Purpose/Change	Author	Date
V0.1	Initial draft	John Woodroffe	11/9/20
V0.2	Amended from initial feedback	John Woodroffe & Kathryn Pyper	1/10/20

*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.*

## 5b. Approval

	Name	Date approved
<b>Approved by*</b>	<i>Head of Service</i>	
	<i>Executive Director</i>	
	<i>Cabinet Member</i>	
	<i>Directorate Equality Group</i>	

<b>EIA Author</b>	John Woodroffe, Senior Commissioning Manager
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*\*Secure approval from the appropriate level of management based on nature of issue and scale of change being assessed.*

## 5c. EIA Team

Name	Job Title	Organisation	Team Role
Kathryn Pyper	Senior Programme Manager	Adult Social Care, Surrey County Council	Directorate Equalities Group chair

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**SURREY COUNTY COUNCIL****CABINET****DATE: 25 JULY 2023**

**REPORT OF CABINET MEMBER:** **MARK NUTI, CABINET MEMBER FOR ADULTS AND HEALTH**  
**NATALIE BRAMHALL, CABINET MEMBER FOR PROPERTY AND WASTE**

**LEAD OFFICER:** **LIZ BRUCE, EXECUTIVE DIRECTOR FOR ADULT SOCIAL CARE AND INTEGRATED COMMISSIONING**  
**LEIGH WHITEHOUSE, DEPUTY CHIEF EXECUTIVE AND EXECUTIVE DIRECTOR OF RESOURCES**

**SUBJECT:** **EXTRA CARE HOUSING – PHASE 2 DELIVERY**

**ORGANISATION STRATEGY PRIORITY AREA:** **GROWING A SUSTAINABLE ECONOMY SO EVERYONE CAN BENEFIT/ TACKLING HEALTH INEQUALITY/ENABLING A GREENER FUTURE/ EMPOWERING COMMUNITIES**

<b>Purpose of the Report:</b>
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A report was presented to Cabinet in July 2019, which set out Adult Social Care's (ASC) Accommodation with Care and Support Strategy for delivering Extra Care Housing for older persons and Independent Living schemes for adults with a learning disability and/or autism<sup>1</sup>.

This report sets out Surrey County Council's (the Council) proposed delivery approach for three sites proposed for Extra Care Housing and will form Phase 2 of the delivery programme. This will support our strategy to deliver Accommodation with Care and Support by 2030 to enable people to access the right health and social care at the right time in the right place, with appropriate housing for residents that helps them to remain independent and ensures nobody is left behind.

<b>Recommendations:</b>
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It is recommended that Cabinet:

1. Grants approval to proceed with the design and construction of Extra Care Housing at three identified Council-owned sites in Reigate and Banstead, Runnymede and Tandridge within the capital funding envelope set out in the Part 2 report. The sites are as follows:
  - Former Orchard Court Care Home, East Grinstead Road, Lingfield, RH7 6ET
  - Former Birchlands Care Home, Barley Mow Road, Englefield Green, Egham, TW20 0NP
  - Colebrook, Noke Drive, Redhill, RH1 1PT

<sup>1</sup> [Adult Social Care Accommodation with Care and Support Strategy for Extra Care Housing for Older People and Independent Living Schemes for Adults with a Learning Disability and/or Autism](#)

2. Approves external delivery of affordable Extra Care Housing at the three sites through a tender for a strategic development and housing management partner(s) as the preferred option. This will be in the form of a design, build, fund and operate (DBFO) model.
3. Grants delegated authority for contract award to the following Council officers:
  - Deputy Chief Executive and Executive Director for Resources in consultation with the Cabinet Member for Resources and Cabinet Member for Property and Waste.
  - Executive Director for Adult Social Care in consultation with Cabinet Member for Adult Social Care.
  - Director, Land and Property.
4. Notes that a separate procurement process will be conducted to identify onsite support and care provision to avoid long-term support and care provision being tied into the development and housing management contract.

<b>Reason for Recommendations:</b>
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The development of Extra Care Housing on the three sites set out in this report will represent an important contribution towards the Council's strategic objective to expand affordable Extra Care Housing provision by 2030.

Tendering for a strategic development and housing management partner(s) to take forwards the development of Extra Care Housing on the sites is consistent with previous decisions made by Cabinet. In October 2019, July 2020, October 2020 and July 2022 Cabinet agreed to identify a strategic partner(s) for the development and housing management of Extra Care Housing at the former Pond Meadow School, the former Brockhurst Care Home, the former Pinehurst Care Home, Cuddington (formerly known as Salisbury Road), Lakeside and Bentley sites through tendering processes.

There are multiple benefits for the Council from developing Extra Care Housing on the sites. These include:

- Accessing economies of scale from delivering Extra Care Housing across more settings, which is likely to lead to a more commercially favourable response for the Council.
- Fulfilling significant resident demand for affordable specialist accommodation in the districts.
- Limiting the capital investment required by the Council and in doing so limiting the costs of borrowing within the Council's Medium Term Financial Strategy.
- The new Extra Care Housing settings will house residents from existing affordable housing as well as residential care settings, which will free up availability of affordable housing within the local districts and boroughs.

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

The other option available is for the Council to directly deliver the Extra Care Housing scheme at the sites. This would involve the Council committing significant capital expenditure and be responsible for the ongoing housing management function of the Extra Care Housing settings. This option is not recommended as it is anticipated to be significantly less financially beneficial to the Council and would likely take longer to deliver given that there is already a well-established approach for the Council tendering for a strategic

development and housing management partner on a DBFO basis. Financial modelling for both options is commercially sensitive at this time and is set out in the Part 2 report.

## **Executive Summary:**

### **Surrey County Council's Approach to Extra Care Housing**

1. The sites owned by the Council and identified for Extra Care Housing are:
  - a. Former Orchard Court Care Home, East Grinstead Road, Lingfield, RH7 6ET
  - b. Former Birchlands Care Home, Barley Mow Road, Englefield Green, Egham, TW20 0NP
  - c. Colebrook, Noke Drive, Redhill, RH1 1PT
2. In February 2022, Cabinet agreed to close the Council's in-house homes for Older People and "explore opportunities for developing the sites for alternative adult social care services". This included the former Orchard Court and Birchlands Care Homes. It was also agreed that "the alternative use of any site will be prioritised in the context of Adult Social Care's Accommodation with Care & Support Strategy". The recommendations in this report support this.
3. Whilst the consultation to close Orchard Court resulted in a decision to explore alternative adult social care use "or a joint development in partnership with the NHS or other organisations", the outcome of the feasibility assessment is that the whole site is required for the delivery of Extra Care Housing.
4. The vacant Colebrook site offers more land than is required for affordable Extra Care Housing (ECH). The southern part of the site has been identified as suitable for the delivery of ECH which releases the rest of the site for other use(s). The northern part of the site is being considered for the reinstatement of community use and affordable Essential Worker Housing. The determination of use(s) on the northern part are yet to be agreed but it is essential that a coordinated approach is adopted for the whole site to ensure that development can progress. For this reason, both parts of the site will be considered as part of the Planning Strategy to ensure they are aligned.
5. ASC's Accommodation with Care and Support Strategy agreed by Cabinet in July 2019 set out the ambition to develop an additional 725 affordable units of Extra Care Housing in Surrey by 2030.
6. Extra Care Housing must be an enabling and accessible environment which makes independent living possible for older people with a spectrum of care needs, including those with dementia and other cognitive impairments. Its design and nature should mean that it is a "Home for Life", in most cases people should be able to maintain their tenancies and live comfortably and with dignity without needing to go into residential and nursing care homes when their care needs increase. The key principles of Extra Care Housing can be found in Annex 1.
7. Initial feasibility sketches based on planning feedback and a review of the local area show that these three sites could provide circa 219 affordable Extra Care Housing units. In total this means that, if Cabinet were to approve plans to develop Extra Care Housing at the three Phase 2 sites, when combined with the planned developments already approved, that there are plans to deliver circa 80% of the Council's strategic ambition.

8. National evidence and learning from Extra Care Housing schemes already used by the Council demonstrates the importance of maintaining an appropriate mix of needs of people living in schemes. The Council intends to operate a waiting list system to ensure appropriate nominations and care mix can be achieved and maintained through the life of the schemes. This will be essential to mitigate the risk of voids.
9. The Council's focus is on developing Extra Care Housing schemes that deliver affordable units for individuals with eligible ASC needs that the Council is required to support. As such, the default approach is to develop 100% affordable schemes whereby the Council has nomination rights for all of the units. To meet the Council's definition of affordability, rents and eligible service charges must be fundable through housing benefit.
10. An alternative tenure model would only be considered for a site if development of a 100% affordable scheme on the site was not a realistic option. These Extra Care Housing schemes, along with those already approved, are proposed to be a 100% affordable tenure model.
11. A separate procurement process will be conducted to identify onsite support and care provision to avoid long-term support and care provision being tied into the development and housing management contract. A report outlining the Care and Support Strategy is being presented to Cabinet in July 2023 alongside this report.

#### **Consultation:**

12. The consultation for this report builds on the previous discussions that have occurred during the lifespan of this programme, as outlined in previous Cabinet reports.
13. A preliminary pre-application meeting has been carried out with the Council's Reg 3 planning departments based on the intended use for the sites.
14. During pre-tender engagement with market providers, it was strongly supported to bundle multiple sites together to ensure that the programme was attractive. In addition, the market consultation outlined that for the Council to secure a reasonable level of interest and achieve commercial viability that early-stage design and outline Planning should be secured and therefore de-risk the sites to ensure they are market ready.
15. In advance of publishing this report, briefing notes have been circulated to the Adults and Health Select Committee, the local Surrey County Councillors for Englefield Green, Lingfield and Redhill and senior planning and housing officers in Reigate and Banstead, Runnymede and Tandridge Borough Councils. Briefing meetings will be arranged with the relevant district and borough ward councillors and senior officers as required.

#### **Risk Management and Implications:**

16. There is a risk that there may not be sufficient interest from the market to develop the schemes on the basis that the Council proposes. The Council has however undertaken extensive market engagement and learning will be available from the previous ECH (Phase 1a & 1b) tenders to inform the procurement.

- 17. There is a risk that once these sites have been launched the Council is unable to identify ASC funded residents for all of the affordable units. Void units would diminish the savings realised for ASC in Extra Care Housing compared to alternative forms of care, which would mean the Council would not be making best use of the land. It is also likely that in order to provide safeguards for the external housing partner who will be funding the majority or all of the capital development cost, the Council will be required to enter into a void agreement for an agreed period of time, whereby if voids fall below a certain level the Council would be required to cover the rental income for these units or potentially allow them to be offered to alternative users. To mitigate against these risks, ASC will seek to identify individuals suitable for Extra Care Housing a year in advance of each site's completion. This will provide adequate time to work with our own ASC operational teams, the future residents, their families, friends and carers to prepare them for occupying the flats once they are available. A full marketing strategy will be implemented to promote interest in the schemes and provide a waiting list of suitable residents.
- 18. Once the schemes are operational, ASC will continue to operate a nominations panel with district and borough colleagues to ensure any vacancies that occur are utilised as quickly as possible and that an appropriate mix of care needs is maintained across the sites.
- 19. Planning risk exists with all developments, and this is the case with these three sites. The appointed Planning Consultant has confirmed that each of the sites complies with Planning Policy and areas of concern have been mitigated in the early designs. Pre-Planning consultation remains ongoing and prior to the applications being submitted a full community consultation programme will be undertaken to ensure we address any local concerns that may arise. To support market interest in these projects, each scheme will be taken through the formal Outline Planning Permission stage to reduce the risk profile and de-risk key statutory factors, prior to procurement phases, thereby making them more attractive to the market and potential bidders.

**Financial and Value for Money Implications:**

- 20. As set out in the Accommodation with Care & Support Strategy presented to Cabinet in July 2019, the development of Extra Care Housing is expected to deliver financial savings compared to alternative forms of care for two main reasons:
  - a. The design and nature of Extra Care Housing settings means that in the vast majority of cases people should be able to live there throughout their remaining life and avoid the need to go into residential and nursing care homes when their care needs increase. Some admissions into more expensive residential and nursing homes will therefore be avoided.
  - b. The provision of care to people's own homes in Extra Care Housing settings is generally less expensive when compared to normal residences. This is due to a concentration of need within a bespoke housing setting, which allows care providers to minimise travel costs for care workers and more efficiently deploy staff to support extra care residents. The average number of hours of care are also typically lower for people in extra care settings.
- 21. Modelling based on the planned usage of the Council's new affordable Extra Care Housing units indicates that the Council should achieve savings of £5,100 per unit per year compared to traditional alternative forms of care. Plans drawn up for the

three schemes set out in this paper estimate that circa 219 units of Extra Care Housing can be accommodated on the sites. Therefore, total ASC care package efficiencies of just over £1m per annum are expected through the development of Extra Care Housing at the three sites (including expected voids).

22. These care package efficiencies will offset the revenue borrowing costs for capital expenditure that the Council is required to commit to developing the three sites through a DBFO external delivery model, with residual savings above those required to cover borrowing costs helping to mitigate pressures in Adult Social Care's care package budget. Full details of the financial modelling for the three sites are set out in the Part 2 report.
23. Beyond the direct savings to the Council, it is also important to recognise the wider financial benefits to the health and social care system. Evidence indicates that well-managed Extra Care Housing schemes will typically result in fewer people requiring admission to hospital. Not only is this of course very positive for people's wellbeing and independence, but it also reduces pressure on the health care system and avoids the higher levels of social care expenditure typically required following hospital discharge.

#### **Section 151 Officer Commentary:**

24. Significant progress has been made in recent years to improve the Council's financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.
25. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, 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 the stable provision of services in the medium term.
26. As such, the Section 151 Officer recognises the development of extra care housing will be important in helping to expand accommodation provision in the community to help older people maintain their independence. It is more cost effective than traditional alternative forms of care in line with Adult Social Care's vision for accommodation-based services. Plans to develop Extra Care Housing and the associated care package efficiencies have been factored into the Council's Medium Term Financial Strategy and will be updated based on the decision regarding the development of the proposed schemes at the three sites set out in this report.
27. If Cabinet approves the recommendation to proceed with development of extra care housing schemes on the three sites set out in this report, then in addition to effectively progressing the tender for a strategic housing development and management partner, it will be important to ensure the Council works closely and swiftly with the relevant district and borough councils to finalise nomination agreements for the affordable units. As work progresses towards completion it will then be essential that individuals are identified who are suitable to move into the affordable units as close to the sites becoming operational as possible. Once the new schemes are operational, it will be important to track the costs of care provision



across the affordable units and compare this to the modelled expenditure for affordable extra care so that this learning can be built into the proposed development of any further extra care schemes.

**Legal Implications – Monitoring Officer:**

28. Further to the report bought to Cabinet in July 2019 in relation to delivering Extra Care Housing for older persons and Independent Living schemes for adults with a learning disability and/or autism, this report identifies and sets out proposals to deliver Extra Care Housing at three Council-owned sites. Initial site feasibility and due diligence work has taken place and approval is now sought to proceed to the design and construction stage for these sites.
29. The Council as owner of the sites has extensive powers under legislation to facilitate the delivery strategy. These powers include provisions under Section 2(1) of the Local Authorities (Land) Act 1963, which provides that a local authority 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. As further site information becomes available legal advice should be sought to ensure the Council meets its legal obligations.
30. There are no significant legal implications at this stage related to procurement. Further detailed legal input will be provided as the project develops.
31. Cabinet is under fiduciary duties to residents in utilising public monies and in considering the proposals set out in this report Cabinet Members will want to satisfy themselves that it represents an appropriate use of the Council’s resources.

**Equalities and Diversity:**

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

**Other Implications:**

33. The potential implications for the following Council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

<b>Area assessed:</b>	<b>Direct Implications:</b>
Corporate Parenting/Looked After Children	No significant implications arising from this report
Safeguarding responsibilities for vulnerable children and adults	Improving the accommodation options available for people with care and support needs could have a positive impact in terms of safeguarding, ensuring that vulnerable adults can live within safe, secure environments with appropriate care and support services designed around them.
Environmental sustainability	The surveys listed below have either been completed or will be completed during RIBA Stage 2. The necessary surveys for RIBA Stage 1 – Feasibility have guided the design of

Area assessed:	Direct Implications:
	<p>this scheme. No impacts to the environment have been identified.</p> <ul style="list-style-type: none"> <li>• Arboriculture surveys</li> <li>• Archaeology DeskTop</li> <li>• Archaeology Survey ongoing</li> <li>• Asbestos R&amp;D and Asbestos Demolitions</li> <li>• Badger &amp; Bat Surveys</li> <li>• Botanical Survey</li> <li>• Drainage/Utilities</li> <li>• Ecology</li> <li>• Mammal Hole Monitoring</li> <li>• Topography</li> <li>• Redline Plan</li> <li>• Drainage CCTV</li> <li>• Ground Investigation – Desktop</li> <li>• Ground Source Heat Pump (GSHP) Desktop studies and site borehole tests</li> <li>• Flood Risk Assessment</li> <li>• Intrusive Ground Investigation: Geo-technical/Geo-environmental</li> <li>• Soil Investigation Survey</li> <li>• Transport Feasibility Survey</li> <li>• Underground Utilities Ground Penetrating Radar (GPR) Survey</li> </ul>
Compliance against net-zero emissions target and future climate compatibility/resilience	<p>Consistent with the Council's Net-Zero Carbon target, the buildings will be designed to be LETi Net Zero (London Energy Transformation Initiative) and future-proofed to be adapted and resilient to the impacts of climate change.</p> <p>The key features of an operationally net-zero carbon building include: high thermal efficiency, a low carbon heating system, and maximising the generation and use of on-site renewable energy.</p> <p>Materials and construction emissions will be reduced where feasible. The next design stages will address the Green Agenda within the budget allowance for the project and will design solutions to address the agenda, e.g.: Sustainable Drainage Systems, opportunities for rainwater harvesting, irrigation solutions, biodiversity net gain, landscape boundary treatments etc.</p> <p>Bidders will also be evaluated on the environmental implications of the proposed operation of the site and how they plan to maximise environmental benefits.</p>
Public Health	Accommodation with Care and Support can positively impact on public health outcomes, including reductions in social isolation and/or



Area assessed:	Direct Implications:
	loneliness; improved nutrition and hydration; increased wellbeing for residents participating in activities, such as exercise classes, and minimising the ill effects of fuel poverty and/or seasonal health risks.

### What Happens Next:

34. If Cabinet approves the recommendations in this report, we will undertake the following:

- Pre-Application (RIBA 1): Summer 2023
- Complete RIBA Stage 2 Design: September 2023
- Community Engagement Exercise: September/October 2023
- Planning Application submission: October 2023
- DBFO Contractor Procurement starts: January 2024

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### Consulted:

Cllr Mark Nuti, Cabinet Member for Adults and Health

Cllr Natalie Bramhall, Cabinet Member for Property and Waste

Adults and Health Select Committee

Reigate and Banstead, Runnymede and Tandridge Borough Councils; councillors and officers

Liz Bruce, Executive Director, Adult Social Care and Integrated Commissioning

Simon Crowther, Director, Land and Property

Surrey County Council Finance, Legal and Procurement officers

### Annexes:

Annex 1: Principles of Extra Care Housing

Annex 2: Extra Care Housing Equality Impact Assessment

Part 2 report

**Sources/background papers:**

Cabinet reports:

Oct 2019, Item 176/19: [Decision on the route to market for three identified extra care sites](#)

Jul 2019, Item 129/19: [Adult Social Care Accommodation with Care and Support Strategy for Extra Care Housing for Older People and Independent Living Schemes for adults with a learning disability and/or autism](#)

Jul 2020, Item 111/20: [Decision on the Change of Route to Market For Two Extra Care Housing Sites](#)

Oct 2020, Item 157/20: [Decision on the Route to Market for Two Extra Care Housing Schemes](#)

Feb 2022, Item 34/22: [The Future of Residential Care Homes for Older People Owned and Operated by Surrey County Council](#)

Jul 2022, Item 112/22: [Recommendation On The Delivery Model For Extra Care Housing At The Former Bentley Day Centre, Banstead Horseshoe, Reigate and Banstead](#)

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## PART 1 ANNEX 1 – THE KEY PRINCIPLES OF EXTRA CARE HOUSING

Extra Care Housing should:

- Enable people to remain in place
- Help people to self-care and promote independent living
- Be a base for day time activities and community based therapy
- Be domestic in nature and not resemble institutional environments like residential care homes, while being sympathetic to the architectural vernacular of its local area
- Provide a level of on-site support and care by staff which can scale to changing needs.

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

- Independently accessed (and metered) apartments or other dwellings
- A range of on-site communal facilities typically paid for by an additional service charge, which can be accommodated within locally agreed housing benefit levels
- Care and support required by the residents is provided by a separately registered domiciliary care agency registered by the Care Quality Commission (often based on site) and bought in by residents on an 'as needed' basis.
- A focus on accessibility and design quality principles
- Located in a sustainable location, close to the community and local amenities, e.g. shops, doctors, transport links.
- Technological infrastructure which helps people to maintain their independence, and which can be linked to assistive technology where needed



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<b>EIA Title</b>	Accommodation with Care Strategy – Extra Care			
<b>Did you use the EIA Screening Tool?</b> (Please tick or specify)	Yes (Please attach upon submission)		No	X

## 1. Explaining the matter being assessed

<p><b>What policy, function or service change are you assessing?</b></p>	<p>Now and in the coming years, Surrey County Council (SCC) faces unprecedented financial challenges in meeting care and support needs in Surrey. This is compounded by the demographic challenges and fragile provider market. The accommodation with care and support programme has been set up to respond to some of these challenges.</p> <p>The overall aim of the extra care element of the Accommodation with Care and Support Strategy (as set out in the SCC Cabinet report of 16 July 2019) is to address the current limited availability of extra care units in the county.</p> <p>Extra care (also known as “assisted living” when focused on the private market) is a particular housing model which focuses mainly on older people, and offers accessible and adaptable housing (under rental, shared ownership or leasehold arrangements) alongside formalised care services which can meet a range of needs on site and respond to care emergencies 24 hours a day, 7 days a week. Through a range of delivery approaches, ranging from SCC controlled delivery, tender processes and indirect support to appropriate private planning proposals, SCC aims to achieve the equivalent of 25 extra care units per 1,000 of Surrey’s 75+ population by the end of the decade.</p>
<p><b>Why does this EIA need to be completed?</b></p>	<p>The development and operation of new extra care capacity through the Accommodation with Care Strategy will involve changes to policies and functions amongst operational staff, and present new services to people living in Surrey, their carers and relatives.</p> <p>This EIA helps us to build up a profile of the existing users of extra care in Surrey, and from this profile consider how both current and future users of extra care may be affected by the extra care element of the Accommodation with Care Strategy.</p> <p>The anticipated impacts will be assessed with regard to those with protected characteristics, as identified under the Equality Act 2010. This is to identify actions to, where possible, mitigate any potential negative impacts, maximise positive impacts associated with the extra care programme and break down barriers to accessing these services.</p>

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<p><b>Who is affected by the proposals outlined above?</b></p>	<p>The proposals will affect:</p> <ul style="list-style-type: none"> <li>• Future users of publicly funded housing and support at extra care settings in Surrey, their relatives and carers</li> </ul>			
<p><b>How does your service proposal support the outcomes in <a href="#">the Community Vision for Surrey 2030</a>?</b></p>	<p>The delivery of high quality, sustainable care and support to vulnerable adults is vital for SCC to deliver the Community Vision for 2030.</p> <p>The overarching Accommodation with Care and Support Strategy, of which extra care housing delivery is a part, is focused on enabling people to access the right health and social care at the right time in the right place through the delivery of the most suitable accommodation with care and support for Surrey residents.</p> <p>Extra care will support the Community Vision for Surrey 2030 by addressing a gap in specialist accommodation provision for older people, which will offer appropriately designed, accessible and adaptable housing together with communal facilities and formalised care services on site. In so doing it will support the help to make Surrey a place where older people can “live healthy and fulfilling lives, are enabled to achieve their full potential and contribute to their community, and no one is left behind.”</p>			
<p><b>Are there any specific geographies in Surrey where this will make an impact?</b> (Please tick or specify)</p>	County Wide	<b>X</b>	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):			

<p><b>Briefly list what evidence you have gathered on the impact of your proposals?</b></p>	<p>In order to identify the impacts of the proposals, a snapshot has been taken of residents of extra care known to Surrey County Council as at 4 September 2020.</p> <p>As extra care as a housing with care model is primarily focused on older people (i.e. people aged 65 or over) wider indicators of need associated with older people in general will be examined alongside the snapshot data.</p> <p>It is clear from national studies (primarily led by the Housing LIN) that extra care settings can offer a long-term solution with regard to housing and care for older people where, due to disability or frailty, maintaining independence in mainstream housing settings is proving difficult. Studies have demonstrated that individuals living in extra care accommodation have better health and wellbeing outcomes when compared with others with similar needs in more restrictive care settings like residential and nursing care homes. Analysis conducted by Surrey County Council of care journeys experienced people living in extra care settings bears this out, and it is recognised that people are more likely to remain independently at their home for longer in these settings, with fewer admissions to hospital and at a reduced risk of care home admission, to equivalent populations living in mainstream accommodation.</p> <p>Other evidence gathered to inform this Equality Impact Assessment included:</p> <ul style="list-style-type: none"> <li>• Projecting Older People Population Information System (POPPI)</li> <li>• NHS website on conditions, stress, anxiety, depression and loneliness in older people</li> <li>• Data retrieved from LAS, as at 4 September 2020</li> <li>• 2011 census</li> <li>• Office for National Statistics Annual Population Survey</li> <li>• Surrey-i</li> <li>• Surrey's Joint Strategic Needs Assessment</li> </ul>
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## 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 (no impacts)
5. Race including ethnic or national origins, colour or nationality
6. Religion or belief including lack of belief
7. Sex
8. Sexual orientation
9. Marriage/civil partnerships
10. Carers protected by association

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

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



## AGE

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

According to Projecting Older People Population Information System (POPPI), while Surrey's population aged 65 and over is set to increase in the coming years, the population aged 85 and over is expected to increase the most as a proportion:

	2020		2025		2030		2035	
	No.	% of 65+	No.	% of 65+	No.	% of 65+	No.	% of 65+
People aged 65-69	57,300	24.7%	63,700	25.3%	74,400	26.5%	75,500	24.5%
People aged 70-74	59,900	25.8%	53,800	21.3%	60,000	21.4%	70,300	22.9%
People aged 75-79	44,300	19.1%	54,900	21.8%	49,800	17.7%	55,900	18.2%
People aged 80-84	33,500	14.5%	38,200	15.2%	47,800	17.0%	44,100	14.3%
People aged 85-89	22,500	9.7%	25,000	9.9%	29,300	10.4%	37,400	12.2%
People aged 90 and over	14,300	6.2%	16,500	6.5%	19,700	7.0%	24,400	7.9%
Total population 65 and over	231,800	100.0%	252,100	100.0%	281,000	100.0%	307,600	100.0%

Source: [www.poppi.gov.uk](http://www.poppi.gov.uk), as retrieved on 8 September 2020

In comparison, of the extra care residents known to Surrey County Council as at 4 September 2020, the largest proportion by age group at the settings is in the 85+ category, where acuity of care need and risk of emergency care is highest. Please see below:

Extra care setting	Average age	Up to 54	55-64	65-74	75-84	85+	Total
Aldwyn Place	75.6	2	2	3	6	5	18
Anvil Court	78.2	0	4	9	7	11	31
Beechwood Court	81.1	0	2	2	4	7	15
Brockhill	79.2	2	1	2	4	10	19
Chestnut Court	70.4	4	4	14	5	6	33
Dray Court	79.6	1	1	7	8	10	27
Falkner Court	80.9	0	0	2	4	2	8

Huntley House	89.9	0	0	1	3	15	19
Japonica Court	78.1	0	1	5	3	7	16
Mitchison Court	70.9	3	10	4	6	7	30
Riverside Court	85.6	0	2	0	2	9	13
Grand Total	77.8	12	27	49	52	89	229
		<b>5.2%</b>	<b>11.8%</b>	<b>21.4%</b>	<b>22.7%</b>	<b>38.9%</b>	<b>100%</b>

From the above it is clear that extra care’s key client group is the “oldest old”, with people aged 85 and over accounting for almost 40% of the snapshot in comparison to 16% of Surrey’s current population, and with an average age of 78. That said, as 38.4% of the 4 September snapshot are aged under 75, it is also evident that extra care can operate both as an appropriate setting to meet current needs, and as a proactive choice of long term living arrangement in anticipation of care needs developing with age.

Impacts (Please tick or specify)	Positive		Negative		Both	X
Impacts identified	Supporting evidence		How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner	
- Age restrictions may prevent some people, whose needs may best be met at an extra care setting, from being considered for referral	An age ‘cut off’ is used as a general guide for applications to extra care settings, as they are generally regarded as communities for people aged over 55 years of age or more.		The age of individuals is a key factor for nominations processes, where decisions are made on who may be offered an extra care tenancy. However, individuals under 55 years of age may be considered exceptionally on the basis of need and urgency, particularly where alternative settings are not regarded as suitable	Consideration will be made for people under the age restriction in partnership with local housing authorities and providers as part of an exceptions process in nominations decisions. Agreed approaches will therefore be factored into	The Extra Care Strategy Team and (once nominations processes are operational) social care Locality Team staff, in partnership with local housing authorities and extra care providers	

			nominations policies	
+ Older residents will have increased choice with more accommodation options available to meet their care needs.	The Council's ambition through the Accommodation with Care Strategy is to develop a range of housing options across the county. Extra care is an additional housing option primarily aimed at older people.	Ensure that an appropriate mix of accommodation is developed in local areas to cater for the range of needs experienced by older people.	This will be implemented as new extra care settings are developed across the county.	The Extra Care Strategy Team will lead on ensuring greater diversity of options is available
+ Flexible care that can adapt to individual needs, enabling older people to live in extra care settings for the rest of their lives with a lower risk of transfers elsewhere (e.g. residential care) due to care emergencies	Care packages can be better tailored to individual needs within extra care settings with the provision of shared emergency care and flexible personalised care. This will prevent the necessity for many individuals to move as their needs change, and minimise the risks of transfers elsewhere in response to a crisis.	The establishment of a flexible care and support commissioning offer to go alongside the provision of accommodation.	This will be implemented as new extra care settings are developed across the county.	The Extra Care Strategy Team
+ Accommodation that offers longevity with purpose-built buildings for older people that are fit for the future	SCC developments will be newly built to a design standard that meets the needs of an ageing population and enables future modification. SCC will work to ensure that any accommodation they develop is in the right location and will meet people's changing needs.	Clear design briefs for SCC developments, incorporating requirements for accessibility and adaptability, will be key to the tender documentation for SCC owned sites. Clear best practice expectations will also be developed and published for the independent sector and local authority planners, to assist with design documentation for planning applications.	This will be ongoing as new housing options are delivered.	The Extra Care Strategy Team and Property Services.

<p>+ Older people will benefit from access to communal facilities on site and nearby facilities, which will help to reduce social isolation and loneliness</p>	<p>Older people are more likely than their younger counterparts to suffer from loneliness or social isolation, particularly if they live alone and reside in locations set away from communities. While this is widely researched as an issue, the NHS website states the following:  <a href="https://www.nhs.uk/conditions/stress-anxiety-depression/loneliness-in-older-people/">https://www.nhs.uk/conditions/stress-anxiety-depression/loneliness-in-older-people/</a></p>	<p>Future extra care settings will feature an array of communal facilities, which will allow residents to regularly engage with each other and visitors, they will be set clearly in the heart of local communities with nearby transport routes.</p>	<p>This will be implemented as new extra care settings are developed across the county.</p>	<p>The Extra Care Strategy Team and Property Services.</p>
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**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?**

The Older People’s Commissioning programme – including the following areas of work:

- Review of the sourcing function for older people’s care and support, including eligibility and referral processes for extra care
- The recommissioning of home based care, upon which planned care delivery on extra care sites will be monitored
- Technology Enabled Care (TEC) programme, including telecare and other assistive technology that may be required by people living in extra care settings
- Engagement with local authority planners on future care developments, linked to a wider market shaping strategy

Wider commissioning arrangements with regard to aids and adaptations to property is also a dependency over the course of the Accommodation with Care Strategy’s lifetime.

Surrey County Council operational practice amongst social care teams with regard to the promotion of extra care, as opposed to care homes and other more restrictive settings, will be crucial in ensuring that appropriate people are referred to become tenants. This will be linked to the wider cultural shift of engaging with people through a strength-based approach to support them in their community.

Surrey County Council is currently reviewing its asset and property portfolio as part of its Asset and Place Strategy. As part of this strategy a pipeline of SCC-owned sites will be identified that can be developed for extra care schemes. In addition, over the course of the Accommodation with Care Strategy life cycle, other opportunities may be explored with strategic partners and the extra care market in order to maximise the development of appropriate new extra care sites across the county.

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

None known

## DISABILITY

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

In order to be defined as eligible for extra care housing, potential occupants will need to be recognised as requiring a minimum level of care and support alongside requiring suitably configured accommodation. The needs warranting this requirement may be due to physical disabilities, frailty, sensory impairments or loss, or mental health problems (including cognitive impairments due to dementia or other conditions).

As stated in the “Age” section above, extra care can operate both as an appropriate setting to meet current needs, and as a proactive choice of long-term living arrangement. As a result the extra care population is diverse with regard to disability, with the following “primary support reasons” amongst residents known to Surrey County Council as at 4 September 2020 (source: LAS):

Primary support reason	No.	%
Learning disability	14	6.11%
Mental health support	21	9.17%
Physical support	175	76.42%
Sensory disabilities and impairment	6	2.62%
Social isolation/other	11	4.80%
Unknown	2	0.87%

In response to these needs the majority receive a home based care service (80%), while a small minority pay for care and support through a direct payment (4%). Although just over 16% do not receive a service funded by Surrey County Council, this is likely due to their status as self-funders of care and support or their status as cohabiting carers of residents.

# Equality Impact Assessment

It is important to note that 30% of the extra care residents known to Surrey County Council have been recognised as having a communication need, whether relating to hearing loss or dual sensory loss, learning disability or visual impairment.

<b>Impacts (Please tick or specify)</b>	Positive		Negative		Both	X
<b>Impacts identified</b>	<b>Supporting evidence</b>		<b>How will you maximise positive/minimise negative impacts?</b>	<b>When will this be implemented by?</b>		<b>Owner</b>
<p>+ Extra care settings provide an environment that is built fundamentally with accessibility and adaptability in mind to support people with physical and sensory disabilities and cognitive impairments</p>	<p>Extra care settings will be built to best practice principles with regard to accessibility and design.</p>		<p>Clear design briefs for SCC developments, incorporating requirements for accessibility and adaptability, will be key to the tender documentation for SCC owned sites. Clear best practice expectations will also be developed and published for the independent sector and local authority planners, to assist with design documentation for planning applications.</p>	<p>This will be on-going as new housing options are delivered.</p>		<p>The Extra Care Strategy Team and Property Services.</p>
<p>+ Flexible care will be delivered in extra care settings that can adapt to individual needs, enabling people with disabilities to live in extra care settings for the rest of their lives with a lower risk of transfers elsewhere (e.g.</p>	<p>Care packages can be better tailored to individual needs within extra care settings with the provision of shared emergency care and flexible personalised care. This will prevent the necessity for many individuals to move as their needs change, and minimise the risks of</p>		<p>The establishment of a flexible care and support commissioning offer to go alongside the provision of accommodation.</p>	<p>This will be implemented as new extra care settings are developed across the county.</p>		<p>The Extra Care Strategy Team</p>

<p>residential care) due to care emergencies</p>	<p>transfers elsewhere in response to a crisis.</p>			
<p>+ Extra care settings not only support the efficient delivery of a care service on-site but also positive relationships with health partners to support people with complex care needs associated with a disability</p>	<p>While extra care settings will include flexible facilities that could be used by visiting health services, providers will be expected to actively support people with their access to universal and specialist health care.</p>	<p>Primary and secondary care providers (GPs, dentists, community health providers etc) will be engaged with during the development of new extra care settings. Future operators of the settings will be expected to engage with them routinely, in direct response to residents' needs.</p>	<p>This will be delivered throughout the lifespan of the Strategy.</p>	<p>The Extra Care Strategy Team and (once settings are operational) social care Locality Team staff</p>
<p>- People with communication needs may not be made aware of the opportunities presented by extra care settings, or may not apply to be referred, because the communication method used is inappropriate, and extra care settings may not be responsive to their needs once they become residents</p>	<p>Information on the communication needs of current extra care residents provides an indication of the communication needs of people who may benefit from extra care in the future</p>	<p>The tender documentation and contractual expectations for new extra care settings will be clear on the need for housing managers and care providers to engage with people through a variety of communication approaches</p>	<p>This will be delivered throughout the lifespan of the Strategy.</p>	<p>The Extra Care Strategy Team and (once settings are operational) social care Locality Team staff</p>
<p>- While efforts will be made to maximise the number of fully-wheelchair accessible accommodation units on</p>	<p>Extra care developments, due to site size limitations and management of costs, very rarely offer 100% of their units as fully</p>	<p>The Extra Care Strategy Team and Property Team will work to ensure that the number of fully wheelchair accessible units available is proportionate to the needs</p>	<p>This will be delivered throughout the lifespan of the Strategy.</p>	<p>The Extra Care Strategy Team and Property Services.</p>



# Equality Impact Assessment

<p>individual extra care sites (as defined in building regulations under M4(3)), due to the need to ensure that sites are viable there will be a limit to the number of these types of units.</p>	<p>wheelchair accessible dwellings as per building regulations M4(3).</p>	<p>of future residents, both on an individual setting basis but also as an offer across the county as sites are developed.</p>		
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b>  <b>Are there any dependencies decisions makers need to be aware of?</b>          As per those identified in the “Age” section.</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why.</b>          None known</p>				

**GENDER REASSIGNMENT**

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

Population statistics on gender reassignment are very limited, particularly because the 2011 census (from which population projections are usually produced) did not collect appropriate information – the only question on gender was in relation to sex being male or female (source: <https://www.ons.gov.uk/census/censustransformationprogramme/questiondevelopment/genderidentity>).

It is expected that this will change with the inclusion of a question on gender identity in the 2021 census, which will collect information on those whose gender is different from their sex assigned at birth. Of course, any information from this census will be factored into future iterations of the Extra Care Equality Impact Assessment.

SCC Adult Social Care does not specifically record whether individuals are undergoing gender reassignment as a reportable aspect of their care records. There is therefore no current way to reliably calculate the number of people, with this protected characteristic, who may be impacted by the changes of the extra care element of the Accommodation with Care Strategy.

<b>Impacts (Please tick or specify)</b>	Positive		Negative		Both	<b>X</b>
<b>Impacts identified</b>	<b>Supporting evidence</b>		<b>How will you maximise positive/minimise negative impacts?</b>	<b>When will this be implemented by?</b>		<b>Owner</b>
+ People in extra care settings will live in self-contained apartments including dedicated toileting and bathroom facilities, allowing for privacy and dignity for any residents undergoing gender reassignment	Self-contained accommodation will allow for privacy, while the overall design ethos of extra care facilities is to flexibly suit changing needs, including the needs of people undergoing gender reassignment.		Ensure that the design and construction of extra care settings accommodates the needs of people undergoing gender reassignment alongside others who have protected characteristics	On-going during the lifespan of the Accommodation with Care Strategy.		The commissioning team are leading on the tenders for new extra care developments, and engagement with providers of extra care settings while they are in the

<p>- Risk of discrimination due to lack of awareness and training of people working at new extra care settings, reflecting what could be experienced elsewhere in society</p>	<p>Ongoing stigma related to gender reassignment within society</p>	<p>Extra care operators and support providers will be expected to be responsive to the needs of people undergoing gender reassignment, and support them without discrimination and ensure staff are appropriately trained.</p>	<p>On-going during the lifespan of the Accommodation with Care Strategy.</p>	<p>process of being built</p> <p>The commissioning team are leading on the tenders for new extra care developments (including housing management) and associated care contracts, and staff training delivery will be monitored over the life of these contracts.</p>
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b></p> <p><b>Are there any dependencies decisions makers need to be aware of?</b></p> <p>None known</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p> <p>Residents in extra care settings may behave in a discriminatory manner to others, and efforts to change long held perceptions of people different to themselves may prove highly problematic or (particularly in the case of cognitive impairment) fruitless.</p> <p>While abuse will of course be challenged and investigated, less direct examples of discrimination would be very difficult to police through existing policies and procedures.</p>				

**RACE**

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

Breakdowns on race in Surrey's population are drawn from the 2011 census, and statisticians, according to Projecting Older People Population Information System (POPPI), have not made projections further forward than from this date as the figures would not be seen to be reliable. Bearing this in mind, the census gives the following racial breakdown of Surrey's population aged 65 and over:

<b>Age</b>	<b>White</b>	<b>Mixed/ multiple ethnic group</b>	<b>Asian/ Asian British</b>	<b>Black/ African/ Caribbean/ Black British</b>	<b>Other Ethnic Group</b>
<b>65-74</b>	96.53%	0.39%	2.38%	0.30%	0.40%
<b>75-84</b>	97.72%	0.34%	1.54%	0.18%	0.21%
<b>85+</b>	99.00%	0.24%	0.58%	0.07%	0.11%
<b>Total 65+</b>	97.32%	0.35%	1.82%	0.22%	0.29%

This can be compared with the statistics drawn from the snapshot of extra care residents (below). While this reveals a more diverse population, it is notable that none of the residents identified as Black/African/Caribbean/Black British:

	<b>White</b>	<b>Mixed/ multiple ethnic group</b>	<b>Asian/ Asian British</b>	<b>Black/ African/ Caribbean/ Black British</b>	<b>Other Ethnic Group</b>
<b>Extra care residents - declared race</b>	93.52%	0.93%	3.70%	0.00%	1.85%

It should also be noted that this is not an absolutely complete picture, as 13 residents have not identified their race. The above is therefore indicative rather than an absolute reflection of the racial characteristics in the snapshot.

Impacts (Please tick or specify)	Positive		Negative		Both	X
Impacts identified	Supporting evidence		How will you maximise positive/minimise negative impacts?	When will this be implemented by?		Owner
+ Extra care settings will allow for the flexible use of facilities (including food provision) to accommodate a range of cultural activities related to race	The design requirements documentation used in extra care tenders require flexible spaces to be an integral part of any extra care development, while clear expectations are set in tender processes regarding anti-discriminatory practice		As part of contract management, extra care settings will need to demonstrate that they are responsive to the diverse needs of residents in the use of communal facilities, and provide a range of activities and (through kitchen facilities) appropriate food options.	On-going during the lifespan of the Accommodation with Care Strategy.		The commissioning team are leading on the tenders for new extra care developments, and engagement with providers of extra care settings while they are in the process of being built
- Risk of discrimination due to lack of awareness and training of people working at new extra care settings, reflecting what could be experienced elsewhere in society	Ongoing challenge in combating racism and discrimination within society, including in the delivery of care and support		Extra care operators and support providers will be expected to be responsive to the needs of people regardless of race, and support them without discrimination and ensure staff are appropriately trained.	On-going during the lifespan of the Accommodation with Care Strategy.		The commissioning team are leading on the tenders for new extra care developments (including housing management) and associated care contracts, and staff

				training delivery will be monitored over the life of these contracts.
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b>  <b>Are there any dependencies decisions makers need to be aware of?</b>                  None Known</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b>                  Residents in extra care settings may behave in a discriminatory manner to others, and efforts to change long held perceptions of people different to themselves may prove highly problematic or (particularly in the case of cognitive impairment) fruitless.                  While abuse will of course be challenged and investigated, less direct examples of discrimination would be very difficult to police through existing policies and procedures.</p>				

## RELIGION OR BELIEF (INCLUDING LACK OF BELIEF)

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

As with the “Race” section above, while the Office for National Statistics Annual Population Survey has produced national statistics more recently, for a picture of religion or belief in Surrey the census figures for 2011 are regarded the only reliable source of information.

The 2011 census gives the following breakdown of Surrey’s population aged 65 and over:

Religion	Christian (all denominations)	Muslim	Hindu	Any Other Religion	No religion	Religion not stated
Surrey 65+	80.0%	0.6%	0.5%	0.9%	10.0%	8.0%

Source: Surrey-i

This can be compared with the statistics drawn from the snapshot of extra care residents (below). It should be noted that almost a fifth of the residents either did not respond to questions on religion or belief.

Religion	Christian (all denominations)	Muslim	Hindu	Any Other Religion	No religion	Religion not stated
Extra care	65.5%	1.7%	0.9%	2.6%	10.9%	18.3%

Impacts (Please tick or specify)	Positive		Negative		Both	X
Impacts identified	Supporting evidence		How will you maximise positive/minimise negative impacts?	When will this be implemented by?		Owner
+ Extra care settings will allow for the flexible use of facilities (including food provision) to	The design requirements documentation used in extra care tenders require flexible spaces to be an integral part of any extra care development, while clear		As part of contract management, extra care settings will need to demonstrate that they are responsive to the diverse	On-going during the lifespan of the Accommodation with Care Strategy.		The commissioning team are leading on the tenders for new

<p>accommodate a range of religions and beliefs</p>	<p>expectations are set in tender processes regarding anti-discriminatory practice</p>	<p>needs of residents in the use of communal facilities, and provide a range of activities and (through kitchen facilities) appropriate food options.</p>		<p>extra care developments, and engagement with providers of extra care settings while they are in the process of being built</p>
<p>- Risk of discrimination due to lack of awareness and training of people working at new extra care settings, reflecting what could be experienced elsewhere</p>	<p>Ongoing challenge in combating racism and discrimination within society, including in the delivery of care and support</p>	<p>Extra care operators and support providers will be expected to be responsive to the needs of people regardless of religion or belief (including lack of belief), and support them without discrimination and ensure staff are appropriately trained.</p>	<p>On-going during the lifespan of the Accommodation with Care Strategy.</p>	<p>The commissioning team are leading on the tenders for new extra care developments (including housing management) and associated care contracts, and staff training delivery will be monitored over the life of these contracts.</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?**

None Known



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

Residents in extra care settings may behave in a discriminatory manner to others, and efforts to change long held perceptions of people different to themselves may prove highly problematic, particularly in the case of cognitive impairment. While abuse will of course be challenged and investigated, less direct examples of discrimination would be very difficult to police through existing policies and procedures.

**SEX**

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

The Office for National Statistics subnational population projections, as published in May 2018, present the following information regarding the sex of people aged 65 and over in Surrey:

Age	2020		2025		2030		2035	
	Female %	Male %	Female %	Male %	Female %	Male %	Female %	Male %
65-69	51.7%	48.3%	51.5%	48.5%	51.1%	48.9%	51.4%	48.6%
70-74	52.8%	47.2%	52.8%	47.2%	52.3%	47.7%	52.1%	47.9%
75-79	53.8%	46.2%	53.7%	46.3%	53.6%	46.4%	53.2%	46.8%
80-84	55.8%	44.2%	55.5%	44.5%	55.2%	44.8%	55.0%	45.0%
85-89	59.6%	40.4%	58.4%	41.6%	57.7%	42.3%	57.4%	42.6%
90 and over	65.0%	35.0%	62.4%	37.6%	60.4%	39.6%	59.4%	40.6%
Total 65+	54.6%	45.4%	54.3%	45.7%	53.9%	46.1%	53.8%	46.2%

The female/male breakdown in the extra care snapshot is variable, but in general the number of female residents is almost twice that of male residents:

Extra care setting	Female %	Male %
Aldwyn Place	60.0%	40.0%
Anvil Court	73.7%	26.3%
Beechwood Court	42.4%	57.6%
Brockhill	74.1%	25.9%
Chestnut Court	62.5%	37.5%
Dray Court	78.9%	21.1%

# Equality Impact Assessment

Falkner Court	62.5%	37.5%
Huntley House	63.3%	36.7%
Japonica Court	84.6%	15.4%
Mitchison Court	64.5%	35.5%
Riverside Court	63.3%	36.7%
<b>% overall</b>	<b>63.3%</b>	<b>36.7%</b>

While there are potential reasons for this – Surrey’s Joint Strategic Needs Assessment notes that women have double the risk of developing frailty (9.6%) compared to men (5.2%), and are statistically likely to experience a 40% loss of mobility between the ages of 75 and 85 – further investigation is needed to understand why the population living in extra care contains more females than in the population in general, particularly as the proportion of men in the older age groups is projected to increase in the coming decades.

The average age of residents also varies according to sex – female residents in the snapshot have an average age of almost 81, while the equivalent for male residents is 73.

<b>Impacts (Please tick or specify)</b>	Positive		Negative		Both	<b>X</b>
<b>Impacts Identified</b>	<b>Supporting evidence</b>		<b>How will you maximise positive/minimise negative impacts?</b>	<b>When will this be implemented by?</b>	<b>Owner</b>	
+ People in extra care settings will live in self-contained apartments including dedicated toileting and bathroom facilities, allowing for privacy and dignity for residents regardless of sex	The design requirements documentation used in extra care tenders are clear on the requirements for individual units of extra care accommodation		Ensure that no discriminatory practice exists with regard to the provision of accommodation and associated facilities, including equipment and adaptations	On-going during the lifespan of the Strategy.	The commissioning team are leading on the tenders for new extra care developments, and engagement with providers of extra care settings while they are in the	

				process of being built and during their operational lifetime.
- Risk (based on existing data) of inequitable referral outcomes for extra care on the basis of sex	Current data indicates an extra care population where females make up a higher percentage than in other housing settings in Surrey	Ensure that no discriminatory practice exists with nomination processes and decision making, and that extra care settings are promoted in a way that is appealing to both men and women	On-going during the lifespan of the Strategy.	The commissioning team will engage regularly with providers of extra care settings while they are in the process of being built and during their operational lifetime. In partnership with operational colleagues, they will also liaise with housing authorities and extra care providers regarding nominations and referral processes.
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b></p> <p><b>Are there any dependencies decisions makers need to be aware of?</b></p> <p>None known</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p> <p>None known</p>				

## SEXUAL ORIENTATION

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

The Office for National Statistics Annual Population Survey presents the following estimates for sexual orientation amongst people aged 65+ in the South East of England, as at 2018:

Sexual orientation – 65+ South East England 2018	%
Heterosexual or straight	96.4
Gay or lesbian	0.4
Bisexual	0.3
Other	0.5
Don't know or refuse	2.4

Source: <https://www.ons.gov.uk/peoplepopulationandcommunity/culturalidentity/sexuality/bulletins/sexualidentityuk/2018>

The equivalent information is almost non-existent for extra care residents, as for the vast majority of cases, sexual orientation was not recorded by Surrey County Council. As per the snapshot:

Sexual orientation – extra care	%
Heterosexual	3.9%
Not Disclosed	1.3%
Not Recorded	94.8%

Impacts (Please tick or specify)	Positive		Negative		Both	X
Impacts Identified	Supporting evidence		How will you maximise positive/minimise negative impacts?	When will this be implemented by?		Owner
+Extra care accommodation will be managed in line with all equalities legislation ensuring that all residents receive services and support appropriately and regardless of sexual orientation.	As extra care housing will be tenancy based, individuals' rights in relation to housing are protected under the Equality Act 2010		Extra care housing managers and care providers will be expected to deliver services in compliance with equalities legislation, including equal access to quality services for all, regardless of sexual orientation. Contracts will be regularly monitored to ensure compliance over the operational lifetime of the extra care settings.	On-going during the lifespan of the Strategy.		The Extra Care Strategy Team will be responsible for ensuring compliance by housing and care providers
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b></p> <p><b>Are there any dependencies decisions makers need to be aware of?</b></p> <p>None known</p>						
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p> <p>Residents in extra care settings may behave in a discriminatory manner to others, and efforts to change long held perceptions of people different to themselves may prove highly problematic, particularly in the case of cognitive impairment.</p> <p>While abuse will of course be challenged and investigated, less direct examples of discrimination would be very difficult to police through existing policies and procedures.</p>						

## MARRIAGE / CIVIL PARTNERSHIPS

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

The Office for National Statistics has observed that, while the proportion of people married in the population as a whole has been in decline over the last decade, while the single population has been increasing, the picture amongst people aged 70s shows a different trend. Instead, despite a modest rise in the divorced population, the proportion of people aged 70 years and over who are married has been increasing at a greater rate.

A simple breakdown of the ONS data for England and Wales in 2018 is presented below:

Marital status	Single %	Married %	Divorced %
65-69	7.8	67.4	15.0
70-74	5.7	66.7	12.2
75-79	4	58	11.2
80-84	3.4	51.1	6.3
85+	3.6	35.9	6.5

Information on the marital status of extra care residents known to Surrey County Council is as follows:

Marital status extra care	Single %	Married* %	Widowed %	Divorced %	Not recorded %
Extra care	19.2	20.5	17.0	9.6	33.6

\* "Married" includes people who have identified themselves as married (19.2%) or separated (1.3%)

While the percentage of known residents without a recorded marital status is high, it is not particularly clear how these figures, which include "Widowed" as a status, should be compared to the ONS statistics, given the different recording practices involved.

Impacts (Please tick or specify)	Positive	X	Negative		Both	
Impacts Identified	Supporting evidence		How will you maximise positive/minimise negative impacts?	When will this be implemented by?		Owner
+ Extra care settings will include a mix of 1 and 2 bedroom units, which will enable cohabiting people (of whatever marital status) to continue to live together in self-contained accommodation if this is their choice	Design requirements documents stipulate the need for a mix of 1 and 2 bedroom units in extra care settings		Nominations agreements and referral processes have been designed with flexibility to allow people to cohabit in extra care accommodation. No discrimination will be made on the basis of marital status.	On-going during the lifespan of the Strategy.		The Extra Care Strategy Team and (once nominations processes are operational) social care Locality Team staff, in partnership with local housing authorities and extra care providers
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b></p> <p><b>Are there any dependencies decisions makers need to be aware of?</b></p> <p>None known</p>						
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p> <p>None known</p>						



## CARERS

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

Surrey County Council's Joint Strategic Needs assessment on Adult Carers provides significant amounts of information on Adult Carers: <https://www.surreyi.gov.uk/jsna/adult-carers/>

It states that the number of carers aged 65 and over living in Surrey is expected to increase by 17.6% from 2016 to 2025, while the number of carers aged 85 and over is expected to increase by 31.2% over the same period.

Of the extra care residents currently known to Surrey County Council, 7.7% have identified themselves as either being carers or as having caring responsibilities. While this could be due in some cases to current residents' personal circumstances (e.g. they have been socially isolated, or no longer have caring responsibilities following the death of a person they cared for), it may also point to underreporting in statistics, or because many residents simply haven't regarded themselves as a carer, even though they deliver care and support to others.

Impacts (Please tick or specify)	Positive	X	Negative		Both	
Impacts Identified	Supporting evidence		How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner	
+ New extra care settings will include a mix of 1 and 2 bedroom units, which may enable people to continue to care for the person in need of care and support in self-contained accommodation if this is their choice	Design requirements documents stipulate the need for a mix of 1 and 2 bedroom units in extra care settings		Nominations agreements and referral processes have been designed with flexibility to allow people to cohabit in extra care accommodation, where either one or both of the residents has eligible needs. No discrimination will be made on the basis of marital status.	On-going during the lifespan of the Strategy.	The Extra Care Strategy Team and (once nominations processes are operational) social care Locality Team staff, in partnership with local housing authorities and extra care providers	

<p>+ People will benefit from access to communal facilities on site and nearby facilities, which will help to reduce social isolation and loneliness amongst people with caring responsibilities</p>	<p>People with caring responsibilities are risk of suffering from loneliness or social isolation, and the availability of communal facilities and activities on site will help to mitigate this. The facilities will also be outward facing, and welcome visitors in a caring role as well as cater for people and their carers who live at the setting.</p>	<p>Future extra care settings will feature an array of communal facilities, which will allow residents to regularly engage with each other and visitors, and they will be set clearly in the heart of local communities with nearby transport routes. Housing managers and care providers will also be expected to be carer aware through training and work to support people in their caring roles.</p>	<p>This will be implemented as new extra care settings are developed across the county.</p>	<p>The Extra Care Strategy Team</p>
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b></p> <p><b>Are there any dependencies decisions makers need to be aware of?</b></p> <p>The Adult Social Care Strategy for Carers, in particular the development of carer friendly communities and the encouragement of carer aware health and social care provider services that are able to identify carers and refer them to sources of preventative support, including support for their psychological and social wellbeing.</p>				
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p> <p>None known</p>				

## 3. Amendments to the proposals

CHANGE	REASON FOR CHANGE
No changes to the proposals have been identified as a result of undertaking the EIA	-

## 4. 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
<b>Outcome One</b>	<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	
<b>Outcome Two</b>	<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?	<b>X</b>
<b>Outcome Three</b>	<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>	
<b>Outcome Four</b>	<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> ).	

<p><i>Please use the box on the right to explain the rationale for your recommendation</i></p>	<p>Engagement will be needed with potential future residents of extra care, regarding:</p> <ul style="list-style-type: none"> <li>• Cultural and faith needs</li> <li>• Communication needs</li> <li>• Maintaining dignity and respect</li> <li>• Dietary requirements</li> <li>• Accessibility requirements (e.g. the number of wheelchair accessible units required in various locations)</li> <li>• How best to maintain an inclusive environment that maximises independence</li> <li>• Referral routes for people interested in becoming an extra care resident</li> </ul> <p>While this engagement will help to identify actions to respond to impacts identified in this EIA, it will allow the Extra Care Strategy Team to:</p> <ul style="list-style-type: none"> <li>• Better understand current expectations for extra care in general</li> <li>• Set clear guidance and objectives for housing managers and care providers delivering services at newly opened sites, and</li> <li>• Inform future approaches to promoting extra care settings to people with care and support needs living in Surrey.</li> </ul>
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## 5a. Version Control

Version Number	Purpose/Change	Author	Date
V0.1	Initial draft	John Woodroffe	11/9/20
V0.2	Amended from initial feedback	John Woodroffe & Kathryn Pyper	1/10/20

*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.*

## 5b. Approval

	Name	Date approved
<b>Approved by*</b>	<i>Head of Service</i>	
	<i>Executive Director</i>	
	<i>Cabinet Member</i>	
	<i>Directorate Equality Group</i>	

<b>EIA Author</b>	John Woodroffe, Senior Commissioning Manager
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*\*Secure approval from the appropriate level of management based on nature of issue and scale of change being assessed.*

## 5c. EIA Team

Name	Job Title	Organisation	Team Role
Kathryn Pyper	Senior Programme Manager	Adult Social Care, Surrey County Council	Directorate Equalities Group chair

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## SURREY COUNTY COUNCIL

## CABINET

DATE: 25 JULY 2023



REPORT OF CABINET MEMBER: SINEAD MOONEY, CABINET MEMBER FOR CHILDREN AND FAMILIES

LEAD OFFICER: RACHAEL WARDELL, EXECUTIVE DIRECTOR – CHILDREN, FAMILIES AND LIFELONG LEARNING DIRECTOR

SUBJECT: SURREY HOMES FOR SURREY CHILDREN: DELIVERING A REPLACEMENT CHILDREN'S HOME

ORGANISATION STRATEGY PRIORITY AREA: GROWING A SUSTAINABLE ECONOMY SO EVERYONE CAN BENEFIT / TACKLING HEALTH INEQUALITY / ENABLING A GREENER FUTURE / EMPOWERING COMMUNITIES

<b>Purpose of the Report:</b>
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To seek agreement to allocate the remaining £3.3 million from the designated Care Leaver Accommodation and Children's Homes capital pipeline budget for the delivery of a new-build replacement four-bed and additional two-bed children's home on the site of an existing Surrey County Council children's home in Cobham.

Alongside this we are providing Cabinet with a full overview of the currently planned capital programme to create new children's homes and care leaver accommodation in Surrey, our progress to date and indicative timescales for planned future delivery. This will make clear the steps we are taking with regards to children's homes to work towards achieving the strategic ambition, endorsed by Cabinet in November 2022, to enable every looked after child to have choice to remain in Surrey, where this is appropriate to their needs and circumstances.

The development of Surrey homes for Surrey children contributes to all four of our Organisation Strategy priorities:

- **Growing a sustainable economy so everyone can benefit:** Investing in children's homes in Surrey ensures funding for this provision is spent within local communities, as well as creating locally based employment opportunities.
- **Tackling health inequality:** Looked after children often experience worse health outcomes than their peers. Living in a Surrey home enables a child to access well-coordinated and holistic multi-agency support, that enables improved outcomes.
- **Enabling a greener future:** When looked after children are placed out of county, this generates additional travel for children themselves, their families and the professionals who support them. The opportunity to build new children's homes and improve existing facilities also enables us to make changes that reduce the carbon footprint of homes.
- **Empowering communities:** When looked after children are enabled to live locally, they themselves are enabled to contribute to and enrich our local communities across Surrey.

## Recommendations:

It is recommended that Cabinet:

1. Agrees to allocate the remaining £3.3m from the designated Care Leaver Accommodation and Children's Home capital pipeline budget for the delivery of a new-build replacement four-bed and additional two-bed children's home on the existing site of children's home SC040631 in Cobham. This will follow the same model as has recently been delivered in Walton and planned for delivery in Dorking.
2. Confirms delegated authority to approve the details of the scheme within overall budget constraints prior to construction to the Corporate Programme Panel, in consultation with:
  - Executive Director – Children, Families and Lifelong Learning
  - Cabinet Member for Children and Families
  - Cabinet Member for Property & Waste
  - Director of Land and Property
3. Notes the overview of the planned capital programme to create new children's homes and care leaver accommodation in Surrey and indicative timescales for delivery, in support of SCC's ambition to enable every looked after child to have choice to remain in Surrey, where this is appropriate to their needs and circumstances.

## Reason for Recommendations:

SCC, as corporate parent, is committed to enabling the best possible outcomes for Surrey's looked after children, within the resources it has available. Alongside this moral imperative, we also have a clear statutory duty to ensure, as far as reasonably practicable, that there is sufficient accommodation for looked after children that meets their needs and is within their local authority (LA) area (Children Act 1989, Section 22G). Whilst SCC is already taking concrete steps to deliver this duty and enable positive outcomes, this further proposal to re-provide an existing but outdated SCC Children's Home directly supports the delivery of our statutory Looked After Children and Care Leaver Sufficiency Strategy 2020-25, which includes the ambition to create Surrey homes for Surrey Children.

These proposals also have wider benefits in support of Surrey's four Organisation Strategy priorities, as set out above: growing a sustainable economy so everyone can benefit; tackling health inequality; enabling a greener future; and empowering communities.

## Executive Summary:

### Our operating context

1. SCC is ambitious for Surrey's looked after children and wants to enable them to achieve the best possible outcomes in their lives. The statutory sufficiency duty (Children Act 89) to secure accommodation in or near to Surrey plays a really important role in this, supporting children to remain connected to their communities and progress successfully towards independence, whilst also enabling SCC staff, as corporate parents, to provide coordinated and holistic support more easily – reducing, for example, the increased risks associated with exploitation for children in out of area placements<sup>1</sup>.
2. The latest [Looked After Children and Care Leavers Sufficiency Strategy](#) states our ambition to enable greater access to "Surrey homes for Surrey children" – one of five key

<sup>1</sup> Looked after children: out of area, unregulated and unregistered accommodation (England), House of Commons Library, November 2021



priorities. Building on this strategy, in November 2022, Cabinet endorsed the longer-term strategic ambition that “every looked after child has a choice to remain in Surrey, where this is appropriate to their needs”, with the working hypothesis that this would lead to around 80% of looked after children being able to live in Surrey – which would make SCC one of the top-performing Councils in the country. Officers have now mapped out the trajectory SCC needs to follow to reach the stated 80% ambition by March 2030, in support of Surrey’s overall Community Vision.

3. The specific proposal in this report is to re-provide the existing children’s home SC040631 in Cobham, with a new-build four-bed and additional two-bed home (all part of one development) on the same site and within the pre-agreed overall budget envelope for children’s homes and care leavers accommodation. This is required due to the joint assessment by the Corporate Parenting division and Land and Property that the current home building is no longer suitable by modern standards in terms of either costs (financial and environmental) of maintaining the building or, more importantly, enabling SCC to deliver the right kind of quality, home environment for the children in SCC’s care. This will also manage regulatory risks associated with Ofsted feedback on the current home. A feasibility study has been completed to RIBA stage 2 confirming the feasibility and outline costs of the project. Once the replacement home has been built, the current children’s home will be closed. It is expected it current will no longer be sustainable to maintain the current building as a children’s home from approximately April 2026.
4. This proposal is just one part of SCC’s comprehensive plans to achieve the long-term 80% sufficiency ambition, which also covers fostering, supported accommodation, support services, early work to enable children to remain in families and practice improvement within children’s social care. These plans are now being overseen, coordinated, and resourced through the new Children’s Social Care Transformation Programme (having formally been part of the Placement, Value and Outcomes Transformation Programme).
5. As set-out in the November 2022 Cabinet report, there are significant challenges nationally and locally that affect SCC’s ability to achieve this sufficiency ambition. Whilst these will not be repeated in full here, they include: a significant infrastructure deficit in Surrey in terms of the number of children homes in the county; national market challenges associated with supply of and demand for placements in regulated children’s homes, alongside the cost associated with these placements, financial stability risks associated with large providers and recruitment challenges; specific consideration linked to Surrey’s geography; and regulatory changes that are affecting the sector.
6. In February 2023, the Department for Education (DfE) published its “Stable Homes, Built on Love: Strategy and Consultation”, in response to three major national reviews<sup>2</sup>. Key recommendations for improvement across children’s social care nationally, include steps to address sufficiency of Ofsted-regulated provision and improve market management such as:
  - improvements in leadership and management in the children’s homes sector;
  - a financial oversight regime to increase transparency of costs and reduce risks;
  - Pilots of Regional Care Cooperative (RCCS) to plan, commission and deliver care places.

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<sup>2</sup> The three reviews are: The Competition and Markets Authority’s Children’s Social Care market study 2022; Child Protection in England 2022; and the Independent Review of Children’s Social Care 2022

- a national fostering recruitment and retention programme;
- All these recommendations will take time and the detail needs to be fleshed out, but we are anticipating significant change ahead in the sector.

### **How many looked after children currently live in children’s homes in Surrey?**

7. As of 1 June 2023, there were 119 children who were looked after by Surrey County Council who were placed in children’s homes. Of these: 37 (31.1%) were living in Surrey and 82 (68.9%) were living outside the county; and 19 (16.0%) were in homes run by SCC with 100 (84.0%) in independently run children’s homes.
8. In addition, as of 7 June 2023, SCC had 12 children living in unregistered supported accommodation outside of Surrey, where the preference would have been for them to be in a regulated children’s home. If these children are included, this means 37 of 131 (28.2%) children that we would like to enable to live in children’s homes are in Surrey.
9. If the longer-term sufficiency ambition is for 80% of looked after children to live in Surrey, based on the position at the start of June 2023, this would mean an additional 68 children living in children’s homes in the county. This is higher than when reported to Cabinet in November 2022, reflecting the fact that these numbers fluctuate over time. Our current demand forecasts suggest that the number of looked after children who require children’s homes is set to remain relatively steady for the foreseeable future, even as work continues to promote family settings first, use residential as a time-limited intervention rather than a longer-term destination, and implement practice models that enable some children who would have otherwise come into care to remain in their family.

### **How are we planning to realise this change?**

10. This capacity gap can be met through developing a strong mixed economy of provision, which includes both new SCC funded children’s homes and partnership with external providers. To enable 60-70 children to be placed in children’s homes in Surrey requires a minimum net-gain of 60 additional new beds in the county plus improved utilisation of existing children’s homes capacity for Surrey’s children. This will demand us to:
  - Create 30 additional beds in children’s homes using existing and the repurposed £18m SCC capital funding, with SCC managing these (first preference) or via strategic partnerships with trusted external providers.
  - Enable at least 15 additional looked after children to live in Surrey by maximising the use of existing children’s homes capacity that is currently not occupied by SCC children. This will require both strengthened relationships with external providers in the county and enhanced practice and processes in-house.
  - Support high-quality independent providers to create at least 30 additional children’s home beds in the county, who bring their own investment to establish provision (i.e. no SCC capital will be required) – specifically supporting this development by creating a new Residential Dynamic Purchasing System, which includes a facility to block book 20-beds for Surrey.

The plan to create 70 beds accounts for the fact that it will not be possible for SCC to utilise 100% of the capacity that exists in children’s homes in Surrey at any one point in time, due to: ensuring the individual needs of children can be met appropriately alongside others (“matching”); changes in staffing levels over time; other LAs placing in externally-run Surrey-based children’s homes, with SCC not having preferential access

despite being the host LA; and children from other LAs currently living in Surrey-based homes being settled and unable to move for a period of time.

11. It is acknowledged that achieving this ambitious level of growth in capacity will require long-term commitment, focussed work and appropriate resourcing over time, but it is clear that this is the right ambition for Surrey's children and can be achieved over time.

**What are our current capital development plans with regards to children's homes and care leaver accommodation?**

12. Aligned to the ambitions above, this section provides a short overview of the whole programme of development of children's home and care leaver accommodation that Surrey County Council is undertaking – within a total agreed capital budget envelope of £39.6 million. It will also explain the net-progress this will mean in the county, relative to the position in July 2020 when Cabinet approved the allocation of capital to the first new children's homes in Surrey.

13. Since July 2020 and inclusive of the proposals for a final replacement home in Cobham set out in this paper, Cabinet has approved the creation of 46 beds in new children's homes in Surrey, alongside additional care leaver accommodation, using SCC capital. Over the same period SCC has made strategic changes to the way its children's home estate is used that mean 10 previous beds are no longer available for long-term placements, alongside the additional four beds at Children's Home SC040631 in Cobham which are earmarked for re-provision (see paragraph 3). This will mean a total net-gain of 30 medium to long-term beds and 2 short-term beds (which are linked to a second No Wrong Door hub in the county).

14. For children's homes, the specific proposals include:

Children's home location*	No. of beds	Target group(s)	Estimated go-live	Cabinet decision
Epsom	4	Mainstream**	Sep '23	July '20
Walton (a)	4	Mainstream	Sep '23	July '20
Walton (b)	2	No Wrong Door	Sep '23	July '20
Dorking (a)	4	Mainstream	Mar '25	Feb '21
Dorking (b)	2	Autism / Mental health	Mar '25	Feb '21
Cobham (a)	4	Mainstream	Jan '26	Jul '23 (TBC)
Cobham (b)	2	Mainstream / emergency provision (final decision will be made to respond to demand closer to completion)	Jan '26	Jul '23 (TBC)
Woking ( <i>new</i> )	4	Mainstream	Nov '24 to Mar '28***	Nov '22
Camberley ( <i>new</i> )	4	Mainstream		
Caterham/Oxted ( <i>new</i> )	3	Autism / Mental health		
Weybridge/Esher/Walton ( <i>new</i> )	3	SEMH (high-needs)		
Farnham/Reigate ( <i>new</i> )	4	Children with Disabilities		
Any priority location (a) ( <i>new</i> )	3	Child Criminal Exploitation (CCE) specialisation		
Any priority location (b) ( <i>new</i> )	1			

Any priority location (c) ( <i>new</i> )	1	Solo/emergency provision – properties on one site or within 10-mins drive of one another		
Any priority location (d) ( <i>new</i> )	1			

\*Locations of homes labelled “new” are indicative and represent the current preferred location, based on assessed needs, location of complementary education provision and proximity to other children’s homes in the county. These may be subject to change as specific options are identified by Land and Property and agreed to by CFL over time.

\*\*For the purposes of this report, “Mainstream” refers to children’s homes that cater for children with a range of social, emotional and mental health needs – rather than having a particular specialism.

\*\*\*Initial work between CFL Commissioning and Land & Property has mapped out a likely timeline of up to 5 years (inclusive of contingency) to deliver the 24 additional children’s homes beds in Surrey.

15. Whilst not the focus of this report, it is important to acknowledge that this level of capital expansion will require extensive work around workforce development, recruitment and retention within the SCC children’s homes estate. Significant work is already underway to address this. The service has improved the recruitment strategy and created and implemented its own 4-day corporate induction for the workforce.

16. In addition, to the new-build projects listed above, work has been undertaken to refurbish an additional short-stay children’s home in Tadworth and re-provide SCC’s Family Contact Centre in Woking, with both premises set-up to support families to stay together and prevent the need for longer-term placements in children’s homes.

17. SCC has also been working to enable more care leavers to live in the county. Within the scope of previous decisions taken by Cabinet, SCC is making targeted capital investment in new models of care leaver accommodation to supplement the core offer of supported accommodation in the county. These include:

- The purchase and re-fit of six four-bed houses of multiple occupation (HMOs), located across the county, for care leavers and older unaccompanied asylum seekers with no recourse to public funds, aged 18 to 25.
  - i. This provides a new stepping-stone in the pathway to independence for young people who are ready to progress on from Supported Accommodation into their own tenancies within the next 12 months.
  - ii. Whilst SCC will own and manage the accommodation, floating support will be commissioned from trusted local providers.
  - iii. This type of accommodation fits within the St Basil’s and Barnardo’s Care Leaver Accommodation and Support Pathway, which is a national best practice model, whilst also securing improved value for money for the Council.
  - iv. There is an 18-month delivery window for this initiative, with the first new HMO expected to go-live by November 2023.
- A pilot project to create four individual accommodation units for care leavers, delivered in partnership with a local registered social landlord (RSL).
  - i. By working in partnership with a well-established local RSL, we are able to maximise SCC’s capital contribution for the collective benefit of all partners, alongside Homes England and Reigate and Banstead Borough Council.

- ii. The property is being developed and will be owned and run by the RSL, but SCC will have nomination rights for at least 30 years for Surrey care leavers, with the accommodation going live from September 2023.
- iii. This partnership model may well be a cost-effective and time and energy-efficient way to deliver additional care leaver accommodation in Surrey in the future, due to the modular build approach being employed and delivering a high energy efficiency rating.

### **What are the specific proposals for the replacement children's home?**

18. Extensive work has already been commissioned and undertaken via SCC Land & Property to scope out and plan the re-provision of children's home SC040631 in Cobham on the existing site. This included obtaining a detailed brief outlining the requirements of the new building, as well as mobilising a multi-disciplinary team to undertake feasibility studies. These encompassed a variety of surveys such as arboriculture, ecology, geotechnical, civils, structural and transport assessments, as well as to complete concept design work and engage with planners to obtain pre-application planning advice. This work (up to the end of RIBA Stage 2) has been completed.
19. The plans for the site follow a similar model to the children's homes already delivered on the Walton-on-Thames site and what is planned to be delivered in Dorking. This includes the creation of a four-bed community home, which will support children with a range of social, emotional, and mental health needs, alongside an adjoining two-bed home that will be tailored around SEMH or emergency provision. There is a need for both specialisms and final decisions will be made in the months immediately prior to completion of the build to meet the service's specific needs at that time.
20. The community home will consist of 4 children's bedrooms and 2 staff bedrooms for overnight sleep-in provision, as well as a staff office and communal spaces such as a lounge, kitchen/diner and quiet room on the ground floor and study room on the first floor. The annex home will consist of 2 children's bedrooms and 1 staff bedroom, whilst also providing ground floor lounge and kitchen/dining spaces. Externally the site will be landscaped to a high standard including turfing and a mixture of young and semi-mature planting to soften the surroundings, whilst at the front of the site there will be ample parking for staff and visitors to the site.
21. The construction methodology will follow a fabric-first approach, using a hybrid construction of traditional brick and block combined with a timber structurally insulated panel system (SIPS), including highly energy efficient materials, concentrating on airtightness. The proposals will also look to include sustainable energy systems such as air source heat pumps, photovoltaic panels, under floor heating throughout and a mechanical ventilation heat recovery (MVHR) system to regulate the temperature across the home, helping to reduce energy consumption and save on running costs.
22. In addition to sustainability, the home will be designed to promote safeguarding, with every detail considered, including the provision of anti-ligature and anti-barricade measures to protect both the children and staff of potential harm.
23. In terms of timeframe, it is proposed that once Cabinet has provided approval to proceed and a capital budget is in place, the multi-disciplinary team will conduct a pre-planning community engagement and consultation event prior to submission a full planning application on behalf of SCC. Concurrent to the planning application process, the design

team will begin work on the detailed design and technical specifications in advance of planning approval, at which point the tender pack will be produced in advance of procurement. We anticipate a contract award date of April 2024, and a construction completion date of December 2025, resulting in an operational go live date of early 2026.

24. The detailed project proposals will be subject to the appropriate governance process including Property Panel and Corporate Programme Panel.

### **Conclusions**

25. The proposals set out in this report support SCC's ambition as Corporate Parent for every looked after child to have the choice to remain in Surrey, where this is appropriate to their needs and circumstances. Achieving this change will have economic, health, environmental and community benefits for Surrey. Delivering this requires long-term commitment, focussed work and appropriate resourcing, but it is clear that this is the right ambition for Surrey's children and can be achieved over time.

### **Consultation:**

26. These proposals have been developed as part of the Council's Placement Value and Outcomes Transformation programme, with input from Children's Services, Children's Commissioning, Land and Property, and Finance, and will be overseen via the newly established Corporate Parenting Transformation Board moving forward.
27. SCC is actively engaging with external providers of regulated children's homes to develop the local market of provision in the county and working with them to strengthen relationships and develop new locally focussed commissioning arrangements.
28. The proposals to invest additional funding in Children's Homes to create a further 24-beds in the county, referred to in this report, were considered by the Children, Families, Lifelong Learning and Culture Select Committee on 4 October 2022, who gave their support to the recommendations set out.

### **Risk Management and Implications:**

29. The 2022/23 outturn was an overspend of £6.5m on the children's social care placement budget. Whilst a range of steps are being taken to mitigate this, it is important to note that this is a demand-led budget where SCC is statutorily required to make particular placements. Increasing numbers of children requiring regulated placements, pressures within the national market for regulated placements and ongoing above average inflation are all contributing to this situation. There are also additional risks this year associated with the introduction of Ofsted regulation for Supported Accommodation from 28 October 2023. It is estimated this will increase costs of this provision by between 10% and 30% for children aged 16 and 17. Development of additional SCC capital-funded homes is a key mitigation of the pressure currently being felt with regards to cost of external placements and helps to mitigate reliance on the external market, providing enhanced ability to contain future placement costs.
30. As set out in paragraph 8, SCC continues to place a number of children in unregistered placements, where it has not been possible to identify a registered placement anywhere nationally. This includes SCC, in a similar way to many other LAs, being obliged to make a small number of unlawful placements for looked after children under the age of 16 (especially in response to short notice requirements) to ensure children can be accommodated safely. This reality carries financial, reputational and regulatory risk for the Council, but SCC mitigates these risks through:



- open and clear communication with Ofsted;
- enhanced quality assurance of and support arrangements for children in these placements;
- ongoing work with unregulated placement providers to encourage them to register with Ofsted, and become regulated wherever possible; and
- ongoing searches for alternative regulated provision.

The development of additional children’s homes, as set out in this report, reduces the likelihood of having to make unlawful placements in future.

31. Children’s residential provision is a volatile sector facing many challenges. Only recently one of the five largest providers of regulated children’s homes in England, Outcomes First Group, closed 27 of its homes at short notice. Expanding the number of SCC-owned children’s homes mitigates costs and sufficiency risks associated with this, but does potentially increase risks around regulatory compliance and the possible impact of negative Ofsted judgements. These risks are mitigated by extensive investment in staffing and strengthened practice and processes in SCC’s current children’s homes.
32. SCC currently places a high proportion of looked after children who require residential provision outside of Surrey. Whilst a robust approach is taken to ensure children in these placements are safe and well supported, it is possible to have greater assurance of children’s safety and improve coordination of support when provision is based locally.
33. During 2021, SCC was subject to a high-profile judicial review threat in relation to its fulfilment of its statutory sufficiency duty. Through this process SCC was able to demonstrate clear and concrete steps to improve the sufficiency of provision in the county, and the risk of future action is significantly reduced by maintaining efforts to enable more looked after children to live in Surrey. SCC’s progress in this area was validated during the Ofsted ILACS inspection in January 2022. Inspectors highlighted “A comprehensive sufficiency strategy is being implemented. The strategy is based on a detailed understanding of the gap between identified needs and resources.”
34. It is a challenging time to plan and deliver capital projects, with risk that costs may increase during planned projects. This will be mitigated through careful planning and appropriate contingency planning, but it is acknowledged that if construction costs do continue to rise, it may be necessary to prioritise the projects that are taken forward within the existing financial envelope.
35. As highlighted in para. 5, recruitment is a national challenge facing the regulated Children’s Home market. This means there are risks associated with recruiting sufficient appropriately trained staff to enable the delivery of new children’s homes. To mitigate this risk, we are actively investing in and exploring further improvements to our recruitment, retention and training and development offer to staff in SCC homes – in part enabled by SCC transformation funding. There have been demonstrable increases in recruitment during 2022 and into 2023, associated with implementation of our recent children’s homes transformation. The continuation of transformation funding in 2023/24 will support ongoing mitigation of this risk, but the position needs to be confirmed for 2024/25 onwards. In addition, the ability to consider working in strategic partnership with external providers to manage SCC-owned homes, provides a contingency option should SCC struggle in terms of recruitment at scale.

<p><b>Financial and Value for Money Implications:</b></p>
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36. Cost efficiencies are expected to be generated by the addition of two additional bed spaces. These will enable the Council to provide appropriate provision in-house for two

children who would previously have needed to be placed in external residential provision. Based on current average costs the difference between an in-house and external residential placement is c£1,000 per week. Therefore, the full year efficiency for two additional places would be in the region of £104,000.

37. These efficiencies on their own would not be enough to cover the potential cost of borrowing and the Minimum Revenue Provision (MRP) on the £3.3m of capital spend, estimated at £346k. However, there will be further cost avoidance with this proposal as the 4 existing places would become untenable if no works were undertaken to the existing premises. Should these beds become unusable, and the children require moves to external placements, this would add an additional £208,000 cost to the placement budget. It is expected that it will no longer be sustainable to maintain the current building as a children's home from approximately April 2026.
38. The intention in the creation of the new replacement home is to utilise a portion of the current site. This will enable SCC to consider the usage of the remaining portion of the site. It is intended to follow the Capital Asset Panel procedure for considering the future uses of SCC sites and property assets. The first step is to undertake a search to identify other potential SCC service needs or uses for the site – i.e. re-purpose the site. If no other service needs are identified, the site will then be considered for disposal to release the property's residual capital value.
39. The future approval of any specific scheme will require the detailed calculation of potential costs, efficiencies and cost avoidance to ensure clarity around the implications. Based on the current high-level assumptions, the table below sets out the timeline of expected costs and benefits over the next five years.

10

	23/24 and prior yrs £'000	24/25 £'000	25/26 £'000	26/27 £'000	27/28 £'000	28/29 £'000	Total £'000
Capital investment	195	2,700	391				3,286
Loan repayment			247	247	247	247	989
MRP			99	99	99	99	394
2 additional bed spaces cost efficiency				(104)	(104)	(104)	(312)
<b>Net cost</b>			<b>346</b>	<b>242</b>	<b>242</b>	<b>242</b>	<b>1,072</b>
Cost avoidance				(208)	(208)	(208)	(624)
<b>Total cost benefit</b>			<b>346</b>	<b>34</b>	<b>34</b>	<b>34</b>	<b>448</b>

**Section 151 Officer Commentary:**

40. Significant progress has been made in recent years to improve the Council's financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.
41. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, 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 the stable provision of services in the medium term.

42. As such, the Section 151 Officer supports the proposal to grow capacity within Surrey children's homes as part of the strategy to enable more looked after children to remain within county, as well as to manage the financial pressures in this area.

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

43. Under the Children Act 1989, Surrey County Council has a statutory duty to provide sufficient accommodation within the authority's area that meets the needs of the children.

44. The Council's responsibilities are further strengthened by the Children Act 2004 to promote safeguarding and welfare of children.

45. All children's homes have to be registered with Ofsted under the Care Standards Act 2000, and are inspected and regulated by Ofsted against the Children's Homes (England) Regulations 2005 which sets out the requirement for leadership and management and staffing of the homes in accordance with its stated purpose:

#### Regulation 13

- "13. (1) *The leadership and management standard is that the registered person enables, inspires and leads a culture in relation to the children's home that—*

*(a) helps children aspire to fulfil their potential; and*

*(b) promotes their welfare.*

*(2) In particular, the standard in paragraph (1) requires the registered person to—*

*(a) lead and manage the home in a way that is consistent with the approach and ethos, and delivers the outcomes, set out in the home's statement of purpose;*

*(b) ensure that staff work as a team where appropriate;*

*(c) ensure that staff have the experience, qualifications and skills to meet the needs of each child;*

*(d) ensure that the home has sufficient staff to provide care for each child;*

*(e) ensure that the home's workforce provides continuity of care to each child;*

*(f) understand the impact that the quality of care provided in the home is having on the progress and experiences of each child and use this understanding to inform the development of the quality of care provided in the home;*

*(g) demonstrate that practice in the home is informed and improved by taking into account and acting on—*

*(i) research and developments in relation to the ways in which the needs of children are best met; and*

*(ii) feedback on the experiences of children, including complaints received; and*

*(h) use monitoring and review systems to make continuous improvements in the quality of care provided in the home."*

46. Legal Services will provide such assistance as is required in respect of the capital project works.

**Equalities and Diversity:**

- 47. The proposed children’s homes, schemes will have positive benefits for Looked After Children up to the age of 17, enabling more children to live in or close to the communities they are from, whilst the proposals related to care leaver accommodation will have similar benefits for older young people. This will also enable SCC to deliver more coordinated and holistic multi-agency support, contributing to better outcomes.
- 48. Some looked after children have special educational needs and disabilities that mean they may require specialist support and end up being placed at distance to access this. The proposals covered by this report increase provision for these children locally.
- 49. If looked after children live in children’s homes locally, this also supports them to remain living in Surrey as care leavers, should they so wish – aligning with best practice guidance around children “staying close” to their children’s homes and strengthening their ability to access local housing through district and borough councils.

**Other Implications:**

- 50. The potential implications for the following Council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:	Direct Implications:
Corporate Parenting / Looked After Children	The proposals in this report are directly focussed on improving outcomes for Looked After Children, by enabling more to live in homes closer to the communities they are from. This is directly connected to our statutory duties in relation to Corporate Parenting and sufficiency of accommodation, as well as supporting the implementation of our Looked After Children and Care Leaver Sufficiency Strategy 2020-25.
Safeguarding responsibilities for vulnerable children and adults	The development of children’s homes in Surrey directly supports our safeguarding responsibilities for looked after children. By accommodating more children in Surrey we are able to better quality assure provision and enable improved collaborative, multi-agency working to strengthen their safety and outcomes.
Environmental sustainability	<p>There are significant opportunities to make a positive impact on environmental sustainability connected to these proposals. This relates to the ability to reduce travel associated with supporting looked after children placed at distance from Surrey and opportunities from the chance to build new and/or renovate existing children’s homes so that higher environmental standards are met.</p> <p>The new facilities will be designed and constructed in line with the latest building regulations to maximise energy efficiency, whilst in certain areas bettering the minimum requirements for energy efficiency, for example with area weighted U-values improving upon the limiting values stated within the Building Regulations Part L1 2021 for the building fabric and glazing elements. It is expected that the Energy Performance rating of the new building</p>

	will be EPC rating A, which has been given to the new children's homes at Epsom and Walton-on-Thames.
Compliance against net-zero emissions target and future climate compatibility / resilience	There is clear commitment within these proposals to minimise carbon emissions associated with any additional new-build children's homes, working in partnership with the Greener Futures Team to review current plans and scrutinise future proposals as they are brought forward. The ambition will be to get as close to net-zero emissions as possible for new-build and renovation projects, within capital constraints, ensuring we balance the Council's carbon reduction ambitions with the need to fulfil core statutory duties relating to looked after children.
Public Health	Research shows looked after children have poorer health outcomes than their peers. This proposal enables them to stay close to their established health care services in Surrey and benefit from health and public health initiatives delivered by the Council and its partners.

### What Happens Next:

51. The key next steps are:

- Mobilisation of new SCC children's homes in Epsom and Walton over summer 2023, with children accessing increased local provision by September 2023
- Formally begin searching for suitable future children's home locations from August 2023 onwards
- Commission multi-disciplinary team to submit planning application and commence detailed design work in relation to the delivery of the replacement children's home in Cobham from September 2023 onwards, with a target operational date for the beginning of 2026
- Confirm revenue resource requirements associated with planned programme of new homes, including requests for additional Transformation funding, by September 2023
- Ongoing reporting and scrutiny will take place at programme and individual property project levels. Programme reporting and scrutiny will be via CFL Capital Board (with a focus on property aspects) and Children's Social Care Transformation Board (with a focus on service aspects). Individual projects will need Corporate Programme Panel (CPP) approval for capital spend, so CPP will also receive reports on a regular basis, to be agreed with CPP.

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**Annexes:**

Annex 1: Looked After Children and Care Leaver Capital Programme Budget Overview

Annex 2: Environmental Sustainability Assessment

Annex 3: Equality Impact Assessment

**Sources/background papers:**

- Stable Homes, Built on Love: Strategy and Consultation, Department for Education, 2 February 2023
  - Surrey homes for Surrey Children: A strategic approach to growing capacity in children's homes in Surrey, SCC Cabinet, 29 November 2022
  - Surrey homes for Surrey Children: A strategic approach to growing capacity in Children's homes in Surrey, SCC CFLLC Select Committee, 4 October 2022
  - Independent Review of Children's Social Care, 23 May 2022
  - Children's Social Care Market Study, Competition and Markets Authority (CMA), 10 March 2022
  - Transformation of Surrey Children's Residential Services, SCC Cabinet, 30 November 2021
  - Looked after children: out of area, unregulated and unregistered accommodation (England), House of Commons Library, November 2021
  - Delivery of Care Leaver Accommodation and Children's Homes, SCC Cabinet, 23 February 2021
  - Looked After Children Property Projects – New Children's Homes and Shaw Family Centre, SCC Cabinet, 21 July 2020
-

## Annex 1 - Looked After Children and Care Leaver Capital Programme Budget Overview

Category	Scheme	Forecast Total
<b>Schemes approved pre-2022/23</b>		
Childrens Homes refurbishment	SC405933	1,297,000
New Childrens Home	Walton	2,938,936
New Childrens Home	Epsom	2,347,632
New Contact Centre	Shaw Family Centre	3,193,946
New Childrens Home	Dorking	4,249,103
DfE Capital Grant income	Dorking	(835,000)
<b>Subtotal</b>		<b>13,191,617</b>
<b>Schemes approved via Cabinet or delegated decision in 2022/23-2023/24</b>		
Care Leaver Accommodation	HMOs	5,070,000
New Childrens Home	24 Additional Beds	18,000,000
Care Leaver Accommodation	Transform Pilot	240,000
<b>Subtotal</b>		<b>23,310,000</b>
<b>Schemes not yet approved</b>		
New Children's home	Cobham	3,300,000
<b>Subtotal</b>		<b>3,300,000</b>
<b>Overall forecast total</b>		<b>39,217,000</b>
LAC Capital Budget		(36,238,000)
LAC Capital Pipeline		(3,330,000)
<b>Total LAC Capital Budget</b>		<b>(39,568,000)</b>
<b>Balance of forecast against budget</b>		<b>(351,000)</b>

## Annex 2: Environmental Sustainability Assessment (ESA)

Area	Relevant Topic Y/N	Issue	Possible Action	Taken forward?
Designated sites, protected species and biodiversity  Resilience to risks posed to the environment by service delivery	Y  N	Appropriate environmental investigation will be undertaken to confirm that there are no issues as and when sites are identified	Further environmental assessments will be carried out as part of the development and planning processes	
Materials and water Energy Waste	Y Y Y	Energy use and waste will be components identified as any schemes progress	Surrey County Council's design philosophy is to create buildings that will support low energy consumption, reduce solar gain and promote natural ventilation. Any new infrastructure developed will be built to the local planning authority's adopted core planning strategy.	
Transport	Y	Delivery of construction projects does involve an amount of travel for labour, and delivery of materials. Air Quality Management Area not yet identified	This will be considered as part of the procurement process for any projects under this programme	
Landscape and trees  Heritage Education / raising awareness	Y  N N	Any designs will be worked up to retain as many existing trees on sites as possible. This will be subject to final agreement at planning stage.	Arboricultural surveys will be carried out on any sites identified to identify the potential issues. Discussions will be carried out with the Council's Arboricultural Officer to identify the least impactful solution and potential remediation measures as required.	

## Residential Children's Homes Development in Surrey

Did you use the EIA Screening Tool? (Delete as applicable)

Yes (please attach upon submission) / ~~No~~

### 1. Explaining the matter being assessed

Is this a:

- Change to an existing strategy or policy

**Summarise the strategy, policy, service(s), or function(s) being assessed. Describe current status followed by any changes that stakeholders would experience.**

All local authorities have a statutory duty to provide care and accommodation for children looked after in the local area (the 'sufficiency duty'). Surrey County Council (SCC) operate nine in-house children's homes in Surrey (as of November 2022). In addition, a number of independent children's homes providers operate children's homes in the county. Overall, sufficiency of residential children's home placements remains low in Surrey with the majority of children placed outside of the county. This is in the context of national challenges for local authorities to secure residential children's home placements. To address sufficiency and increase capacity in Surrey, SCC plan to develop new children's homes. Property will be developed in-house with care to be delivered in-house and/or via strategic partnerships with trusted providers. In addition, SCC proposes to explore block contracts with high-quality external providers of children's homes in Surrey, to secure more of the capacity that is in county for Surrey's looked after children.

Key stakeholders include:

- children looked after and their families and peers;
- residential staff, social workers, corporate parenting and children's services staff;
- professionals from health, education and third sector organisations working with children looked after;
- professionals from SCC and local Districts & Boroughs involved in the property planning for new children's homes;
- professionals from SCC and local Districts & Boroughs involved in the operational planning for additional children's homes;
- select committee and cabinet members of SCC and Surrey's 11 local District and Boroughs;
- local communities in Surrey;
- independent providers of residential children's homes in Surrey.

How does your service proposal support the outcomes in [the Community Vision for Surrey 2030](#)?

# Equality Impact Assessment

The children's homes development programme supports the ambitions for 'people' as set out in the Community Vision 2030, namely:

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

It also directly addresses a number of ambitions for 'place', in particular that:

- Everyone has a place they can call home, with appropriate housing for all.
- Businesses in Surrey thrive.
- Well-connected communities, with effective infrastructure, that grow sustainably.

10

## **Are there any specific geographies in Surrey where this will make an impact?**

- County-wide:
  - Elmbridge
  - Epsom and Ewell
  - Guildford
  - Mole Valley
  - Reigate and Banstead
  - Runnymede
  - Spelthorne
  - Surrey Heath
  - Tandridge
  - Waverley
  - Woking

**Assessment team** – A key principle for completing impact assessments is that they should not be done in isolation. Consultation with affected groups and stakeholders needs to be built in from the start, to enrich the assessment and develop relevant mitigation.

## **Detail here who you have involved with completing this EIA:**

Consultation on the sufficiency needs and on residential development has included the following key stakeholders at various stages of the planning:

- Corporate Parenting Commissioning Team
- Corporate Parenting – Children's Resources
- Gateway to Resources – Allocations
- Gateway to Resources – Resource Review
- Land and Property Team
- Social Work Teams including Children with Disabilities
- SEND Commissioning Team



# Equality Impact Assessment

- User Voice & Participation Team - sought feedback from young people in the ATLAS Participation Group regarding the development of a new children's home with an autism specialism and we have reviewed ongoing feedback and insight collated by the UVP Team in Surrey linked to children's homes.
- Provider questionnaire and regular market engagement with independent providers of residential children's homes

## 2. Service Users / Residents

### Who may be affected by this activity?

There are 9 protected characteristics (Equality Act 2010) 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

## PROTECTED CHARACTERISTIC: AGE

**Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

The development of residential children's homes will impact on Surrey's children looked after aged 0 - 17. Of Surrey's children in residential children's homes 72% are aged 14+, 23% are aged 10-13 and 4% are aged 8 – 9 (as of October 2022).

The development of additional residential children's homes in Surrey is expected to have a positive impact on children looked after in these age-groups, by enabling a higher proportion of children to remain living in Surrey where they can better maintain relationships with family, friends and communities as appropriate, continue in their education placements and access health-care provision and other support services in-county.

There is also a potential positive impact for young people once they reach 18. Having been placed in county allows for smoother transitions to adulthood and leaving care support services as well as housing support in the communities and neighbourhoods that young people are familiar with and have established links in.

10

**Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

A small proportion of children looked after will be placed outside Surrey intentionally where this is in their best interest, for example to break links where these are causing harm and to keep children safe. Children and young people who are placed outside Surrey will not benefit directly from additional provision in county for the period of time that they remain out of the local area. A continued focus on quality assurance and reviewing placements will be required to ensure that children and young people placed outside of Surrey are in the best placement to meet their needs and that wrap-around support services are provided where children are placed.

The positive impact for children looked after in residential placements in Surrey will be enhanced by ensuring that there is a structured approach to understanding identified needs and that new provision is developed to meet these needs - including specific age-groups.

Where SCC works with independent providers, their equality and inclusion plans will need to be evidenced and considered.

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

As well as developing residential provision, there is a focus on increasing sufficiency of foster placements in Surrey. SCC are committed to enabling children looked after to live in a family environment as a first choice for all children looked after, particularly for younger children. This includes a focus on enabling children to move from residential placements to foster placements where this is the right choice for the child. The development of additional residential provision in Surrey will enable smoother transitions for children moving from residential children's homes to foster care or other placement types in-county.

# Equality Impact Assessment

Established in-house children's homes are registered for ages 11 - 17. New residential children's homes are likely to reflect these age-groups, with precise age-ranges for each new home to be guided by evidence from our children looked after data and identified needs.

SCC are also working to identify children looked after placed out of county where a move back to Surrey is in their best interest. The development of additional children's homes will support this work in the medium to long term.

## **Any negative impacts that cannot be mitigated?**

N/A

## PROTECTED CHARACTERISTIC: DISABILITY

**Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

A significant proportion of children looked after placed in residential children's home placements have a disability recorded (39% as of October 2022). Of these children 76% are allocated social workers from the children with disabilities social work teams, the remainder have disabilities recorded but are under the care of other social work teams. Of these children, the predominant needs are: learning disabilities (76%), communication needs (60%), autism (47%) and behavioural needs (47%) as of October 2022. In addition, 73% have an Education, Health Care Plan (EHCP).

Approximately 50% of children with disabilities placed in residential children's homes are in county, however for children placed in residential schools only 18% are placed in county (as of October 2022).

The development of additional children's homes in Surrey is expected to have a positive impact on children looked after with disabilities by providing a wider choice of placements in the local area, closer to family, friends and communities and where children are able to access education, health and support services in-county.

**Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

SCC will maximise the positive impact for children looked after with disabilities by ensuring that new provision is planned carefully to meet existing and emerging needs, that staff receive specialist high quality training to meet the children's care needs and providers and services work closely together to ensure the best possible outcomes for children.

There will also be a focus on ensuring that the physical buildings are designed, built and furnished to meet the needs of the children who will be placed. In addition the locations will be considered alongside the specialisms of the homes to reflect education and healthcare services in the local area.

Should children or young people experience discrimination, support will be provided by residential children's homes staff and other professionals to ensure that any incidents are appropriately responded to, and that the young person is supported emotionally and practically.

Where SCC works with independent providers, their equality and inclusion plans will need to be evidenced and considered.

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

SCC are also focussed on increasing foster care placements for children with disabilities and enhanced foster care placements. In addition, short breaks services for Surrey's children looked after were re-commissioned in October 2022. These services will further improve the availability and choice of placements and support services to meet the needs of children with disabilities in Surrey.

# Equality Impact Assessment

SCC are working to increase the provision of school places for children with disabilities and with additional educational needs. This will further improve provision for children and young people to be able to access both care placements and education placements in-county.

## **Any negative impacts that cannot be mitigated?**

Although additional residential children's homes in Surrey will have a positive impact on children looked after with disabilities, the capacity will likely still not be sufficiency for all children with disabilities to be placed in county. A continued focus on sufficiency by increasing both in-house and external/independent provision will contribute to achieving the aim for all children to have the choice to live in Surrey.

## PROTECTED CHARACTERISTIC: PREGNANCY & MATERNITY

### **Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

The residential development plans are not currently focussed on provision for older children looked after who are pregnant or parents, and the development of additional children's homes is not expected to have a negative impact on looked after young people who are pregnant or parents.

Time-limited placements in residential parenting assessment units are at times agreed in court or requested by social work teams prior to court proceedings and to inform care planning. These placements tend to be for parents with very young children, often in the first weeks or months of life. The capital development plans currently do not include the development of this type of provision.

### **Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

10 If a young person placed in a new residential children's home does become pregnant, SCC would ensure that the individual circumstances and needs of the mother and baby are prioritised and ensure that they are in a placement that ideally suits their care needs.

SCC work closely with providers of independent (external) children's homes and residential parenting assessment units to ensure that the needs of the children looked after, and their children or unborn children are cared for to the highest standards.

If a young person experiences discrimination, they will be supported by residential children's homes staff and other professionals to ensure that any incidents are appropriately responded to, and that the young person supported emotionally and practically.

Where SCC works with independent providers, their equality and inclusion plans will need to be evidenced and considered.

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

Alongside work on residential sufficiency, SCC are focussed on increasing sufficiency of fostering placements including specialist parent and child placements. SCC also commission placements from Independent Fostering Agencies with specialist parent and child foster carers. These placements may be commissioned via the SouthCentral framework or directly by SCC.

### **Any negative impacts that cannot be mitigated?**

There may be instances where a young person is required to move placement as a result of the current residential placement not being suitable for a parent and child to be placed in. SCC would ensure that the individual circumstances and needs of the mother and baby are prioritised and ensure that they are in a placement that ideally suits their care needs.

## PROTECTED CHARACTERISTIC: RACE INCLUDING ETHNIC OR NATIONAL ORIGINS, COLOUR OR NATIONALITY

**Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

Of Surrey's overall children looked after population, 67.61% are White British, 7.78% Any Other Asian Background, 5.35% Black African, 3.99% Any Other White Background, 3.21% Any Other Mixed Background, 2.33% Any Other Ethnic Group, 1.85% White and Black Caribbean, 1.65% White and Black Africa, 1.56% Any Other Black Background, 0.88% Any Other Black Background, 0.68% Gypsy/Roma, 0.58% Pakistani, with a number of other ethnic groups each making up less than 0.5% of the population (as of October 2022).

For children in residential children's homes the demographics are as follows: 79.05% White British, 4.76% Any other White Background, 2.86% Any Other Mixed Background, 2.86% Any Other Asian Background, 1.90% White and Black Caribbean, 1.90% Black-African, 1.90% Any Other Black Background, 0.95% White and Black African, 0.95% White and Asian, 0.95% Pakistani (as of October 2022).

All residential children's homes will be developed to meet each child's needs and promote their welfare, taking into account the child's race, ethnicity, colour and nationality. As stipulated in the Children's Homes Quality Standards (2015), children's home staff should take every step to make sure that individual children and young people are not subject to discrimination, marginalisation or bullying from their peers by virtue of their gender, religion, ethnicity, cultural and linguistic background, sexual identity, mental health, disability or for any other reason.

**Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

Whilst SCC do not foresee negative impact for children resulting from new homes being developed, SCC recognise that a continued commitment and focus on ensuring equality, diversity and inclusion is paramount across the workforce and communities including in the children's homes. Tackling inequality so no-one is left behind is SCC's guiding principle, ensuring that all children feel valued and that their race, colour and nationality are celebrated.

SCC must ensure that any potential impact for children looked after who may not be placed with staff or peers of their own ethnic group, colour or nationality are recognised, and that children are supported to positively identify with their ethnic and cultural background.

Children's home residential staff will also ensure that they are familiar with the cultural and religious services on offer for each child, and support them to access and encourage them to participate in activities in the community and wider as appropriate.

If a child or young person experiences discrimination, they will be supported by residential children's homes staff and other professionals to ensure that any incidents are appropriately responded to, and that the young person supported emotionally and practically.

Where SCC works with independent providers, their equality and inclusion plans will need to be evidenced and considered.

# Equality Impact Assessment

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

SCC are focussed on recruiting a high-quality diverse workforce in residential children's homes and across children's services, as well as providing training, developing skills and instilling SCC's ethos of tackling inequality.

**Any negative impacts that cannot be mitigated?**

N/A



## PROTECTED CHARACTERISTIC: RELIGION OR BELIEF INCLUDING LACK OF BELIEF

**Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

All residential children's homes will be developed to meet each child's needs and promote their welfare, taking into account the child's religion or belief, including lack of belief. Negative impacts are not anticipated as a result of the development of new children's homes in Surrey.

**Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

As stipulated in the Children's Homes Quality Standards (2015), children's home staff should take every step to make sure that individual children and young people are not subject to discrimination, marginalisation or bullying from their peers by virtue of their gender, religion, ethnicity, cultural and linguistic background, sexual identity, mental health, disability or for any other reason. Children should be able to maintain and develop their cultural or religious beliefs as far as practicable and where appropriate, through participation and instruction, and by observing religious requirements including dress and diet.

Children's home residential staff will also ensure that they are familiar with the cultural and religious services on offer for each child, and support them to access and encourage them to participate in activities in the community and wider if appropriate. Care will meet each child's needs and promote their welfare, taking into account their individual religion or belief (including lack of belief).

SCC must ensure that any potential impact for children looked after who may be placed with staff or peers who do not share their own religious belief are recognised, and that children are supported to positively explore and identify with their belief. This includes a recognition of and respect of other religious beliefs including lack of belief that others may hold.

Should a child or young person experience discrimination, they will be supported by residential children's homes staff and other professionals to ensure that any incidents are appropriately responded to, and that the young person supported emotionally and practically.

Where SCC works with independent providers, their equality and inclusion plans will need to be evidenced and considered.

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

SCC are focussed on recruiting a high-quality diverse workforce in residential children's homes and across children's services, as well as providing training, developing skills and instilling SCC's ethos of tackling inequality.

**Any negative impacts that cannot be mitigated?**

N/A

## PROTECTED CHARACTERISTIC: SEX

### **Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

There is a relatively even split of 52% male and 48% female in Surrey's children looked after population who are placed in residential children's homes, although there are variations by age-group with 67% of 14 - 15 year olds being male, but only 40% of 16 – 17 year olds being male (as of October 2022).

The development of additional residential children's homes in Surrey is expected to have a positive impact on children looked after of all genders, by enabling a higher proportion of children to remain living in Surrey where they can better maintain relationships with family, friends and communities as appropriate, continue in their education and access health-care provision and other support services in-county.

### **Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

10 SCC's existing residential children's homes are for males and females rather than single gender. The majority of new homes being developed will be for males and female, therefore the overall impact of additional homes being developed is expected to be positive for both males and females, with more placement choice in Surrey.

There may be children who would benefit from being placed for a set period of time in a single gender home. This will be considered at the point of placement-matching into children's homes.

It was also identified in 2020 that there is an increase in the proportion of females requiring residential care, including an increase in females with mental health needs. The needs of Surrey's children look after and the type of provision required to best meet their needs are under regular review, if it is identified that single gender provision is required then SCC will ensure that provision is created that best meets children and young people's needs.

If a child or young person experiences discrimination, they will be supported by residential children's homes staff and other professionals to ensure that any incidents are appropriately responded to, and that the young person supported emotionally and practically.

Where SCC works with independent providers, their equality and inclusion plans will need to be evidenced and considered.

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

As well as developing residential provision, there is a focus on increasing sufficiency of foster placements in Surrey. SCC are committed to enabling children looked after to live in a family environment as a first choice for all children looked after. This includes a focus on enabling children to move from residential placements to foster placements where this is the right choice for the child. The development of additional residential provision in Surrey will enable smoother transitions for children moving from residential children's homes to foster care or other placement types in-county

### **Any negative impacts that cannot be mitigated?**

N/A

## PROTECTED CHARACTERISTIC: SEXUAL ORIENTATION

### **Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

All residential children's homes will be developed to meet each child and young person's needs and promote their welfare. For older young people this includes taking into account a young person's sexual orientation as appropriate.

The development of additional residential children's homes in Surrey is expected to have a positive impact on looked after young people of any sexual orientation, by enabling a higher proportion of in-county placements where young people can better maintain relationships with family, friends and communities as appropriate, continue in their education and access health-care provision and other support services in-county.

### **Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

As stipulated in the Children's Homes Quality Standards (2015), children's home staff should take every step to make sure that individual children and young people are not subject to discrimination, marginalisation or bullying from their peers by virtue of their gender, religion, ethnicity, cultural and linguistic background, sexual identity, mental health, disability or for any other reason.

Children's home residential staff will also ensure that they are familiar with cultural and community services on offer for each child and young person, and support them to access and encourage them to participate in activities in the community and wider if appropriate.

Where SCC works with independent providers, their equality and inclusion plans will need to be evidenced and considered.

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

As well as developing residential provision, there is a focus on increasing sufficiency of foster placements in Surrey. SCC are committed to enabling children looked after to live in a family environment as a first choice for all children looked after. This includes a focus on enabling children to move from residential placements to foster placements where this is the right choice for the child. The development of additional residential provision in Surrey will enable smoother transitions for children moving from residential children's homes to foster care or other placement types in-county

### **Any negative impacts that cannot be mitigated?**

Children and young people may experience discrimination in a community setting. Should this occur, young people will be supported by residential children's homes staff and other professionals to ensure that any incidents are appropriately responded to, and that the young person supported emotionally and practically.

## 3. Staff

### PROTECTED CHARACTERISTIC: AGE

**Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

SCC are committed to ensuring a diverse workforce that reflects the community we serve. SCC do not anticipate any negative impacts from the development of additional children's homes and additional employment opportunities in relation to age.

However, due to the nature of residential care work, staff are required to have the maturity to take on a caring role for children and young people who are looked after. Under the previous National Minimum Standards 2001 this had been specified as at least 4 years older than the oldest child accommodated. This may result in some young people not being in a position to work in residential children's homes until they have reached the required age and maturity.

10 A relatively high proportion of foster carers are older people including carers in retirement age. The demographics for residential care staff is mixed, however the average age of residential care staff is a younger age-group.

**Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

SCC are committed to ensuring that individuals are treated with fairness and respect regardless of their race, colour, nationality, gender, age, disability, sexual orientation, religion and belief, marital status and caring responsibilities during their course of employment.

Surrey County Council is committed to safeguarding and promoting the welfare of children, young people and vulnerable adults and expects all staff and volunteers to share this commitment. We want to be an inclusive and diverse employer of first choice reflecting the community we serve and particularly welcome applications from all underrepresented groups. SCC's Equality, Diversity and Inclusion banner with logos such as Disability Confident are also advertised on the advert too to encourage diversity in our applications.

Where SCC works with independent providers, their equality and inclusion plans will need to be evidenced and considered.

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

SCC are developing fairer recruitment and selection processes, including accessible advertising and documentation, fair shortlisting and interview processes.

As an employer, SCC are committed to:

- Develop, promote and review our policies and practices to ensure equality of opportunity is achieved and to work towards eliminating discrimination, harassment, victimisation and

# Equality Impact Assessment

bullying for our workforce in all areas of employment including recruitment, retention, learning and development, promotion, grievance, and disciplinary.

- Ensure that individuals are treated with fairness and respect regardless of their race, colour, nationality, gender, age, disability, sexual orientation, religion and belief, marital status and caring responsibilities during their course of employment.
- Work towards attracting and recruiting a more diverse and representative workforce that reflects the local communities of Surrey that we provide services for.
- Develop and promote employment policies that allow for equal access to employment and training.
- Promote an inclusive and supportive environment for staff in all areas of diversity by removing any barriers that may exist in the workplace including training opportunities and career progression.
- Work towards building zero tolerant, preventative cultures that identify, challenge and eliminate any unacceptable behaviours including bullying, harassment, discrimination and victimisation.
- Develop a highly skilled and capable workforce on equality and inclusion, able to design and deliver fair and accessible services.

10

As well as a focus on recruiting residential care staff, SCC are recruiting to increase the number of foster carers and social workers in Surrey.

## **Any negative impacts that cannot be mitigated?**

Some residents may need to wait until they reach the age at which they could commence work as care staff in a residential children's home.

## PROTECTED CHARACTERISTIC: DISABILITY

**Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

SCC are committed to ensuring a diverse workforce that reflects the community we serve. SCC do not anticipate any negative impacts from the development of additional children's homes and additional employment opportunities in relation to disability.

However, there may be implications for residents with certain disabilities in relation to working as residential care staff with children looked after. The Children's Homes England Regulations (2015) require that residential care staff are mentally and physically fit for the purposes of the work that the individual is to perform.

**Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

SCC are committed to ensuring that individuals are treated with fairness and respect regardless of their disability during their course of employment.

Surrey County Council is committed to safeguarding and promoting the welfare of children, young people and vulnerable adults and expects all staff and volunteers to share this commitment. We want to be an inclusive and diverse employer of first choice reflecting the community we serve and particularly welcome applications from all underrepresented groups. SCC's Equality, Diversity and Inclusion banner with logos such as Disability Confident are also advertised for recruitment adverts to encourage diversity in our applications.

Where SCC works with independent providers, their equality and inclusion plans will need to be evidenced and considered.

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

SCC are developing fairer recruitment and selection processes, including accessible advertising and documentation, fair shortlisting and interview processes.

As an employer, SCC are committed to:

1. Develop fairer recruitment and selection processes, including accessible advertising and documentation, fair shortlisting and interview processes
2. Enable our whole workforce to fully participate and be supported with agile working
3. Working with our Employee Reference Groups (ERGs), commission reviews on experiences of LGBTQI+, disabled and minority ethnic staff who work for the Council
4. Enhance our workforce data on protected groups by encouraging staff to report this data on the new My Surrey Enterprise Resource Planning system to inform our priorities for creating a fairer, more compassionate and inclusive workplace
5. Introduce pay gap reporting for ethnicity and disability.

As well as a focus on recruiting residential care staff, SCC are recruiting to increase the number of foster carers and social workers in Surrey.



# Equality Impact Assessment

## Any negative impacts that cannot be mitigated?

There may be roles caring for children looked after within residential children's homes that require certain physical and mental abilities.

## PROTECTED CHARACTERISTIC: PREGNANCY AND MATERNITY

### Describe here the considerations and concerns in relation to the programme/policy for the selected group.

SCC are committed to ensuring a diverse workforce that reflects the community we serve. SCC do not anticipate any negative impacts from the development of additional children's homes and additional employment opportunities in relation to pregnancy and maternity.

However, residential children's home staff who are pregnant or with young babies may be affected by the nature of the role and by the working hours. Residential care staff generally work shifts that include regularly sleeping-in, which may have an impact in particular for parents with babies and young children.

### Describe here suggested mitigations to inform the actions needed to reduce inequalities.

Risk assessments and potential adjustments may be implemented where appropriate for residential care staff during pregnancy, including to safeguard their health and safety at work.

Recognising the impact of shift work including working at night and on public holidays on caring responsibilities in particular for babies and young children.

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

SCC are developing fairer recruitment and selection processes, including accessible advertising and documentation, fair shortlisting and interview processes.

As an employer, SCC are committed to:

1. Develop, promote and review our policies and practices to ensure equality of opportunity is achieved and to work towards eliminating discrimination, harassment, victimisation and bullying for our workforce in all areas of employment including recruitment, retention, learning and development, promotion, grievance, and disciplinary.
2. Ensure that individuals are treated with fairness and respect regardless of their race, colour, nationality, gender, age, disability, sexual orientation, religion and belief, marital status and caring responsibilities during their course of employment.
3. Work towards attracting and recruiting a more diverse and representative workforce that reflects the local communities of Surrey that we provide services for.
4. Develop and promote employment policies that allow for equal access to employment and training.
5. Promote an inclusive and supportive environment for staff in all areas of diversity by removing any barriers that may exist in the workplace including training opportunities and career progression.

# Equality Impact Assessment

6. Work towards building zero tolerant, preventative cultures that identify, challenge and eliminate any unacceptable behaviours including bullying, harassment, discrimination and victimisation.

As well as a focus on recruiting residential care staff, SCC are recruiting to increase the number of foster carers and social workers in Surrey.

## **Any negative impacts that cannot be mitigated?**

Residential children's home care staff are required to work shifts as children looked after require care staff to be in the children's home for 24 hours a day, 7 days a week. Although adjustments may be possible in some circumstances, the impact of the working hours cannot altogether be mitigated during pregnancy, or for parents of babies and young children.



## PROTECTED CHARACTERISTIC: RACE INCLUDING ETHNIC OR NATIONAL ORIGINS, COLOUR OR NATIONALITY

**Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

SCC are committed to ensuring a diverse workforce that reflects the community we serve. SCC do not anticipate any negative impacts from the development of additional children's homes and additional employment opportunities in relation to race, ethnicity, nationality or colour.

**Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

SCC are committed to ensuring that individuals are treated with fairness and respect regardless of their race, colour, nationality, gender, age, disability, sexual orientation, religion and belief, marital status and caring responsibilities during their course of employment.

SCC is committed to safeguarding and promoting the welfare of children, young people and vulnerable adults and expects all staff and volunteers to share this commitment. We want to be an inclusive and diverse employer of first choice reflecting the community we serve and particularly welcome applications from all underrepresented groups.

SCC are also introducing pay gap reporting for ethnicity and disability.

Where SCC works with independent providers, their equality and inclusion plans will need to be evidenced and considered.

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

SCC are developing fairer recruitment and selection processes, including accessible advertising and documentation, fair shortlisting and interview processes.

As an employer, SCC are committed to:

1. Develop, promote and review our policies and practices to ensure equality of opportunity is achieved and to work towards eliminating discrimination, harassment, victimisation and bullying for our workforce in all areas of employment including recruitment, retention, learning and development, promotion, grievance, and disciplinary.
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5. Promote an inclusive and supportive environment for staff in all areas of diversity by removing any barriers that may exist in the workplace including training opportunities and career progression.

# Equality Impact Assessment

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As well as a focus on recruiting residential care staff, SCC are recruiting to increase the number of foster carers and social workers in Surrey.

## **Any negative impacts that cannot be mitigated?**

N/A

## PROTECTED CHARACTERISTIC: RELIGION OR BELIEF INCLUDING LACK OF BELIEF

**Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

SCC are committed to ensuring a diverse workforce that reflects the community we serve. SCC do not anticipate any negative impacts from the development of additional children's homes and additional employment opportunities in relation to religion or belief including lack of belief.

**Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

SCC are committed to ensuring that individuals are treated with fairness and respect regardless of their race, colour, nationality, gender, age, disability, sexual orientation, religion and belief, marital status and caring responsibilities during their course of employment.

SCC is committed to safeguarding and promoting the welfare of children, young people and vulnerable adults and expects all staff and volunteers to share this commitment. We want to be an inclusive and diverse employer of first choice reflecting the community we serve and particularly welcome applications from all underrepresented groups.

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# Equality Impact Assessment

As well as a focus on recruiting residential care staff, SCC are recruiting to increase the number of foster carers and social workers in Surrey.

## **Any negative impacts that cannot be mitigated?**

N/A

## PROTECTED CHARACTERISTIC: SEX

### **Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

SCC are committed to ensuring a diverse workforce that reflects the community we serve. SCC do not anticipate any negative impacts from the development of additional children's homes and additional employment opportunities in relation to sex or gender.

However, the overall SCC workforce has an overrepresentation of women working at the Council when compared to the national population average (50.6% versus 73.2%), but this is uneven across different salary quartiles relative to our total workforce. Within the Council, men are underrepresented at the lower quartile (14%) and overrepresented in the upper middle and upper quartiles (32% and 34%, respectively). Thus, despite most of our workforce being women, primarily due to occupational segregation, the salary-level distribution still follows the wider social dynamic of vertical segregation, where women tend to be overrepresented in front-line lower paid roles and men tend to be overrepresented in higher paid managerial and leadership roles. This, in turn, explains why we continue to observe a mean gender pay gap of 13.7% and a median gender pay gap of 12.5%, both in favour of men

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### **Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

SCC are committed to ensuring that individuals are treated with fairness and respect regardless of their race, colour, nationality, gender, age, disability, sexual orientation, religion and belief, marital status and caring responsibilities during their course of employment.

SCC monitor and report on the workforce gender pay gap. Mitigations to tackle the gender pay gap are outlined in the [Surrey County Council Gender Pay Gap 2021 \(surreycc.gov.uk\)](https://www.surreycc.gov.uk).

Where SCC works with independent providers, their equality and inclusion plans will need to be evidenced and considered.

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

SCC are developing fairer recruitment and selection processes, including accessible advertising and documentation, fair shortlisting and interview processes.

As an employer, SCC are committed to:

1. Develop, promote and review our policies and practices to ensure equality of opportunity is achieved and to work towards eliminating discrimination, harassment, victimisation and bullying for our workforce in all areas of employment including recruitment, retention, learning and development, promotion, grievance, and disciplinary.
2. Ensure that individuals are treated with fairness and respect regardless of their race, colour, nationality, gender, age, disability, sexual orientation, religion and belief, marital status and caring responsibilities during their course of employment.

# Equality Impact Assessment

3. Work towards attracting and recruiting a more diverse and representative workforce that reflects the local communities of Surrey that we provide services for.
4. Develop and promote employment policies that allow for equal access to employment and training.
5. Promote an inclusive and supportive environment for staff in all areas of diversity by removing any barriers that may exist in the workplace including training opportunities and career progression.
6. Work towards building zero tolerant, preventative cultures that identify, challenge and eliminate any unacceptable behaviours including bullying, harassment, discrimination and victimisation.

As well as a focus on recruiting residential care staff, SCC are recruiting to increase the number of foster carers and social workers in Surrey.

## **Any negative impacts that cannot be mitigated?**

N/A.

## PROTECTED CHARACTERISTIC: SEXUAL ORIENTATION

**Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

SCC are committed to ensuring a diverse workforce that reflects the community we serve. SCC do not anticipate any negative impacts from the development of additional children's homes and additional employment opportunities in relation to sexual orientation.

**Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

SCC are committed to ensuring that individuals are treated with fairness and respect regardless of their race, colour, nationality, gender, age, disability, sexual orientation, religion and belief, marital status and caring responsibilities during their course of employment.

Where SCC works with independent providers, their equality and inclusion plans will need to be evidenced and considered.

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

SCC are developing fairer recruitment and selection processes, including accessible advertising and documentation, fair shortlisting and interview processes.

As an employer, SCC are committed to:

1. Develop, promote and review our policies and practices to ensure equality of opportunity is achieved and to work towards eliminating discrimination, harassment, victimisation and bullying for our workforce in all areas of employment including recruitment, retention, learning and development, promotion, grievance, and disciplinary.
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6. Work towards building zero tolerant, preventative cultures that identify, challenge and eliminate any unacceptable behaviours including bullying, harassment, discrimination and victimisation.

As well as a focus on recruiting residential care staff, SCC are recruiting to increase the number of foster carers and social workers in Surrey.

**Any negative impacts that cannot be mitigated?**

N/A

## 4. Recommendation

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

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

### Recommended outcome:

**Outcome One: No major change to the policy/service/function required.** Overall, these proposals will create positive benefits for looked after children in Surrey, with a range of protected characteristics, as well as supporting key statutory duties. This EIA has not identified any potential for discrimination or negative impact that cannot be appropriately mitigate, and all opportunities to promote equality have been undertaken.

### Explanation:

#### Service users/Residents:

Surrey County Council is committed to expanding the existing residential development to increase the proportion of children looked after who can remain living in, and return to living in Surrey, with children's home that provide care that fully meets their individual needs.

Throughout this document, it is clearly evidenced that there are policies, procedures and expectations in place that children are cared for ensuring that they are not negatively impacted and their protected characteristics are consistently considered, children and young people are supported to gain their independence skills and become contributing members of the community. There are relevant mitigations in place and risk assessments are continuously conducted to ensure that children are protected and best interests are addressed appropriately.

The expected outcomes from the residential children's home development will be positive for children looked after, for whom the protected characteristics may or may not apply. The actions set out under each characteristic and in the action plan highlight how positive impacts will be enhanced further, and potential negative impacts mitigated.



# Equality Impact Assessment

## Staff:

Surrey County Council has a plethora of policies and procedures in place that satisfy the protected characteristics as highlighted within this EIA.

Through experience of supporting an in-house service, Surrey policies and procedures are regularly reviewed, staff receive appropriate and timely supervision to ensure that they are being fully supported in their roles and training to ensure that they are skilled in completing their roles.

There are minor restrictions that apply for staffing when considering the care and support of children within the care of Surrey Council. While we apply best practice wherever possible to support staff, there are requirements that would restrict certain roles being fulfilled by a person protected under the listed characteristics.

These main areas are:

**Age** – There is an appropriate age expectation for staff supporting children within our care, it is acceptable that the youngest staff member should be a minimum of 4 years older than the oldest young person being supported within the service.

**Disability** – Due to the nature of the service being provided, Surrey Council needs to adhere to the Children's home regulation 2015 guidelines which clearly state that staff supporting children need to be mentally and physically fit to perform their role.

**Pregnancy and Maternity** – Due to the nature of the service being provided, Surrey Council need to ensure that staff who are pregnant receive regularly updated risk assessments to physically protect themselves and their unborn child at work. This is covered under Surreys standard staffing policies and procedures, though would review additional risks that would potentially arise due to the nature of the role within a residential children's home.

**5. Action plan and monitoring arrangements**

Item	Initiation Date	Action/Item	Person/Team Actioning	Target Completion Date	Update/Notes	Open/Closed
1	November 2022	Plan and implement phase 2 of capital development programme for Children’s homes from Jan 2023, following Cabinet decision.	Chris Tisdall, Commissioning  Jo Rabbitte, Assistant Director Children’s Resources	Capital programme structure to be established by January 2023	This is now in place, with additional Capital Steering Group established to oversee finalisation of new children’s homes proposals, reporting into the Placement Value and Outcomes Transformation Board (Jan-Apr 2023) and Corporate Parenting Transformation Board from May 2023 onwards, as well as CFLL Capital Board. Proposals for 24-beds expected to receive final capital sign-off at Corporate Programme Panel on 18 July 2023.	Open
2	November 2022	Residential Implementation Group to ensure best practice in children’s homes, supporting improved outcomes for children with protected characteristics.	Jo Rabbitte, Children’s Resources	Throughout the implementation period	Working through the residential sufficiency group we have completed a thorough needs analysis and this has informed the development of a clear set of Children’s homes development proposals.	Open
3	November 2022	A continued focus on quality assurance of homes (in and out of county) and ensuring that children and young people are in the best placement to meet their needs.	Sarah Foster, Gateway to Resources	Continuous	GtR continues to take a robust approach to quality assurance of children’s homes, working closely with the Children’s Cross-Regional Arrangements Group (CCRAG) and the South Central Framework.	Open

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# Equality Impact Assessment

4	April 2022	Structured approach to understanding identified needs and developing new provision to meet these needs.	Chris Tisdall, Commissioning	April 2023, with continued review of data throughout to inform specialisms of new homes	Robust needs assessment completed by CFLL Commissioning Team in April 2023, with input from key operational colleagues and GtR Service, and signed-off via the PVO Transformation Board. This has informed final capital development plans.	Closed
5	January 2023 onwards	Review of equality and inclusion plans of independent providers Surrey works with.	Chris Tisdall, Commissioning	Review during tender process prior to commencement of strategic partnership(s)	This is reviewed as part of routine contract management via GtR Service and will be built into SCC's planned new Children's Residential Dynamic Purchasing System, which will be launching late in 2023.	Open
6	September 2022	Implementation of regular provider forums with in-house and external providers of children's homes in Surrey	Sara Foster, Gateway to Resources  Jo Rabbitte, Children's Resources  Chris Tisdall, Commissioning	Continuous (termly)	This is now happening, with the first two forums held. This will continue as part of BAU, but has now been marked as closed for the purposes of this EIA.	Closed
7	Ongoing	Staff receive specialist high quality training to meet the children's care needs	Jo Rabbitte, Children's Resources	Continuous	SCC Children's Homes have been working to strengthen their training offer and are developing longer-term proposals to support the growth of staff capacity needed alongside our capital plans	Open
8	January 2023 onwards	Focus on ensuring that the physical buildings are designed, built and furnished to meet the	Philip Roche, Land and Property	2025	Three new SCC Children's homes (on two sites) are going live during summer 2023. These have been delivered in partnership between Land and Property	Open

		needs of the children who will be placed.			and Children’s Resources, to ensure the build and fit-out meets high operational standards. Learning from this will be applied to future homes.	
9	January 2022 onwards	The locations will be considered alongside the specialisms of the homes to reflect education and healthcare services in the local area.	Chris Tisdall, Commissioning  Jo Rabbitte, Children’s Resources	2024	As part of need assessment and development of new proposals, priority and secondary search locations have been identified for the proposed new homes, which considers the location of appropriate schools within Surrey. This will be monitored throughout the programme.	Open

## 6a. Version control

Version Number	Purpose/Change	Author	Date
1.0	First complete version completed for publication	Jessica Sendler	18/11/2022
1.1	Update made to action plan and monitoring arrangements	Chris Tisdall	21/06/2023

The above provides historical data about each update made to the Equality Impact Assessment.

Please include the name of the author, date and notes about changes made – so that you can refer to what changes have been made throughout this iterative process.

For further information, please see the EIA Guidance document on version control.

## 6b. Approval

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

Approved by	Date approved
Rachael Wardell, Executive Director for Children Families and Learning	18/11/2022
Chris Tisdall, Head of Commissioning - Corporate Parenting	21/06/2023 (please note changes relate to action plan updates)

### Publish:

It is recommended that all EIAs are published on Surrey County Council's website.

### EIA author:

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## 6c. EIA Team

Name	Job Title	Organisation
Jessica Sendler	Senior Commissioning Officer	Surrey County Council
Jenine Brister	Commissioning Manager	Surrey County Council
Chris Tisdall	Head of Corporate Parenting Commissioning	Surrey County Council

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**SURREY COUNTY COUNCIL****CABINET****DATE: 25 JULY 2023****REPORT OF CABINET MEMBER: TIM OLIVER, LEADER OF THE COUNCIL****LEAD OFFICER: LIZ BRUCE, JOINT EXECUTIVE DIRECTOR ADULT SOCIAL CARE AND INTEGRATED COMMISSIONING****SUBJECT: FREEDOM TO TRAVEL STRATEGY****ORGANISATION STRATEGY PRIORITY AREAS: TACKLING HEALTH INEQUALITY/ENABLING A GREENER FUTURE/ EMPOWERING COMMUNITIES/GROWING A SUSTAINABLE ECONOMY/SERVICE EFFECTIVENESS****Purpose of the Report:**

Freedom to Travel is a new pipeline transformation programme to design and deliver a new model of travel assistance services for Surrey. We support around 12,500 people to get to school or college, employment or social care activities to enable better health, education and employment outcomes.

These services are under significant financial pressure due to a combination of economic factors, such as the highest inflation experienced by the UK in decades, and rising demand for services. This is unsustainable for the council. How people experience travel and transport is also changing, thanks to technological developments designed to make travelling easier and more predictable. Surrey also has an imperative to reduce carbon emissions as quickly as possible to meet its net zero targets – reducing transport emissions is a key to the county fulfilling its obligations.

Freedom to Travel aims to respond to these challenges and opportunities with a positive vision for the future of travel assistance services. It aims to simultaneously deliver on objectives to ensure that no-one that requires support to travel is left behind, while also contributing to financial efficiencies needed to make sure these services are sustainable.

Cabinet is being asked to endorse a long-term strategy that accompanies this paper, which sets out a positive vision for travel assistance and a clear delivery plan. As the delivery plan progresses, Cabinet will be asked to make further decisions on some specific projects at subsequent meetings.

**Recommendations:**

It is recommended that Cabinet:

1. Endorses the Freedom to Travel Strategy and approach to delivery.

**Reason for Recommendations:**

“By 2030, all Surrey residents requiring travel assistance will have the freedom to travel to access opportunities that make their lives better so no-one is left behind.”

In order to achieve this vision, a number of significant changes will need to be made in behaviours and expectations and a wider range of transport options be made available to our residents.

A review and change of approach to procurement, commissioning transport and travel, as well as collaborative partner working will offer better value for money, competition and choices within Surrey.

Commissioned transport comprises most of the costs for travel assistance services for SCC. These costs have continued to increase and will continue to do so in line with demand if no action is taken. These increasing demands are not financially sustainable long-term.

The strategic challenges and opportunities facing travel assistance services means there is a strong case for rethinking and redesigning the way we plan, commission and deliver travel assistance. The current model is unsustainable financially and environmentally.

The Freedom to Travel Strategy has been developed to address these challenges and enable the vision.

## **Executive Summary:**

### **Background**

1. Surrey County Council is responsible for commissioning passenger transport services that support residents to make journeys to see family and friends and to access services to improve their own outcomes, such as education, employment and health and wellbeing services.
2. In addition to services that can be accessed by the wider public, such as Surrey's bus network, we also have statutory duties to support some residents who may have challenges with making the journeys they need to through our travel assistance services. We support children and young people (CYP) to access education through our home to school travel assistance (H2STA) service. We also provide travel assistance to service users of Adult Social Care (ASC) where this is assessed as an eligible need under the Care Act 2014. Spending on all the above services is around £70m a year.
3. As of June 2023, we support almost 12,500 residents to travel to education, social or employment destinations. 11,849 of them are supported by the H2STA service of which 4,934 (42%) have additional needs and disabilities. The remaining clients are in ASC, with the majority of them using our learning disability and autism services or transitions service<sup>1</sup>, and have transport, or other travel assistance, provided as part of their care package.S

### **Case for a medium-term travel assistance strategy**

4. Travel assistance budgets are under severe pressure and pose a risk to our medium-term financial sustainability. Our services are experiencing, and will continue to experience, demand from more residents who need our support. Other recent pressures, such as high inflation, a national shortage of drivers and contracts being

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<sup>1</sup> The Transitions service supports residents with Education, Health and Care Plans (EHCPs) and have a diagnosed disability (learning, physical, sensory impairment or autism) to support them in preparing for adulthood.



handed back to the council from providers, have impacted our costs and reduced the competitiveness of the transport provider market in Surrey.

5. The H2STA service in particular has been severely financially affected. At the close of the 2022/23 financial year, the service had overspent by £12m against the £39m budget set at the start of the year. These financial challenges are not unique to Surrey. The key factors impacting the service were significant increase in demand (from children and young people with additional needs and disabilities returning to education following the Covid pandemic), increased demand from CYP with additional needs and disabilities and inflation levels that were significantly higher than budgeted for originally, as well as contracts being handed back to the council and having to be reprocured at much higher prices.
6. Urgent improvement work is already underway in the H2STA service and is leading to positive early results ahead of the new academic year in September 2023. Some examples of improvements achieved to date include:
  - Full restructure of the H2STA service, which included merging teams and processes to improve case management from application to delivery.
  - Improved resource planning across the end-to-end system to deliver as smooth a start to the academic year as possible.
  - Strengthened communications with CYP and families, and improving their service experience, such as through improved customer contact, complaints and appeals processes and using data and insight to remove the need for 850 families (pre and post 16) to reapply for transport in 2023.
7. We need to build on this early progress to reach our goal of having a financially sustainable travel assistance delivery model while continuing to meet the needs of residents who access them. The medium-term strategic challenges and opportunities facing travel assistance services, as well as the current financial context, means there is a strong case for rethinking and redesigning the way we plan, commission and deliver travel assistance. The current model is unsustainable financially, does not prioritise independent travel and does not support our work to reduce carbon emissions from transport.
8. These five strategic drivers are the ones we think will be most important and have the greatest impact on travel assistance services over the medium-term:
  - Shaping a more competitive local transport market
  - Enabling a greener future and the national drive to deliver net zero carbon emissions.
  - Growth in technologically-enabled transport solutions, such as Digital Demand Responsive Transport (DDRT).
  - Evolving nature of demand with changing complexity of need, volume and resident expectations.

- Opportunities to develop more services with communities to respond to the issues in the places they live and work.

### Freedom to Travel Strategy

9. Our response to these strategic drivers is presented in a new strategy called Freedom to Travel, attached as Annex A. The fundamental aim of this strategy is for all residents who need travel assistance to be able to access opportunities that make their lives better so no-one is left behind. It is a strategy for the medium-term that will take around five years to deliver due to the complexity of changes required and level of ambition.
10. Freedom in this case means developing more choices and opportunities that residents have confidence in that means people who require travel assistance are still able to travel to their destinations while we seek to reduce the costs of providing travel assistance and over-reliance on private vehicles to get to them.
11. This does not mean that we will stop commissioning the use of vehicles altogether. The acuity of client needs and distance from their destination are among the factors that will continue to inform the travel assistance solution that they need, and the use of a minibus or other vehicle may continue to be necessary. This strategy aims to strengthen choice for how some service users are supported to travel that also means they benefit personally, such as equipping residents with lifelong skills to travel independently and enables them to further reduce their own carbon footprint.
12. This strategy is connected and contributes to a broader range of strategic agendas:
  - **Prevention** – the programme will help address wider determinants of health and wellbeing by promoting and creating the conditions for travel assistance clients to use active travel methods, such as walking and cycling, to get to their destinations. People will be equipped with the skills they need to travel independently and through active travel methods, will enhance their own physical and mental health. This work also aligns with system-wide agendas, such as the Surrey Heartlands Integrated Care Strategy, which focuses on prevention and support targeted where it is most needed to stop people's health deteriorating.
  - **Local Transport Plan (LTP4)** – backing the aims of rapidly reducing carbon emissions from transport and providing well-connected communities that encourage equal access to travel to ensure no-one is left behind. A future model of travel assistance will offer solutions that emphasise independent, active travel as much as possible, and gear its commissioning approaches to align with LTP4's objectives.
  - **Empowered and thriving communities** – working with residents and other local stakeholders to develop bottom-up travel solutions with communities, organised around places, to reduce demand for council-commissioned services. Through the programme, we will seek to pilot innovative community-led approaches to travel assistance.
  - **Behaviour change** – working with residents and other stakeholders to influence when and how they travel, complementing initiatives such as schemes to incentivise active travel, making infrastructure improvements and setting up

supporting facilities to make it easier for residents to travel differently. It will also require better understanding and deeper insight on what would enable and gets in the way of changing travel habits.

13. The implementation plan for Freedom to Travel is predicated on two areas of delivery. Further detail on the approach to delivery is set out in paragraph 14.:

- **Reducing demand for commissioned transport** – Commissioned transport comprises most of the costs for travel assistance services. These costs have continued to increase and will continue to do so in line with demand if no action is taken. Activities in this delivery area are focused on diversifying the travel assistance offer to residents, building on work that has already started, particularly in the H2STA service. It will focus on strengthening and enabling independent travel, simplify public information for travelling around Surrey, give staff and partners greater clarity on how to meet resident needs in a financially sustainable way and pilot different approaches with communities for resolving local travel issues.
- **Shaping a competitive transport market** – Activities in this area are focused on reforms to our approach to commissioning and working with suppliers and providers to develop a market that offers better value for money, competition and choice in Surrey. This means reviewing and changing our procurement and commissioning approaches for transport and travel, working with partners to assess collaborative opportunities for joint planning, commissioning and asset sharing, having a clear strategy in place for working with local suppliers and capitalising on new transport developments, such as DDRT, and the roles they can play in a contemporary travel assistance offer.

### **Our approach to delivery**

14. The implementation will follow five main areas. Each will be led by a Project Manager and will include subject matter experts internally and externally to assist with development and delivery. Cross collaborative working is essential to the success of the programme and will form an integral part of the planning and delivery process. Consultants may be engaged in specialised areas. As the work develops, further consideration will be given to the dependencies and resource requirements.

Monthly, a cross-Directorate Freedom to Travel Programme Board, chaired by the Joint Executive Director for Adult Social Care and Integrated Commissioning, will meet to consider progress and monitor risks of these five main areas of work.

- Culture and Behavioural Change
  - Behavioural Insights
  - Communications strategy and delivery with partners
  - Community Collaboration
- Travel independence and prevention
  - Review and renew Travel policy
  - Strengthening independent travel training
  - Expansion of personal travel budgets for Children
  - Expansion of personal travel budgets for Adults
  - Bike grants or bike loans

- Commissioning model
  - Renew current model
  - Procurement Strategy
  - Strengthening supplier Strategy in collaboration with partners
  - Dynamic Purchasing system
- Funding opportunities
  - Commercial strategy (including fleet utilisation)
  - Exploring and utilising government grant funding
- Locality and Route planning
  - Route planning Review
  - Infrastructure improvements including safer routes
  - Technology review to support route planning
  - Locality and place based planning pilot

Detailed benefits will be outlined as the planning work progresses but the guiding principles will be:-

- Evidence-based, enabled by strong data, insights and performance management
- Designed with communities
- Supported by efficient and effective processes and back-office systems
- Entering new, and strengthening existing, partnerships focused on outcomes and benefits
- Changing stakeholders' behaviours and expectations over the long-term

And will support the Council's objectives of:-

- Tackling health inequality
- Growing a sustainable economy
- Enabling a greener Future
- Empowering communities
- Delivering Service improvements

<b>Consultation:</b>
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15. The Freedom to Travel Strategy has been developed with input from:

- Cabinet Members
- Corporate Leadership Team
- Freedom to Travel Board
- Home to School Travel Assistance Oversight Board
- A strategy development workshop in May 2023 with key staff members involved in planning, commissioning and delivery of travel assistance
- External partners such as representatives from the Surrey Heartlands Integrated Care System and community transport providers.
- Surrey County Council officers within Adults and Childrens Services, Transport and Environment, Greener Futures, Waste, Active Travel, Land and Property, Finance and Legal teams.

16. An all-Member Seminar to raise awareness of the Freedom to Travel Strategy took place on 17 July 2023. Select Committee Chairs will also be briefed on the Strategy and implementation plan at a meeting of the Chairs Group on 21 July 2023.

17. This strategy has also been socialised with local organisations who work closely with some of the clients affected by this strategy. This includes:

- The Sunnybank Trust
- Surrey Choices
- Family Voice Surrey
- Surrey Coalition of Disabled People

<b>Risk Management and Implications:</b>
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18. The key risks for the Freedom to Travel programme and mitigating actions are set out in the table below:

	<b>Risk description</b>	<b>Mitigating actions/Strategy</b>
1.	Reputational: Changes to services without suitable engagement will damage Council reputation with discontent and conflict amongst residents	<ul style="list-style-type: none"> <li>• Behavioural insights work is planned. This will capitalise on the work already underway internally. External consultants may be required to support the work.</li> <li>• Continuous engagement with external stakeholders will be essential, including engaging with residents, headteachers and local Members, to inform and engage with Surrey residents.</li> <li>• The timing and messaging will be appropriately managed by the programme team as well as any transition periods to ensure best success.</li> </ul>
2.	Cross Directorate collaboration within SCC	<ul style="list-style-type: none"> <li>• Appropriate programme governance will be in place to monitor progress and will include a monthly Board meeting as well as several Working Groups.</li> <li>• Members of the Freedom to Travel Board and Working groups will represent all the directorates involved.</li> <li>• Risks, issues and action logs will be discussed as standard agenda items.</li> <li>• Significant areas of risk will be raised with the Senior Responsible Officer and/or Executive Sponsor at the earliest opportunity.</li> </ul>
3.	Partnership working – external providers and suppliers	<ul style="list-style-type: none"> <li>• The Programme Lead will be assigned to develop and manage relationships effectively.</li> <li>• Scope and expectations will be clearly defined to offer best success.</li> <li>• Internal procurement and legal teams will support the onboarding where appropriate.</li> </ul>
4.	Net zero carbon target: Reduction not as expected	<ul style="list-style-type: none"> <li>• All elements of the programme will be developed with the greener future agenda in mind.</li> <li>• Sustainability workshops will be held to explore opportunities available to reduce carbon emissions throughout the programme.</li> </ul>
5.	Expanding scope	<ul style="list-style-type: none"> <li>• This is an ambitious programme with far reaching opportunities. As such, there will be close scrutiny, via the Freedom to Travel Board, to ensure that</li> </ul>

	<b>Risk description</b>	<b>Mitigating actions/Strategy</b>
		programme activity aligns with the original aims and objectives.
6.	Programme Budget and Management - Market volatility: inflation and relationships	<ul style="list-style-type: none"> <li>• Budget monitoring will be monitored by the Freedom to Travel Board.</li> <li>• Finance representatives will form part of the Board.</li> </ul>
7.	Delays to project timescales from approval, procurement, resourcing or other factors will impact costs and delivery timelines	<ul style="list-style-type: none"> <li>• Project timelines and dependencies will be developed and managed closely and reported monthly to the Board.</li> <li>• There will be a mechanism for managing exceptions outside the monthly reporting cycle.</li> </ul>
8.	Expected efficiencies not realised	<ul style="list-style-type: none"> <li>• The initial suggested efficiencies will be more clearly articulated as the detailed design work progress continues.</li> <li>• Considered engagement with relevant directorates, teams and parties throughout the business case development phase will carefully articulate benefits and efficiencies proposed.</li> <li>• These efficiencies will be monitored throughout the lifecycle of the programme.</li> </ul>
9.	Resource requirements: Insufficient resource to ensure complexities are managed and completed effectively	<ul style="list-style-type: none"> <li>• A number of experienced Programme and Project Managers will be required to support the programme and ensure success.</li> <li>• Where possible, internal SCC resources with good working knowledge of the subject matter will be utilised to support the work.</li> <li>• Some external consultants will be engaged to support in specialised areas.</li> <li>• As programme implementation progresses consideration will be given to any additional costs and requests will be via business cases where appropriate.</li> </ul>

**Financial and Value for Money Implications:**

19. Details of the investment requirements and potential financial efficiencies for Freedom to Travel are attached as Annex C. These will be iterated and confirmed as the Strategy progresses.

**Section 151 Officer Commentary:**

20. Significant progress has been made in recent years to improve the Council's financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.

21. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the

medium term, 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 the stable provision of services in the medium term.

22. As such, the s151 Officer supports the Freedom to Travel Strategy. Budgetary implications and investment decisions (as set out in Annex C) will need to be taken into account as part of the Medium-term Financial Strategy decisions.

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

23. The strategic nature of the plan that Cabinet is being asked to endorse means that there are no immediate legal implications to consider. However, given that the intention is to change the way in which some transport services are delivered, once plans are finalised it is highly likely that they will require public consultation and further specific decisions from Cabinet. Further advice in relation to legal implications will be provided at that point.

#### **Equalities and Diversity:**

24. An Equality Impact Assessment (EIA) for the Freedom to Travel Strategy is attached (Annex B). As projects within the programme are progressed and scoped, there will be a requirement for each project to produce their own individual EIAs where there are direct equality implications for residents and staff.
25. Agreeing the strategy does not in itself result in direct equality implications for residents. However, at this stage, it is anticipated that the programme will have positive and negative impacts on the protected characteristics of 'Age' and 'Disability'. In addition, it is anticipated there will be impacts on equality characteristics that are not protected by the Equality Act 2010, such as Looked After Children and residents living in rural and other isolated communities.
26. Positive impacts include:
- A diversified travel assistance offer that emphasises information, skills and tools designed to support independent travel. These will include a strengthened Independent Travel Training offer and supporting more residents with Personal Travel Budgets. These will contribute to improved physical, emotional and mental wellbeing as well as supporting residents to reduce their carbon footprint.
  - Encouraging uptake of travel modes that support improved health and wellbeing, such as walking and cycling schemes and DDRT. These travel modes will contribute towards improved health and wellbeing for residents who use active travel, and improve opportunities for residents in more isolated communities to improve access to Surrey's wider public transport network.
27. A negative impact that cuts across protected characteristics will be reductions in commissioned transport the council can offer. Potential impacts may include heightened stress and anxiety among residents who have been receiving transport as part of their travel arrangements. Changes to routine for some residents may trigger sensory reactions, as well as journeys potentially taking longer when compared to transport in a private vehicle. It is recognised that commissioned transport may be the only viable solution for some travel assistance clients.



**Other Implications:**

28. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

<b>Area assessed:</b>	<b>Direct Implications:</b>
Safeguarding responsibilities for vulnerable children and adults	<p>As Freedom to Travel aims to encourage more providers into the marketplace, the Transport Coordination Centre (TCC) will continue to ensure that rigorous checks and controls are applied to ensure drivers employed to work with vulnerable children and adults are suitable. This includes an assessment of any criminal history, information from Safeguarding teams, and previous history of applicants held by TCC and additional checks, such as an applicant's right to work in the UK.</p> <p>Drivers approved by the TCC will also need to have completed the Barnardo's Safeguarding Adults and Child Sexual Exploitation Training and provided relevant certification to the TCC.</p>
Compliance against net-zero emissions target and future climate compatibility/resilience	<p>As the Freedom to Travel programme is implemented, performance measurement will include metrics to assess the extent to which reductions in the use of commissioned transport is supporting transport carbon emissions reductions. It is anticipated that by supporting residents to switch from using private transport to public transport or active travel, this will enable reductions in emissions to be achieved to support the Local Transport Plan 4 and Climate Change Strategy.</p>
Public Health	<p>If the programme successfully persuades more travel assistance clients to use active travel schemes, long-term use could lead to positive benefits for residents' physical, emotional and mental health. In particular, by encouraging children and young people to use these schemes, these have the potential to support development of lifelong travel habits that are conducive to improved health and wellbeing and reduce the risk of health issues later in life.</p>



## What Happens Next:

29. If Cabinet approves this report, the Freedom to Travel Delivery Programme will be initiated with a full Business Case being completed by the end of July. This will be informed by the exploratory and analytical work undertaken to date. The Freedom to Travel Board and Programme Sponsor will sign off the Business Case. At this point the Business Case will then be submitted to the Transformation Unit for funding and formal approval of the programme.

As the implementation work develops, further consideration will be given to any Business Cases requiring Cabinet approval.

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### **Annexes:**

Annex A: Freedom to Travel Strategy

Annex B: Freedom to Travel Equality Impact Assessment

Annex C: Freedom to Travel Financials

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

Surrey's Climate Change Strategy

Surrey Health and Wellbeing Strategy – update 2022

Surrey Heartlands Integrated Care Strategy

Surrey Local Transport Plan 4

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# **FREEDOM TO TRAVEL**

A strategy to modernise travel assistance  
services for Surrey

July 2023

## Executive Summary

- i. Travel is an important enabler to securing good life outcomes. Surrey County Council plays an important role in the planning, commissioning and delivery of travel and transport services in Surrey, with around £70m a year spent on these services, such as the bus network, home to school travel assistance (H2STA) and commissioned transport for some Adult Social Care (ASC) clients.
- ii. This strategy sets out a medium-term roadmap to deliver a new model of travel assistance services for residents who require support from the council and partners to travel to destinations across Surrey. Financial pressures for these services are acute and worsening. Factors such as the highest levels of inflation for decades, national driver shortages and rising demand for services are all compounding this pressure. The council also needs to consider how to capitalise on emerging new technologies that are changing the shape of the transport sector, such as Digital Demand Responsive Transport, and commission while observing the need to cut carbon emissions from transport.
- iii. To respond to these challenges and opportunities, this strategy, called Freedom to Travel, has ambitious plans to develop and implement a new model of travel assistance services so that by 2030, all Surrey residents requiring travel assistance will have the freedom to travel to access opportunities to make their lives better so no-one is left behind.
- iv. This model will emphasise self-sufficient travel, equipping residents with the information, skills and tools to be able to travel independently, where possible, across Surrey. Through this new model, organisations and communities will work together on solutions to avoid the need for residents to travel in the first place.
- v. Where transport is the only feasible solution, the council's commissioning model will have changed so collaborative working between the organisation, partners and suppliers is business-as-usual, and all travel and transport services in the council adopt an organisation-wide approach to commissioning that is systematic and consistent. Transport asset sharing is normalised, and the focus of commissioning is to secure transport solutions that support the county's carbon emissions reductions targets.
- vi. Activities will be implemented via two delivery areas – reducing demand for commissioned transport and shaping a more competitive transport market. This strategy will be delivered over a five-year time horizon as the changes required for this programme to be successful are complex and will take time to embed across the wider Surrey system.

## Introduction

1. Being able to travel is fundamental to having good life outcomes. It is how we all access formal education and learning, employment, social and leisure activities and enables us to spend time with friends and family. The transport options available to people affects access to opportunities that have a major impact on their life chances, such as work, learning and healthcare<sup>1</sup>.
2. Surrey County Council has an important role in the planning, commissioning and delivery of transport and travel assistance services in Surrey. The council spends around £70m in revenue per year on these services, including commissioning of bus services for routes which are not served by the commercial market, concessionary travel passes, such as the English National Concessionary Travel Scheme (ENCTS) for older and disabled passengers, home to school travel assistance (H2STA) and commissioned transport for some clients using Adult Social Care (ASC) services.
3. The council also works in partnership with other travel commissioners and providers across Surrey, including NHS patient transport services, community transport operators, district and borough councils and voluntary, community and faith groups. Each of these organisations separately commission and provide transport for specific purposes, but there are opportunities for working more closely with these partners for mutual benefit to enhance residents' experiences as well as strengthen each organisation's financial sustainability.
4. The purpose of this strategy is to create a roadmap for the design and development of a future model of travel assistance services for Surrey, branded as Freedom to Travel. Travel assistance is defined as bespoke travel services that are arranged and provided on an individual basis with clients who need support to travel. All users will be eligible for support either because they qualify according to statutory guidelines (for example, if a child is unable to walk to school because there is no safe walking route) or their needs mean they require some form of travel assistance to reach their destination.
5. The financial pressures that these services are experiencing is acute and is worsening. The focus of this strategy must be on ensuring that these services will be financially sustainable for the medium-term, while continuing to support all residents who need travel assistance to continue to have the freedom to make the journeys crucial to obtaining good life outcomes. Supporting people to travel independently where possible is a key part of this, as well as thinking about how travel assistance can also contribute to Surrey's net zero ambitions.

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<sup>1</sup> NatCen (2019), Access to Transport and Life Opportunities, [Access to Transport and Life Opportunities \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/814422/Access_to_Transport_and_Life_Opportunities.pdf)

## Strategic context

6. Surrey County Council supports around 12,500 residents with travel assistance, with over 11,800 of them (94%) supported by the H2STA service and 6% in ASC. These services are mainly funded from council tax.
7. This section sets out how the council currently supports these residents and the key challenges and opportunities that face these services. This forms a backdrop to, and provides a strong rationale for, adopting a new model of travel assistance services that is financially sustainable and ensures all travel assistance clients can get to where they need to so they can live their lives to their full potential.

### Home to school travel assistance (H2STA)

8. The H2STA service helps children and young people get to and from their education setting. This comes in several different forms including independent travel training (ITT), mileage reimbursement, bikeability, driving lessons and taxi, coach and minibus services. The service primarily supports children of statutory school age (5-16 years old), children under 5 by exception, children in post-16 education by exception and young adults aged 19 to 25 where they continue to attend an education or training provision setting and have an Education, Health and Care Plan (EHCP).
9. The Education Act 1996 (as amended) sets out the council's statutory duties and powers to provide transport from home to school/college and must have regard to Department for Education statutory guidance. Eligible children of statutory school age must be provided with free H2STA and must be provided with travel assistance if they live beyond the statutory walking distance from the nearest suitable school, cannot reasonably be expected to walk to school due to special educational needs, a disability or mobility problems, or due to the nature of the route. This eligibility is extended to low-income families.
10. As of summer term 2022/23, the H2STA service were providing transport to 6,730 children and young people (CYP) of statutory school age (5 – 15), 159 pupils aged 0-4, 405 pupils aged 16-18 and 160 young people aged 19-25. 6,915 CYP are attending mainstream education settings and 4,934 CYP with special educational needs and disabilities (SEND) were accessing services.
11. The service also supported 970 vulnerable learners who are supported by social workers as of May 2023, including 105 Looked After Children, 70 children with a Child Protection Plan, 776 Children in Need and 18 Care Leavers.
12. The H2STA service has been experiencing significant financial pressures and strains on resource levels:
  - a. Since 2019, the number of children and young people accessing the service has increased by 3%. While this appears modest, this masks a significant change in the profile of service users. Use by CYP in mainstream education has dropped by 9%, but the number of CYP with SEND has increased by

21%.

- b. This shift in service user demographics is set to continue over the medium to long-term. By the 2031/32 financial year, CYP using the H2STA service will have increased by a further 7.8%. Of this, the council is projecting a further reduction in the number of CYP mainstream service users of 6.6%, but an increase of a further 27.9% in CYP with SEND being supported.
  - c. The average cost of a travel arrangement for CYP with SEND is currently eight times that of providing travel assistance for mainstream CYP (£9,215 v £1,180). An increase of 856 pupils with SEND since 2019/20 has increased annual expenditure by close to £8m.
  - d. By the end of the 2022/23 financial year, the H2STA budget overspent by £12m against a £39m budget. Expenditure increased by 12% since the previous financial year and 18% since 2019/20, where the service reported an overspend of £4m at outturn.
  - e. Financial pressures in 2022/23 arose due to significant demand in SEND pupils returning to the system following reduced routes during the Covid pandemic as well as supplementary Covid-19 grant funding falling away, increased demand from CYP with SEND who have fewer options for independent travel, specific vehicle needs and longer journey times, and higher inflation than the 5% built into the base budget.
13. Much has been done by the H2STA service in 2023 to reduce solo taxi use and to promote independent travel with service users. However, significant risks remain that will need mitigating by the service, such as a national issue with supplier and driver shortages, affecting many local authorities, and complex demand challenges, such as an increase in SEND pupils requiring travel assistance that are not bound by the start of the academic year meaning volatility in route planning and increased dependency on solo route provision.
14. If no action is taken to contain costs and manage demand, the total cost of H2STA services for the council would be nearly £80m per year – over double the amount budgeted for H2STA services in 2022/23. This poses a clear risk to the council's financial position and is unsustainable.

#### Adult social care (ASC)

- 15. The ASC Directorate commissions travel assistance and transport for service users who require transport between venues as part of their agreed care plan. Under the Care Act 2014, local authorities have a duty to provide support for adults assessed as needing transport for social care activities.
- 16. The transport that is commissioned may be to access day care services or medical appointments. Some services can be commissioned directly by the council, either through a spot purchase arrangement or the Transport Coordination Centre in the H2STA service, or cash sums may be made available as Direct Payments to service

users.

17. As of March 2023, 646 ASC service users were supported with travel assistance. 209 clients (32.4%) were accessing the learning disabilities and autism (LDA) service, 97 (15%) were in the transitions service, moving across from children's social care to ASC, 67 (10.4%) were supported by the older people's (OP) service and 21 (3.3%) were supported for physical and sensory disabilities (PSD). 250 service users access transport supplied by Surrey Choices.

18. ASC spends around £3.7m a year on commissioned transport. This represents a reduction on £3.9m spent on transport in 2019/20. While spend on ASC transport is significantly lower than in H2STA, an analysis of spend suggests there are significant variations in costs:

- a. There are some care packages where spend is significantly above median expenditure. For LDA service users, the median spend was £7,615 a year, however the maximum spend on a transport package for a year was £55,056 and for service users with physical disabilities, median spend was £4,430 a year, with maximum spend being £27,353 a year.
- b. While each client has a care package unique to their needs, spend for some transport arrangements may potentially be in excess of need. Higher cost packages may be the result of long distances, greater trip frequencies and/or includes costs such as specialist vehicle hire, or the service user being accompanied by someone in addition to the driver.
- c. The mean costs of providing transport for transitions service users are 50% higher than those funded by the central learning disability service (£15,641 per year v £10,453 per year). This may be due to the distances required to travel to specialist schools or colleges for those in transition.
- d. Numbers of users in the OP and PSD teams are small (around 22 in total), however, there are clear differences in provision costs as set out by the tables below. This data is a snapshot taken as of October 2022 and presents information on clients with long-term travel arrangements.:

Funding team	No. of service users	Annual cost	Average (mean) cost per person
Elmbridge PSD	4	£16,952.08	£4,238.02
Epsom and Ewell PSD	2	£31,954.41	£15,977.21
Guildford PSD	1	£4,734.99	£4,734.99
Runnymede PSD	1	£888.86	£888.86
Spelthorne PSD	2	£12,996.86	£6,483.43
Surrey Heath PSD	1	£3,660	£3,660
Waverley PSD	2	£6,378.86	£3,189.43
Woking PSD	2	£9,312.09	£4,656.05
PSD TOTAL	15	£86,848.15	£5,789.88



Funding team	No. of service users	Cost	Average (mean) cost per person
Elmbridge OP	4	£4,559.31	£1,139.83
Epsom and Ewell OP	2	£2,738.20	£1,369.10
Tandridge OP	1	£1,725.43	£1,725.43
OP TOTAL	7	£9,022.94	£1,288.99

- e. If no action is taken to contain demand and costs for transport in ASC, the costs of spot purchased transport are projected to increase by around £900,000 over the next five years (37% increase). This is based on an 8% a year increase in the number of LDA, OP and Transitions clients requiring transport as part of their social care package.

19. While each client's needs are unique, there are opportunities to enhance the support to ASC staff to arrange travel assistance that supports these needs while also realising better value for money for the council. A survey carried out by Impower with ASC staff in 2022 found that 77% of respondents would welcome more guidance on supporting decision making and access to the information required to help residents access transport. They also indicated that they would opt for taxi or private hire solutions if clients live in remote areas with poor transport links, have complex needs and require an escort, ease of arranging transport or if community transport and other alternatives were in short supply.
20. Inconsistency in the costs of travel assistance, as well as a clear demand from staff for further help in this area, provides an opportunity to put in place policy, practice and guidance in place to give greater clarity for residents and staff. There are also opportunities to join up with other travel and transport teams across the council and wider system to support a more consistent approach to travel assistance commissioning to support the Directorate's aspirations to help people to stay independent, safe and well so they can live the lives they want to.

### Public transport expenditure

21. Surrey County Council has a crucial role in the effective operation of Surrey's public transport network. Local bus services, for example, are vital in supporting residents to access essential services such as employment, education and training, helping the local economy to thrive and encourage more sustainable travel solutions to reduce carbon emissions.
22. In recent years, as well as the council increasing its commitment to providing revenue support for local services, and supporting the bus sector through the Covid-19 pandemic, subsidy of bus services has increased by 40% from £8.3m in the 2018/19 financial year to £11.7m in 2022/23.
23. The spend profile for bus subsidies has changed over the past three years. Covid grants that were introduced to cover bus operator losses during lockdown in 2020/21 accounted for over 20% of subsidy spend in that year. The council also provided additional support payments in 2022/23 to cover increased operating costs, such as fuel and broader inflation. This demonstrates the council's commitment to these

services and the importance attached to the sector's role in encouraging residents to travel differently and independently.

24. Covid has impacted on bus patronage. Before 2020/21, the average number of passenger journeys in Surrey was just over 27 million per year. For older and disabled passengers, the average was around 7.7 million journeys a year – 28% of all journeys. Part of the impact of the pandemic was that passenger numbers have fallen and struggled to recover to pre-pandemic journey numbers. As of 2021/22, Surrey saw around 16 million bus journeys, with 3.8 million of them undertaken by older and disabled passengers – a 49% drop against the historical average. This suggests that more work is needed to restore passenger confidence to travel on the bus network.
25. As a condition to accessing Covid bus recovery funding, the Government required Local Transport Authorities to carry out a review of the financial sustainability of bus networks in their local areas. In mid-2022, the council completed this review with bus operators, which included information on services that were recovering and performing well, those getting close to pre-Covid levels, and those that were unlikely to ever return to pre-Covid patronage and financial levels.
26. As part of this review, the council consulted with residents and other stakeholders between November 2022 and February 2023 to get their views on bus network infrastructure investment, maintaining or changing bus services to better reflect use and the expansion of Digital Demand Responsive Transport (DDRT) services.
27. Stakeholders were very supportive of the need for more infrastructure investment in the bus network, particularly if it leads to more frequent bus services than those currently offered. Capital spend, which should be used to maximise patronage growth, is less likely to be targeted at rural communities, so access challenges for residents living in those communities will need to be addressed through initiatives, such as by expanding the DDRT scheme.
28. Stakeholders were also keen to see more online information for people to use prior to and during their journey. Bus data is open source, meaning that timetables and route maps are available across a range of digital platforms. While this means this information can be accessed from multiple websites and apps, there is a case for rationalising and simplifying how this information can be accessed so improve the resident experience and make it easier for staff responsible for providing travel assistance to obtain this information in one place.
29. DDRT services will be particularly important for living in more rural and isolated communities with challenges accessing the broader public transport network. They will offer many more residents enhanced travel opportunities and provide an alternative to the private car. These services are not intended to support direct transport solutions from residents' homes to their destinations, such as school runs, but they will be important for enhancing connectivity and opening up more options for residents who require travel assistance from the council and will require substantial promotion and marketing to position them as viable options to help them travel to their destinations.

30. Changes to the bus network will have consequences for the council's aspirations to support travel assistance clients to change how they travel to school. Some children and families affected by the withdrawal of routes will reduce options for the H2STA service to be able to support service users to access the bus network. People with mobility issues have also been identified as less likely to get to an alternative bus stop and clients with learning disabilities and/or autism are less able to amend travel habits to deal with changes to or withdrawal of services.
31. These changes mean it strengthens the importance of services involved in the planning and commissioning of travel and transport to collaborate, particularly where there may be unintended consequences impacting the council's operations. For example, there is a risk that withdrawing bus services will mean alternative transport will need to be commissioned for some service users, adding to the council's budget pressures, and appropriate mitigations will need to be developed.
32. The council facilitates delivery of the English National Concessionary Travel Scheme (ENCTS) to support older and disabled people to use off-peak bus services free of charge. Since the 2018/19 financial year, the council has reduced its budget for concessionary fares by 16%. Budgeted expenditure for the scheme in 2022/23 was around £6.9m, down from £8.2m in 2018/19. This links to damaged passenger confidence arising from the pandemic, and reducing applicability of bus passes from all times to the statutory minimum in 2019 (9.30am to 11pm, Monday to Friday).
33. If there are good levels of access to the bus network, and clients using ASC services can be supported to travel independently, the ENCTS will be an important enabling service for reducing costs incurred by the ASC Directorate. Close collaboration between the ASC Directorate and Strategic Transport service will be essential for identifying who will benefit the most from having an ENCTS bus pass.
34. Community transport (CT) is another sector that will have a central part to play in shaping a more vibrant transport market in Surrey. These services are for people who are unable to use conventional public transport either due to lack of access or are unable to use them due to sensory and/or mobility problems.
35. CT schemes are designed around users' needs including community buses, Dial-a-ride, voluntary car schemes and demand responsive transport. The council's aspiration for CT is for all residents in communities that need them to access them. There are at least six operators working in Surrey, comprised of a mix of services run by district and borough councils and stand-alone independent organisations.
36. The council provides some funding to the sector each year to support a volunteer car scheme run by Surrey CommunityAction and to cover between 5% and 10% of operator overheads for Dial-a-ride services. Average annual spend with the CT sector is around £403,000, not including commissioned spend for travel assistance services.
37. If the council has ambitions to do more business with the CT sector, it needs to create the conditions for it to compete more effectively within the local transport economy. This may include working with the sector to reform organisational models

and reviewing the council's commissioning approaches to strengthen the fairness and security of the contracts awarded.

## Why is a new model of travel assistance needed?

38. The context facing travel assistance services in Surrey is challenging. The previous section identified key challenges that threaten the council's medium-term financial sustainability, such as inflation, driver shortages and growing demand.
39. In addition, there are five strategic drivers over the medium-term that have been identified that are most important and will have the greatest impact in how travel assistance is provided:
  - a. Surrey's transport market is non-competitive – Supplier shortages, lack of vehicles and Passenger Assistants and operators passing on the costs of green compliance to the council are driving up costs. In addition, the challenges around public transport connectivity in some parts of the county means the council faces limited options for commissioning alternative travel assistance solutions to taxis and private hire. The council will need to develop a more strategic relationship with suppliers to support existing ones as well as incentivising new entrants to the market to increase competition and drive down prices.
  - b. Greener Futures agenda – The Surrey Climate Change Strategy aspires to deliver and promote an integrated, accessible, affordable and reliable public and active transport system across Surrey, reducing journeys and improving local air quality for improved health and wellbeing of residents. The Strategy commits the county to reducing carbon emissions from the transport sector by 60% by 2035. The council's travel assistance model needs to contribute to this and will affect the procurement and commissioning approaches used, how demand and behaviour change tactics with clients are implemented and how decisions are made on any infrastructure solutions.
  - c. Growth in technologically-enabled transport solutions – over the medium-term, growth is anticipated in new modes of transport, with digital technology at their heart, as well as growth in digital resources to enable residents to plan, book and pay for their journeys. The council will need to monitor trends, such as the development of autonomous vehicles, to assess how this will impact people's travel habits, how the market will change and what the potential is for these vehicles to support more efficient, effective service delivery. Developments in the servitisation of transport, such as the growth in ride-share services such as Uber, means people will increasingly turn to Mobility-as-a-Service technologies to access a single payment channel and interface to access multiple travel options.
  - d. Demand continues to evolve – this includes growing complexity of need for travel assistance clients, increasing numbers of residents wanting to access services and high expectations of what travel assistance services should provide. For example, Surrey has a large population of children and young

people with special educational needs (SEN) statement or EHCP compared to statistical neighbours, the South-East and nationally. This population will grow against a backdrop of growing needs for autism, social, emotional, and mental health needs and moderate learning difficulties over the past five years<sup>2</sup>. A proportion of these CYP will require travel assistance by virtue of their needs. These conditions necessitate the need to strengthen the council's strategies for managing demand for these services in creative ways that enable solutions that meet needs, strengthen independence, deliver value for money and reduce carbon emissions.

- e. Place-based working – the council is leading development of several projects that look at the planning, commissioning and delivery of services through a place-focused framework. Such projects include the key neighbourhoods work for areas of Surrey with the greatest health and wellbeing deprivation and the towns partnership work to bring local partners in Surrey's towns together to work on each place's unique priorities. Travel and transport issues are likely to feature as part of these priorities, so there are opportunities to engage and innovate by working with local communities to reform how travel assistance is provided in those places.

- 40. These challenges and opportunities suggest that a model of travel assistance is needed that is more effective at targeting travel assistance and transport support for residents with the greatest needs. The levels of individual needs are important determinants of the type of travel assistance that should be offered to clients, whether it is providing funding to enable residents to make their own travel arrangements, skills training for independence or commissioning a vehicle.
- 41. A future model should also prioritise local engagement that seeks opportunities to deliver tailored local solutions with people across Surrey's communities. It will also be important for residents, council staff and partners to have easy access to high quality information to support travel planning and clarity on available options, as well as regular communications and promotion of these options and services. These are critical for driving down demand for high-cost transport solutions.
- 42. The council's approach to engaging Surrey's transport market needs strengthening. Suppliers have said they want a clear vision for the future of travel assistance services, for communications to be strengthened and for greater certainty and security on contracts. Work has started on this in the H2STA service and should be expanded to cover all council services with a role in travel assistance commissioning. As a key transport commissioner, the council needs a travel assistance model that is proactive in working with suppliers to respond to issues that impact their operational viability and delivery as well increasing cost and affecting service quality, such as driver shortages. A future travel assistance model also needs to be dynamic and flexible to changes to new market developments in the environmental and technological spaces.

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<sup>2</sup> Surrey Inclusion and Additional Needs Partnership Strategy 2023 - 2026

## Freedom to Travel - vision and strategic alignment

### Vision

43. Below is the council's long-term vision for a future model of travel assistance for 2030:

**By 2030, all Surrey residents requiring travel assistance will have the freedom to travel to access opportunities that make their lives better so no-one is left behind.**

No-one who needs support to travel will worry about how they can get to where they want to be, whether it's school, college, leisure, social activities or employment. Surrey County Council's (SCC) services will offer residents the predictability, tools and skills they need to travel around Surrey independently.

Our services will be financially sustainable, offering great outcomes for residents that use them, and value for money for the residents that fund them. We will achieve this by finding solutions to support residents to travel that does not rely on expensive private vehicles as the first port of call.

Residents will have access to high quality information and advice on travel assistance. They will self-serve to choose the travel options that work best for them and their families or carers. The emphasis is on methods that support self-sufficient travel, such as active travel schemes and public transport, to prevent the need for more vehicles on Surrey's roads where possible. Our support will help overcome practical barriers that prevent this where possible. Our services will be accessed in one place, supported by processes that minimise form filling, waiting times and hand overs.

More local opportunities within communities will have been developed to minimise the need for residents to travel in the first place. Activity to design and develop a new travel assistance model will work closely with other initiatives designed to support more local provision in Surrey, such as school place sufficiency in Surrey and 15-minute neighbourhoods.

For residents that still need SCC to arrange transport, we will approach the planning, commissioning and delivery of these services differently and shaped the market in our favour.

Surrey's transport market is competitive, where providers from different sectors have opportunities to thrive and offer improved value for residents. Collaborative working with partners and suppliers is business-as-usual, underpinned by strong trusting relationships, focused on delivering a transport offer that delivers high quality, efficient and effective services.

Transport commissioning approaches are consistent and systematic across all SCC Directorates and partners with an emphasis on long-term planning, evidence-based decision making and supplier and resident involvement in service design. This

enables an environment for innovation and cross-cutting opportunities for joint working between services and with partners.

We will have capitalised on, and will continue to exploit, the potential of technological innovations, such as digital on-demand transport (DDRT) and artificial intelligence in route planning, to deliver services that align with modern expectations, open up new possibilities for residents to travel and for SCC and partners to use transport resources smartly.

Where organisations operate their own fleets, asset sharing is normal practice to maximise use of vehicles by serving a range of different resident groups across multiple organisations, not just their own clients. Transport and travel assistance providers are incentivised to work together to create and sustain a well-connected transport network that residents value.

Commissioning organisations prioritise green transport and travel modes to support the county's aspirations for a net zero future. Priority is given to commissioning shared use transport that minimises carbon emissions, such as electric minibuses, and accessible walking and cycling routes. We will have put the right infrastructure in place to make this possible and we will aim to take more vehicles off Surrey's roads to reduce congestion.

44. If this vision is delivered successfully, a future is anticipated where:

- a. Residents are confident in arranging travel within Surrey and know how to get the information they need on their travel options to better plan their journeys. Council staff responsible for arranging travel for clients will also benefit.
- b. More residents will use active travel solutions that support better physical and mental health and wellbeing.
- c. Service users associate travel assistance with a wider range of options for travel that emphasises active travel and greener transport solutions, and less association with using taxis to reach their destinations.
- d. Costs to the council of commissioning and providing these services will come down as lower cost travel assistance solutions are provided, and fewer people require services.
- e. Residents and services collaborate routinely to design and develop tailored travel solutions based on the needs of local places.
- f. Council partners and services work together on joint planning and commissioning of travel assistance, including shared use of vehicles to maximise and make the most efficient use of these assets.
- g. Travel assistance clients in more rural and isolated communities will be better supported to connect to the wider transport network.
- h. Carbon emissions from commissioned transport will be lower.



45. Successful achievement of this vision is contingent on the council and partners observing these five working principles:
- a. Changing stakeholders' behaviours and expectations over the long-term.
  - b. Taking an evidence-based approach, enabled by strong data, insights and performance management.
  - c. Services are designed with communities.
  - d. Delivery is supported by efficient and effective processes and back-office systems.
  - e. Enter new, and strengthen existing, partnerships focused on outcomes and benefits.

### Strategic alignment

46. Freedom to Travel will act as a supporting programme for broader strategic priorities and initiatives Surrey County Council is pursuing.

47. Supporting delivery of the [Community Vision for Surrey in 2030](#). The vision's aspirations include:

- a. **Children and young people are safe and feel safe and confident** – Safeguarding CYP is a top priority for travel assistance services, making sure that service users are supported and are able to travel safely, particularly if they have SEND or complex medical requirements. We will maintain the highest possible standards to ensure the suppliers we work with have service user safety at the forefront of their minds.
- b. **Everyone benefits from education, skills and employment opportunities that help them succeed in life** – Freedom to Travel is about developing more inclusive, sustainable solutions for people to travel to be able to learn, work and earn and ensuring that any barriers that prevent this are overcome. The new travel assistance model will support service users to find travel arrangements that work best for them to make sure no-one is excluded and risks being left behind.
- c. **Everyone lives active, healthy and fulfilling lives, and makes good choices about their wellbeing** – Surrey's future model of travel assistance will, where possible, encourage use of walking and cycling routes to education, employment, social and leisure destinations. Residents using these services regularly will benefit from enhanced physical and mental health and wellbeing by being more active and subsequent impacts on wider determinants of health, such as obesity and isolation.
- d. **Everyone gets the health and social care support and information they need at the right time and place** – the new travel assistance model will continue to support ASC clients to access services, while seeking to strengthen their independent travel skills and providing the information they



need for them and their families and/or carers to make informed choices. Where transport is needed, the council will prioritise finding solutions that meet these needs while being financially and environmentally responsible.

- e. **Communities are welcoming and supportive, especially of those most in need, and people feel able to contribute to community life** – community participation in the design and delivery of local projects to support people to travel to access opportunities will be a major component of the new model. Residents’ knowledge and expertise are crucial in identifying how to reduce the need for public sector commissioned services and subsequently reduce travel assistance demand. Local participation will encourage more trusting, productive relationships between residents and travel assistance services.
  - f. **Residents live in clean, safe and green communities, where people and organisations embrace their environmental responsibilities** – Reforms to travel assistance commissioning will prioritise finding greener travel options for service users, ranging from increasing the use of providers using EVs to encouraging client uptake of active travel schemes. Doing this will cut the overall carbon emissions levels of these services.
  - g. **Journeys across the county are easier, more predictable and safer** – Strengthening the local transport provider market to increase competition and choice in the supply of travel assistance. In addition, reform the council’s approach to route planning to maximise the efficiency of routes, including reducing travel time from home locations to destinations where possible.
  - h. **Well-connected communities, with effective infrastructure, that grow sustainably** – Freedom to Travel will influence development of active travel schemes that are accessible for all and identify opportunities to make more walking routes safe.
48. Supporting delivery of priority objectives in [Surrey County Council's Organisation Strategy 2023 to 2028](#):
- a. **Growing a sustainable economy so everyone can benefit** – Developing a new travel assistance model presents opportunities to work more closely with local suppliers to facilitate a more competitive transport market and investment in a sector of Surrey’s economy. The impacts the Covid pandemic has had on the transport sector increases its importance. Travel assistance is also important for CYP to progress in their education and minimise inequality of access that could impact future outcomes and prospects for employment.
  - b. **Tackling health inequality** – a central aim of Freedom to Travel is to reduce inequality of access to transport and travel. Addressing this is vital for travel assistance clients to attain as good life outcomes as the wider population. There will also be additional benefits to prevent further health inequalities developing in Surrey’s population, such as obesity through active travel schemes and social isolation, which increase the chances of needing to access acute response services later in life.

- c. **Enabling a greener future** – Travel assistance services have a responsibility to contribute to responding to the climate emergency and accelerate reductions of transport carbon emissions. Encouraging behaviour change among residents and staff as well as reforming our commissioning approaches to build this in will be important tactics to support this.
- d. **Empowered and thriving communities** – The new travel assistance model will enable more participative engagement between residents, the council and wider stakeholders to design and develop bespoke solutions tailored to local travel and transport issues. Services will also work closely with travel assistance clients to give them as much information and choice as possible to identify arrangements that work best for both clients and providers.
- e. **Service effectiveness** – Core Directorates and services with responsibilities for travel assistance will collaborate routinely to deliver interventions that enable prevention to address health and environmental risks and reduce demand for commissioned transport, capitalise on using digital technology and find new ways of working with partners for mutual benefit. This is important in supporting continued improvement in the statutory travel assistance we provide for residents.

49. Alignment with the [Surrey Health and Wellbeing Strategy](#):

- a. **Supporting people to lead healthy lives by preventing physical ill health and promoting physical wellbeing** – Measures to encourage use of walking and cycling schemes will support increased physical activity and support prevention of disease in later life.
- b. **Supporting people’s mental health and emotional well-being by preventing mental ill-health and promoting emotional well-being** – Central to Freedom to Travel’s success is to increase access to a wider range of travel assistance options to support residents to travel and tackle social isolation.
- c. **Supporting people to reach their potential by addressing the wider determinants of health** – Travel assistance is a key enabler for building social connections in communities and increasing the chances of residents securing the outcomes they need to flourish and succeed in life.

50. Enhancing the impact of [Surrey’s Local Transport Plan \(LTP4\)](#) by contributing to delivery of the plan’s objectives:

- a. **Rapidly reduce carbon emissions, ensuring Surrey in on track for net zero emissions by 2050** – closely monitoring the impact of travel assistance services on carbon emissions and using commissioning levers and behaviour change techniques to increase the use of greener travel solutions.
- b. **Support Surrey’s growth ambitions and enable businesses and people to prosper sustainably** – For some CYP, travel assistance is vital for them to access education to improve their employment prospects. Adults will also require travel assistance in some cases to undertake training or to seek

employment.

- c. **Provide well connected communities that encourage equal access to travel to ensure no-one is left behind** – this is a key principle that Freedom to Travel aims to achieve by making sure all travel assistance clients are able to access the travel solution that works best for them while ensuring the council provides value for money for these services.
- d. **Create thriving communities with clean air, excellent health, wellbeing and quality of life** – the new model of travel assistance will prioritise for travel assistance clients to use walking, cycling or public transport as travel solutions. Where this is not possible, the council will work with suppliers to prioritise solutions that do not compromise work to meet Surrey's carbon emissions reduction targets.

51. Managing dependencies with the [Children and Young People with Additional Needs and Disabilities: 2022 – 2030 Sufficiency Plan](#). Part of the vision in this Plan is to support CYP with additional needs and disabilities to access help and support they need to thrive in their local communities and go to education provision close to where they live. If this plan is delivered successfully, and more education provision is made available locally in Surrey, this will reduce demand for H2STA services and costs of commissioned transport.

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## Implementation and progress reporting

52. The Freedom to Travel Strategy is predicated on two areas of delivery to respond to the challenges and opportunities facing travel assistance services:

- a. **Reducing demand for commissioned transport** – For some residents, travel assistance does not have to take the form of a commissioned vehicle. A future model of travel assistance prioritises helping residents to travel independently where they can do so. This is important for giving people lifelong skills and confidence to navigate around Surrey and other places to get to where they want to go. Activities for this delivery area will focus on diversifying the travel assistance options on offer to residents. This includes strengthening the council's Independent Travel Training offer, simplifying public information for travel planning, reviewing where infrastructure solutions could reduce demand and providing financial and other resources to enable residents to make their own travel arrangements. The council will also work with residents and partner organisations to trial new place-based approaches that seek to respond to travel and transport challenges and find new ways to reduce demand further.
- b. **Shaping a competitive transport market** – Activities in this delivery area are focused on generating better value for money for the transport we have to commission. The council will focus on reforming its procurement and commissioning approaches so all services with roles in travel planning, commissioning and provision follow a systematic, consistent approach. A

more strategic relationship with transport suppliers is essential for navigating some of the challenges facing the transport sector to enable them to thrive, generate healthy competition in the market and drive down prices. The council will also work with partners from other sectors, such as the NHS and community transport operators, to identify and develop cross-cutting collaborative opportunities to deliver innovation and secure mutually beneficial outcomes for the residents they collectively serve. This includes capitalising on transport innovations, such as DDRT, to enhance connectivity, contribute to more diverse travel options and enhance market competitiveness.

53. These activities will be delivered over a medium-term time horizon of around five years. Oversight and progress monitoring will be led by the Freedom to Travel Board and reported regularly to Surrey County Council's Cabinet. They will also be required at key intervals to take decisions on individual projects within the programme as specific milestones are met. General progress, as well as individual projects that require a further Cabinet decision, will also be reported to Select Committees so the programme can be scrutinised.
54. To assess our progress, a performance management approach will be developed aligned to the success statements set out in paragraph 44. Quantitative and qualitative evidence, gathered via robust evaluation and data collection mechanisms, will support the council to gauge what is being achieved and where there may be challenges and risks hindering progress.

## Freedom to Travel Strategy

Did you use the EIA Screening Tool? (Delete as applicable)

~~Yes (please attach upon submission)/~~ No

### 1. Explaining the matter being assessed

Is this a:

- A new strategy or policy

**Summarise the strategy, policy, service(s), or function(s) being assessed. Describe current status followed by any changes that stakeholders would experience.**

Freedom to Travel (F2T) is a new strategy for the design and development of a new model for travel assistance in Surrey. Travel assistance is defined as bespoke travel services that are arranged and provided on an individual basis with clients who are less able to travel without support to their destinations. Users are eligible for support either because they qualify according to statutory guidelines (for example, if a child is unable to walk to school because there is no safe walking route) or their needs mean they cannot reach their destination without assistance to get there. Examples of services that provide this include the home to school travel assistance (H2STA) service and Adult Social Care (ASC), as well as a role delivered by the Strategic Transport team in the Environment, Transport and Infrastructure Directorate to enable increased connectivity and access to the wider public transport network.

This is a complex transformation programme that will be delivered over the medium-term (5 years) and requires substantial cross-council and partner collaboration and high levels of stakeholder engagement. The vision for this work is:

**By 2030, all Surrey residents requiring travel assistance will have the freedom to travel to access opportunities that make their lives better so no-one is left behind.**

This vision prioritises inclusion and aims to make a positive difference to the lives of residents who require additional support to travel. Some of these residents will have complex needs, such as chronic medical conditions, that means travel arrangements will be bespoke. The programme also aims to deliver financial efficiencies for the council with significant demand and cost pressures posing a risk to the organisation's medium-term financial sustainability. Key to the success of this programme is achieving the right balance to ensure both objectives are delivered.

Some of the anticipated benefits of the programme are that residents will be supported to travel independently through a combination of projects to enable this including skills, digital tools and infrastructure improvements that remove some of the constraints to travel and reduces reliance on high-cost solutions, such as taxis and other private hire vehicles. Enhancing connectivity and

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access to active travel schemes would also carry personal benefits for residents including improved health and wellbeing and support to reduce their personal carbon footprints. Travel assistance clients living in more rural and isolated communities are also expected to benefit from this strengthened connectivity by being able to access more services and opportunities.

In some cases, activities within the programme will be focused on changing travel behaviours and adjusting service provision that will support residents to have travel arrangements that meet their needs while delivering improved value for money. It is acknowledged that changes of this nature may cause concern for residents affected. One of the clear commitments within the strategy is to continue commissioning transport for travel assistance clients that need this service the most and where there are no other viable, practical alternatives.

This EIA is a high-level position statement of the anticipated impacts for residents and how the programme plans to mitigate any negative impacts. Each individual project in F2T will be required to produce a detailed EIA, where there are potential equality impacts, so decision-makers can better understand the consequences of delivery for residents, and to put appropriate mitigations in place at the right time as new insight becomes available and interventions are designed.

The protected characteristics this EIA considers impacts against include:

- Age – users of travel assistance services are more likely to be children and young people in education, working age adults, particularly those with learning disabilities and/or autism and older people.
- Disability – a significant proportion of service users will have some form disability and other additional needs, such as children with special educational needs and disabilities (SEND) and adults of all ages with physical, sensory and learning disabilities and/or autism.

Other characteristics affected, but not explicitly protected under equality legislation, are:

- Looked after children
- Those living in rural areas and other communities with low levels of access to public transport

## How does your service proposal support the outcomes in [the Community Vision for Surrey 2030](#)?

Specify which of the ten Vision outcomes this work is linked to.

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

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- Communities are welcoming and supportive, especially of those most in need, and people feel able to contribute to community life.
- Residents live in clean, safe and green communities, where people and organisations embrace their environmental responsibilities.
- Journeys across the county are easier, more predictable and safer.
- Well-connected communities, with effective infrastructure, that grow sustainably.

## Are there any specific geographies in Surrey where this will make an impact?

- County-wide

**Assessment team** – A key principle for completing impact assessments is that they should not be done in isolation. Consultation with affected groups and stakeholders needs to be built in from the start, to enrich the assessment and develop relevant mitigation.

## Detail here who you have involved with completing this EIA:

- Dorothy Watson, Chief Executive, The Sunnybank Trust
- Phil Mack, Practice Development and Inclusion Lead, Surrey Choices
- Leanne Henderson, Participation Manager, Family Voice Surrey
- Fiona Clifton, Participation Officer, Family Voice Surrey
- Yasmin Broome, Involvement Lead, Surrey Coalition for Disabled People

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## 2. Service Users / Residents

### Who may be affected by this activity?

There are 9 protected characteristics (Equality Act 2010) 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

Though not included in the Equality Act 2010, Surrey County Council recognises that there are other vulnerable groups which significantly contribute to inequality across the county and therefore they should also be considered within EIAs. If relevant, you will need to include information on the following vulnerable groups (Please **refer to the EIA guidance** if you are unclear as to what this is).

- Members/Ex members of armed forces
- Adult and young carers\*
- Those experiencing digital exclusion\*

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- Those experiencing domestic abuse\*
- Those with education/training (literacy) needs
- Those experiencing homelessness\*
- Looked after children/Care leavers\*
- Those living in rural/urban areas
- Those experiencing socioeconomic disadvantage\*
- Out of work young people)\*
- Adults with learning disabilities and/or autism\*
- People with drug or alcohol use issues\*
- People on probation
- People in prison
- Migrants, refugees, asylum seekers
- Sex workers
- Children with Special educational needs and disabilities\*
- Adults with long term health conditions, disabilities (including SMI) and/or sensory impairment(s)\*
- Older People in care homes\*
- Gypsy, Roma and Traveller communities\*
- Other (describe below)

(\*as identified in the Surrey COVID Community Impact Assessment and the Surrey Health and Well-being Strategy)



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## AGE

**Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

Travel assistance clients are primarily accessed by children and young people of statutory school age in the H2STA service (ages 5 – 16). In exceptional circumstances, some children aged 0 - 4, in post-16 education or aged 19 – 25 and have an Education, Health and Care Plan (EHCP) will be provided with travel assistance.

As of summer term 2022/23, CYP being provided with commissioned transport included:

- 159 pupils aged 0 – 4. 155 were using a taxi (97%) and 4 (3%) were using a coach.
- 6,730 pupils aged 5 – 15. 4,584 were using a taxi (68%) and 2,153 were using a coach (32%).
- 405 pupils aged 16 – 18. 398 were using a taxi (98%) and 7 were using a coach (2%).
- 168 young people aged 19 – 25. All residents in this cohort are provided with a taxi.

977 CYP are actively being supported by Children's Social Care. This includes:

- 107 Looked After Children.
- 69 children on a Child Protection Plan.
- 782 Children in Need.
- 18 Care Leavers.

As of October 2022, 646 adults aged 18 and over with a social care package were provided with a commissioned transport arrangement. 579 are of working age (18 – 64) and 67 were aged 65 and over.

The following impacts have been identified:

**Diversifying travel assistance options** - Some children and young people will be able to access broader travel assistance options such as bikeability, driving lessons and TfL Oyster cards will provide them greater choice on ways to get to school or college, while also building travel independence skills for later life.

Through a public consultation on a refresh of the H2STA travel assistance policy in 2022, stakeholders raised concerns about prioritising independent travel among younger age groups, such as 6-year-olds, which could lead to increased anxiety for them and their families about travelling to and from their education setting safely.

De-prioritising the use of private transport, and promoting changes to greener, more sustainable methods of travel and transport, such as walking, cycling and public transport, could benefit some children and young people's health and wellbeing. According to the National Institute for Health Research, children who switched to walking and cycling to school between the ages of 7

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and 14 had healthier body weights than those who continued to travel to school by car, with benefits being even greater for children and young people from some deprived areas<sup>1</sup>.

For ASC service users, it is anticipated there will be similar benefits though the programme will need to account for the ability of residents to participate in active travel as they get older. The Centre for Ageing Better found that people in mid and later life are less likely to participate in active travel schemes than younger age groups. General barriers included:

- Distances being too great in rural areas.
- Lack of motivation.
- Weather conditions.
- Personal safety or feeling unsafe.
- Lack of an active travel habit.
- Declining health or a disability<sup>2</sup>.

Specific barriers to cycling included:

- Fear of motorised traffic.
- Lack of confidence.
- Poor cycle infrastructure.
- Prevailing car culture, including poor driver behaviour.

11 The F2T programme will prioritise the promotion and align with the development of more initiatives, including infrastructure schemes, that incentivise and encourage the use of alternatives to private cars and other transport. Accessible design and behaviour change techniques will be crucial in helping to overcome those barriers identified.

The programme will also seek to increase awareness and re-design its approach to the provision of Independent Travel Training (ITT). ITT is an important service that provides travel assistance clients with the skills they require to travel independently. Being able to travel with less support will allow residents to take part in more activities and free up their families and/or carers to undertake separate activities, such as work or leisure. If more residents of all ages undertake ITT, they will have skills that they can use for the rest of their lives and use to further their health, employment and education outcomes.

It is recognised that alternatives to commissioned transport may not be feasible or practical for some service users with additional needs, and there may still be some cases where private transport is the only option.

**Reductions in commissioned transport** – Increasing travel assistance options means fewer residents are likely to be prioritised for commissioned transport in future. As part of regular reviews of existing clients' transport arrangements, there may be some cases where alternative

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<sup>1</sup> School children who switch to walking or cycling may have a healthier body weight, National Institute for Health Research, September 2021, [NIHR Evidence - Schoolchildren who switch to walking or cycling may have a healthier body weight - Informative and accessible health and care research](#)

<sup>2</sup> Centre for Ageing Better (2021), Active travel and mid-life: Understanding the barriers and enablers to active travel, [active-travel-mid-life.pdf \(ageing-better.org.uk\)](#)

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travel assistance options are offered to H2STA and ASC clients, their families and/or carers to commissioned transport. This may mean some transport provision is either reduced or withdrawn completely, subject to sufficient consultation and appropriate notice periods.

At time of writing, it is unclear how many travel assistance clients this will apply to. Potential impacts may include distress and anxiety among residents who have been used to receiving commissioned transport. This may be more likely for some clients who will have been on the same travel arrangement for many years. Switching to alternative travel assistance arrangements may mean that journeys to destinations take longer when compared to their current provision, though these are likely to be more effective at supporting clients to travel more independently.

## **Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

- Develop and implement a communications strategy with partners to promote active travel and public transport use. This will enable partners across the system to communicate consistent messages with residents to persuade and influence them to change their travel habits. Partners will include schools, colleges, district and borough councils, NHS and voluntary, community and faith organisations.
- Identify and engage directly with travel assistance clients, families and/or carers who will be affected by any changes to commissioned transport arrangements. This will include explaining the reasons why travel assistance arrangements will change and responding to feedback from residents to ensure appropriate measures are put in place. This engagement will take place to ensure clients have reasonable notice.
- Learning from these conversations should be captured to inform best practice and training for SCC staff working in travel assistance services and front-line social work staff in ASC and Children, Families and Lifelong Learning (CFL) Directorates.
- Monitor how many residents have been stepped down from commissioned transport to alternative travel assistance services as part of tracking the programme's key performance measures. This should include the capability to analyse by protected characteristic, including age.
- Continue to assess eligibility for travel assistance on a case-by-case basis to establish if travel assistance is necessary based on the needs of the client, their families and/or carers.
- Develop a new ASC Travel Assistance Policy to provide clarity to clients, families and/or carers and social workers on expectations of what travel assistance will and will not be provided. Arrangements will be discussed with individuals to meet their needs while ensuring these are financially sustainable. This policy will be supported with guidance for residents and staff, and implementation will be regularly monitored, including client satisfaction with travel arrangements.
- Engage families and other stakeholders as Personal Travel Budgets are implemented in H2STA to ensure this is meeting the needs of clients.

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

Over the next five years, we are investing £139m to create more local education provision so children and young people can be educated closer to home, reducing demand for travel assistance services.

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For under 5s, we are undertaking extensive work to create and identify provision with investment in improving support and resources at existing education settings. The aim is for more children with SEND to be able to access education at their local school, reducing the need to travel and for the council to facilitate travel arrangements. Similar work is underway with post-16 establishments to improve the study programmes available locally, ensuring improved choice of study locally rather than courses that require considerable travel to access them.

In ASC, the Community Opportunities project seeks to implement a more formalised approach of contracting Day Services, Outreach, Independent Travel Training and Employment support/pathway to employment. This will enable improved oversight of the market in respect to cost, quality and equity. One of the ambitions of this project is to ensure the whole county has services that are located in communities where residents live so they can better connect to their community and reduce the cost and/or need to use a commissioned vehicle to reach their destination.

## **Any negative impacts that cannot be mitigated?**

There are no negative impacts that cannot be mitigated.

## DISABILITY

**Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

Of the CYP being supported by the H2STA service, 4,934 are children with SEND. Of those being provided with travel assistance:

- 3,865 are being transported by a taxi or private mini-bus.
- 740 have an Independent Travel Allowance.
- 670 have a Passenger Assistant to support them to travel.
- 70 are using a transport season ticket to travel to their education setting.
- 51 are being transported by coach.

In ASC, of the 646 clients the service commissions travel assistance for:

- 209 are supported by the Learning Disability and Autism service.
- 97 are supported by the Transitions team.
- 67 are supported by the Older People service, some of whom may also have physical and/or sensory disabilities.
- 21 are supported by the Physical and Sensory Disability service.
- 2 are supported by the Mental Health service.

A further 250 clients have travel assistance arrangements through Surrey Choices to enable them to be transported to day care and other facilities.

Disability is a key characteristic that determines travel behaviour. Being disabled is also associated with more negative or problematic experiences of travel. A report by the Department for Transport<sup>3</sup> found that:

- Disability is a key characteristic for explaining individual travel behaviour, how this changes over time, and the factors, attitudes and perceptions that affect it. Behaviours and attitudes of disabled people towards travel are markedly different depending on different levels and types of disability.
- People with disabilities are more likely to report a greater number of difficulties with trips undertaken for different purposes, especially as the grade of disability increases.
- While experiences of safety-related incidents on and around transport are rare, in general they are more common among people with disabilities.
- People with disabilities are less likely to regard walking or cycling as viable alternatives to short car journeys – this perception strengthens if they are older (aged 50 and over).

The implications of this for the Freedom to Travel programme is that every travel assistance client with a disability will have unique, individual experiences and perception of travel that will influence what they believe they need from travel assistance services. Services have a

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<sup>3</sup> Department for Transport (2017), Disabled people's travel behaviour and attitudes to travel, [Disabled people's travel behaviour and attitudes to travel \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/614442/disabled-people-s-travel-behaviour-and-attitudes-to-travel.pdf)

# Equality Impact Assessment

responsibility to work with clients to identify how best to match those needs with solutions that offer best value.

**Diversifying travel assistance options** – Increasing travel assistance options will benefit some travel assistance clients with disabilities who have the potential to travel independently. It is anticipated that offering options such as Personal Travel Budgets, bikeability and travel passes for public transport, as well as training through ITT, will equip clients with lifelong skills to navigate themselves to their destinations, as well as alleviating pressure on families and/or carers to provide passenger support.

Some of these options are unlikely to be suitable for some residents depending on acuity and complexity of need. Some respondents to the public consultation on the H2STA Policy Refresh in 2022 suggested some children would not have the capacity or capability to understand the concept of travelling independently, including the specific options being proposed in the consultation, meaning this would be unworkable in practice for them. Parents were concerned with the level of risk this could expose their child to. There were also concerns raised in the consultation about the policy encouraging the use of public transport, particularly for children with autism and are unable to communicate verbally, leading to their child's safety potentially being compromised.

Further engagement is required with ASC service users and representative groups to assess whether there are similar concerns, as well as any other unique concerns for this cohort, as new policies for travel assistance are developed.

**Reductions in commissioned transport** – Increasing travel assistance options means fewer residents are likely to be prioritised for commissioned transport in future. As part of regular reviews of existing clients' transport arrangements, there may be some cases where alternative travel assistance options are offered to H2STA and ASC clients, their families and/or carers to commissioned transport. This may mean some transport provision is either scaled back or withdrawn completely, subject to sufficient consultation and appropriate notice periods.

At time of writing, it is unclear how many travel assistance clients this will apply to. Potential impacts may include distress and anxiety among residents who have been used to receiving commissioned transport. This may be more likely for some clients who will have been on the same travel arrangement for many years, as well as changes to routine for some residents potentially triggering sensory reactions. Switching to alternative travel assistance arrangements may mean that journeys to destinations take longer when compared to their current provision, though these are likely to be more effective at supporting clients to travel more independently.

**Encouraging uptake of active travel schemes** – The F2T programme will have a key role to influence the roll-out of active travel schemes across Surrey to ensure they maximise the chances of disabled residents being able to use them. This includes making sure schemes are designed to accommodate people who require mobility aids and disabled cyclists. In addition, the programme will explore how it can develop a scheme that will provide either a grant or a loan to individuals to enable them to use an accessible bicycle. This will support more disabled travel assistance clients to take up active travel, supporting improved long-term physical and mental health. It is recognised that active travel solutions are not suitable for all disabled residents.

**Improving access to travel and transport information** – A focus of F2T is to improve how residents access information on travel and transport to plan their journeys across the county. Presently, digital information on travel and transport in Surrey is fragmented across multiple



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websites, so the aim is to rationalise these various information sources into one place online. According to digital exclusion analysis by Ofcom in 2021, people with impairments or limitations were more likely to be digitally excluded compared to the wider population:

- 18% of people with impairments or limitations did not have access to household access to connected devices compared to 7% of the wider population.
- 25% do not have personal access to connected devices (wider population = 12%).
- 36% do not personally use a smartphone (wider population = 18%).

This means that any communication, information and advice strategy needs to put measures in place to support disabled people who are digitally excluded. Resources will be required for some print and other physical materials for residents who cannot access digital travel and transport information. Telephone access will also need to be considered.

## **Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

- Develop and implement a communications strategy with partners to promote active travel and public transport use. This will enable partners across the system to communicate consistent messages with residents to persuade and influence them to change their travel habits. Partners will include schools, colleges, district and borough councils, NHS and voluntary, community and faith organisations.
- As part of any communications strategy and projects to improve access to information, this will require approaches that include methods to reach residents who are potentially digitally excluded.
- Identify and engage directly with travel assistance clients, families and/or carers who will be affected by any changes to commissioned transport arrangements. This will include explaining the reasons why travel assistance arrangements will change and responding to feedback from residents to ensure appropriate measures are put in place. This engagement will take place to ensure clients have reasonable notice.
- Learning from these conversations should be captured to inform best practice and training for SCC staff working in travel assistance services and front-line social work staff in ASC and Children, Families and Lifelong Learning (CFL) Directorates.
- Where appropriate, deliver ITT as bespoke training for individuals to ensure they learn to travel independently and minimise any potential impact relating to their disability to ensure capacity is in line with demand. People will be given the opportunity to learn the necessary skills to travel independently at their own pace and will reflect the specific route and environment they use.
- Monitor how many residents have been stepped down from commissioned transport to alternative travel assistance services as part of tracking the programme's key performance measures. This should include the capability to analyse by protected characteristic, including disability.
- Continue to assess eligibility for travel assistance on a case-by-case basis to establish if travel assistance is necessary based on the needs of the client, their families and/or carers.
- Develop a new ASC Travel Assistance Policy to provide clarity to clients, families and/or carers and social workers on expectations of what travel assistance will and will not be provided. Arrangements will be discussed with individuals to meet their needs while ensuring these are financially sustainable. This policy will be supported with guidance for residents and staff, and implementation will be regularly monitored, including client satisfaction with travel arrangements.

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- Engage families and other stakeholders as Personal Travel Budgets are implemented in H2STA to ensure this is meeting the needs of clients.
- Lead officers for active travel schemes in the Environment, Transport and Infrastructure (ETI) Directorate must engage regularly with colleagues from the ASC and CFL Directorates to use their expert input on development and design of such schemes to improve their accessibility for disabled residents.
- Work with Active Surrey and other partners to develop a bicycle grant/loan scheme that includes offering accessible bicycles for disabled service users.

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

Over the next five years, we are investing £139m to create more local education provision so children and young people can be educated closer to home, reducing demand for travel assistance services.

In ASC, the Community Opportunities project seeks to implement a more formalised approach of contracting Day Services, Outreach, Independent Travel Training and Employment support/pathway to employment. This will enable improved oversight of the market in respect to cost, quality and equity. One of the ambitions of this project is to ensure the whole county has services that are located in communities where residents live so they can better connect to their community and reduce the cost and/or need to use a commissioned vehicle to reach their destination.

## **Any negative impacts that cannot be mitigated?**

There are no negative impacts at this time that cannot be mitigated.



## RURAL/ISOLATED COMMUNITIES

**Describe here the considerations and concerns in relation to the programme/policy for the selected group.**

At present, there is limited data available on the extent to which Freedom to Travel will impact positively and/or negatively on residents living in rural and other isolated communities. A key activity this work will undertake as it progresses is to assess the extent to which Freedom to Travel will benefit residents living in places where there are low levels of access to Surrey's wider public transport network.

The call for evidence for the Future of Transport: rural strategy identified the following issues for residents living in rural communities:

- Dependence on private cars, partly associated with older residents and the reduced availability of alternatives, such as public transport and active travel routes between towns and villages.
- Access to services and employment – limited public transport can make it difficult to access workplaces and services, especially for the elderly, less mobile and young people.
- Social isolation, limited transport options can make feelings of isolation worse and contribute to mental health difficulties.<sup>4</sup>

For some residents living in rural communities, commissioned transport will remain an important solution as alternative options may require prohibitive investment costs. It is also recognised that some initiatives, such as Independent Travel Training, may not be suitable for these residents if they do not have adequate connections to Surrey's wider public transport network. However, there are other positive benefits that the Freedom to Travel programme could bring to travel assistance clients in these communities.

**Promoting Digital Demand Responsive Transport** – DDRT schemes could be a better option than a scheduled bus for these residents because of the door-to-door service and more flexible operating hours. For example, the Mole Valley Connect service operates from 7am to 7pm Monday to Saturday. If a similar service were to be introduced in areas where there is a timetabled service, for example, two days a week, people may see this as a better offer. It is important to note that these schemes will not provide a direct home-to-school solution as the service will be required for other residents to complete their journeys, but it has the potential to enable access to the wider public transport network to increase the chances of children and young people using the network.

The H2STA and ASC services will need to target promotional activity at those residents who they think will benefit the most. This will require an assessment of those residents who are most likely to be isolated from the wider public transport network, as well as the suitability of DDRT based on the types of vehicles used and whether these are adaptable to residents' needs.

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<sup>4</sup> Transport in rural areas: local authority toolkit (2022), [Transport in rural areas: local authority toolkit - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/transport-in-rural-areas-local-authority-toolkit)

# Equality Impact Assessment

**Describe here suggested mitigations to inform the actions needed to reduce inequalities.**

- Design and deliver an insight product that identifies which travel assistance clients are most likely to be isolated from wider public transport services based on their locations in relation to their destinations. This insight will need to be triangulated with client needs to determine who to target promotional activity at for DDRT services.
- As part of the communications strategy with partners, actively target promotions at residents for DDRT services based on a data review of those travel assistance clients who stand to benefit most from them.

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

Over the next five years, we are investing £139m to create more local education provision so children and young people can be educated closer to home, reducing demand for travel assistance services.

In ASC, the Community Opportunities project seeks to implement a more formalised approach of contracting Day Services, Outreach, Independent Travel Training and Employment support/pathway to employment. This will enable improved oversight of the market in respect to cost, quality and equity. One of the ambitions of this project is to ensure the whole county has services that are located in communities where residents live so they can better connect to their community and reduce the cost and/or need to use a commissioned vehicle to reach their destination.

**Any negative impacts that cannot be mitigated?**

There are no negative impacts at this time that cannot be mitigated.

## 3. Staff

At this stage, it is not anticipated that there will be any equality impacts for staff from this work. This will be reviewed on a project-by-project basis as the Freedom to Travel programme is delivered, and EIAs will be presented to decision makers with any impacts clearly defined and appropriate mitigations accounted for.

## 4. Recommendation

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

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

### Recommended outcome:

Outcome Two

### Explanation:

F2T puts inclusivity at the heart of its ambitions and delivery programme. It aspires to support all travel assistance clients to be able to access their destinations while also seeking to reduce the costs of providing travel assistance. This includes promoting travel methods that aim to strengthen travel independence. The mitigations in this EIA are designed to maximise the positive benefits of these methods, and minimise unintended negative equality impacts. Where it is proposed to alter the travel arrangements of some clients, they and their families and/or carers will be fully engaged on their options and given reasonable notice on any changes. There will also be some clients who will continue to be provided with commissioned transport on a case-by-case basis.



**5. Action plan and monitoring arrangements**

Item	Initiation Date	Action/Item	Person Actioning	Target Completion Date	Update/Notes	Open/ Closed
1	July 2023	Develop and implement a communications strategy with partners to promote active travel and public transport use. This will enable partners across the system to communicate consistent messages with residents to persuade and influence them to change their travel habits. Partners will include schools, colleges, district and borough councils, NHS and voluntary, community and faith organisations.	Senior Programme Manager – Freedom to Travel	tbc		Open
2	July 2023	As part of any communications strategy and projects to improve access to information, this will require approaches that include methods to reach residents who are	Senior Programme Manager – Freedom to Travel	tbc		Open

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		potentially digitally excluded.				
3	July 2023	Identify and engage directly with travel assistance clients, families and/or carers who will be affected by any changes to commissioned transport arrangements. This will include explaining the reasons why travel assistance arrangements will change and responding to feedback from residents to ensure appropriate measures are put in place. This engagement will take place to ensure clients have reasonable notice.	Head of H2STA service  Director of Integrated Commissioning, ASC and Integrated Commissioning	tbc		Open
4	July 2023	Learning from these conversations should be captured to inform best practice and training for SCC staff working in travel assistance services and front-line social work staff in ASC and Children, Families and Lifelong	Head of H2STA service  Director of Integrated Commissioning, ASC and Integrated Commissioning	tbc		Open



		Learning (CFL) Directorates.				
5	July 2023	Monitor how many residents have been stepped down from commissioned transport to alternative travel assistance services as part of tracking the programme's key performance measures. This should include the capability to analyse by protected characteristic, including age and disability.	Senior Programme Manager – Freedom to Travel	tbc		Open
6	July 2023	Continue to assess eligibility for travel assistance on a case-by-case basis to establish if travel assistance is necessary based on the needs of the client, their families and/or carers.	Head of H2STA service Director of Integrated Commissioning, ASC and Integrated Commissioning	tbc		Open
7	July 2023	Develop a new ASC Travel Assistance Policy to provide clarity to clients, families and/or carers and social workers	Director of Integrated Commissioning, ASC and	April 2024		Open

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		on expectations of what travel assistance will and will not be provided. Arrangements will be discussed with individuals to meet their needs while ensuring these are financially sustainable. This policy will be supported with guidance for residents and staff, and implementation will be regularly monitored, including client satisfaction with travel arrangements.	Integrated Commissioning			
8	July 2023	Engage families and other stakeholders as Personal Travel Budgets are implemented in H2STA to ensure this is meeting the needs of clients.	Head of H2STA service	Ongoing		Open
9	July 2023	Lead officers for active travel schemes in the Environment, Transport and Infrastructure (ETI) Directorate must engage regularly with colleagues from the ASC and CFL Directorates to use their expert input on	Assistant Director, Strategic Transport	Ongoing		Open





		development and design of such schemes to improve their accessibility for disabled residents.				
10	July 2023	Design and deliver an insight product that identifies which travel assistance clients are most likely to be isolated from wider public transport services based on their locations in relation to their destinations. This insight will need to be triangulated with client needs to determine who to target promotional activity at for DDRT services.	<p>Head of H2STA service</p> <p>Director of Integrated Commissioning, ASC and Integrated Commissioning</p>	September 2023		Open
11	September 2023	As part of the communications strategy with partners, actively target promotions at residents for DDRT services based on a data review of those travel assistance clients who stand to benefit most from them. The strategy will highlight the connecting	<p>Head of H2STA service</p> <p>Director of Integrated Commissioning, ASC and Integrated Commissioning</p>	Ongoing		



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		role of these services over their ability to carry out direct journeys from home to destinations.	Assistant Director, Strategic Transport			
12	July 2023	Work with Active Surrey and other partners to develop a bicycle grant/loan scheme that includes offering accessible bicycles for disabled service users.	Assistant Director, Strategic Transport	tbc		

## 6a. Version control

Version Number	Purpose/Change	Author	Date
1	First draft completed.	Adam Whittaker	27/6/2023
2	Updated to include stakeholders the Freedom to Travel Strategy was recently socialised with including Family Voice Surrey and Surrey Coalition for Disabled People	Adam Whittaker	03/07/2023

The above provides historical data about each update made to the Equality Impact Assessment.

Please include the name of the author, date and notes about changes made – so that you can refer to what changes have been made throughout this iterative process.

For further information, please see the EIA Guidance document on version control.



# Equality Impact Assessment

## 6b. Approval

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

Approved by	Date approved
Liz Bruce, Joint Executive Director – Adult Social Care and Integrated Commissioning	27 June 2023
Tim Oliver, Leader of the Council	26 June 2023

**EIA author:** Adam Whittaker, Senior Strategy and Policy Lead, Future Financial Strategy Programme

## 6c. EIA Team

Name	Job Title	Organisation	Team Role
Adam Whittaker	Senior Strategy and Policy Lead, Future Financial Strategy Programme	Surrey County Council	EIA author
Karen Telfer	Senior Programme Manager – Freedom to Travel	Surrey County Council	Lead for Freedom to Travel
Matthew Winnett	Travel and Assessment Manager – Delivery and Eligibility	Surrey County Council	H2STA subject matter expert
Marnie Cotterill	Commissioning Manager – ASC Disabilities Team	Surrey County Council	ASC subject matter expert

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

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### Investment for the Freedom to Travel Programme

To deliver the programme at pace across multiple strands and directorates the investment required is estimated to be £1.1m over two years. A bid for Transformation funding or other investment will be needed as part of the Medium-term Financial Strategy, as follows:

Suggested Structure	Grade	FTE	2023/24	2024/25	Total
Programme Manager for Freedom to Travel	PS13	1	£92,000	£95,000	£187,000
Project Manager (1 per strand)	PS10	5	£300,000	£320,000	£620,000
Project Support for H2STA	PS11	1	£67,000	£70,000	£137,000
External Consultancy	n/a	n/a	£160,000	£0	£160,000
<b>Total Cost</b>		<b>7</b>	<b>£619,000</b>	<b>£485,000</b>	<b>£1,104,000</b>

### Efficiencies

The efficiencies in the programme are still being developed but the current financial benefits of the programme are expected to be £2.7m - £4.2m ongoing from 2027/28, pending further analysis and feasibility work. At present the main impact of the programme is expected to support the Home to School Travel Assistance budget, with a smaller impact on Adult Social Care travel. The Freedom to Travel programme and Board will continue to explore and develop further financial benefits to support our Medium-Term Financial Strategy. The ranges below show the potential efficiencies of the current initiatives in the programme.

Strand	Description	2023/24	2024/25	2025/26	2026/27	Total
		£m	£m	£m	£m	£m
<b>Culture and Behavioural Change</b>	An enabling strand to facilitate the behavioural and change internally and externally required for the programme. This will also be the vehicle for identification of future initiatives and potential for demand management.	tbc	tbc	tbc	tbc	tbc
<b>Travel Independence and Prevention</b>	This strand will focus on containing demand through maximising independence in areas such as: <ul style="list-style-type: none"> <li>Redesign of personal budgets and travel allowances</li> <li>Promotion of independent travel and transport options</li> <li>Improving the Independent Travel Training offer in Children's and Adult's</li> <li>Exploring the potential for Bike Grants.</li> </ul>	0.3-0.4	0.65-1.15	0.065	0	1 - 1.5

## Annex C – Freedom to Travel Financials

<b>Commissioning Model</b>	<p>This strand will prioritise rethinking our long term commissioning model with an initial focus on:</p> <ul style="list-style-type: none"> <li>• Reviewing our procurement approach and our Dynamic Purchasing System to increase our supplier pool and increase competition.</li> <li>• Analyse the potential benefits of DDRT on other travel services.</li> <li>• Rethink our Community Transport market and work in collaboration with providers to support expansion across the County</li> </ul>	0.08	0.28 - 0.48	0.2- 0.4	-	<b>0.56-1</b>
<b>Funding Opportunities</b>	<p>This strand will prioritise taking a more commercial approach to our decision making and income generation:</p> <ul style="list-style-type: none"> <li>• Development of a commercial strategy.</li> <li>• Benchmarking and peer comparisons on contributions to concessionary seats.</li> <li>• Ensuring that income is kept in line with inflationary increases within the transport sector (rather than CPI).</li> </ul>	-	0.01	0.01	-	<b>0.02</b>
<b>Locality and Route Planning</b>	<p>This strand will initially focus on optimising our systems and route planning across the system including active and safe routes:</p> <ul style="list-style-type: none"> <li>• Reviewing current and future safe walking and cycling routes.</li> <li>• Review route planning software in the organisation to rationalise number of routes and vehicles.</li> </ul>	0	0.6-0.9	0.4-0.6	0.1	<b>1.1 - 1.6</b>
<b>TOTAL</b>		<b>0.38- 0.48</b>	<b>1.54-2.54</b>	<b>0.675- 1.075</b>	<b>0.1</b>	<b>2.68 - 4.12</b>

**SURREY COUNTY COUNCIL****CABINET****DATE: 25 JULY 2023****REPORT OF CABINET MEMBER: MARISA HEATH, CABINET MEMBER FOR ENVIRONMENT****LEAD OFFICER: KATIE STEWART, EXECUTIVE DIRECTOR, ENVIRONMENT, TRANSPORT AND INFRASTRUCTURE****SUBJECT: GREEN FINANCE STRATEGY****ORGANISATION STRATEGY PRIORITY AREA: ENABLING A GREENER FUTURE****Purpose of the Report:**

Financing our plans to achieve Surrey's net-zero carbon targets requires a robust and sustainable financial framework.

This report seeks Cabinet approval for the approach set out in the Green Finance Strategy (the Strategy) (Annex A), which builds on and develops the Initial Finance Strategy [1], produced in 2021. The Strategy includes investment principles as well as delivery and governance recommendations to enable the Council to make informed investment decisions to support the delivery of our net-zero carbon 2030 and 2050 targets as set out in Surrey's Climate Change Strategy [2] and the Greener Future Climate Change Delivery Plan 2021-2025 [3]. The Strategy includes a summary of income generation mechanisms which the Council are developing to generate the investment needed to achieve the county wide target and offset costs.

The Strategy also contains an up to date review of costs, focusing on the Council's net zero 2030 programme, which provides an illustration on the quantum of expenditure required to achieve this target and the level of income needed to offset costs together with proposed sources. This report is not seeking approval for the full capital sums included in this summary. An Investment Plan will be brought back to Cabinet in the autumn which will set out the decarbonisation schemes that the Council will be looking to invest in in the next one to two years.

**Recommendations:**

It is recommended that Cabinet:

1. Agree the updated approach and investment principles, that support the delivery of the Council's 2030 and 2050 net zero targets, as set out in the Green Finance Strategy.
2. Agree the recommended approach option for the delivery of the Council's 2030 net zero target, including exploring and developing additional finance mechanisms to offset potential future costs.

<b>Reason for Recommendations:</b>
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- In the eighteen months since the Climate Change Delivery Plan and the Initial Finance Strategy were published in November 2021, rapidly changing and increasing costs along with learnings from the delivery of capital decarbonisation schemes on the Council's estate, has meant that the Finance Strategy requires updating. This paper, and the accompanying Green Finance Strategy, sets out the updated approach for approval.
  
- Officers in Greener Futures and Finance with support from Land and Property have been further developing the 2030 finance model, which was originally produced by consultants, in order to gain a more robust understanding of the capital costs required to achieve the 2030 target, as well as the potential to offset these costs through energy savings and income generation. Given the increase in costs, four future approach options have been developed. The recommendation to Cabinet is to adopt the 4<sup>th</sup> option.
  
- It should be noted that all options will require the Council to invest money up front in advance of income being generated. Net zero is a significant cost to the council with all options, but the approach is to off set this and aim for cost neutrality over the longer term by generating income through renewables and reducing costs of energy.
  1. The Council abandons the 2030 net zero target.
  2. The Council only installs decarbonisation measures which have a strong return on investment (such as solar) to reduce capex, accepting that this will increase the cost to the Council for carbon offsets from 2030 onwards. The minimum projected offset costs for this option (to 2050) amount to at least £14m, calculated at a rate of £95t/CO<sub>2</sub>, however by 2030 this rate may be much higher. This option is therefore not recommended as the financial risk is considered too great and the efficiencies resulting from investment in the more costly decarbonisation measures would not be achieved.
  3. The Council builds all the projected increased costs of achieving the 2030 target into the Medium Term Financial Plan, and income is seen as a bonus. This is the approach taken by other Local Authorities however by not pursuing and prioritising investment in renewables, which would generate income, this would lead to a budget pressure.
  4. The Council continues with the current approach to achieving the 2030 target, which includes being open and transparent with costings and balancing the delivery of high cost and quick pay back measures. This approach includes the development of finance income generation mechanisms, mainly renewables, with the purpose of generating a return on investment to offset any future potential cost increases to the Council, or to be used for other Greener Futures priorities.



## Executive Summary:

1. The Climate Change Delivery Plan (CCDP) 2021-2025 sets out the recommended net zero delivery pathways for both the Council's 2030 net zero carbon target and the 2050 net zero carbon target for the County. In 2021 the Greener Futures Team were asked to estimate costs and set out how these targets would be financed. This information was included in the Initial Finance Strategy (2021) on the understanding that the work would be further developed at a later date due to complexities.
2. To inform the Initial Finance Strategy, consultants Atkins were commissioned to produce two finance models for the 2030 and 2050 carbon targets. Based upon the summaries from these models, Cabinet agreed that the Council would play an active investment role in the SCC 2030 target, committing its own funds to the decarbonisation work required, and more of a facilitation role in the Surrey 2050 target drawing in grants and resident/business investment. The 2050 model will be further developed by officers before the end of the financial year.
3. In the last six months the 2030 finance model has been developed by officers in Finance and Greener Futures, with input from Land & Property and other teams in order to create a more robust framework for decisions. The model is based on the premise of cost neutrality, so the capital costs are offset by energy savings and income from renewable energy. The model is technically complex and is underpinned by a number of factors, none of which are static. This means it will continually evolve.
4. It should be recognised that the total cost of achieving the net zero 2030 target is estimated at between £88 - 109M, which is an increase from the original model. Many of these costs relate to improving existing building fabric and for measures which have benefits above and beyond carbon reduction. For example, replacing single glazed windows with double glazing and replacing old and inefficient heating systems with low carbon heating and cooling systems will improve the condition of the buildings, increasing its value as well as creating better working environments for staff.
5. Despite the capital cost increases mentioned above, the opportunities for savings and income has also increased. As a result, the modelled Net Present Value of the 2030 programme (to 2050) is positive, and the project is predicted to pay back in 26 – 28 years.
6. It is important to note that, as a precaution, the 2030 model contains pessimistic costs and there are several factors which could improve the financial position of the model. However, these figures are underpinned by savings and income targets that must be achieved for this to happen.
7. It should be recognised that there will be considerable up front cost and that income and energy savings will be realised on a longer term basis. In order to reduce the risk to the Council, a 2030 Greener Futures Investment Plan will be produced and brought to Cabinet in the autumn. This Plan will outline the capital decarbonisation schemes in train over the next two years and when the investment for these will be needed. This Plan will form part of the Council's financial planning process, which will ensure that there is a balance of measures that do not over commit the Council at any given time.
8. More broadly the Council's ability to lead on carbon reduction to achieve the Council's 2030 target and influence and enable carbon reduction at the county level, to support the delivery of the county wide 2050 target, is very much dependent upon the decisions, finance mechanisms, funding and national infrastructure put in place

by Government. This risk is included in the risk assessment within the Green Finance Strategy.

9. To reduce risks around financing, officers are currently exploring and developing several finance mechanisms which have the potential to draw in investment and/or generate income essential to offset costs and support the delivery of the 2030 and 2050 net zero carbon target. A summary of the more mature mechanisms is included in the Finance Strategy and includes;
  - A solar power purchase agreement (PPA)
  - SME green business loan scheme
  - Household decarbonisation loan scheme and one stop shop for domestic retrofit
  - Carbon offset/inset opportunities
  
10. The Green Finance Strategy, and the models which sit beneath it, enable the Council to take a pragmatic approach to decisions around carbon reduction, factoring in value for money. When developing business cases officers from all the relevant services, supported by the Greener Futures Group, will consider whether the decarbonisation project represents value for money against a number of criteria (such as cost per tonne carbon saved, payback years, availability of grant funding, co-benefits (ie energy savings). If the costs are too high, and the carbon savings too low, then the project will be amended or will not proceed. Officers are currently developing a mechanism to help determine whether the project represents good value for money for the amount of carbon that it reduces.
  
11. Due to technical and financial restrictions it is acknowledged that it will not be possible for the Council or the county to be completely carbon free by 2030 and 2050 and so carbon offsetting will be necessary. It is our ambition to limit the need to offset carbon but where that is not possible we will work with Government and partners to develop good quality carbon offsets which align to Surrey's Greener Futures objectives, such as local nature recovery, and which will benefit the county.
  
12. As it will be impossible to completely reduce the Council's emissions from all sources by 2030, estimated carbon offset costs are built into the Finance Model from 2030 to 2050 as a revenue cost to the Council. These offset costs would be higher if the Council were not to adopt option 4 (above).
  
13. Officers will continue to explore and model carbon offset impacts and to ensure these are built into the finance models. The volatile nature of offset markets introduces uncertainty into long-term planning and budgeting. Currently, the lowest traded carbon price stands at £95t/CO<sub>2</sub>, and it is expected to steadily increase. It is expected that by 2030 the carbon offset cost per tonne of carbon will be much higher due to demand (as a significant number of organisations have set 2030 net zero targets) and increased competition for land/schemes which meet offset certification requirements. Government's UK Green Book for 2030 sets a valuation of £420t/CO<sub>2</sub>, however offset costs could be even higher by 2030.
  
14. Target progress against both the 2030 and 2050 programmes will be monitored, evaluated and reported annually to Cabinet and more frequently to relevant member/officer boards and groups in order to comprehensively manage risk.

<b>Consultation:</b>
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15. The Strategy and review of costs has been jointly undertaken by Greener Futures, Land and Property and Finance officers. The financial model was updated through the provision of the latest actual project costs, alongside updated cost estimate and changing market and delivery conditions from a wide range of sources.
16. The principles, approach and cost review has been approved through the 2030 and 2050 Climate Change Boards, the Capital Programme Panel and CLT prior to Cabinet.
17. Relevant Cabinet Members have been kept sighted on the development of the Strategy through Asset Strategy Board and the Greener Futures Member Reference Group, which was also attended by Members from the Resources Select Committee with an interest. The Strategy was taken to CEH Select Committee on 5 July 23.
18. As this a strategy for internal use only, stakeholders outside of Surrey County Council have not been formally consulted, with the exception of Borough and District Officers where the Council's investment decisions may facilitate the delivery of climate reduction in other Local Authorities and across Surrey.

**Risk Management and Implications:**

19. The financial reviews of both the 2050 and the 2030 net zero carbon programmes have identified several key risks (summarised below) that have the potential to affect the pay back of programmes. The risks will require ongoing monitoring and management and as a result governance mechanisms at programme and cross-departmental levels have been set up. The governance approach enables risks to be identified, mitigated and, where necessary escalated.
  - (1) The uncertainties inherent in predicting likely changes to prices, borrowing rates, supply chain constraints will be managed through the annual review of costs that forms a key part of our governance process, more frequently at officer level.
  - (2) Where the cost of delivering net-zero has the potential to impact services, net-zero options are designed in early, which will reduce additional costs later and allow for informed decision-making with high quality cost and carbon information.
  - (3) Risks that projects will not deliver carbon and energy savings anticipated is being managed through active monitoring of projects delivered and a developing approach to offsetting.
  - (4) Innovative finance mechanisms that hold significant commercial risk for the Council will be piloted before full-scale roll out.
  - (5) Obstacles and challenges that require Government intervention, such as grid restrictions which are delaying or increasing the costs of installing renewable energy schemes, will be built into the Greener Futures lobbying approach. Our approach is to work in partnership with representative networks such as the Local Authority ADEPT network and the County Council Network to escalate issues.
  - (6) We will always be mindful of the cost of inaction and where investment in Greener Futures measures could avoid future cost increases through offsetting or potential carbon taxes.

### Financial and Value for Money Implications:

20. The objectives of the Green Finance Strategy align to the Council's commitment to deliver value for money for residents and ensure that the Council continues to operate within the confines of what is affordable. The objectives of the Strategy are listed below.
- An evidence-based estimated cost, based on current knowledge, data and modelling for the net-zero pathways set out in Surrey's 2050 Climate Change Delivery Plan 2021-25 and SCC's 2030 target.
  - A framework on how investment decisions are made utilising relevant budgets and external funding sources to achieve the climate change programme objectives and minimise financial risk to the Council.
  - A process for refining the 'net-zero pathway model' to confirm, as far as possible, best value measures, costs, funding/financing sources and return on investment for achieving the 2021-25 Delivery Plan and subsequently to be used to define future five-year delivery plans to 2050 and 2030 and their associated investment needs. The model is flexible to allow for different measures if circumstances change.
  - An overview of funding sources and potential finance mechanisms available to fund the delivery of the chosen pathway and more importantly any funding gaps that there may be.
  - The basis of an evidence-based 'ask' of Government with regards to future funding and finance where there are gaps
21. Much work has been undertaken by officers in Finance and Greener Futures to create a more robust and sustainable financial framework for the Council's 2030 net zero target by reviewing testing, developing and updating (with actual commercial costs and sensitivity analysis on energy and borrowing rates) the finance model produced by consultants Atkins.
22. This work has given the Council an indication on the quantum of investment required (between £88 - 109M), some of which will be in advance of income being generated, however it equally shows that this investment could be offset by energy savings and renewable energy generation over the programme period (to 2050) and that the Net Present Value of the programme is positive and the project pay back is between 26 – 28 years.
23. As the financial landscape is constantly changing the model will continue to be updated by officers and officers will report quarterly to relevant boards as well as producing an annual Climate Change Delivery Plan Cost Review for Cabinet.

### Section 151 Officer Commentary:

24. Significant progress has been made in recent years to improve the Council's financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.

25. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, 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 the stable provision of services in the medium term.
26. The Greener Futures finance strategy sets out estimated costs and funding for the 2030 Greener Futures programme, as well as potential financial risks and sensitivities. The current assessment of capital spend required to deliver the programme is £88m to £109m, which is set out in the Greener Futures Finance Strategy at Annexe A and it should be recognised that costs will be incurred up front before any substantial income is generated. Investment will be through a series of at least two year programmes so the financial risk to the Council can be managed and mitigated.
27. However, over the longer term, based on the assumptions set out in the strategy, there is potential to offset those costs, either through reductions in energy costs arising from green investment or from renewable energy generation so that over the longer term there is an expectation that savings and income will be sufficient to offset capital costs, with “payback” (i.e. the point at which savings and income are sufficient to offset investment) achieved around year 26-28. This position is heavily dependent on significant income from ground mounted solar or alternative investments, and may change as the programme and external factors continue to evolve, for example changes in borrowing rates or the cost of equipment. The position will therefore be updated and reviewed, including an annual financial review presented to Cabinet. The estimated financial impacts will be incorporated in the Council’s Medium Term Financial Strategy.

#### Legal Implications – Monitoring Officer:

28. There are no significant legal implications at this stage.

#### Equalities and Diversity:

29. The Green Finance Strategy is a key part of the *Greener Futures Climate Change Delivery Plan 2021-2025* approved by Cabinet in October 2021. An Equalities Impact Assessment was conducted for the Delivery Plan. (Annex C)

#### Other Implications:

30. The *Greener Futures Finance Strategy* sets out how we can make investment decisions for the *Greener Futures Climate Change Delivery Plan 2021-2025*. The implications of delivery this plan were considered when it was approved in October 2021 so have not been considered in more detail in this report.

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	No direct impact
Safeguarding responsibilities for vulnerable children and adults	No direct impact

Environmental sustainability	Environment Sustainability assessments are not relevant to this Strategy however may be for the specific programmes and capital schemes included in the 2030 and 2050 programme. This will be assessed as each individual business case is developed.
Compliance against net-zero emissions target and future climate compatibility/resilience	The Greener Futures Finance Strategy sets out how we can make investment decisions for the Greener Futures Climate Change Delivery Plan 2021-2025. The implications of delivery this plan were considered when it was approved in October 2021 so have not been considered in more detail in this report.
Public Health	No direct impact

#### What Happens Next:

31. If agreed the next steps will be to:
- develop a 2030 Investment Plan, to include decarbonisation schemes that the Council is planning to invest in over the next one to two years, for Cabinet approval in autumn of this year
  - continue to develop the 2030 and 2050 finance models, feeding in commercial data (including costs) and carbon offset implications, to improve accuracy
  - commission consultants to undertake an audit review of the assumptions and data in the 2030 Finance model
  - develop an internal carbon benchmark to effectively demonstrate the value for money achieved through decarbonization projects. This benchmark will serve as a valuable tool for assessing and quantifying the cost-effectiveness of our decarbonization initiatives
  - continue to develop a longer term plan for all emission reduction schemes required to 2030, in collaboration with Land and Property and in alignment with the emerging Asset Strategy. Once completed a cashflow analysis will be developed against the Plan which will set out when costs are expected to be incurred and when revenue will be generated
  - produce quarterly progress reports for CPP, Asset Strategy Board and the Greener Futures Member Reference Group
  - continue to develop and test through pilots the finance mechanism included in the Finance Strategy
  - undertake a financial review in the next financial year to report to Cabinet which will be repeated annually.

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**Consulted:**

The Finance Strategy and Finance review were developed jointly by officers in Greener Futures, Land and Property and Finance. The following Boards have been consulted;

- Greener Futures Member Reference Group
- CEH Select Committee
- Asset Strategy Board
- Greener Futures Partnership Steering Board
- Capital Programme Panel
- Greener Futures Steering Board
- Climate Change 2030 and 2050 Boards

**Annexes:**

Annex A - Surrey Green Finance Strategy

Annex B- Annual Climate Change Delivery Plan Cost Review

Annex C- Equalities Impact Assessment

**Sources/background papers:**

[1] Cabinet report containing the initial Greener Futures Finance Strategy; October 2021, Item 9 Annex 4;

<https://mycouncil.surreycc.gov.uk/documents/g7768/Public%20reports%20pack%20Tuesday%2026-Oct-2021%2014.00%20Cabinet.pdf?T=10>

[2] Surrey's Climate Change Strategy, May 2020;

[https://www.surreyclimate.org.uk/sites/default/files/Surrey%27s%20Climate%20Change%20Strategy%20%28240420%29%20%281%29\\_0.pdf](https://www.surreyclimate.org.uk/sites/default/files/Surrey%27s%20Climate%20Change%20Strategy%20%28240420%29%20%281%29_0.pdf)

[3] Greener Futures Climate Change Delivery Plan, January 2022; [https://s3-eu-west-2.amazonaws.com/commonplace-customer-](https://s3-eu-west-2.amazonaws.com/commonplace-customer-assets/surreysgreenerfuture/Final%20Climate%20Change%20Delivery%20Plan%20Full%20Document%202022.pdf)

[assets/surreysgreenerfuture/Final%20Climate%20Change%20Delivery%20Plan%20Full%20Document%202022.pdf](https://s3-eu-west-2.amazonaws.com/commonplace-customer-assets/surreysgreenerfuture/Final%20Climate%20Change%20Delivery%20Plan%20Full%20Document%202022.pdf)

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# SURREY GREEN FINANCE STRATEGY

July 2023



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## INTRODUCTION

This document sets out Surrey County Council's approach to taking the key investment decisions needed to make impactful strides towards our net-zero targets; as an organisation, and as a county. The changes that need to be made are well understood and are set out in Surrey's Climate Change Strategy<sup>i</sup> and the Greener Futures Climate Change Delivery Plan 2021-2025<sup>ii</sup>. As an organisation, this means decarbonising our own buildings, streetlights, vehicles, and workplaces to achieve our 2030 net zero carbon target. For the county, as well as reducing emissions through existing services that the Council provide, for example schools, new initiatives need to be set up to accelerate carbon emission reduction from residents, businesses and other organisations, in order to collaboratively achieve the county's net zero target by 2050.

Page 240 Significant investment has been made in the first year of implementing the Greener Futures Climate Change Delivery Plan 2021-2025<sup>iii</sup>. But changes in market conditions, impacts of covid 19 and delivery challenges experienced over the past year have presented the need to review the investment approach to ensure we are able to deliver the net-zero targets in a cost effective and sustainable way. This update of the initial Greener Futures Finance Strategy<sup>iv</sup>, published in October 2021, maintains the same core aims and objectives, but the approach and principles have been refined to take into account our learnings so far.

The following sections set out the main approaches on how Greener Futures investment decisions are made across the Council, identifying how financial decisions will be taken which maximise impact, ensure long-term financial stability and reduce financial risk.

Each year an annual financial review will be produced for Cabinet which will set out the financial picture and recommendations in relation to achieving the two net zero carbon targets. During this review the key approaches as well as the 2030 and 2050 investment principles will be reviewed and updated where significant changes are identified. A review of the whole Finance Strategy will also be carried out alongside the next phase of the Climate Change Delivery Plan in 2025. Every year a 2030 Investment Plan will also be produced which will set out the planned decarbonisation works for the Council's estate, fleet and street lighting.

## GREEN FINANCE STRATEGY OBJECTIVES

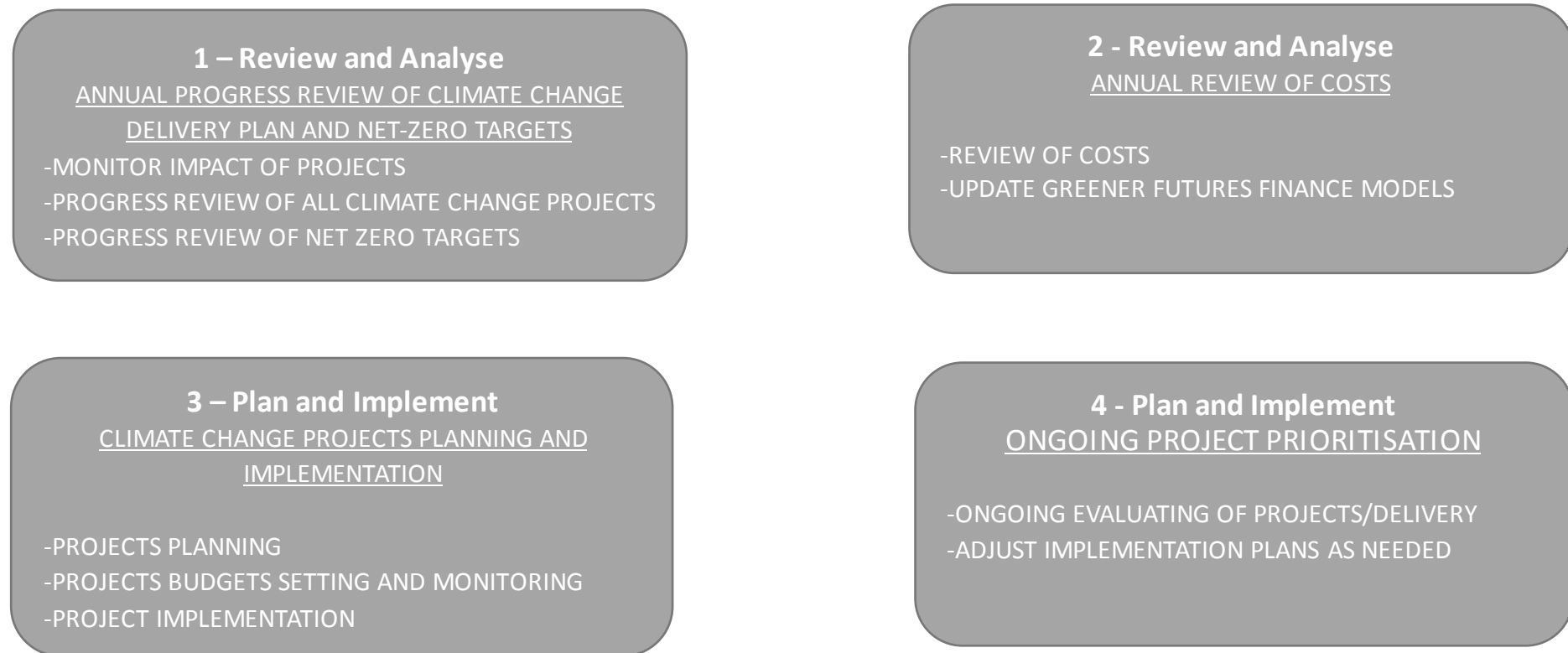
**In line with the initial Strategy, the objectives of the Greener Future Finance Strategy are to provide:**

- a) An evidence-based estimated cost, based on current knowledge, data and modelling for the net-zero pathways set out in Surrey's 2050 Climate Change Delivery Plan 2021-25 and SCC's 2030 target.
- b) A framework on how investment decisions are made utilising the Council's budgets and external funding sources to achieve the climate change programme objectives and minimise financial risk to the Council.
- c) A process for refining the 'net-zero pathway model' to confirm, as far as possible, best value measures, costs, funding/financing sources and return on investment for achieving the 2021-25 Delivery Plan and subsequently to be used to define future five-year delivery plans to 2050 and 2030 and their associated investment needs. The model is flexible to allow for different measures if circumstances change.
- d) An overview of funding sources and potential finance mechanisms available to fund the delivery of the chosen pathway and more importantly any funding gaps that there may be.
- e) The basis of an evidence-based 'ask' of Government with regards to future funding and finance where there are gaps

## OVERALL APPROACH

The diagram below, sets out the annual process by which the Council will ensure that investment decisions across the 2030 and 2050 portfolio of projects are in line with the Plan, incorporate up to date capital and revenue costs, maximise returns and deliver significant benefits.

**Figure 1: Climate Change Delivery Plan review process**



Review and Analyse - Annual progress review of Climate Change Delivery Plan and net-zero targets (step 1): The progress of all key projects is monitored and evaluated to ensure that current projects are delivering carbon reductions and other benefits anticipated from the outset. It uses national and project level data to consider whether active and pipeline projects are likely to make the expected contribution to delivering against our overall net-zero carbon targets or annual carbon budget.

Review and Analyse - Annual review of costs (step 2): Cost information from current and developing projects and changes to market conditions are reviewed to ensure that financial risks within active projects are being managed, and learnings are being applied to future projects. These assumptions are incorporated into the Greener Futures Finance Model, which evaluates the likely capital costs, operational spend, operational savings and revenue across the whole portfolio of projects. This allows us to test options and make informed judgements on achieving our net-zero targets within a manageable financial framework.

Plan and Implementation - Climate Change Projects Planning and Implementation (step 3): Projects to deliver required carbon reductions are scoped into annual implementation plans and feasibility assessments carried out to set out the costs required for projects to support budget setting and the development of business cases. Following approval of projects through governance, implementation for projects commencing, costs and project implementation is monitored and evaluated throughout project implementation.

Plan and Implementation (Step 4): The outcomes of the progress reviews<sup>v</sup> and cost reviews in the previous steps are reported quarterly to relevant Boards and annually to Cabinet, along with any recommended adjustments to implementation going forward. Once agreed by Cabinet, project level plans and delivery are adjusted for the following financial year and are fed into budget setting processes.

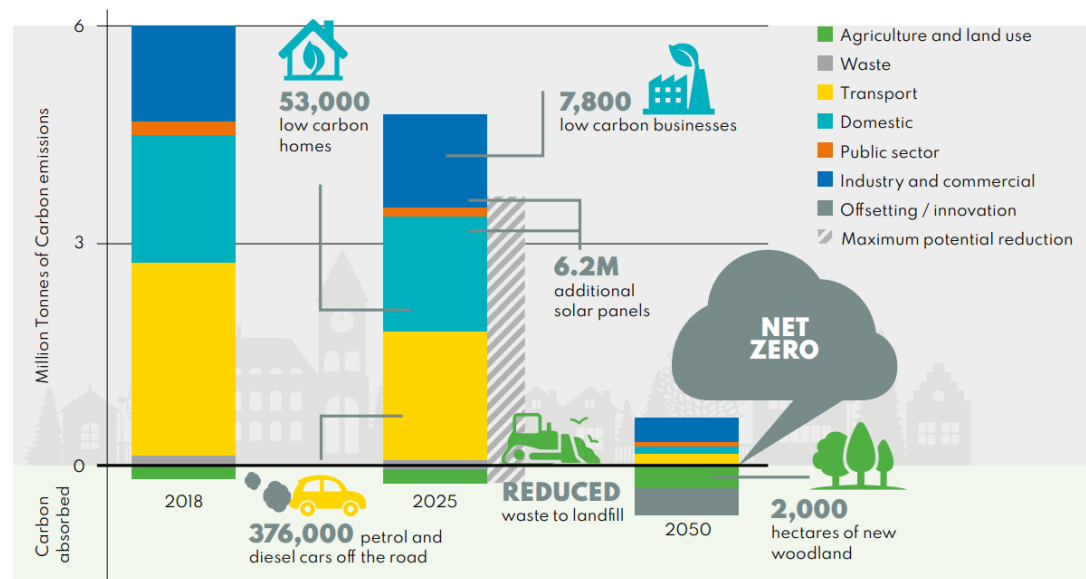
## FINANCIAL APPROACH FOR THE COUNCIL'S NET-ZERO PLANS

### ABOUT THE 2050 NET ZERO PLAN

The Greener Futures Climate Change Delivery Plan seeks to reduce carbon emissions by up to 2.3M tonnes per year by 2025; a key steppingstone to support Surrey to meet its net-zero 2050 target. Emissions are largely generated by residential and commercial buildings, industrial emissions, road transport, waste, agriculture and land use. The figure below displays the carbon emissions in Surrey's 2018 baseline by source as well as the emission reduction pathway to 2025 and 2050.

**Figure 2: Surrey County Baseline emissions and pathway to net zero**

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## ABOUT THE 2030 NET ZERO PLAN

Delivering substantial carbon reduction within Surrey County Council involves many complex projects which take place over several decades. They include:

(1) Projects which reduce carbon emissions that are within the scope of the Council’s 2030 target. These form the main focus of the finance strategy and include installing renewable energy and the decarbonisation of Council buildings, fleet and streetlighting.

(2) Projects that tackle “indirect” emissions that are driven by Council activities but do not currently fall within the scope of the 2030 Council’s 2030 target. These include emissions from Council buildings and land that are leased to others, business travel and commuting, procured goods and services, commercial operations and the impact of service delivery on residents and businesses in Surrey.

**Figure 3: Infographic setting out Direct Emissions (included in 2030 Net Zero Plan) and Indirect Emissions**



**Table 1: Emission sources to be decarbonised by the 2030 Net-Zero Plan**

Category	Details
Existing corporate buildings	136 corporate buildings
Streetlights	89000 lights
Vehicles	563

The financial approach to the 2030 Net Zero Programme focuses on the use of capital funds to deliver a mixed portfolio of retrofit, refurbishment and renewables projects, to achieve cost and carbon neutrality in the Council's corporate estate and fleet. This is intended to achieve an emissions reduction of 82% compared to our 2019 baseline, with any remaining carbon emissions being offset through an approved carbon offset scheme. As set out in the principles above, the aim is to financially offset as many of the costs with income as possible to minimise the financial impact of the target on the Council.

## **FINANCIAL MANAGEMENT OF PROJECTS THAT ARE NOT WITHIN THE SCOPE OF THE 2030 PROGRAMME**

The Council's indirect emissions, that are not in the scope of the 2030 net-zero target, include:

- business travel where Council vehicles are not used
- schools, land/buildings leased in or out
- procurements and
- infrastructure

These emission sources make up 85% of the Council's total emissions. Officers are currently baselining emissions from these sources to enable emission reduction targets to be set. Emission reduction will form an integral part of service reform and therefore it is expected to be incorporated into future departmental budgets where feasible. A further update will be included in the Climate Change Delivery Plan Whole Programme Assessment later in 2023.

## **PRODUCING A ROBUST EVIDENCE BASE**

The initial Finance Strategy was informed by two finance models, produced by consultants Atkins in 2021, in collaboration with officers. The models aimed to provide an evidence-based, estimated cost and modelling of the 2050 target for the county (costs estimated to 2025 to align with the Climate Change Delivery Plan) and the Council's 2030 carbon reduction pathway. The purpose of this work was to understand the scale of investment required for both targets, and to determine whether the investment required to achieve the 2030 target could be self-financing.

## 2050 finance model

A series of data sets were fed into the 2050 model and a number of parameters, assumptions and principles were used to inform the model. The costs inputted were based on best evidence available at the time as well as the use of industry standards.

The model found that the scale of cost required to achieve the county's carbon reduction target by 2025 was in the region of **£3.4 - £4.2 billion**.

Surrey County Council and the Borough and Districts are in direct control of less than 2% of the county's emissions, however, Surrey's Local Authorities do have a key influencing and enabling role across approximately one third of the county's emissions. There are a wide range of potential financial solutions that could be deployed for residents, schools, businesses and other public sector bodies that could help to overcome financial barriers to reducing emissions. Therefore, for actions which sit outside of the Council's own estate and services, Cabinet endorsed the recommendation in 2021 that the Council would play a facilitating finance and funding role in most instances, rather than paying for measures outright.

The projects in the Climate Change Delivery Plan are prioritised by those that are likely to deliver the greatest impact at the lowest cost to the Council, focusing on their ability to reduce carbon emission, support residents and businesses to reduce bills and create wider environmental and social benefits including improved health, wellbeing and nature recovery.

**Effort is targeted towards residents who might be disproportionately affected by climate change impacts, such households who are vulnerable to fuel poverty.**

More work will be done to improve the robustness of the 2050 finance model, to help inform investment decisions and fundraising efforts, later in this financial year.

## 2050 target investment principles

The key investment principles, below, will be used to make decisions on how the Council's Greener Futures capital budget will be used to leverage in additional funding and investment to help achieve the county's carbon reduction target.

**2050 target investment principles. Prioritise and take forward projects that:**

- a) Embed Greener Futures Objectives into all parts of the Council
- b) Maximise external funding on behalf of residents and businesses
- c) Leverage private funding to mobilise funding that is needed at scale.
- d) Can become self-financing or generate income
- e) Enable collaborative projects with partner contributions
- f) Deliver co-benefits such as the development of green jobs and supply chains, improved health and wellbeing, increased biodiversity and nature recovery

## 2030 finance model

In contrast to the 2050 finance approach, it was agreed by Cabinet in 2021 that the Council would play an active investment role in the Council's 2030 target, committing its own funds to achieve net zero carbon by 2030. It is therefore critical to have a clear understanding of the costs and the overall business case.

In an effort to create a more robust and sustainable financial framework officers in Finance, Environment and Land and Property have reviewed, tested, developed and updated the 2030 finance model with actual market costs and have run sensitivity analysis to update the financial assumptions (such as energy costs and borrowing costs) and technical assumptions (such as the percentage of buildings that are suitable for the decarbonisation measures) upon which the model is based.

A summary of the changes is included below. More detailed information on the development of the Finance model is included in the [financial review of the 2030 programme](#), set out in Appendix 1.

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### Key changes since original costing:

- Increase in energy prices
- Addition of staff costs, design fees and electricity grid network connection costs
- Updated range of offsetting costs
- Exclusion of fleet transition costs as these will be funded by services
- Revised delivery constraints for ground mounted solar.
- An updated view of buildings that are suitable candidates for decarbonisation measures and are not at risk of disposal. (core, non-core flex)

The model indicates that to achieve the 2030 target, the rate of delivery over the next seven years is approximately 13 – 20 buildings per year. An Investment Plan for the 2030 target is being produced, and will be taken to Cabinet in autumn, to ensure that the scale of delivery is being achieved and that measures with a high capital cost are offset by those measures which generate a good return on investment. The 2030 Investment Plan will be updated annually alongside the financial review of the 2030 programme.

In addition, the Council is currently undergoing an in-depth asset strategy review. Due to uncertainty around which buildings will be retained and which will be disposed of, the model considers two scenarios based on the emerging Asset Strategy. The first includes the decarbonisation of only the 'core' buildings which are likely to be retained. The second scenario includes the core buildings and 'flex' buildings, those with an uncertain future.

Table 1 below includes a high-level summary of the 2030 programme business case from the model. The model is dynamic as costs will change due to various factors hence figures shown below are a snapshot in time, further assurance of the model is ongoing to ensure technical assumptions used are up to date. A more detailed explanation of this table is included in the [financial review of the 2030 programme](#), set out in Annex 1.

**Table 2: Summary of Costs of the 2030 Programme**

	Original Model	Latest Model (core – buildings to be retained)	Reason for Change	Latest Model (core+flex – flex is buildings with uncertain future)
<b>Capex</b>	£68.3	£87.7m	£30m increase in heat pumps offset by £5.5m fall in retrofit costs and £0.2m fall in rooftop solar and £2.6m fall in ground mounted solar.	£109.4m
<b>Operational Spend</b>	£71.8m	£29.2	Reduction due to removing green fleet vehicles from the model, and the associated cost of charging EVs, which will be funded by services rather than a central GF budget	£36.5m
<b>Borrowing Costs</b>	£12.6m	£24.6m	Increase due to higher borrowing rate and increase in capex.	£31.6m
<b>Revenue</b>	£97.5m	£67.5m	Lower solar farm revenue due to lower electricity price.	£67.9m
<b>Operational Savings</b>	£73.5	£76.6m	Higher savings on LEDs due to higher electricity prices offset by reduced savings on rooftop solar due to smaller solar panel sizes.	£102.6m
<b>NPV after counterfactuals (what would have been spent anyway) excluding green fleet</b>	£21.4 (This was - £3.1m in original model)	£11m	NPV has been updated, resulting in an improvement from - £3.1m to +£11m.	£5.2m

<b>Payback</b>		26 years		28 years
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Although under the new scenarios (core, core&flex buildings) there is an increase in the capital expenditure required compared to the original model, the Net Present Value of the programme (to 2050) is positive and the project pays back in 26 – 28 years from the operational savings and revenue generated.

It is important to note that the costs in the model are pessimistic and there are several factors which could improve the financial position of the model and make the business case more favourable, these include;

- Increase in gas prices which will increase operational savings (Government has committed to removing carbon taxes which are currently linked to electricity rates to gas over the next ten years as the country moves away from fossil fuels).
- Reduction in cost of decarbonisation measures such as heat pumps as these become more standardised.
- Potential reductions in costs to connect to the electricity grid due to Government reforms.
- Grant funding which reduces the capital pressure on the Council, however as this is not guaranteed it is only included in the model once the funding has been awarded and the business case approved for specific decarbonisation projects. To date £6M estate decarbonisation funding has been awarded with a bid for a further £5M in development. An overview of the grant funding picture will be included in the financial review of the 2030 programme.
- Improvements in national grid capacity will enable the Council to invest in additional solar farms beyond those which are built into the model. All of the land parcels owned by the Council have been assessed to determine suitability for solar farms (avoiding restrictions related to biodiversity, habitat, agriculture, heritage and development) and the shortlisted sites are currently being assessed to determine suitability and cost. Currently no sites have planning consent. In addition, officers are exploring developing solar capacity potential using private wire, avoiding connection to the grid.
- Officers are also examining various income generation mechanisms with the objective to enhance the return on investment and offset potential future cost increases. Detailed information regarding these mechanisms can be found in the 2050 section below.

## Carbon offsetting

As it will be impossible to completely reduce the Council's emissions from all sources by 2030, carbon offsetting will be necessary. Estimated carbon offset costs are built into the Finance Model from 2030 as a revenue pressure to the Council. One key consideration is the unpredictability and fluctuation of offset prices. The volatile nature of offset markets introduces uncertainty into long-term planning and budgeting. Currently, the lowest traded carbon price stands at £95t/CO<sub>2</sub>, and it is expected to steadily increase. In specific cases, such as carbon offsets within the London boroughs, the price is as high as £252t/CO<sub>2</sub>. Reducing emissions as much as possible reduces the need to offset and reduces the ongoing financial risk. The offset impact will be estimated each year in the financial review of the 2030 programme.



## CARBON OFFSETTING

### **Carbon offset**

Carbon offset represents a reduction in greenhouse gas emissions or an increase in carbon storage (e.g through land restoration or the planting of trees) that would have not happened otherwise. A carbon offset is a “tradable/transferrable unit” of a tonne of carbon dioxide equivalent (CO<sub>2</sub>e) certified by government or independent certification bodies that can be created when emissions are reduced, or removals increased to compensate for a tonne of emissions elsewhere in the economy.

### **Offsetting**

Offsetting occurs if this tradable unit is sold on the market to allow a country, company or an individual to compensate for a tonne of their own emissions.



### **Utilising Woodland code for offsetting case study**

Organization A is committed to achieving a net-zero carbon footprint and has implemented various actions to reduce its emissions. Despite these efforts, the organization still has some residual emissions of 500 tonnes CO<sub>2</sub>e that need to be addressed. To fulfil its net-zero goals and offset the remaining emissions, Organization A decides to purchase 500 carbon credits from a woodland code projects. The credits represent the verified carbon sequestration achieved by the woodland project, each credit corresponds to one metric tonne of carbon dioxide removed from the atmosphere and stored within the growing trees. Upon completion of the transaction, Organization A receives 500 credits to offset its residue emissions. The 500 carbon credits are retired in the Woodland code to avoid double counting and re using the 500 carbon credits.

## 2030 target investment principles

The key investment principles, below, will be used to make decisions on how the Greener Futures capital budget, capital budgets from relevant services, and grant funding is allocated to projects across the Council and how investment decisions will be made. The principles take into consideration the overall approach set out above.

### 2030 target investment principles:

- a) Take decisions, and make the necessary investments in estate, fleet and land to **achieve net-zero carbon by 2030** utilising service budgets where appropriate
- b) Strive to achieve **cost neutrality** by creating a balanced budget across the programme, where income and energy bill savings offset the initial investment
- c) **Future proof** for net-zero by avoiding investing in assets/ infrastructure that lead to increasing carbon emissions
- d) Take a **service or whole site/building-based approach** to avoid unnecessary future cost and disruption
- e) Prioritise measures that are **cost effective** at reducing emissions
- f) Prioritise **emission reduction over offsetting**.
- g) **Maximise external funding** such as grants or private sector funding
- h) Where it is not possible to create a balanced budget across the programme, make additional investments outside the scope of the net-zero programme in line with achieving our net-zero 2050 carbon target

## **FUNDING AND FINANCING OPPORTUNITIES TO DELIVER THE 2050 AND 2030 INVESTMENT PLAN TARGETS**

Several funding sources to date have been utilised to finance the 2050 delivery plan targets, however the current funding sources available are not sufficient to meet the targets for the Climate Change Delivery Plan. The national level funding opportunities for the 2050 targets are continuously evolving as National government policy to reach net-zero evolves.

Officers are currently exploring and developing several funding mechanisms to support the delivery of the 2050 net zero carbon target as well as, where required, providing income to deliver the 2030 target. Appendix 2 includes a list of the funding opportunities which are being developed against the sections included in the Climate Change Delivery Plan. Further detail on the more mature finance mechanisms, for which pilots are currently being developed or delivered, are included below, along with the proposed governance approaches.

## 1. SOLAR POWER PURCHASE AGREEMENT (PPA)

A PPA contract enables the Council to install (SCC owned and operated) solar PV onto buildings and sell the electricity produced to the building user for a period of up to 25 years at a lower rate than they would be able to obtain from their energy provider. This creates a return on investment (ROI) to the Council, lower energy costs for the off-taker and carbon savings. PPA schemes have been tried and tested by many other Local Authorities and companies. Further details regarding this opportunity are included below.

Status	Financial implications	Potential risk and impact	Risk mitigation	Next steps
<p>We have commissioned the legal firm Burges Salmon to draft a PPA contract which we have approval from CPP to pilot with 5 primary schools (selected as we are installing decarb measures with funding awarded by Government).</p> <p>We are exploring opportunities to scale up the scheme with large schools, NHS buildings (NHS have restrictions on capital investment), B&amp;Ds and possibly commercial premises. We are commissioning a commercial consultant to</p>	<ul style="list-style-type: none"> <li>The PPA pilot with 5 primary schools has the potential to save 635 tCO2.</li> <li>Capital cost for the pilot schools was £428k and the ROI to the Council (after costs) is £37k over 25 years</li> <li>Unit rates for the schools range from £0.18 - £0.31 kwh, which is significantly lower than schools' current rates, saving them £200k over the period.</li> <li>These are small schools and so ROI is less rabble.</li> <li>Analysis of 50% of Surrey's largest schools (with potential for min of 90kw rooftop solar) shows that a £10.1M capital investment could unlock £18.6M ROI (after costs) over 25 years</li> </ul>	<ol style="list-style-type: none"> <li>Schools do not want to sign up to the 25-year solar PV PPA deal.</li> <li>SCC is unable to procure a turnkey solar installer within the project timescales</li> <li>Surveys show that the school roof isn't suitable for solar</li> <li>Maintained schools become academies</li> <li>Schools decide to end the contract before the capital investment is recouped</li> <li>Forecast income is not realised due to low solar generation</li> <li>Increase in supply costs not forecasted</li> </ol>	<ol style="list-style-type: none"> <li>This is optional for schools; we encourage them by modelling their expected energy expenditure over the 25-year period against predicted energy costs</li> <li>We have procured a contractor to install the solar on the 5 pilot schools. For future schools we will utilise the approved frameworks and soft market engagement</li> <li>Structural and asbestos surveys will be carried out as soon as feasibly possible</li> <li>Option in the PPA to either end contract with termination clauses, buyout the solar installation, or continue with agreement. Written into transfer agreement.</li> </ol>	<ul style="list-style-type: none"> <li>Finalize PPS agreements with the 5 pilot primary schools</li> <li>Develop next tranche of PPA pilots with further 5 schools</li> <li>Commission consultants with commercial and legal expertise to help develop the business case for the PPA roll out</li> <li>Work with consultants to organise workshops to assess PPA loan term and price options in order to minimize risk of contract termination for Council and offtaker</li> <li>Take PPA business case to Cabinet (expected Autumn 23)</li> </ul>

<p>help develop the business case for the PPA roll out.</p>		<p>7. Supplier becomes insolvent  8. Roof needs replacing and is delayed with loss of PPA income.</p>	<p>5. Termination charges will apply depending upon the time left on the contract  6. In-depth energy assessment at the start to understand the financial parameters on worst case scenario.  7. Try to sign in contract as soon as possible to lock in current prices.  8. We undertake appropriate due diligence on the procurement of the supplier  6. Roof works in low generation time (winter)</p>	
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## 2.SME GREEN BUSINESS LOAN SCHEME

When the EU funded LoCASE scheme ends in June 23 there will no longer be any financial support to help SME businesses in Surrey to install decarbonisation measures and/or develop green technologies to save energy costs, carbon and grow Surrey's green supply chains. As a result, officers are working with B&Ds to develop a low interest loan scheme for SME businesses. Further details regarding this opportunity are included below.

Status	Financial implications	Potential risk and impact	Risk mitigation	Next steps
<p>Lake Market Research were commissioned to conduct research with SME focus groups on their attitudes and appetite for decarbonisation loans at different interest rates and loan terms. The results showed there was a strong interest from this sector. Let's Do Business Group were commissioned to design an SME decarbonisation and green growth loan programme. Their recommendations will be built into the business case. Around half of Surrey's Districts and Boroughs have included the SME Loan programme in their Shared Prosperity Fund proposals.</p>	<p>Let's Do Business recommend the following loan pilot:</p> <ul style="list-style-type: none"> <li>• Initial fund value c£500k-£600k</li> <li>• Loans between £5k to £25k</li> <li>• Max 5 year loan term</li> <li>• Interest rate ≤5%, fee 2-5%</li> <li>• 18 month pilot</li> <li>• Six B&amp;Ds have allocated £30k-£50k each from their Shared Prosperity Funds for 2024-25. This will contribute to the revenue costs, including the staffing of the programme.</li> </ul>	<p>1.Lack of business take up of loans 2.Financial risks eg losing loan capital due to non-repayment or taking longer to repay.</p>	<p>1.Effective marketing and engagement with SME businesses building on the success of LoCASE 2.Thorough assessment and monitoring of businesses applying. Processes designed to identify any issues early.</p>	<ul style="list-style-type: none"> <li>• Officers continue to design loan programme with B&amp;D partners and SCC legal and finance partners.</li> <li>• Develop a business case for the 18 month pilot for approval by Cab Member for Environment and Finance in collaboration with CPP (by July/Aug 23)</li> <li>• Commission loan provider with required financial regulations</li> <li>• Launch pilot (by Sept 23)</li> </ul>

### 3.HOUSEHOLD DECARB LOAN SCHEME AND ONE STOP SHOP FOR DOMESTIC RETROFIT

There is currently limited advice/financial support and low-interest financing options for households that are able/willing to pay for decarb measures. The Council is trusted in this sector following successful delivery of schemes targeted at low-income households with Gov funds. Working with managing agent Action Surrey, and their local installer network, the Council is developing a pilot One Stop Shop (OSS) home energy advice and installation service which includes a home decarb loan product. Further details regarding this opportunity are included below.

Status	Financial implications	Potential risk and impact	Risk mitigation	Next steps
<p>In partnership with Action Surrey, Zero Guildford and the Surrey Climate Commission the Council (as lead) has been awarded £745k grant funding from the LEAD scheme managed by the South east Net Zero Hub (funded by DESNZ) to develop a pilot One Stop Shop for domestic retrofit which includes engagement and training of community energy champions, subsidised home energy advice and whole house retrofit plans, retrofit coordination support, and a home decarb loan product. The purpose of this pilot, which will run for 18 months, is to test different approaches /mechanisms to encourage households to take up home decarb measures, and to establish a self-sustained service to continue beyond the pilot without grant</p>	<p>For the pilot loan scheme, SCC would contribute £750k in capital, which would be recouped throughout the established repayment period (likely around 10 years). Part of the LEAD grant will be utilised to cover the borrowing costs for SCC and the loan admin costs. This would allow SCC to offer a very low-interest loan to residents (particularly those considered from hard-to-reach communities or living in hard-to-treat properties). It is estimated that the initial capital could finance the decarb of 30 households, and the LEAD grant will provide around £95k to cover interest/borrowing costs. If this pilot is</p>	<ol style="list-style-type: none"> <li>1. Partner failure due to e.g. insolvency</li> <li>2. Bad debt loss</li> <li>3. Sub-par installations and/or complaints</li> <li>4. GDPR issues</li> <li>5. Grant funding withdrawn</li> <li>6. Supply chain issues/delays (materials/labour)</li> <li>7. Loss of credibility or trust from residents on these Council-backed schemes</li> <li>8. Insufficient engagement/interest from residents/installers</li> </ol>	<ol style="list-style-type: none"> <li>1. Ensure sufficient range of use cases are considered, including failure modes for partners; ensure model is adaptable to changing commercial partners/terms</li> <li>2. Experienced loan provider procured e.g. Parity Trust who has strong track record of either zero or negligible bad debt loss</li> <li>3. Vetted, qualified installers, plus quality assurance and clear complaints process</li> <li>4. Appropriate information management, policy and data governance, and privacy processes in place</li> <li>5. In unlikely case of grant funding withdrawal, an alternative, e.g. cross subsidy and/or group purchase, model to be explored to facilitate able-to-pay market</li> <li>6. Supply chain maturity scoping exercise and action plan in progress</li> <li>7. Detailed comms and engagement plan inc/ market segmentation; re decarb loan, interest rates kept as low as possible and early repayments allowed</li> <li>8. Prior to full-scale rollout, a pilot phase will be used to validate the feasibility study's</li> </ol>	<ul style="list-style-type: none"> <li>• During the first 3 months of the LEAD pilot the Council is required to design the OSS pilot programme in collaboration with its partners and engaging the wider community</li> <li>• Commission a loan provider with the required financial regulations (building on learnings from Let's Do Business analysis of SME loans)</li> <li>• Work with consultants and partners to develop a business case for the home loan scheme for approval by Cab Member for Environment and Finance in</li> </ul>

<p>support. The pilot will be Surrey-wide and particularly targeted to those considered from hard-to-reach communities or living in hard-to-treat properties.</p>	<p>successful and the programme is rolled out further, we could finance decarb of 200 households with £5m currently allocated in the SCC capital pipeline.</p>		<p>findings and assess the project's performance under real-world conditions. The pilot phase will allow for adjustments and improvements based on practical experience, ensuring a more effective and successful implementation.</p>	<p>collaboration with CPP (by Aug 23)</p> <ul style="list-style-type: none"> <li>• Launch the OSS and loan product (Oct/Nov 23)</li> </ul>
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## 4. CARBON OFFSET/INSET OPPORTUNITY

The Heathrow Strategic Planning Group (HSPG) are working with Local Authorities surrounding the airport to implement a carbon offset/inset scheme. The airport and the airlines that utilise it, along with the surrounding highway network, are responsible for significant sources of carbon emissions. The offset/inset investment must be additional to carbon reduction schemes that are currently being delivered by Local Authorities. Further details regarding this opportunity are included below.

<b>Status</b>	<b>Financial implications</b>	<b>Potential risk and impact</b>	<b>Risk mitigation</b>	<b>Next steps</b>
<p>The (HSPG) and partners (including Runnymede BC and Surrey CC) have commissioned a feasibility study to explore new models of governance and collaboration for offset/inset schemes, as well as evaluating the potential of the local carbon offset/inset market within the HSPG areas. It seeks to provide a roadmap for establishing local offsets/insets, which can secure aviation sector funding, such as fuel poor households within Surrey. The Innovate UK Net Zero Places Fund has provided funding for this study. The initiatives under consideration for development by the scheme include the implementation of tree planting,</p>	<p>If the second phase of the project proves successful, Innovate UK will provide funding of up to £5 million for the development of a pilot project targeted at the offset market in the designated area.</p>	<p>1. The identified risks relate to the potential challenges of demonstrating additionality and substantiating carbon savings for the aforementioned projects. 2. Lack of member and community support for the Council to jointly develop offset/inset schemes.</p>	<p>1.1 The first phase of the project is a comprehensive feasibility study to assess and identify potential applications, risks, and challenges associated with the project. 1.2 Prior to full-scale rollout, a pilot phase will be used to validate the feasibility study's findings and assess the project's performance under real-world conditions. The pilot phase will allow for adjustments and improvements based on practical experience, ensuring a more effective and successful implementation. 2. Conduct surveys and workshops to gather views from stakeholders and feed</p>	<p>Under Phase 2 of the Innovate UK funding program, an amount ranging from £150,000 to £5 million, is allocated for large-scale project pilots. This funding would enable the establishment of potential offset projects within Surrey County. These offset projects would be made available for purchase by Heathrow Airport, thereby facilitating the decarbonisation efforts of the county.</p>

electric vehicle (EV) charging infrastructure, fleet electrification, and domestic retrofitting of fuel-poor homes			these into the decision making process.	
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## GOVERNANCE AND RISK MANAGEMENT

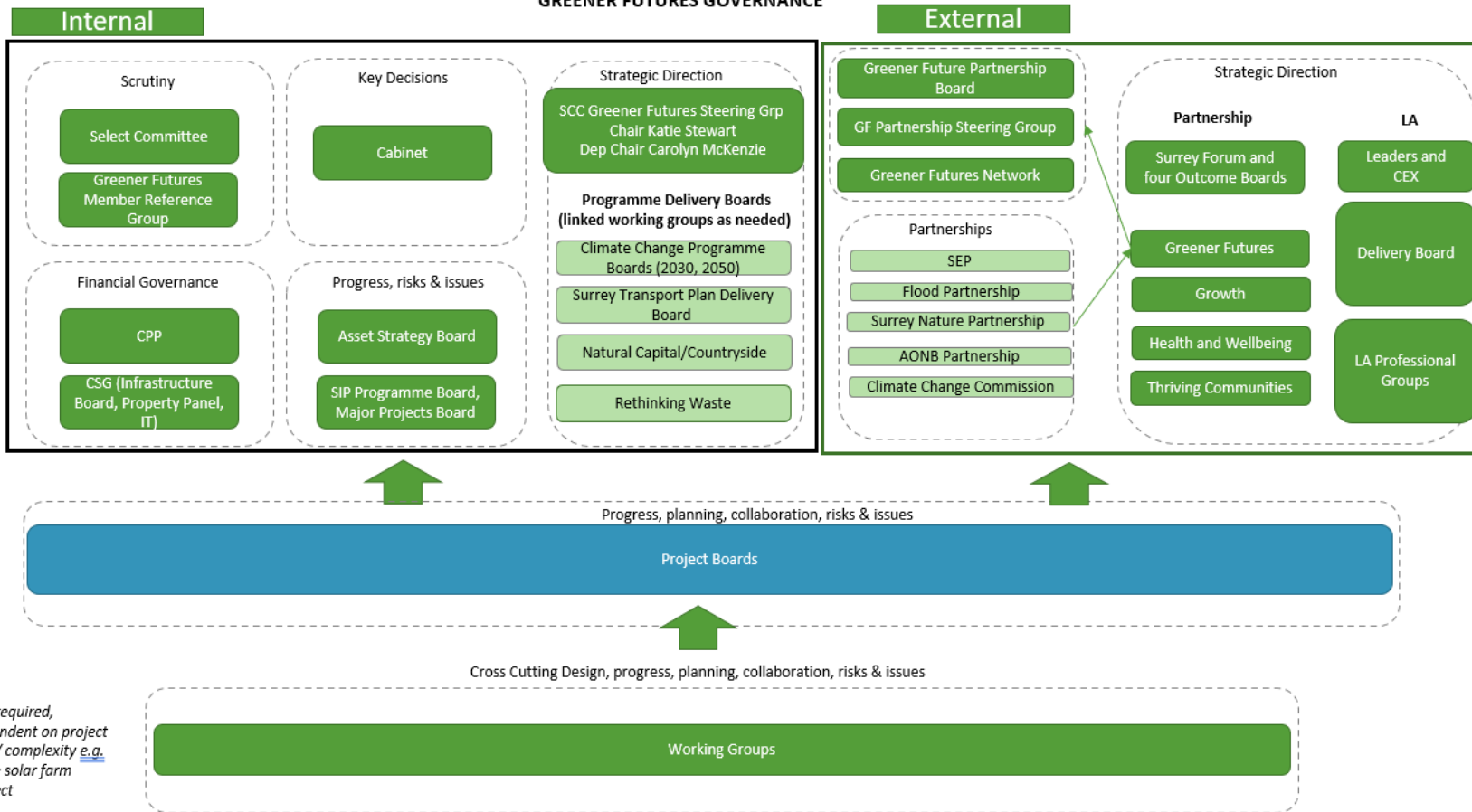
To embed Greener Futures outcomes into all areas of the Council, departmental/service business plans will reflect greener futures outcomes and the Greener Futures Steering Board and CLT will track and manage their implementation, supported by the Greener Futures Team. The 2030 and 2050 Climate Change Boards will be used to review prospective projects at an early stage, followed by standard governance routes used to support capital projects. Scrutiny and oversight will be provided by the Greener Futures Member Reference Group, Capital Programme Panel, Infrastructure Board and Select Committee. An annual Climate Change Delivery Plan Whole Programme Assessment will be taken to Cabinet.

Where funding comes from a mix of external and internal partners, responsibility for their development will be jointly held and will be taken forward through the Borough and District-led Greener Futures Partnership Steering Board, and the Greener Futures Board, which is made up of key Surrey-wide external stakeholders.

The governance structure is set out below.

### Figure 4: Greener Futures governance structure

GREENER FUTURES GOVERNANCE



\*As required, dependent on project size / complexity e.g. large solar farm project

## Risk management and mitigation

The financial reviews of both the 2050 and the 2030 net zero carbon programmes have identified several key risks (summarised below) that have the potential to affect the pay back of programmes. The risks will require ongoing monitoring and management and as a result governance mechanisms at programme and cross-departmental levels have been set up. The governance approach enables risks to be identified, mitigated and, where necessary escalated.

**Table 3: Key financial risks and mitigation measures for the 2050 target**

<b>Risk</b>	<b>Mitigation</b>
The changing picture national budgets may vary the amount external grants and other funding available to the Council to pass on to residents and businesses.	Identify where there are key gaps and look for innovative ways to fill the gaps.
Many prospective innovative or blended finance project have not yet been done before within Surrey County Council, and therefore have increased commercial risks.	Pilot new funding mechanisms and ensure that commercial expertise is fully considered before major finance projects are launched.
The scale of funding is so big and covers so many areas, that will be unlikely to be possible for the Council to catalyse the scale of funding needed to meet net-zero targets	Focus on projects which have a high impact but are likely to be able to pay back and use any additional income to increase support to residents and businesses in a sustainable way.
The lack of access to transformation funding in 2024/5 may create a short-term gap in resource which reduce the ability for Greener Futures to put in place major finance delivery mechanisms, undermining climate change goals.	As set out in our response to the recent climate change audit <sup>vi</sup> , look to embed action into departmental budgets where feasible.

**Table 4: Key financial risks and mitigation measures for the 2030 target**

<b>Risk</b>	<b>Mitigation</b>
The change in energy prices, technology costs and contractual services change significantly and increase the capital cost of the programme	Continue to monitor changes and adjust the approach when costs change, or through the annual financial review
The amount of external funding, borrowing costs, income generation potential and fuel saving potential are lower than expected, reducing the speed at which the programme can pay back or generate income for new projects	<p>Monitor and manage the finance model and provide an update through the annual financial review process setting out options</p> <p>Continue to develop finance mechanisms which can be used to offset possible future cost increases if required</p>
Low carbon measures installed do not deliver expected carbon savings meaning slower than expected progress in meeting our net-zero targets and increase the need for more offsetting	Continue to monitor projects to ensure projects deliver expected emission savings. Start exploring offsetting opportunities now
Grid constraints and planning restrictions may prove challenging for the Council to develop solar farms on its land prior to 2030.	Continue to assess solar opportunities on SCC land, looking for sites where there is a private wire offtaker/nearby development and where planning is less likely to be an issue. Explore the possibility of purchasing land where the grid connection is viable, and planning has been granted.
Decisions made for other reasons (e.g service delivery/reform/cost constraints/short term income generation opportunities) may run contrary or affect the Council’s ability to achieve the net-zero agenda.	Ensure that net-zero options are designed in early, which will reduce additional costs later and allow for informed decision-making with high quality cost and carbon information.

## NEXT STEPS

The following next steps will be undertaken by officers;

- Develop a 2030 Investment Plan, to include decarbonisation schemes that the Council is planning to invest in over the next one to two years, for Cabinet approval in autumn of this year
- We will continue to develop the 2030 and 2050 finance models, feeding in commercial data (including costs) to improve accuracy
- We will commission consultants to undertake an audit review of the assumptions and data in the 2030 Finance model
- We will develop an internal carbon benchmark to effectively demonstrate the value for money achieved through decarbonization projects. This benchmark will serve as a valuable tool for assessing and quantifying the cost-effectiveness of our decarbonization initiatives.
- We will produce quarterly progress reports for CPP, Asset Strategy Board and the Greener Futures Member Reference Group
- We will continue to develop and test through pilots the finance mechanism included in table 3.
- We will undertake a financial review in the next financial year to report to Cabinet.



## APPENDICES

APPENDIX 1 - Annual Climate Change Delivery Plan Cost Review

APPENDIX 2 – Greener Futures funding mechanisms and opportunities

Delivery Plan section	Priority funding mechanisms to be developed
GF communities	<ul style="list-style-type: none"> <li>• Insetting opportunities within Surrey (Authority Based Insetting, ABI)</li> <li>• Exploring the development of a local carbon offset/inset market to secure aviation sector finance for local decarbonisation projects in partnership with Heathrow (fuel poor homes, EV vehicles, schools)</li> </ul>
GF Communities Decarbonising of privately owned homes	<ul style="list-style-type: none"> <li>• Solar Together phase 2</li> <li>• One-stop-shop to support able to pay households to decarbonise their homes</li> </ul>
GF Communities, schools and community groups	<ul style="list-style-type: none"> <li>• A rent-a roof scheme is being developed support school's decarbonisation, Surrey commercial buildings and decarbonisation of SCC's commercial estate</li> </ul>
GF Communities Decarbonising small business	<ul style="list-style-type: none"> <li>• Small Business loan scheme to replace the LoCASE grant scheme, due to end in April 2023. Discussions with boroughs and districts may enable the seed funding to come from the shared prosperity fund</li> </ul>
GF Communities Decarbonising transport	<ul style="list-style-type: none"> <li>• Innovate UK funding to do feasibility on financial models to remove barriers to private investment for decarbonisation projects. Surrey focus is on transport and housing decarbonisation. Next stage £8m to do a pilot scheme</li> </ul>

Build Back Greener	<ul style="list-style-type: none"> <li>• Outcomes based budgeting will enable best use of capital infrastructure programme</li> <li>• The implementation of a low carbon planning policy may allow for carbon offset funding to be generated through planning, which would fund carbon reduction projects.</li> </ul>
Build Back Greener	<ul style="list-style-type: none"> <li>• Outcomes based budgeting will enable best use of capital infrastructure programme</li> <li>• The implementation of a low carbon planning policy may allow for carbon offset funding to be generated by Local Authorities through planning, which would fund carbon reduction projects.</li> </ul>
Grow back greener	<ul style="list-style-type: none"> <li>• Income generation potential of SCC-owned farms forests.</li> <li>• Opportunities for carbon offset and income generation through biodiversity net gain.</li> <li>• Further funding opportunities through the Rural Prosperity Fund.</li> </ul>

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<sup>i</sup> Surrey's Climate Change Strategy, May 2020;

[https://www.surreyclimate.org.uk/sites/default/files/Surrey%27s%20Climate%20Change%20Strategy%20%28240420%29%20%281%29\\_0.pdf](https://www.surreyclimate.org.uk/sites/default/files/Surrey%27s%20Climate%20Change%20Strategy%20%28240420%29%20%281%29_0.pdf)

<sup>ii</sup> Greener Futures Climate Change Delivery Plan, January 2022; <https://s3-eu-west-2.amazonaws.com/commonplace-customer-assets/surreysgreenerfuture/Final%20Climate%20Change%20Delivery%20Plan%20Full%20Document%202022.pdf>

<sup>iii</sup>

<sup>iv</sup> Cabinet report containing the initial Greener Futures Finance Strategy; October 2021, Item 9 Annex 4;

<https://mycouncil.surreycc.gov.uk/documents/g7768/Public%20reports%20pack%20Tuesday%2026-Oct-2021%2014.00%20Cabinet.pdf?T=10>

<sup>v</sup> Cabinet report containing the first Annual Climate Change Progress Report; November 2022, item 15;

<https://mycouncil.surreycc.gov.uk/ieListDocuments.aspx?CId=120&Mid=8467&Ver=4>

<sup>vi</sup> Not yet published; available on request

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## Annex B- Annual Climate Change Delivery Plan Cost Review

### Contents

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#### 1. Introduction

In 2019 Surrey County Council (SCC) declared a climate change emergency and committed to becoming a net zero carbon county by 2050 or sooner. Surrey County Council committed to reducing its organisational emissions to net zero by 2030. Surrey's Climate Change Strategy was published in May 2020.

An Initial Finance Strategy was produced in 2021 and was set out alongside the Surrey's Greener Futures Climate Change Delivery Plan 2021-25. It aimed to provide an evidence-based estimated cost, based on current knowledge, data and modelling for the net zero pathways set out in Surrey's 2050 Climate Change Delivery Plan 2021-25 and SCC's 2030 target.

The initial financial approach has been further developed into the Greener Futures Finance Strategy, which sets out a process for defining how the Delivery Plan for 2021-25 and subsequent plans will be financed. The process includes an annual financial review of the programme to ensure that the financial implications of the programme are well understood as changes in market conditions impact on costs and delivery constraints. This is the first full financial review which sets out:

- A detailed explanation of the financial model
- What has changed, why and how the model has been reviewed
- The outcome of the financial model review
- Next steps

SCC commissioned Atkins in July 2021 to produce a finance model that could be used by the Council to estimate the cost of the carbon reduction initiatives included in the Climate Change Delivery Plan in order to understand the capital costs of achieve the county's carbon reduction target by 2025 as well as the 2030 carbon reduction pathway for the Council's own organisational emissions. The model is not static, it has been developed in a way which allows for future changes which could affect costs and potential return on investment, such as policy changes, market data and other external costs such as energy price increases, inflation, and connection costs to be easily incorporated. Consequently, the more experience we gather from the 2030 Programme implementation, the more refined the model will be and more accurate the assumptions behind it.

## 2. 2030 Financial Model

### 2.1 Original Scope

The original model was published in 2021 as part of the “Initial Finance Strategy 2021-25”. The analysis was intended to help SCC to answer the following questions:

- How much will it cost to achieve our net zero target by 2030? This includes capital costs and the cost implications to develop and administer schemes.
- What percentage of the necessary investment will result in a positive financial business case and achieve carbon neutrality?
- What percentage of the necessary investment does not result in a positive financial business case?
- What is the proposed sequencing approach to maximise carbon savings whilst achieving the greatest ‘bang for buck’ (ie recuperating in cost savings, maximising decarbonisation opportunities which are already baked into budgets or choosing to offset)?
- In which year is the breakeven point projected to be achieved?

The Financial model provides a detailed analysis of initial capital expenditure alongside the whole life costs and return on investments of the Council’s 2030 programme. The modelling work has also included the production of a carbon scenarios tool which enables carbon from several measures to be quantified with different levels of uptake. The benefit of this model is that it creates a mechanism where carbon and cost can be considered together, and for the financial impact of different carbon reduction scenarios to be tested. This allows the Council to make decisions regarding which decarbonisation pathways offer the highest carbon reduction for the best financial value. The Council will not use the model to make decisions on specific decarbonisation schemes and the draw down of capital budget, for these decisions full business cases will be produced.

### 2.2 Original Assumptions

The focus for the model created by Atkins was to create a consistent format that allows for comparison between the whole portfolio of carbon reduction projects. In-depth financial evaluation using this model is not possible. The model focuses on the 2030 SCC Decarbonisation programme (**Table 1**). Each project has been populated with actual data supplied by Surrey County Council, or assumptions where these were missing (**Annex 1**).

**Table 1- Finance model original scope**

Category	Included	Details
Existing corporate buildings	Yes	136 corporate buildings
Existing schools	No	128 schools outside the scope
Buildings being rationalised	No	85 buildings outside the scope
Newbuilds	No	Outside the scope
Fire & Rescue fleet	No	Outside the scope
Corporate Fleet	Yes	563 vehicles
Streetlighting	Yes	Programme already ongoing/funded when the model was created

The 2030 Net zero programme was based on specific levels of implementation that show how many buildings, heat pumps, capacity of solar PV and fleet transition that we need to do each year to achieve net zero by 2030 and how these implementation levels affect the costs and payback in the model. Those can be found in **Annex 2**.

The capital costs of the Council's 2030 net zero carbon programme were originally estimated to be between £68–71m (**Table 4**). The programme was based on a cost and carbon neutral model where capital costs are offset over the lifetime of the measures through operational energy savings and energy generated by renewable energy installations.

**Table 2- Original capital costs of decarbonisation measures** (from GF model 2021)

2030 Net Zero Programme Projects	Capital Costs (£)	Revenue (£)	Operational Savings (£)
Estate Rationalisation	-	-	-
LED (buildings)	£4.75-£5.25m	-	£15m
Estate Retrofit Measures	£27.5-£30.5m	-	£14m
Heat Pumps	£7.6-£8.4m	-	£8m
Rooftop PV	£5.7-6.3m	-	£24m
Ground-mounted Solar	£14.3-4.7m	£97m	-
Carbon Offsetting	£4.8m	-	-
Green Fleet	£4.3-4.7m	-	£10m
Streetlighting	-	-	-
<b>Total</b>	£68-71m	£97m	£73m

### 3. Review of the 2030 Financial Model

The model is adaptive and created to respond to changing conditions allowing us to adjust our approach accordingly, the assumptions in the model have been revised (see Annex 3 for details) so the 2030 Net Zero Programme is as close to cost and carbon neutrality as possible as well as incorporating actual market costs.

Progress to date has revealed that market forces and delivery conditions have changed significantly since the initial cost estimates in 2021 to deliver the Council's Net Zero Carbon target were made. Following the delivery of the first phase of Government funded decarbonisation retrofit projects on the SCC estate which at the time was used as a pilot to inform our approach, costs and key delivery constraints have been reviewed.

#### Some of the key changes to the model are:

- Increase in energy prices.
- Addition of greener futures staff costs, design fees and electricity grid network connection costs.
- Updated range of offsetting costs.
- Exclusion of fleet transition costs. These costs relate to service needs met by fleet and will be considered as part of service delivery costs and long-term will be met by the Council through service delivery team budgets.
- Revised delivery constraints for ground mounted solar.
- An updated view of buildings that are suitable candidates for decarbonisation measures and are not at risk of disposal. Land and Property are currently working with Services across the

Council to understand which buildings in the corporate estate need to be retained and which are surplus to requirement from a service perspective. This work is ongoing and will take some time to complete however for now they have categorized buildings as **core** (to be retained), **flex** (future is questionable) and **non-core** (building is unlikely to be retained). Currently, the scope includes 136 core buildings and 52 flex buildings. For the finance strategy review we will be focusing on core and core and flex buildings, as shown in the table above.

A detailed analysis of the updated assumptions can be found in **Annex 3**.

To update the assumptions, technical input and accurate costings were provided by the 2030 Strategic Energy Team based on the works that have been carried out in the estate as part of the UK government Public Sector Decarbonisation Scheme funding. Sensitivity analysis on energy prices, borrowing rate and inflation was also carried out by Finance Business Partners and the SCC Energy Team and the results can be found in **Annex 4**.

#### 4. Outcomes of the model review

The review of the model shows that the programme has an updated capital spend of £83-92m (under the Core buildings scenario) and revenue generation of at least £67.5m. This assumes solar electricity generated from solar farms at £15.9pence/kwh (lowest necessary price to achieve cost neutrality) and has a payback of 21-22 years.

**Table 3 - Change in costs due to model review.**

	Original Model	Latest Model (core – buildings to be retained)	Reason for Change	Latest Model (core+flex – flex is buildings with uncertain future)
<b>Capex</b>	£68.3	£87.7m	£30m increase in heat pumps offset by £5.5m fall in retrofit costs and £0.2m fall in rooftop solar and £2.6m fall in ground mounted solar.	£109.4m
<b>Operational Spend</b>	£71.8m	£29.2	Reduction due to removing green fleet vehicles from the model, and the associated cost of charging EVs, which will be funded by services rather than a central GF budget	£36.5m
<b>Borrowing Costs</b>	£12.6m	£24.6m	Increase due to higher borrowing rate and increase in capex.	£31.6m
<b>Revenue</b>	£97.5m	£67.5m	Lower solar farm revenue due to lower electricity price.	£67.9m



<b>Operational Savings</b>	£73.5	£76.6m	Higher savings on LEDs due to higher electricity prices offset by reduced savings on rooftop solar due to smaller solar panel sizes.	£102.6m
<b>NPV after counterfactuals (what would have been spent anyway) excluding green fleet</b>	£21.4  (This was -£3.1m in original model)	£11m	NPV has been updated, resulting in an improvement from -£3.1m to +£11m. This was due to removing borrowing costs from the NPV calculation, as it was determined that their inclusion in the previous version was not necessary according to the Treasury Green Book.	£5.2m
<b>Payback</b>		26 years		28 years

The total capex of the programme has increased by £19.4m (core buildings only). The main changes that have affected the programme capex are;

- A £30m increase in the cost of heat pumps. The cost for heat pumps increased from £1,655 to £3,650 per KW because Atkins included only the actual heat pump cost and omitted the installation costs. Capacity requirements in certain buildings such as fire stations, which require a back-up heating system in case of system failure, effectively doubling the capacity required in those buildings were not considered in the original iteration of the model.
- A minimum of £2m increase in offset costs. This was a result of the technical review of the decarbonisation measures expected performance, increasing the amount of carbon left to offset after 2030. Offsetting costs represent a revenue pressure from 2030.
- An £8m decrease in retrofit costs due to the review of technical assumptions that led to a decrease in unit cost prices.
- A £3.5m decrease in rooftop solar costs due to a technical review of the size of solar panels that could be installed per building. The size of the array that could be installed on each building was overestimated and the review led to a reduction in capex. The potential fall in revenue from having smaller arrays has been completely offset by the higher electricity price.
- Grid Connection costs that were added to the model increased CAPEX by about £700K per year.
- Borrowing costs increased by £10m within the last 2 years. Rates increase or decrease is still uncertain and will affect the programme's ability to payback.

Although under the new scenarios (core, core&flex buildings) there is an increase in the capital expenditure required across the two scenarios compared to the original model, the Net Present Value of the programme (to 2050) is positive and the project pays back in 26 – 28 years from the operational savings and revenue generated. In the original model the NPV was negative however this is because the borrowing costs were included in unnecessarily (HM Treasury Green Book supports the exclusion of borrowing costs in Net Present Value calculations).

#### 4.1 Impacts of the model update

The updated financial model was used to test the cost and carbon impacts of a range of potential delivery options and price sensitivities that may have a significant impact on the programme. That has inquired our suggested pathway to reaching the 2030 net zero targets as well as the necessary delivery rate of decarbonisation measures for 2030.

#### 1. Impact of implementation rates for key low carbon measures

The change in assumptions as explained in section 3 and detailed in Annexe 3, has affected both expected carbon reductions and cost implications to achieve the Council's decarbonisation programme. Several scenarios have been run to identify the best cost-effective path to deliver our decarbonisation targets. The best scenario selected is the scenario that balances value for money and potential to generate revenue with carbon reduction potential. Certain measures, such as heat pumps, have a higher cost per tonne of carbon saved than other measures however there is currently no other, more cost-effective way, of reducing carbon emissions from heating our buildings. It is therefore necessary to balance the heat pumps (and the associated costs from DNO connections etc) against measures such as solar, which reduce electricity-based carbon emissions and generate an income.

Following different scenario analysis, the best option to reach NetZero cost effectively includes the measures highlighted below. The feasibility of this pathway has been assessed and reflects what is physically possible by 2030. It will be possible beyond 2030, once the grid constraints which cover a large proportion of the county have been dealt with, to generate more electricity from ground mounted solar. This will have the benefit of reducing the amount that the Council is required to pay in offsetting per annum.

**Table 4- Suggested decarbonisation pathway**

Project name	Measures
Building lighting	LED implementation in 100% of buildings in scope
Building retrofit	75% of buildings in scope receive retrofit measures
Heat pump installation	75% of buildings in scope receive heat pumps
Rooftop PV	75% of buildings in scope receive rooftop solar PV
Ground mounted solar	18.9MW of ground mounted solar PV to supply the Council's electricity needs

The cost of heat pumps has increased significantly after the review of the model. Nonetheless, it is important to consider the impact of heat pumps on the 2030 net zero targets. Heat pump installation is the most expensive decarbonisation measure, but it is also the most carbon efficient.

A potential decrease on implementation levels of heat pumps by 25% to a 50% level would save £13m but would also decrease carbon savings dramatically leading the Council to have to offset more than 20% of the organisational emissions, increasing the total costs of offsetting up to a potential £18m (depending on the price of carbon per tCO<sub>2</sub> at the time of offsetting) by 2050.

Based on the pathway explored in **table 4** the delivery plan for the 2030 programme to achieve net zero targets by 2030 is outlined below;

**Table 4- 2030 Decarbonisation measures delivery plan**

Measure	Rate of implementation	Status
---------	------------------------	--------

Retrofit	13 buildings per year	On track
Heat Pumps	13 buildings per year	On track
Solar (rooftop)	13 buildings per year	On track

## 2. Impact of changes to energy prices

Electricity prices also have a big effect the payback of the model as high electricity prices have the potential to increase revenue from renewable energy generation but could also increase running costs of heat pumps.

## 3. Impact of changes to the cost or level of offsetting

The model originally assumed a price per tCO<sub>2</sub> at £95 but developments in the carbon markets during the last two years have shown that this price might increase significantly. The current lowest price for traded carbon is £60 and is expected they follow a steady increase. For carbon offsets within the London boroughs the carbon offset price reaches £252 p/tCO<sub>2</sub> in some cases. Carbon markets are unregulated and highly volatile so it should be noted that the price for high quality, local offsets might significantly increase in the next few years as more organisations seek to offset their emissions.

### 4.2 Key Risks to payback

Based on the analysis above, the key risks identified that have an impact on payback are:

- Electricity price impacting the running cost for heat pumps, as well as the savings/revenue generated from solar PV.
- There is still uncertainty over borrowing rates.
- The revenue from solar farms underpins the payback of the 2030 net zero programme. Without solar revenue the programme will not pay back.
- Another key risk impacting the programme is whether the capital necessary to decarbonise Surrey's estate due to changes in the model will be available. The programme will need additional investment that will inject funds to the programme and help it payback. Eg. Solar PPA on schools.
- Of the 18.9MW Ground Mounted Solar, 16.7MW relates to one site, placing a huge dependency on that site.
- Uncertainty over the scale of ground mounted solar we will be able to roll out by 2029 due to national grid restrictions.
- Uncertainty over the amount and costs offsetting due to market volatility, price variations explained above.
- The Greener Futures programme is not properly embedded across the organisation and are not prioritised in Service budgets.

### 4.3 Key Opportunities

It is important to note that the costs in the model are pessimistic and there are several factors which could improve the financial position of the model and make the business case more favourable, these include;

1. Increase in gas prices which will increase operational savings from heat pumps (Government has committed to removing carbon taxes which are currently linked to electricity rates to gas over the next ten years as the country moves away from fossil fuels)
2. Reduction in cost of decarbonisation measures such as heat pumps as these become more standardised
3. Potential reductions in costs to connect to the electricity grid due to Government reforms
4. Grant funding from Government which has not been included in the model, to date £6M has been awarded with a bid for a further £5M in development.
5. Improvements in national grid capacity will enable the Council to invest in additional solar farms beyond those which are built into the model. All of the land parcels owned by the Council have been assessed to determine suitability for solar farms (avoiding restrictions related to biodiversity, habitat, agriculture, heritage and development) and the shortlisted sites are currently being assessed to determine suitability and cost. Currently no sites have planning consent. In addition officers are exploring developing solar capacity potential using private wire, avoiding connection to the grid.

#### 4.4 Solar PPA opportunity

Officers are also exploring a number of finance mechanisms which could be used to strengthen a return on investment which could be used to offset any future increases in costs. This includes a solar Power Purchase Agreement (PPA) that is currently being piloted with five schools. Modelling on the income generation potential of delivering solar PPA to Surrey schools, with a good potential for large solar arrays, has been estimated. Two scenarios show that it is possible to generate sufficient income to offset the increased costs in the 2030 model and generate income which could be used for other Greener Futures/Council priorities.

Following successful models developed by private sector companies and other Local Authorities, SCC is piloting developing a solar power purchase agreement (PPA) for schools (and potentially other commercial buildings). A PPA is a contractual arrangement that allows the Council to sell electricity to an offtaker, in this instance, a school. The PPA process is explained in more detail in **Annex 5** below. The benefit of the PPA model is that carbon savings can be achieved, and the school can make a substantial saving on their energy bills, securing a rate over a 25-year period (CPI is applied). In addition, the Council can cover the costs (capital, operational and borrowing) of the installation and maintenance of the solar and generate an additional return on investment (ROI). The Council has commissioned Burges Salmon (a leading Legal firm specialising in energy) to draft the PPA and this is currently being piloted with 5 primary schools.

The Solar for Schools site has indicated the huge potential to install solar on schools in Surrey. Many schools have potential for large solar arrays, which are more cost effective, allowing the Council to sell the electricity to the school at a lower price while generating a higher ROI.

More work needs to be done to develop a wider solar PPA programme for schools and plans are currently being developed, prior to taking a business case to Cabinet later in the year. Initial focus groups with schools have indicated a high level of interest.

For the purpose of the finance model, officers have undertaken modelling of the potential ROI which could be generated by delivering a solar PPA on the schools with the potential for the largest solar arrays (those over 90 kwp). Two scenarios are set out below;

- the potential ROI which could be generated from installing solar with a PPA on all 96 schools that could have 90 kw solar system
- the potential ROI which could be generated from installing solar with a PPA on 50% of the 96 schools that could have 90 kw solar system

**Table 5- Solar PPA outline**

	<b>All schools with potential for 90kw (or more) solar</b>	<b>Assumption that 50% of schools will proceed</b>
<b>Number of schools</b>	96	50
<b>Total solar capacity</b>	15,476kWp	7,738kWp
<b>Total PPA income (over 30 years)</b>	£70,006,494	£35,003,247
<b>Capital cost</b>	£20,158,800	£10,099,400
<b>All operational/maintenance</b>	£5,126,000	£2,628,000
<b>Borrowing costs</b>	£7,311,747	£3,663,128
<b>Total income after costs</b>	<b>£37,409,947</b>	<b>£18,612,719</b>

## 5. Next Steps

- Commission consultants to undertake an audit review of the assumptions and data in the Finance model
- Agree the payback mechanism with colleagues in Land & Property
- Continue to develop the Finance model, feeding in commercial data (including costs) to improve accuracy
- Continue to develop the 2030 Delivery Plan alongside colleagues in Land and Property
- Produce quarterly reports for CPP, Asset Strategy Board and the Greener Futures Member Reference Group
- Following the trial the solar decarbonisation offer, scale up the scheme to support the implementation of the 2030 programme
- Undertake a financial review in the next financial year to report to Cabinet.

## 6. Annexes

### Annex 1

#### Data included in the finance model produced by Atkins

	<b>Council's 2030 Net Zero Target</b>
Data Included	<ul style="list-style-type: none"> <li>- Energy data (cost per KWh gas and electricity)</li> <li>- Energy data for buildings in corporate estate</li> <li>- Data held on type and size of buildings</li> <li>- Data on existing decarbonisation measures installed</li> <li>- Number and type of vehicles in fleet and fuel data</li> </ul>

	<ul style="list-style-type: none"> <li>- Any decarbonisation feasibility assessment completed</li> <li>- Analysis on potential for solar PV on Council's land and buildings</li> <li>- SCC finance data (ie borrowing rate, discount rates)</li> </ul>
Assumptions and estimations	<ul style="list-style-type: none"> <li>-Energy retail prices</li> <li>- Building electricity and gas demand data</li> <li>-Inflation estimation</li> <li>-For all projects, a staggered implementation over 9 years have been assumed, starting in 2022 and reaching to its full implementation in 2030.</li> <li>-Where gross internal area (GIA) information is not available for a building: its GIA have been assumed by comparing its energy consumption with the energy consumption of a similar type of building.</li> </ul>

## Annex 2

### Implementation levels of 2030 programme

Project	Implementation level input
Corporate Fleet	75% of fleet switched over to EVs
Estate rationalisation	100% of buildings selected as to be discarded
Building LED	100% of buildings switching to efficiency lighting
Building retrofit	75% of buildings receiving retrofit measures
Heat pump	75% of buildings switching to heat pumps
Rooftop PV	50% of buildings receiving PV
Ground-mounted PV	26.6 Megawatts (MW)

## Annex 3

### Assumptions Update

#### Economic Assumptions

Assumption	Initial assumption	New assumption	Impact on Costs
<b>Inflation rate</b>	1.5%	2.5%	40% increase in inflation leading increased costs for materials and works for projects.
<b>Electricity prices</b>	£0.169/kwh	£0.257/kwh	34% increase in electricity prices, leads to reduced payback periods and increase return on investment for energy efficiency projects and renewable energy projects. Heat pumps also cost more to run as they consume more electricity compared to

			gas boilers. The change in electricity price means solar revenue went up £10m, but the cost of running heat pumps increased by £2m.
<b>Gas prices</b>	£0.041/kwh	£0.06682/kwh	39% increase in gas prices, this reduces our projected payback periods, increases return on investment for energy efficiency projects and renewable energy projects.

### Capex

<b>Assumption</b>	<b>Initial assumption</b>	<b>New assumption</b>	<b>Impact on Costs</b>
<b>Grid connection costs for heat pumps and EV chargers</b>	Not modelled in the initial finance model	25% of buildings will incur a DNO cost of £200k, 75% of buildings will incur electrical upgrade costs of £20k. This is pro-rated by 75%, as the 2030 implementation level for heat pumps is 75%.	These costs were not included in the original estimates.
<b>Surrey County Council Future Corporate Estate</b>	40% estate rationalization by 2030 was	Ongoing Implementation of the Council's Agile working organisation strategy might lead to an increased estate rationalization rate than initially projected.	Currently, 135 buildings have been identified as core and 52 as flex.
<b>Greener Futures Staff capital costs</b>	Not modelled in the initial finance model	At 11% of capex for retrofit, heat pumps, rooftop solar, ground mounted solar and EV chargers.	These costs are part of costs that will be paid back from income generated from renewable energy projects.
<b>Other professional fees (Design costs)</b>	Not modelled in the initial finance model		The costs will be added as an estimated % uplift of total capital costs of all projects except LED lighting.
<b>DNO Costs</b>	Not modelled in the initial finance model	£200,000 for 25% of buildings	The costs will be added in the annual spend of

			the heat pump and solar PV projects.
<b>Electrical Upgrade costs</b>	Not modelled in the initial finance model	£20,000 for 75% of buildings	The costs will be added in the annual spend of heat pump and solar PV the projects.

### LED Lighting

Assumption	Initial assumption	New assumption	Impact on Costs
<b>Electricity Saving (kWh/m<sup>2</sup>)</b>	£15.9m	£27.8m	Uplift of £11.9m due to uplift in energy prices

### Retrofit

Assumption	Initial assumption	New assumption	Impact on Costs
<b>Energy Saving through avoided gas/oil consumption.</b>  The energy savings assumption for the retrofit projects include works related to wall, roof and floor insulation as well as single and double glazing.	£14.3m	£17.5m	The Greener Futures team reviewed the technical assumptions in January 2023, but these should be closely monitored as more data becomes available, to ensure the model is accurate.

### Heat Pumps

Assumption	Initial assumption	New assumption	Impact on Costs
<b>Cost of heat pumps</b>	£1,655 per KW	£3,650 per KW	The original model only the actual heat pump cost and omitted the installation cost and enabling works. It also underestimated the size of the heat pumps needed in some buildings. E.g regulations require fire stations to have a backup heating system in case the system fails, effectively doubling the size of the heat pump required .



### Solar (PV and Ground Mounted)

Assumption	Initial assumption	New assumption	Impact on Costs
Ground mounted solar electricity export price	£25.6p/KWh	£15.9p/KWh	£15.9p/KWh is to lowest necessary price to achieve cost neutrality
Reduction in rooftop solar PV capacity	133 kWp per building	45 kWp per building	The increased energy price largely offsets the reduction in the size of the array, resulting in a £1.5m fall in expected revenue
Grid Connection and site-specific constraints for large scale renewable energy projects due to current grid network capacity for the suitable sites	29MW ground mounted solar PV delivered by 2030	Grid connection constraints for some of the sites planned to host the PV means only 18MW will be delivered by 2030	

### Fleet

Assumption	Initial assumption	New assumption	Impact on Costs
Fleet transition costs	£2 million was allocated to support green fleet transition	£16m	These costs relate to Service needs met by fleet, the costs to transition the fleet will be considered as part of service delivery costs and long-term will be met by the Council through service delivery team budgets. The Costs for fleet transition hence will not be borrowed

			capital but revenue funding.
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### Carbon Offsetting

Assumption	Initial assumption	New assumption	Impact on Costs
<b>Carbon offsetting costs by 2030</b>	Projected emissions to be offset as per carbon reduction pathway came out at <b>10% of the baseline emissions 1,984 tonnes per year by 2030</b> . Cost of offsetting £194,432 per year	Post update of model the carbon offset requirement is <b>20% of the baseline emissions 3,448 tonnes per year by 2030</b> .	The cost of offsetting after 2030 is currently estimated at price per carbon tonne of £95. We will continue to monitor the changes in the carbon market and update the price accordingly.

### Annex 4

#### Sensitivity Analysis

##### 1. Solar farm electricity export price

Electricity Selling Price	Revenue from Ground Mounted Solar <b>18.9MW</b>	2030 Programme Pays Back (excluding Green Fleet)	Payback after Counterfactual Spend (excluding Green Fleet)
25.675p/kWh ("sleeving"/ringfencing the electricity for SCC use)	£107.7m	Yes	£23.7m
18p/kWh ("Power Purchase Agreement"/selling the electricity to another company etc)	£75.5m	Yes	£6.5m
15.9p/kWh (lowest price to achieve pay back)	£66.7m	Yes	£0.02m
5.5p/kWh (current price to export to the Grid)	£23.1m	No	-£25.1m
3p/kWh (forecast price to export to the Grid by 2030)	£12.6m	No	-£31.2m

##### 2. Borrowing rate

Borrowing Rate	Borrowing Costs (excluding Green Fleet)	2030 Programme Pays Back (excluding Green Fleet)	Payback after Counterfactual Spend (excluding Green Fleet)

2.5%	£19.4m	Yes	£23.7m
3.0%	£23.6m	Yes	£19.9m
3.5%	£27.9m	Yes	£16.1m
4.5%	£36.8m	Yes	£8.1m
5.5%	£45.9m	No	-£0.1m

### 3. Inflation rate

Inflation Rate	Operating Costs (excluding Green Fleet)	2030 Programme Pays Back (excluding Green Fleet)	Payback after Counterfactual Spend (excluding Green Fleet)
2.5%	£27.3m	Yes	£23.7m
3.0%	£28.4m	Yes	£23.2m
3.5%	£29.6m	Yes	£22.7m
4.5%	£32.4m	Yes	£21.6m
5.5%	£35.9m	Yes	£20.2m

## Annex 5

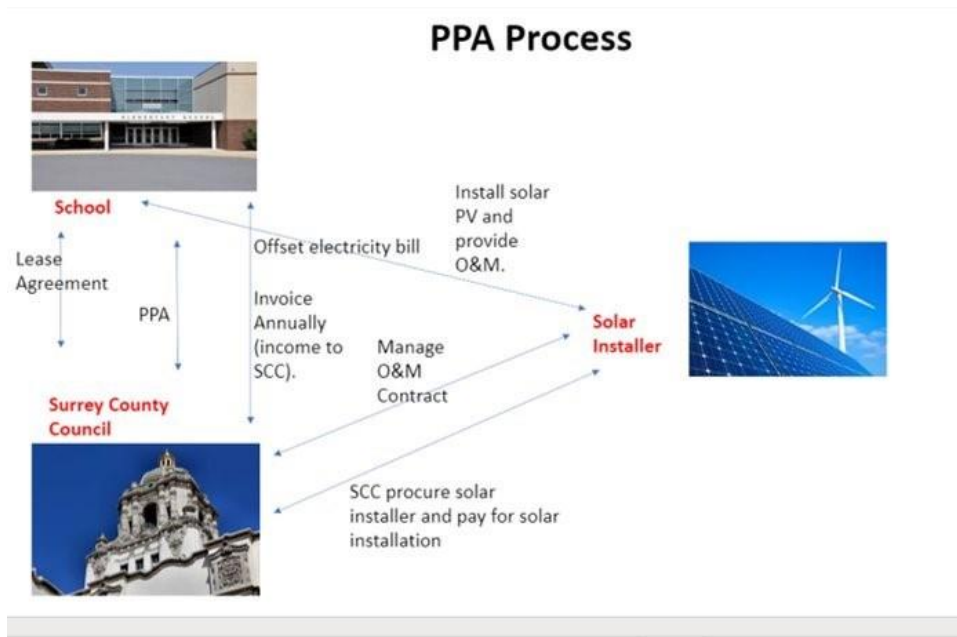
### Solar Power Purchase Agreement mechanism

The PPA process is depicted in the image below and would be based on the following arrangement (once the PPA is agreed by both parties and the structural survey of the roof has been completed);

- The solar will be installed on the 5 schools by the Council's provider, CO2PEC, who have been procured to install the heat pump and energy efficiency measures under PSDS3a
- SCC will fund the initial capital and installation costs
- SCC will maintain the panels and will provide (reasonable) repairs
- The school will purchase the electricity generated through the PPA mechanism
- The PPA will be paid at an agreed rate on the generation of the solar output, at a less than market electricity rate but which enables the Council to cover all capital and operation/maintenance costs and generate a small profit
- The operation/maintenance costs include replacement parts and 'lift and shift' costs if roofing repair/replacement costs need to be carried out
- The school will be invoiced annually. CPI will be applied every five years.
- The contract will be for 25 years (which is the minimum lifetime of the solar PV)
- At the end of the 25 year life the panels and all associated equipment will pass to the school at no cost
- Termination clauses are built into the PPA, these will reflect the total costs incurred by the project. These will be attached to the PPA agreements, so they are transparent to

all. They will depreciate over time until Year 25 where they will no longer apply. It will be at SCC's discretion as to how these are implemented.

The draft PPA is included as an annex.



# Equality Impact Assessment

## Climate Change Delivery Plan Equality Impact Assessment

Question	Answer
Did you use the EIA Screening Tool? (Delete as applicable)	Yes

### 1. Explaining the matter being assessed

Question	Answer
<p><b>What policy, function or service change are you assessing?</b></p>	<p><b>Surrey’s Climate Change Delivery Plan (CCDP)</b>            Surrey’s Climate Change Strategy (CCS) approved in April 2020 set out the joint ambition across the 12 authorities to reduce emissions to net zero between now and 2050.</p> <p>The CCDP is a collection of schemes and investments, providing details on how the CCS will be achieved over the next 4 years to reduce Surrey’s carbon emissions by 46%. It outlines the programmes, initiatives, and investments the Council will need to develop in order to deliver the required reductions in carbon emissions in Surrey.</p> <p>The CCDP includes carbon emission reduction targets across four programme areas:</p> <ol style="list-style-type: none"> <li>1. Greener Futures Communities (including individuals, homeowners, landlords and communities)</li> <li>2. One Net Zero Public Estate (including local authorities, Surrey County Council, NHS, Surrey Police and other in the public sector)</li> <li>3. Build Back Greener (including planning authorities and developers)</li> <li>4. Grow Back Greener (including landowners managers such as local authorities).</li> </ol> <p>There are 3 main principles in the CCDP:</p> <ol style="list-style-type: none"> <li>1. Our 2030 SCC and 2050 Surrey area targets mean reducing emission for Surrey by 46% by 2025.</li> <li>2. Due to the scale of investment and type of measures we need to create new finance models and support others with finance.</li> <li>3. We need to always look to match the challenge with an opportunity or benefit to achieve maximum value for money.</li> </ol> <p>It is essential that we reduce emissions in Surrey in line or before the targets set out in the Climate Change Strategy and Delivery Plan, otherwise there will be more extreme impacts on all Surrey residents, particularly impacting vulnerable groups including residents with disabilities and lower-socio economic groups. The main role of the Climate Change team will be to aggregate projects and programmes and arrange financing.</p> <p>For this initial equality impact assessment, this assessment will primarily, at a high level, assess the impacts of reducing our organisation emissions, reducing transport and housing.</p> <p>The Climate Change Delivery Plan is a live document and therefore this equality impact assessment will continue to be developed and monitor impact on equality as the projects develop. This is an early assessment of the impacts that pulls out the key areas.</p>
<p><b>Why does this EIA need to be completed?</b></p>	<p>The Climate Change Delivery Plan (CCDP) is crosscutting and will impact on service areas across the council. It will impact residents and service users and therefore will impact upon those with protected characteristics.</p>

Question	Answer
<p><b>Who is affected by the proposals outlined above?</b></p>	<p>The CCDP will impact upon everyone who lives, works and travels in Surrey. This includes residents and communities, SCC staff and public and private sector organisations.</p>
<p><b>How does your service proposal support the outcomes in <a href="#">the Community Vision for Surrey 2030</a>?</b></p>	<p>It links to the ambition that “Residents live in clean, safe and green communities, where people and organisations embrace their environmental responsibilities”.</p>
<p><b>Are there any specific geographies in Surrey where this will make an impact?</b> (Delete the ones that don't apply)</p>	<p>County-wide</p>
<p><b>Briefly list what evidence you have gathered on the impact of your proposals</b></p>	<p>The CCDP and its strategic priorities were developed through engaging with:</p> <ul style="list-style-type: none"> <li>• University of Leeds</li> <li>• Resident Focus Groups (including young people, older people, homeowners, environmental groups and small and medium sized businesses) and engagement through the Commonplace platform. (<a href="https://surreysgreenerfuture.commonplace.is/">https://surreysgreenerfuture.commonplace.is/</a>)</li> <li>• Workshops with internal and external partners including the Surrey Climate Commission and Surrey People's Assembly.</li> <li>• Collaboration with other internal service areas.</li> </ul> <p>National reports tell us that there is a risk of adverse social outcomes associated with climate change mitigation including worsening inequality. However, these negative inequality impacts can be mitigated and prevented with conscious effort, careful planning and multi-stakeholder engagement.</p> <p>[Sanna Markkanen &amp; Annela Anger-Kraavi (2019) Social impacts of climate change mitigation policies and their implications for inequality, Climate Policy]</p>

## 2. Service Users / Residents

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

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

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

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

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### Summary of potential equality impacts of the Surrey Climate Change Delivery Plan

Overall objective	Projects/Programmes	Potential equality outcomes (increasing potential increasing/decreasing inequality)				
		Age	Disability	Pregnancy and maternity	Socio-economic disadvantage	Gender



# Equality Impact Assessment

Net Zero carbon for Surrey's organisational emissions by 2030.	SCC Net Zero Carbon 2030 Programme.		↑	↑ ↓	↑	
66% reduction in domestic. housing sector by 2035.	Green Jump Surrey	↓	↑ ↓		↑ ↓	↑ ↓
60% emissions reduction in the Transport sector by 2035	Rethinking Transport Farnham Infrastructure Project	↑ ↓	↑ ↓	↑ ↓	↑ ↓	↑ ↓
70% of all local authority collected waste reused, composted, or recycled by 2030.	Rethinking Waste	↑	↑	↑		
56% emissions reduction across industry by 2035	Skills training for Green jobs.	↑ ↓	↑ ↓		↑ ↓	

## Age

Question	Answer
<p><b>What information (data) do you have on affected service users/residents with this characteristic?</b></p>	<p>Within Surrey there are an estimated (2017):</p> <ul style="list-style-type: none"> <li>• 71,000 children under 5 (6% population)</li> <li>• 175,300 aged 5-16 (14.8%)</li> <li>• 105,100 aged 17-24 (8.9%)</li> <li>• 611,700 people aged 25-64 (51.6%)</li> <li>• 222,200 older people aged 65+ (18.7%)</li> </ul> <p>The population of Surrey is projected to increase by 11% between 2017 and 2041 reaching 1,309,500. 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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>[<a href="https://www.surreyi.gov.uk/jsna/surrey-context/#:~:text=The%20estimate%20is%20broken%20down,65%2B%2C%20(18.7%25).">https://www.surreyi.gov.uk/jsna/surrey-context/#:~:text=The%20estimate%20is%20broken%20down,65%2B%2C%20(18.7%25).</a>]</p>
<p><b>Impacts</b> (Delete as applicable)</p>	<p>Both</p>

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Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
What impacts have you identified?	What are you basing this on?	Actions to mitigate or enhance impacts	Due date	<i>Who is responsible for this?</i>

# Equality Impact Assessment

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
Anecdotally it is recognised that the cost of purchasing an electric vehicle is more likely to be exclusionary to older and younger people as both age groups are less likely to be employed. 18-29 year olds are least likely to own a car (55%) but most likely to be planning to purchase one (22%), compared to 77% of over 60s owning cars.	[ <a href="https://www.statista.com/statistics/682596/consumers-who-own-a-motor-vehicle-in-the-united-kingdom-uk-by-age/">https://www.statista.com/statistics/682596/consumers-who-own-a-motor-vehicle-in-the-united-kingdom-uk-by-age/</a> ]	Continue to explore how to incentivise the use of ultra-low emissions vehicles without penalising those who cannot afford ultra-low or zero emissions vehicles such as electric.	2021 onwards	Greener Futures, Highways and transport
Young people are more likely to already be reliant on public transport (they use buses for 15% of their journeys compared to 7% for all journeys). Fewer young people now own cars or have driving licenses. Improved public transport links will mean that education, training, businesses, services and opportunities are more accessible, for example later buses enabling young people to work after college or attend sports clubs.	[ <a href="https://bettertransport.org.uk/sites/default/files/research-files/Young_People_and_Buses_FINAL_forweb_0.pdf">https://bettertransport.org.uk/sites/default/files/research-files/Young_People_and_Buses_FINAL_forweb_0.pdf</a> ]	Individual projects and programmes will conduct equality impact assessments.	2021 onwards	Rethinking Transport
Encouraging active travel (walking and cycling) will have several health and wellbeing benefits. Active travel ties into healthy living objectives and fighting childhood obesity, thereby having a positive impact on children's lives.	[ <a href="https://www.sustrans.org.uk/our-blog/get-active/2019/everyday-walking-and-cycling/the-benefits-of-cycling-for-children-and-families/">https://www.sustrans.org.uk/our-blog/get-active/2019/everyday-walking-and-cycling/the-benefits-of-cycling-for-children-and-families/</a> ]	Individual projects and programmes will conduct equality impact assessments.	2021 onwards	Rethinking Transport. Public Health, Active Travel Team
Encouraging the uptake of public and active transport, and increasing zero-emission vehicles should reduce air pollution and increase the quality of life for all members of the community. Benefits could be particularly pronounced for children and older residents who tend to suffer disproportionately from respiratory illnesses (such as asthma).	Asthma is more widespread in children than in adults. It is the most common long-term childhood medical condition, affecting 1.1m in the UK (Asthma UK).	Individual projects and programmes will conduct equality impact assessments.	2021 onwards	Public Health, Greener Futures, Transport

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
Encouraging people in Surrey to use public transport could impact particularly on those who have anxiety in public and crowded places following COVID-19. This includes shielding residents who are more likely to be older.	<a href="https://www.bloomberg.com/news/articles/2020-06-12/fear-of-public-transit-remains-high-in-london">[https://www.bloomberg.com/news/articles/2020-06-12/fear-of-public-transit-remains-high-in-london]</a>	National campaigns are likely to outline the safety of using public transport and the cleaning regimes in places. Continue to work closely with transport partners to understand barriers to transport use.	June 2021 onwards	Greener Futures Comms
The cost of public transport may be exclusionary for protected groups who are more likely to be on a lower income, including older people and young people.	[Inequalities in Mobility and Access in the UK Transport System, Future of Mobility Evidence Review, Government Office for Science, 2019)	Continue subsidies for buses and explore options for further targeted subsidies.	Ongoing	Rethinking Transport

# Equality Impact Assessment

<p>Cold homes and fuel poverty disproportionately affect children, adolescents, vulnerable adults, those with existing health conditions, and older people.</p> <p>Therefore, projects in the delivery plan to improve the heat efficiency of existing and new homes will have a particular positive impact for this age group.</p> <p>For this there must be a whole-house approach so that bills for residents do not increase through the installation of individual measures such as heat pumps and electric boilers, as electric is more expensive than gas.</p>	<p><a href="http://www.instituteofhealthequity.org/resources-reports/the-health-impacts-of-cold-homes-and-fuel-poverty">http://www.instituteofhealthequity.org/resources-reports/the-health-impacts-of-cold-homes-and-fuel-poverty</a></p>	<p>Green Jump Surrey (GJS), facilitated in partnership with Action Surrey, is a £9.2m project with funding awarded by central government's Green Homes Grant. The Green Homes Grant funding will provide eligible households with up to £10,000 to improve the energy efficiency of their homes.</p> <p>In addition to the Government's grant, Surrey County Council is contributing £750,000 to the Green Jump Surrey project as top-up funding to cover the full cost of works up to a value of £15,000.</p> <p><b>Household Eligibility</b> To be eligible for the funding:</p> <p>A) your property needs to be considered hard-to-heat, and</p> <p>B) your household needs to meet one of the following:</p> <ul style="list-style-type: none"> <li>- be in receipt of an eligible income related benefit, or</li> <li>- have a gross annual household income of less than £30,000,</li> <li>- if you have 2 or more dependent children, have a gross annual household income of less than £35,000, or</li> <li>- your household income after housing (mortgage) cost is less than £20,000, where your starting gross income is less than £35,000.</li> </ul>	<p>The Green Jump Surrey funding is available on a first-come, first-serve basis. The project allows for up to 900 homes to be supported and will run until the 30th September 2021.</p>	<p>Action Surrey Partnership, Greener Futures</p>
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Question	Answer
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b></p> <p><b>Are there any dependencies decisions makers need to be aware of</b></p>	<p>The Climate Change Delivery Plan will impact all those who live, work and travel in Surrey so therefore other programmes are likely to affect the same groups of residents. However, the negative impacts of not mitigating climate change will vastly outweigh the potential negative impacts of the mitigation outlined in the CCDP.</p>

Question	Answer
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p>	<p>Identifies negative impacts that can't be mitigated, together with evidence.</p>

## Disability

Question	Answer
<p><b>What information (data) do you have on affected service users/residents with this characteristic?</b></p>	<p>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 unchanged since 2001. Activities of 88,600 (5.7%) are limited 'a lot'. This includes problems that are due to old age.</p> <p>86% of Surrey residents are in good or very good health, with just 3.5% suffering bad or very bad health. 108,400 (9.6%) Surrey residents are providing unpaid care to a friend or relative.</p> <p>The proportion of the population reporting a health problem is highest in Spelthorne (14.9%), Tandridge (14.8%) and Mole Valley (14.7%) and lowest in Elmbridge (12.1%).</p> <p>Fewer Surrey residents reported a health than the national average.</p> <p>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.</p> <p>[<a href="https://www.surreyi.gov.uk/2011-census/disability-health-and-carers/">https://www.surreyi.gov.uk/2011-census/disability-health-and-carers/</a>]</p>
<p><b>Impacts</b> (Delete as applicable)</p>	<p>Both</p>

# Equality Impact Assessment

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
What impacts have you identified?	What are you basing this on?	Actions to mitigate or enhance impacts	Due date	Who is responsible for this?
There is concern that an increase in electric vehicle charging points on roads could pose an increased barrier and risk for those with a visual impairment and wheelchair users.	[ <a href="https://energysavingtrust.org.uk/wp-content/uploads/2020/10/Local-Authority-Guidance-Positioning-chargepoints.pdf">https://energysavingtrust.org.uk/wp-content/uploads/2020/10/Local-Authority-Guidance-Positioning-chargepoints.pdf</a> ]	Support the instalment of electric vehicle charging points off-road in car parks.	2021 onwards	Transport and Highways, district and borough officers

Question	Answer
<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>	If so, please detail your awareness of whether this will exacerbate impacts for those with protected characteristics and the mitigating actions that will be taken to limit the cumulative impacts of these changes.

Question	Answer
<b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b>	Identifies negative impacts that can't be mitigated, together with evidence.

## Pregnancy and Maternity

Question	Answer
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	In 2010 the total fertility rate for Surrey was 1.98, slightly below the national average of 2 with 12,018 births.
<b>Impacts</b> (Delete as applicable)	Both

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
What impacts have you identified?	What are you basing this on?	Actions to mitigate or enhance impacts	Due date	Who is responsible for this?
Those who use pushchairs may find it challenging to navigate pavements if more electric vehicle charging points are installed, creating street clutter.		Support the instalment of electric vehicle charging points in car parks to avoid cluttering pavements.	2021 onwards	Highways and Transport
Retrofitting homes with insulation and other energy saving measures could support the health of newborn babies, as babies require a warmer and stable air temperature (16-20C).	[ <a href="https://www.lullabytrust.org.uk/safer-sleep-advice/baby-room-temperature/">https://www.lullabytrust.org.uk/safer-sleep-advice/baby-room-temperature/</a> ]	Promote whole house retrofitting measures to young families.	2021 onwards	Greener Futures

Question	Answer
<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>	The Climate Change Delivery Plan will impact all those who live, work and travel in Surrey so therefore other programmes are likely to affect the same groups of residents. However, the negative impacts of not mitigating climate change will vastly outweigh the potential negative impacts of the mitigation outlined in the CCDP.

Question	Answer
<b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b>	Identifies negative impacts that can't be mitigated, together with evidence.

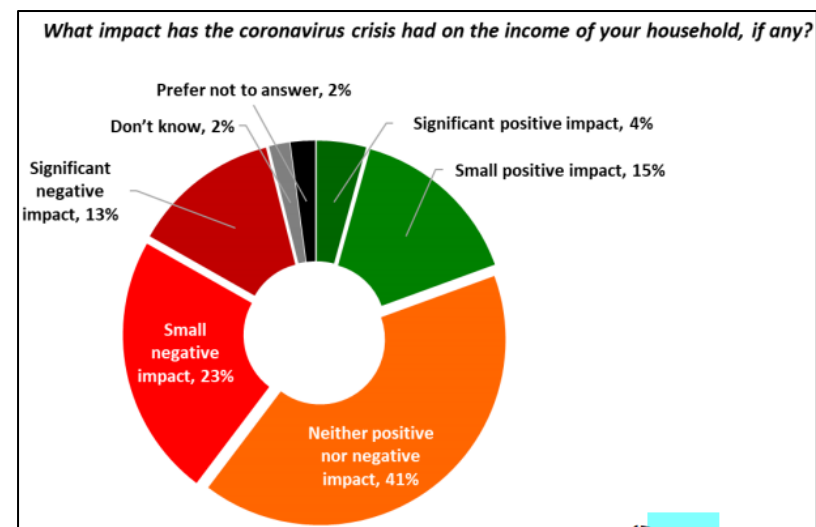


# Equality Impact Assessment

## Socio-economic disadvantage

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Question	Answer
<p><b>What information (data) do you have on affected service users/residents with this characteristic?</b></p>	<p>On a scale of average Index of Multiple Deprivation, where 1 is the most deprived, at County level Surrey ranks 150 out of 152. The income Deprivation Affecting Children Index indicates that 10% of Surrey’s children are affected by income deprivation. However, in the worst affected areas, parts of Goldsworth East and Maybury &amp; Sheerwater wards (Woking), over 40% are affected.</p> <p>Low income households are at a greater risk of fuel poverty, contributing to social and health inequalities. Children living in poverty are almost twice as likely to live in bad housing. This has significant impacts on their physical and mental health, as well as educational achievement.</p> <p>The COVID-19 pandemic and lockdowns has had a negative impact on the local economy and the impact of that has been felt the most in areas with a higher reliance on certain industries such as aviation. The top 5 most impacted areas in summer 2020 were:</p> <ul style="list-style-type: none"> <li>• Walton North &amp; Molesey Heath (Elmbridge)</li> <li>• Stanwell North &amp; Stanwell Moor (Spelthorne)</li> <li>• Bagshot (Surrey Heath)</li> <li>• Warlingham East &amp; Tatsfield (Tandridge)</li> <li>• Tattenham South (Reigate &amp; Banstead)</li> </ul> <p>The number of people claiming universal credit or Job’s Seeker’s Allowance increased by over 300% in some areas of Surrey. Many of those residents were seeking financial support for the first time.</p> <p>[Surrey Covid-19 Community Impact Assessment:</p> <p><a href="https://mycouncil.surreycc.gov.uk/mgConvert2PDF.aspx?ID=73738">https://mycouncil.surreycc.gov.uk/mgConvert2PDF.aspx?ID=73738</a></p> <p>[Economy, Employment and Deprivation, 2018: <a href="https://www.surreyi.gov.uk/jsna/economy-employment-and-deprivation/">https://www.surreyi.gov.uk/jsna/economy-employment-and-deprivation/</a>]</p>
<p><b>Impacts</b> (Delete as applicable)</p>	<p>Both</p>



Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
What impacts have you identified?	What are you basing this on?	Actions to mitigate or enhance impacts	Due date	Who is responsible for this?
Decrease in air pollution from transport can reduce health inequalities. The greatest air quality benefits will accrue primarily to lower income households who are most likely to live in locations affected by poor air quality from road transport. The investment in Farnham infrastructure is one example of a project SCC are leading to work towards reducing transport emissions.	[Hajat, A., Hsia, C., & O'Neill, M. (2015). Socioeconomic disparities and air pollution exposure: A global review.]	Equality Impact Assessments will be completed for individual projects.	Farnham Infrastructure Project 2021 - 2036	Transport and infrastructure
Low income households are at a greater risk of fuel poverty which will be exacerbated by requirements to fit electric boilers and heat pumps which may increase household bills. Lower income households will not be able to afford the measures needed to comply with the targets in the delivery plan and will need support e.g. pay-as-you-save loans.  Better insulated houses can also lead to improved health.	[Hills, J. (2012). Getting the measure of fuel poverty: Final report of the fuel poverty review]  [The Marmot Review Team. (2011). The health impacts of cold homes and fuel poverty. London: Friends of the Earth & The Marmot Review Team.]	The decarbonisation of housing outlined in the delivery plan must take a 'whole-house' approach to avoid increasing utility bills for households. This is especially important as electricity is currently significantly more expensive than gas. Houses must be checked for need of double-glazing, insulation and renewable energy at the same time as fitting other measures such as heat pumps. Accessible funding schemes must be implemented.	The Green Jump Surrey funding is available on a first-come, first-serve basis. The project allows for up to 900 homes to be supported and will run until the 30th September 2021.	Greener Futures, Action Surrey. D&B Housing Officers
Funded training opportunities in the green economy may benefit those who are struggling to finance further training, or are not in employment.		Ensure that training opportunities are funded, accessible and promoted in Job Centres.	2022 onwards	Greener Futures, Economic Development, Adult Education

Question	Answer
<b>What other changes is the council planning/already in place that may affect the same groups of residents?</b> <b>Are there any dependencies decisions makers need to be aware of</b>	The Climate Change Delivery Plan will impact all those who live, work and travel in Surrey so therefore other programmes are likely to affect the same groups of residents. However, the negative impacts of not mitigating climate change will

# Equality Impact Assessment

<b>Question</b>	<b>Answer</b>
	vastly outweigh the potential negative impacts of the mitigation outlined in the CCDP.

<b>Question</b>	<b>Answer</b>
<b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b>	Identifies negative impacts that can't be mitigated, together with evidence.

## Gender

<b>Question</b>	<b>Answer</b>
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	In the UK 50.6% of the population is female, and Surrey is in line with this statistic.
<b>Impacts</b> (Delete as applicable)	Both

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<b>Impacts identified</b>	<b>Supporting evidence</b>	<b>How will you maximise positive/minimise negative impacts?</b>	<b>When will this be implemented by?</b>	<b>Owner</b>
What impacts have you identified?	What are you basing this on?	Actions to mitigate or enhance impacts	Due date	Who is responsible for this?
Please see above as residents who are impacted due to gender.	N/A	The Equality, Diversity and Inclusion Programme will support and protect staff with protected characteristics to improve the support SCC provide them.	N/A	N/A

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
<p>Women are less likely to cycle for travel than men, so to avoid women being left behind in shift to active travel programmes need to support women to cycle.</p>	<p>In the active lives survey from 2017/18 it was found that only 8.3% of women cycle for travel compared to 17.4% for men, whilst 76.5% walk for leisure compared to 73.9% for men.</p>	<p>The Rethinking Transport Programme will be exploring developing training opportunities for women and girls to boost confidence in cycling.</p>	<p>2022</p>	<p>Rethinking Transport.</p>
<p>Addressing energy consumption and efficiency in the home can not only substantially reduce the county's emissions, but also help to reduce the occurrence of fuel poverty by reducing the energy requirements in the home, of which 7.7% of Surrey's population are fuel poor households. Poorly or inefficiently heated houses can create cold homes which have significant and demonstrable health impacts, or worsening of existing health conditions. There are half a million more women in poverty in UK, and therefore likely to be suffering the effects of poorly heated homes.</p>	<p><a href="https://www.jrf.org.uk/blog/iwd2018-time-loosen-grip-poverty-women-uk">[https://www.jrf.org.uk/blog/iwd2018-time-loosen-grip-poverty-women-uk]</a></p>	<p>Full assessment of individual actions prior to further development and delivery, ensuring actions and communications are targeted towards the groups identified as appropriate.</p> <p>Example actions include:</p> <ul style="list-style-type: none"> <li>• Monitor energy use within social housing to identify measures that can be developed to tackle low energy efficiency.</li> </ul> <p>The Green Jump Surrey scheme will support eligible low-income households with matched funding to retrofit their homes.</p>	<p>2021 onwards</p>	<p>Greener Futures, District and Borough Housing Officers</p>

Question	Answer
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b>  <b>Are there any dependencies decisions makers need to be aware of</b></p>	<p>The Climate Change Delivery Plan will impact all those who live, work and travel in Surrey so therefore other programmes are likely to affect the same groups of staff. However, the negative impacts of not mitigating climate change will vastly outweigh the potential negative impacts of the mitigation outlined in the CCDP.</p>

Question	Answer
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p>	<p>Identifies negative impacts that can't be mitigated, together with evidence.</p>

# Equality Impact Assessment

## 3. Staff

### Age

Question	Answer
What information (data) do you have on affected service users/residents with this characteristic?	As of 2020, 4.84% of Surrey County Council staff were aged 13-24 years and 13.48% were aged over 60 years.  Surrey County Council has an Early Careers Network to support mainly younger employees in the initial stages of their careers in local government.
Impacts (Delete as applicable)	Both

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
What impacts have you identified?	What are you basing this on?	Actions to mitigate or enhance impacts	Due date	Who is responsible for this?
Please see above for the impacts that the Climate Change Delivery Plan will have on age of residents.	N/A	The Equality, Diversity and Inclusion Programme will support and protect staff with protected characteristics to improve the support SCC provide them.	N/A	N/A

Question	Answer
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	The Climate Change Delivery Plan will impact all those who live, work and travel in Surrey so therefore other programmes are likely to affect the same groups of

<b>Question</b>	<b>Answer</b>
	staff. However, the negative impacts of not mitigating climate change will vastly outweigh the potential negative impacts of the mitigation outlined in the CCDP.

<b>Question</b>	<b>Answer</b>
<b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b>	Identifies negative impacts that can't be mitigated, together with evidence.

## Pregnancy and Maternity

<b>Question</b>	<b>Answer</b>
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	The Parent and Carer Network supports employees with this characteristic. Anecdotally there are a significant number of parents working for Surrey County Council, although data is not available.
<b>Impacts</b> (Delete as applicable)	<b>Both</b>

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<b>Impacts identified</b>	<b>Supporting evidence</b>	<b>How will you maximise positive/minimise negative impacts?</b>	<b>When will this be implemented by?</b>	<b>Owner</b>
What impacts have you identified?	What are you basing this on?	Actions to mitigate or enhance impacts	Due date	Who is responsible for this?
Please see above the impacts identified for residents in the protected group.	N/A	The Equality, Diversity and Inclusion Programme will support and protect staff with protected characteristics to improve the support SCC provide them.	N/A	N/A

# Equality Impact Assessment

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
The agile working programme, which will reduce the need to travel to work may benefit pregnant employees and those who are returning from maternity leave to attend necessary appointments and balance child care.		Regular conversations with your manager to ensure that both business and personal needs are met.	Ongoing	Agile Working Programme
Anecdotally, pregnant, or new parents may find it more difficult to reduce car dependency due to need to attend appointments and transport child.		Regular conversations with your manager to ensure that both business and personal needs are met.	Ongoing	Managers

Question	Answer
<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>	The Climate Change Delivery Plan will impact all those who live, work and travel in Surrey so therefore other programmes are likely to affect the same groups of staff. However, the negative impacts of not mitigating climate change will vastly outweigh the potential negative impacts of the mitigation outlined in the CCDP.

Question	Answer
<b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b>	Identifies negative impacts that can't be mitigated, together with evidence.

## Socio-economic disadvantage

Question	Answer
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	<p>Surrey County Councils lowest paid employees are defined as those who are paid on the lowest Surrey Pay grade, PS 1/2 . As of 1<sup>st</sup> April 2020 this equates to £17,457 per annum for full time staff.</p> <p>The salary for level 2/3 apprenticeships is 85% of grade PS1 in year one, rising to the full rate of pay in year two. The salary for level 4/5 apprenticeships is at Surrey Pay grade PS3.</p> <p>There are several contributing factors to whether a member of staff might be in this category, including dependents, whether they are part-time and outgoings.</p>

Question	Answer
<b>Impacts</b> (Delete as applicable)	Both

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
What impacts have you identified?	What are you basing this on?	Actions to mitigate or enhance impacts	Due date	Who is responsible for this?
Please see above for the residents who are impacted by socio-economic disadvantage.	N/A	The Equality, Diversity and Inclusion Programme will support and protect staff with protected characteristics to improve the support SCC provide them.	N/A`	N/A
Those who are lower paid employees may also need to travel extensively for business travel (e.g. adult social care workers). The target to reduce business travel emissions by 89% will disproportionately impact on these staff who may not be able to afford a zero emissions vehicle or access charging points at home.	[ <a href="https://www.smf.co.uk/electric-vehicle-switchover-risks-backlash-without-support-for-low-income-voters/">https://www.smf.co.uk/electric-vehicle-switchover-risks-backlash-without-support-for-low-income-voters/</a> ]	The Greener Futures Strategic Board, which feed into the Corporate Leadership Team, will take responsibility to ensure that lower income staff are not financially disadvantaged by any of the policies that SCC will be putting in place to achieve our carbon reduction targets. This might be through purchasing a fleet of Surrey County Council zero-emission vehicles for those employees, such as care workers, to use.	2022 onwards	Greener Futures, HR, Sustainable Fleet Manager

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Question	Answer
<b>What other changes is the council planning/already in place that may affect the same groups of residents?</b> <b>Are there any dependencies decisions makers need to be aware of</b>	The Climate Change Delivery Plan will impact all those who live, work and travel in Surrey so therefore other programmes are likely to affect the same groups of residents. However, the negative impacts of not mitigating climate change will



# Equality Impact Assessment

<b>Question</b>	<b>Answer</b>
	vastly outweigh the potential negative impacts of the mitigation outlined in the CCDP.

<b>Question</b>	<b>Answer</b>
<b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b>	Identifies negative impacts that can't be mitigated, together with evidence.

## Disability

<b>Question</b>	<b>Answer</b>
<b>What information (data) do you have on affected service users/residents with this characteristic?</b>	As of 2020, 2.69% of Surrey County Council Staff declared a disability. Surrey County Council has a staff disability network. [ <a href="https://www.surreycc.gov.uk/__data/assets/pdf_file/0006/91707/Equalities-and-Diversity-Profile-2018-2020-1.pdf">https://www.surreycc.gov.uk/__data/assets/pdf_file/0006/91707/Equalities-and-Diversity-Profile-2018-2020-1.pdf</a> ]
<b>Impacts</b> (Delete as applicable)	Both

<b>Impacts identified</b>	<b>Supporting evidence</b>	<b>How will you maximise positive/minimise negative impacts?</b>	<b>When will this be implemented by?</b>	<b>Owner</b>
What impacts have you identified?	What are you basing this on?	Actions to mitigate or enhance impacts	Due date	Who is responsible for this?
Please see above as residents who are impacted with disabilities.	N/A	The Equality, Diversity and Inclusion Programme will support and protect staff with protected characteristics to improve the support SCC provide them.	N/A	N/A

Impacts identified	Supporting evidence	How will you maximise positive/minimise negative impacts?	When will this be implemented by?	Owner
Schemes to reduce council business travel by 89% may negatively impact staff who are unable or do not want to use public transport due to access issues.	Findings from a study by Scope showed that 30% of disabled people say that difficulties with public transport has reduced their independence.  [ <a href="https://www.scope.org.uk/campaigns/travel-fair/travel-fair-report-summary/">https://www.scope.org.uk/campaigns/travel-fair/travel-fair-report-summary/</a> ]	Improve accessibility on public transport, ensure that all Council buildings are fully accessible by integrated public transport. Provide opportunities to use council fleet zero emission vehicles if there is no alternative.	2022 onwards	Greener Futures, HR

Question	Answer
<p><b>What other changes is the council planning/already in place that may affect the same groups of residents?</b></p> <p><b>Are there any dependencies decisions makers need to be aware of</b></p>	The Climate Change Delivery Plan will impact all those who live, work and travel in Surrey so therefore other programmes are likely to affect the same groups of staff. However, the negative impacts of not mitigating climate change will vastly outweigh the potential negative impacts of the mitigation outlined in the CCDP.

Question	Answer
<p><b>Any negative impacts that cannot be mitigated? Please identify impact and explain why</b></p>	Identifies negative impacts that can't be mitigated, together with evidence.

## 4. Amendments to the proposals

CHANGE	REASON FOR CHANGE
What changes have you made as a result of this EIA?	Why have these changes been made?
Identified that action to reduce SCC business travel to net-zero would disproportionately discriminate against lower paid staff who have essential car travel for their role as they are unable to afford electric vehicles. It will be considered that a scheme needs to be put in place to make electric vehicles available to these staff.	We have set a target of reducing carbon emissions by 89% by 2030, which would disproportionately discriminate against lower paid members of staff who may find it difficult to personally purchase ultra-low or zero carbon emission vehicles.
Identified that actions that increased safety for women and LGBTQI persons would enable them to increase their use of public and active transport	A recognition that the biggest limit on these groups utilising public transport is not due to lack of concern about the environment but concerns for safety. Exploring need for adult education classes on confident cycling for underrepresented groups through the Rethinking Transport Programme.
Noting the need for any skills-based training and learning as part of the green economy shift is equally promoted with women, those of ethnic minority background and other protected characteristic.	The need to limit further entrenching inequalities that exist in economic accessibility for these groups within traditional markets.

## 5. Recommendation

Based your assessment, please indicate which course of action you are recommending to decision makers. You should explain your recommendation 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?	Yes
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 <a href="#">Equality and Human Rights Commission's guidance and Codes of Practice on the Equality Act</a> concerning employment, goods and services and equal pay).	

# Equality Impact Assessment

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Question	Answer
<b>Confirmation and explanation of recommended outcome</b>	The positive impacts of the Climate Change Delivery Plan across the council's services and related policies, which include transport, environment, and planning amongst others, significantly outweigh the potential negative risks. There are some potential barriers to achieving equality mostly associated with the promotion of active and public transport which may hinder accessibility. The projects or schemes associated with the strategy are still high level and therefore although adjustments have been made to the actions to be explicit that accessibility should not be compromised in their implementation. It is therefore recommended that specific EIAs are carried out on the projects when designed in more detail.

## 6a. Version control

Version Number	Purpose/Change	Author	Date
0.3	Full Draft	Charlotte Swope	14/05/2021
0.4	Update	Charlotte Swope	29/09/2021

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

Approved by*	Date approved
Head of Service – Katie Sargent	29/09/2021
Executive Director – Katie Stewart	
Cabinet Member	
Directorate Equality Group	

<b>EIA Author</b>	Charlotte Swope
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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
Katie Sargent	Greener Futures Group Manager	SCC	Group Manager
Joanna Adsoy	Project Manager	SCC	Project Manager
Charlotte Swope	Environment Officer (Comms, Engagement and Delivery)	SCC	Environment Officer
Adam Whittaker	Policy and Strategic Partnerships Manager	SCC	Corporate Equalities Oversight

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

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**SURREY COUNTY COUNCIL****CABINET****DATE: 25 JULY 2023****REPORT OF CABINET MEMBER: MATT FURNISS, CABINET MEMBER FOR TRANSPORT, INFRASTRUCTURE****GROWTH AND CLARE CURRAN, CABINET MEMBER FOR EDUCATION AND LEARNING****LEAD OFFICER: MICHAEL COUGHLIN, EXECUTIVE DIRECTOR FOR PARTNERSHIPS, PROSPERITY AND GROWTH****SUBJECT: PATHWAYS TO EMPLOYMENT - SURREY CAREERS HUB****ORGANISATION STRATEGY PRIORITY AREA: GROWING A SUSTAINABLE ECONOMY SO EVERYONE CAN BENEFIT, THRIVING COMMUNITIES, ENABLING A GREENER FUTURE, NO-ONE LEFT BEHIND****Purpose of the Report:**

This report sets out the significant progress made since the March Cabinet report on 'Pathways to Employment: Supporting Surrey Residents' Skills Development and Employability' and provides details of the agreement reached with the Careers & Enterprise Company (CEC) for this council to create and deliver a single Careers Hub aligned to the Surrey geography starting in September 2023.

**Recommendations:**

It is recommended that Cabinet:

1. Notes the updated plan for the Council to deliver a Surrey Careers Hub on behalf of the Careers and Enterprise Company from September 2023. This work aligns with the Surrey Skills Plan and priorities of the Local Skills Improvement Plan.
2. Notes the proposals for funding and longer-term resourcing of the programme.
3. Agrees the proposals for monitoring and evaluation of the Careers Hub through a number of Key Performance Indicators (KPIs), including delegation of oversight on progress to the Portfolio Holders for Education & Learning and for Transport, Infrastructure & Growth, with the Children, Families and Lifelong Learning Select Committee also having a scrutiny role.

**Reason for Recommendations:**

Currently, there are two Careers Hubs that operate in Surrey managed by each of the Local Enterprise Partnerships (LEPs). By SCC taking over the functions of the Careers Hub across a Surrey-wide geography it will allow the council to deliver activity that is better aligned with its four strategic priorities, whilst also delivering greater impact for young people, residents and businesses.

## Introduction

1. In March 2023, Cabinet endorsed a report entitled 'Pathways to Employment: Supporting Surrey Residents' Skills Development and Employability', which set out a programme of work building on the recently launched Surrey Skills Plan and Lifetime of Learning education strategy.
2. The report set out the strategic context for change, a rationale for the approach, how it would be delivered, the funding and resource implications, and the overall benefits it would deliver to residents, young people, businesses and local economy. A recommendation within the report was to endorse:
  - a. *“the approach for SCC to explore taking on new responsibilities related to schools-focused careers advice and guidance in line with recognition of the need to operate on a Surrey County geography, subject to the appropriate funding being in place. This will be done, in accordance with the scheme of delegation by way of a Lead Cabinet Member decision.”*
3. As articulated in the March cabinet report, employment and skills activity is delivered through several organisations. One of those areas of activity is careers advice, information and guidance (CAIAG), which is delivered within schools and colleges and supported by Careers Hubs.
4. In Surrey, the Hubs are currently delivered by Enterprise M3 and Coast to Capital LEPs through a contract with the CEC. Through this contract, the Hubs deliver a range of activities focused around developing the capability and capacity of careers education with schools and colleges. This activity includes training and supporting Careers Leaders, bringing employers, educators and providers together and sharing digital tools and resources. From September 1<sup>st</sup> 2023, the Council will be responsible for delivering the Careers Hub service.

## Strategic context

5. The Surrey Skills Plan, launched in November 2022, set out the Council's ambition to play a greater leading role within the skills system to allow the organisation the opportunity to positively impact across several core strategic priorities. By taking on ownership directly of the Careers Hub service, the Council will be able to align the service to the strategic ambitions:
  - a. **Growing A Sustainable Economy So Everyone Can Benefit** – Businesses across every sector and at every skill level are facing significant recruitment challenges. Access to a skilled workforce is central to supporting the county's strong business base to grow and innovate.
  - b. **Tackling Health Inequality** – It is widely acknowledged that educational achievement and access to quality work is a helpful contributor to a young person's wider health, wellbeing and social mobility. Improving careers advice and guidance will help to support progression from education into the workforce.
  - c. **Thriving communities** – A key element of Careers Hubs is to create “encounters” between young people and local employers so that they can



better understand different sectors and occupations and what skills are required. Enabling these types of interactions and building stronger connections between the local economy and Surrey's school community will help to support the council's Thriving Communities strategic priority.

- d. **Enabling a greener future** – Careers advice and guidance in schools will be better tailored to highlight opportunities in the green economy and different education and training pathways into different green occupations.
  - e. **No-one left behind** – Targeted support can be delivered to the most disadvantaged groups of residents through a Surrey Careers Hub. SCC is committed to supporting young people by ensuring further education and skills provision within Surrey enables young people to overcome barriers and equips them with the necessary knowledge, pathways, qualifications and skills to progress.
6. As the Employer Representative Body (ERB), Surrey Chambers of Commerce has recently submitted a final version of the Local Skills Improvement Plan (LSIP) that covers this area. LSIPs are a new part of the local skills infrastructure that give employers a clear and strengthened role in shaping local skills provision. LSIPs set out a clear articulation of employers' skills needs and the priority changes to embed a more responsive and dynamic between employers and education and training providers. The Surrey and North/mid Hampshire LSIP specifically references Careers Hubs as having a crucial role to support delivery of the plan, and it identifies a number of priorities, notably for Careers Hubs:
    - a. Improve information, advice, and guidance.
    - b. Build dynamic relationships between businesses and providers.
  7. Taking over responsibility for a Careers Hub in Surrey represents an additional function that the council can use to support a coordinated respond to the LSIP findings. CEC also makes it a requirement of performance monitoring that Careers Hubs 'will align to future industries set out in their LSIP and identify, with employer input, at least one core future industry'<sup>1</sup>.
  8. A priority of this Council has been to make the case to Government and local partners the importance of coterminous arrangements (where suitable) that cover a single Surrey geography. The agreement by CEC to consolidate the two Careers Hub that operate in Surrey into one, is a demonstration of the progress being made by the council and will help support future cases made to Government about other key areas where alignment to the Surrey geography will deliver significant benefits and improved outcomes for the residents of Surrey, such as through a potential County Deal. It is also believed that the council, through its statutory (education) and non-statutory functions (economic development), holds the more established relationships with critical partners, such as schools and businesses, to enable successful delivery that aligns with wider strategic ambitions.

### **Careers & Enterprise Company (CEC) and Careers Hubs**

9. Careers Hubs bring together schools, colleges, employers, and apprenticeship providers in local areas to enable more direct engagement between employers and learners to bring the world of work closer to careers advice.

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<sup>1</sup> Careers & Enterprise Company Grant Offer Letter, 2023-24

10. Hubs drive progress against the Gatsby Benchmarks<sup>2</sup> by enabling schools and colleges to access training and support, and collaborate in a focussed way, bringing together best practice, local labour market insight, and dedicated support to facilitate partnerships with key local employers committed to improving careers across an area.
11. For 2023/24, the CEC have set five key priorities to ensure Careers Hubs nationally achieve maximum impact:
- a. **Priority 1:** Improve careers provision in schools and colleges against the Gatsby Benchmarks through support, training for the education workforce and quality assurance.
  - b. **Priority 2:** Provide more high-quality visibility, signposting and experiences with employers for students and teachers – with a focus on current ‘cold spots’.
  - c. **Priority 3:** Amplify apprenticeships, technical and vocational routes – including supporting the implementation of the Provider Access Legislation (PAL).
  - d. **Priority 4:** Target interventions for economically disadvantaged young people (Free School Meals) and those who face barriers.
  - e. **Priority 5:** Connect careers provision in schools and colleges to the needs of local economies (as articulated through Local Skills Improvement Plans)
12. The new contracting arrangements will allow SCC to take on a stronger and enhanced role in careers information, advice and guidance through delivery of a single Surrey Careers Hub from September 2023.

### **Opportunities and connections to existing programmes**

13. There is clear alignment with the council’s forthcoming Education and Lifetime of Learning Strategy, which will enable the council to bring our strong relationships with schools to bear on the service, including enabling closer links with the work done to support SEND schools and on our work with those not in education, employment or training (NEET). Within the targets set for Careers Hubs by the CEC, there is a particular focus on prioritising schools that serve the most disadvantaged young people in the area, including Special Schools and Alternative Provision and through the Surrey Virtual School..
14. The Careers Hub will be supported further by the council’s strong and developing work with local Surrey employers, reflecting our key sectors and industry sectors we work closely with. This will be further enhanced by building on the relationships the council has with Surrey skills providers, including FE Colleges, independent training providers, Surrey Adult Learning and our in-house academies, as evidenced by the proactive approach taken to the Surrey Skills Plan.

### **Surrey Careers Hub - finance and resourcing**

15. The Surrey Careers Hub will sit within the Economy & Growth Team and be overseen by the Head of Economy & Growth with the following structure sitting underneath:

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<sup>2</sup> Gatsby benchmarks define what world class careers provision in education looks like and provide a clear framework for organising the careers provision at school or college. The benchmarks are enshrined in statutory guidance.

- a. **Careers Hub Strategic Lead (x1)** – Key responsibilities:
  - i. Lead sustainable system change in careers provision.
  - ii. Drive cross sector engagement to ensure all can access high quality careers education that aligns with economic and skills priorities
- b. **Careers Hub Operational Lead (x1)** – Key responsibilities:
  - i. Lead a high performing team of Enterprise Coordinators
  - ii. Ensure that schools and colleges action plans are aligned with the Careers Hub Strategic Plan and align with local economic and skills priorities.
- c. **Enterprise Coordinator (x5)** – Key responsibilities:
  - i. Improving careers delivery within schools
  - ii. Caseload managing schools and Enterprise Advisers

Whilst direct line management responsibility will sit within the Economy & Growth team, there will also be a strong dotted line into the Children, Families and Lifelong Learning team to ensure that the council is maximising the opportunity the Hub brings to help deliver on wider strategic ambitions.

16. The council has been in detailed discussions with CEC and both LEPs for several months and is now able to begin the necessary recruitment and TUPE processes to deliver a functioning service from 1 September.
17. Year One of funding for the overall Pathways to Employment programme (including match funding for the Careers Hub has been secured from Transformation Funding and it is proposed that future funding of the programme will come from core budget (dependent on outcomes in year one being met).
18. A full business case for transformation funding has been developed to support delivery of these ambitions and address all liabilities. This includes the staffing costs to deliver the Careers Hub and the wider 'Pathways to Employment' activity as well as other costs, such as delivering events, and discretionary costs such as travel support for schools and young people to attend engagement opportunities.
19. For academic year 2023/24, the breakdown of funding will be:
  - a. CEC – £272,335 (maximum funding available)
  - b. SCC – £135,445 (maximum match funding required)

### **Monitoring and performance**

20. The council will be measured on a range of Key Performance Indicators (KPIs) that are standard across all of CEC's Careers Hub contracts. These include coverage in terms of number of schools involved and the recruitment and utilisation of Enterprise Advisors. A full list of Key Performance Indicators (KPIs) that form part of the contractual agreement between the Council and CEC have been included in Annex A.
21. The Council will be monitored for progress against these KPIs each year ahead of renewal of the contract. Oversight on progress will be the responsibility of the Portfolio Holders for Education & Learning and for Transport, Infrastructure & Growth.

**Consultation:**

22. For the March cabinet report ('Pathways to Employment: Supporting Surrey Residents' Skills Development and Employability'), several stakeholder groups were consulted, including:
- a. CLT
  - b. Cabinet
  - c. Children, Families and Lifelong Learning and Communities, Environment and Highways Select Committees
23. This cabinet report is a development of that work. Portfolio holders have continued to be updated on progress as appropriate. A further briefing will be shared with CLT and Cabinet ahead of this item being considered at Cabinet.
24. An update has been shared with external partners via:
- a. One Surrey Growth Board
  - b. Surrey Business Leaders' Forum
  - c. Surrey Skills Leadership Forum

**Risk Management and Implications:**

25. There are a number of risks associated with the taking ownership of the CEC contract, including:

<b>Risk</b>	<b>Mitigation</b>
CEC funding from Department for Education is reduced in future years	Develop a range of approaches of how service could be delivered with less funding. CEC funding is annual so contract delivery costs can be reviewed for future funding years.
Inability to recruitment into Surrey Careers Hub roles for September 2023 start.	Recruitment has already started for these roles.
Securing longer term funding to continue delivering after Transformation funding	Start preparing for this transition from year 2 of delivery.

**Financial and Value for Money Implications:**

26. Transformation funding of £0.45M has been secured for year one delivery of the Pathways to Employment programme, including the Careers Hub service.
27. There will be annual review points to assess the performance of the service and impact of the investment. Additional external sources of funding for future years, for skills and employability support associated with a national devolution agenda, will be explored. In the event that insufficient funding of this nature is secured to maintain the service, the balance will be met from core Economy and Growth budgets. It should be noted that there is the potential for one member of staff to be transferred under TUPE from Coast to Capital, which could lead to a slightly higher severance payment should redundancies ever be required.

**Section 151 Officer Commentary:**

- 28. Significant progress has been made in recent years to improve the Council’s financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.
- 29. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, 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 the stable provision of services in the medium term.
- 30. The proposal to take on the Careers Hub activity is funded for the first year and will need to be addressed as part of the Medium-term Financial Plan for future years, with any shortfall in funding being addressed in the Partnerships, Prosperity & Growth revenue budget. As such, the Section 151 Officer supports the recommendations.

**Legal Implications – Monitoring Officer:**

- 31. The Council can use its discretionary powers to undertake the proposed careers hub functions as set out in the body of the report. Any contracting arrangements and TUPE transfer of existing staff to the Council prior to the September start date will receive any further legal support as required.

**Equalities and Diversity:**

- 32. By taking on responsibility to deliver a Careers Hub across Surrey, the council will have a greater ability to deliver more targeted support to disadvantaged and risk of NEET young people, which aims to have a positive impact for young residents (aligned to Protected Characteristic of Age and potentially others e.g. disability and minority communities)

**What Happens Next:**

- 33. Recruitment of the new roles in the Careers Hub team will happen over July and August ahead of the academic year.
- 34. There is an expectation that by August 2023 the Secretary of State for Education will have approved the LSIP that covers the Surrey geography.
- 35. From September 2023, the Council will begin delivery of the CEC contract.

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**Report Author:** Jack Kennedy, Head of Economy and Growth, 07790 773496

**Sources/background papers:**

- Cabinet paper - [‘Pathways to Employment: Supporting Surrey Residents’ Skills Development and Employability’](#)
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**SURREY COUNTY COUNCIL****CABINET****DATE: 25 JULY 2023****REPORT OF CABINET MEMBER: MATT FURNISS, CABINET MEMBER FOR TRANSPORT, INFRASTRUCTURE AND GROWTH****LEAD OFFICER: MICHAEL COUGHLIN, EXECUTIVE DIRECTOR FOR PARTNERSHIPS, PROSPERITY, AND GROWTH****SUBJECT: APPROVAL TO PROCURE INDIVIDUAL PLACEMENT AND SUPPORT IN PRIMARY CARE (IPSPC)****ORGANISATION STRATEGY PRIORITY AREA: GROWING A SUSTAINABLE ECONOMY SO EVERYONE CAN BENEFIT/TACKLING HEALTH INEQUALITY/EMPOWERING COMMUNITIES****Purpose of the Report:**

Surrey County Council has secured funding as one of 12 national sites to pioneer the Individual Placement and Support in Primary Care (IPSPC) model, in partnership with the Department for Work and Pensions (DWP).

This IPSPC programme will provide employment support to adults with long term conditions or disabilities to help them access and maintain work in the longer term. This supports our system wide objectives to 'grow a sustainable economy from which everyone can benefit', ensure no one is left behind, and everyone is able to fulfil their potential. It recognises employment as a social determinant of health and wellbeing that will support improvements in health inequalities.

The IPSPC grant allocated to SCC totals £6.3m and will be used to procure a number of services to support access to skills development and employment.

Cabinet approval to proceed with procuring the necessary services up to the value of the £6.3m DWP grant is requested.

**Recommendations:**

It is recommended that Cabinet:

1. Approves the procurement of constituent elements of the IPSPC offer in Surrey up to the value of the £6.3m DWP grant,
2. Approves the delegation of subsequent contract award decisions to the Executive Director for Partnerships, Prosperity, and Growth, in consultation with the Cabinet Member for Transport, Infrastructure and Growth.

**Reason for Recommendations:**

The IPSPC programme has secured £6.3m in DWP grant funding for SCC. The programme activity will be funded through this DWP grant.

Approval to procure the service using this grant will enable SCC to support up to 3,000 adults with long term conditions or disabilities into employment in Surrey.

This procurement will particularly support the voluntary, community and social enterprise sector in Surrey who are expected to be the key delivery partners.

## **Executive Summary:**

### **Context**

1. Surrey has low unemployment rates (2.8% vs 4.4% nationally) and low economic inactivity due to long-term sickness or disability (2.1% vs 4.1% nationally).
2. Yet two boroughs have lower disability employment rates than the national average, two have a disability employment gap 1.5 times worse than the national average, and four Surrey Lower Super Output Areas (LSOAs) are in the 20% most economically deprived areas in England.
3. Surrey's at-scale affluence, high-skilled workforce and tight labour market masks pockets of unemployment and economic hardship, worsened by the pandemic and particularly affecting those with long term disabilities or health conditions.
4. For these residents, their experience of deprivation is uniquely acute as they live alongside some of the least deprived in the UK:
  - 4.1 55% Surrey's workforce is qualified above NVQ level 4, but in Surrey's deprived areas the rate of people with no qualifications is significantly above the national average (36% compared to 28.9% nationally), especially amongst universal credit (UC) recipients (Old Dean: 49% of UC recipients have no qualifications).
  - 4.2 Surrey's many professional industries disadvantage people with disabilities who are less likely to be in professional roles, and 30% of whom earn less than living wage.
  - 4.3 Employment statistics count people with disabilities as employed and on a par with non-disabled people, irrespective of hours worked, masking disabled unemployment and in-work poverty in Surrey, especially in our high cost of living context.
  - 4.4 Surrey's "urban" categorisation masks the many rural communities where travel is particularly difficult for those with disabilities and increases their risk of exclusion from work.
5. Too often people face a negative experience of declining health which excludes them from work, which in turn causes further deterioration in health. This is increasingly significant with the growth of common mental and physical health conditions post-Covid 19. The number of working age people with health conditions who are outside the labour market has increased by over 10% over the last two years to 2.2million.
6. Employment is known to be positive for good health. The NHS Long Term Plan recognises that mental health and musculoskeletal conditions remain the main reason for sickness absence increasing.

### **The Individual Placement and Support Model:**

7. Individual Placement and Support (IPS) is a proven model of employment support for people with severe mental health issues (SMI). It has been shown to deliver superior employment and health outcomes, achieving up to twice as many job outcomes for people with severe mental illness than traditional programmes.



8. Since 2018, trials in West Midlands Combined Authority (WMCA) and South Yorkshire Mayoral Combined Authority (SYMCA) have offered similar support for people with common physical or mental health disabilities in primary care settings.
9. DWP has made grant funding available for 12 areas to roll out individual Placement and Support in Primary Care.
10. The IPSPC initiative is aimed at adults who have a physical or mental health disability, as defined by the Equality Act 2010, to help them to move into competitive employment and provide the support they need to maintain that employment.
11. IPSPC will support inclusive growth and help to achieve a reduction in health inequalities. Supporting people to access employment through IPSPC will build on individuals' strengths and skills, enabling them to realise their potential for recovery.

### **Delivering IPSPC in Surrey:**

12. IPSPC Surrey will ensure Surrey residents with mental or physical health conditions or disabilities, including learning disabilities and neurodivergence, receive the health and wellbeing benefits of accessing and maintaining employment for the longer term.
13. Surrey County Council has been successful in securing a £6.3m grant by DWP to roll out Individual Placement and Support in Primary Care (IPSPC) across Surrey Heartlands and Frimley ICSs.
14. IPSPC Surrey includes support for each Primary Care Network (PCN) as well as targeted support for people in Surrey's top 5 key neighbourhoods and other priority populations, contributing to no one being left behind.
15. The programme will run from October 2023 to March 2025 and aims to support 2882 people to access and maintain work. The programme will be delivered in partnership with Surrey Heartlands and Frimley ICSs and will be open to residents from 16 years +.
16. To deliver the IPSPC programme in Surrey, the following services will be procured:
  - Employment support aligned to each PCN, each district and borough area and five key neighbourhoods.
  - Employment support tailored to people with disabilities, and to people from BAME backgrounds or whose first language is not English.
  - Training for the voluntary, community and social enterprise sector in Surrey to deliver the accredited and evidence based IPS model of employment support.
  - Promotional activity and training to support professionals and other potential referrers to understand the importance of employment to health and wellbeing, and to confidently refer residents into the IPSPC programme.
  - Additional benefits support and research into in-work poverty in Surrey, to ensure residents thrive in employment.
  - An online navigation tool to help residents and professionals to identify and access the most relevant employment support. This will also draw in holistic support that improves employability and job-readiness.
  - Support for residents who want to become self-employed.
  - Support for employers so they are confident to recruit and retain a diverse and inclusive workforce.
  - Financial and long-term sustainability modelling, including a feasibility study exploring different approaches.

- An evaluation exploring the social and economic impacts from the IPSPC employment support.

#### **Consultation:**

17. In Surrey the No One Left Behind Skills and Employment Network brings together more than 100 partners working to improve skills and employment in Surrey, including colleges, employment support charities, resident representative groups and training providers. This Network co-designed the activities proposed within the IPSPC programme.
18. The IPSPC application was developed in partnership with representatives from Frimley and Surrey Heartlands ICSs and Surrey and Hampshire County Councils. Particularly colleagues from primary care, economy and growth, youth support and commissioning were involved.
19. The views of residents who are experiencing exclusion from the labour market have been included within the IPSPC programme. Ethnographic research with a diverse range of Surrey residents who are further from the labour market has captured residents' experiences in their own words. This research underpins the activities proposed in the IPSPC programme. This research is available on request.

#### **Risk Management and Implications:**

20. Due to delays in receiving the grant, the timescales for delivery of IPSPC represent a challenge. Procurement of the service must begin in July 2023 in order to ensure the programme is launched in October as per the grant guidelines. This risk has been mitigated by the market engagement to prepare for the procurement activity pending agreement by Cabinet.
21. As the grant is time limited, there is a risk on-going funding cannot be secured and the IPSPC scheme must end in March 2025. To mitigate the impact of this risk:
  - 21.1 A feasibility study to develop future funding models is included within the IPSPC work programme.
  - 21.2 Any commissioned providers will be required to develop a robust closure plan to ensure residents accessing IPSPC are supported into alternative forms of support in a timely way in line with the end of the programme.

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

22. The IPSPC programme will be funded entirely by grant funding received from the DWP, at no additional cost to SCC or the ICSs.
23. The DWP grant has a total value of £6.3m which can be claimed 2 months in arrears to cover expenditure.
24. A portion of the grant funding will be used to establish a sustainable model of funding for employment support in Surrey so that the programme is self-sustaining following the DWP grant period. A feasibility study will explore options including the use of social value, social impact bonds, social investment and invest to save approaches.

#### **Section 151 Officer Commentary:**

25. Significant progress has been made in recent years to improve the Council's financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation, and government policy changes mean we continue to face challenges to our financial position. This

requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.

26. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, 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 the stable provision of services in the medium term.
27. The Section 151 Officer supports the recommendation of this report. It contributes to the Council's overall aim of No One Left Behind. The cost of the IPSPC programme will need to be met from the grant available.

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

28. There are no Legal Implications at this stage of the Process. Legal advice and assistance will be provided once the proposal is ready to go through the procurement process.

#### **Equalities and Diversity:**

29. The IPSPC initiative is aimed at adults who have a physical or mental health disability, as defined by the Equality Act 2010, increasing diversity and inclusion in employment.
30. Ethnographic research amongst Surrey residents, highlighted 15 cohorts most at risk of being excluded from employment. These are: young people leaving care; people over 50; people with disabilities; single parents; young people; people from ethnic minorities; people on low incomes; refugees; people with low skills; ex-offenders; veterans; carers; people who are homeless; people with mental health conditions; and modern slavery survivors. The IPSPC programme will provide additional employment support to these groups within Surrey, many of whom have characteristics protected under the Equalities Act 2010.
31. The IPSPC programme will support the SCC organisational equalities, diversity, and inclusion action plan by:
  - 31.1 Working with employers across Surrey, including Surrey County Council, to improve employee experience.
  - 31.2 Working with employment support organisation across Surrey to ensure services are more inclusive.
  - 31.3 Working with residents and representative groups to listen to communities' experiences, and co-design the interventions, ensuring we know our communities better.
32. Appropriate equalities impact assessments will be completed as elements of IPSPC are procured.

#### **Other Implications:**

33. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

<b>Area assessed:</b>	<b>Direct Implications:</b>
Corporate Parenting/Looked After Children	The IPSPC programme is working with the youth support offer in SCC, ensuring young people leaving care, in touch with the justice system, or at risk of exclusion are supported to develop skills and move towards employment.
Safeguarding responsibilities for vulnerable children and adults	All providers will be required to work in line with safeguarding principles.
Environmental sustainability	The programme will have a special focus on green sector skills, developing capacity to meet the skills demand and support the County in delivering on our green ambitions.
Compliance against net-zero emissions target and future climate compatibility/resilience	The programme will work in a place-based way developing local workers for local jobs. This approach will impact carbon emissions locally.
Public Health	<p>Access to good quality employment is a social determinant of health. Through the Programme we expect to help tackle health inequalities experienced by Surrey residents.</p> <p>In addition, the Programme provides opportunity to work with employers promoting schemes such as disability confident and carer-friendly, ensuring that we promote healthy workplaces for all.</p>

### **What Happens Next:**

34. Subject to approval to procure, the grant will be used to procure the following activities:

34.1 Integrated employment support (£5.1m)

59 new employment specialists will be:

- Integrated into PCNs - One employment specialist (ES) will be co-located in each of Surrey and Frimley South's 31 PCNs, integrated alongside social prescription to draw on holistic support.
- Integrated across community care – 12 ES will work geographically across boroughs, integrating IPSPC into community care pathways, hospital settings, social care and Changing Futures.
- Embedded within Key Neighbourhoods – 5 ES will focus in 5 neighbourhoods with the worst economic and employment deprivation (figure 2), working alongside community development workers to communities who otherwise may not access support.
- Embedded in priority populations of identity – 3 ES will provide culture and language specific support, working alongside existing user-led organisations supporting BAME groups and priority populations of identity highlighted in the Surrey Health and Wellbeing Strategy.

- Integrated into disability support- 8 ES will be hosted within disability support organisations.

IPSPC will be accessible to anyone in this area aged 14 or older with a health condition or disability who meets the IPSPC eligibility criteria.

#### 34.2 Promotion and training (£30k)

Training opportunities for GPs and other professionals will increase awareness of employment as a driver of wellbeing and maximise referral routes, using all appropriate organisations for signposting.

A direct promotional campaign in accessible formats will ensure residents are aware of the support available.

#### 34.3 Holistic support (£550k)

- A support navigation tool – this online platform will allow self-referral to IPSPC and help residents to access holistic support.
- Consider in-work poverty – IPSPC eligible participants will be recruited from hardship funds, foodbanks, and benefits advice services, and supported to enter stable, sustainable employment. We will commission a research partner to understand in-work poverty in Surrey.
- Strengthen existing benefits services by commissioning additional capacity.

#### 34.4 Create sustainable employment opportunities (£400k)

4 employment brokers will build long-term relationships with employers, helping to carve out accessible roles and meet their skills demand through IPSPC. They will also:

- Promote self-employment – supporting IPSPC participants to become self-employed should they wish.
- Develop a skills pipeline – leveraging social value within SCC's facilities management contract to provide guaranteed competitively paid roles for IPSPC participants.
- Embed best practice – Consider how Surrey Heartlands ICS will become an IPSPC employer.

#### 34.5 Evaluate and plan for the future (£230k)

- Feasibility test of 6 sustainable funding models.
- Commission a local impact evaluation

**Report Author:** Rebecca Brooker, Communities and Prevention Lead  
(Rebecca.brooker@surreycc.gov.uk)

#### **Consulted:**

##### *Internal:*

- Michael Coughlin, Executive Director for Partnerships, Prosperity, and Growth
- Dawn Redpath, Director for Economic Growth
- Marie Snelling, Executive Director for Customers and Communities

*External:*

- Prमित Patel, Primary Care Clinical Leader, Surrey Heartlands ICS
- Nikki Mallinder, Director of Primary Care, Surrey Heartlands ICS
- Michael Scammel, Transformation Manager, Frimley ICS
- Jason Norum, Head of Commissioning, Hampshire County Council
- No One Left Behind Skills and Employment Network (a collaborative network of 100+ partners including skills providers, resident representative groups and community-sector organisations)

**Annexes:**

Annex 1: IPSPC Programme Detail

**Sources/background papers:**

Further information on IPSPC from the Department for Work and Pensions can be found here: [Letter: Individual Placement and Support in Primary Care \(IPSPC\) initiative - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/letter-individual-placement-and-support-in-primary-care-ipspc-initiative)

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## Annex 1: IPSPC Programme Detail

### IPSPC Design in Surrey

County-wide statistics show Surrey has low unemployment rates (2.8% vs 4.4% nationally) and low economic inactivity due to long-term sickness or disability (2.1% vs 4.1% nationally).

**Yet two boroughs have lower disability employment rates than the national average, two have a disability employment gap 1.5 times worse than the national average (figure 1), and four Surrey LSOAs are in the 20% most economically deprived areas in England (see figure 2).**

Surrey's at-scale affluence, high-skilled workforce and tight labour market masks pockets of unemployment and economic hardship, worsened by the pandemic and particularly affecting those with long term disabilities or health conditions.

Geographical area	Disability employment rate		Disability employment gap	
	2014 to 2016	2017 to 2019	2014 to 2016	2017 to 2019
United Kingdom	47.6	51.9	31.3	28.9
England	49.0	53.2	29.9	27.7
South East	56.1	59.7	25.2	23.1
Elmbridge	62.7	53.4	14.4	25.5*
Epsom and Ewell	69.3	38.1**	14.7	47.0**
Guildford	50.7*	70.5	26.0*	8.7
Mole Valley	58.7	62.2	25.3*	19.7
Reigate and Banstead	61.3	63.1	22.4	20.3
Runnymede	62.2	65.3	22.9	12.8
Spelthorne	54.5*	48.1**	24.0	36.9**
Surrey Heath	66.5	65.6	9.5	15.7
Tandridge	73.6	67.4	7.6	11.0
Waverley	56.9	65.4	22.9	19.5
Woking	76.1	68.0	7.2	21.4 <sup>iii</sup>

Figure 1: Disability employment rate and disability employment gap in Surrey by lower tier area



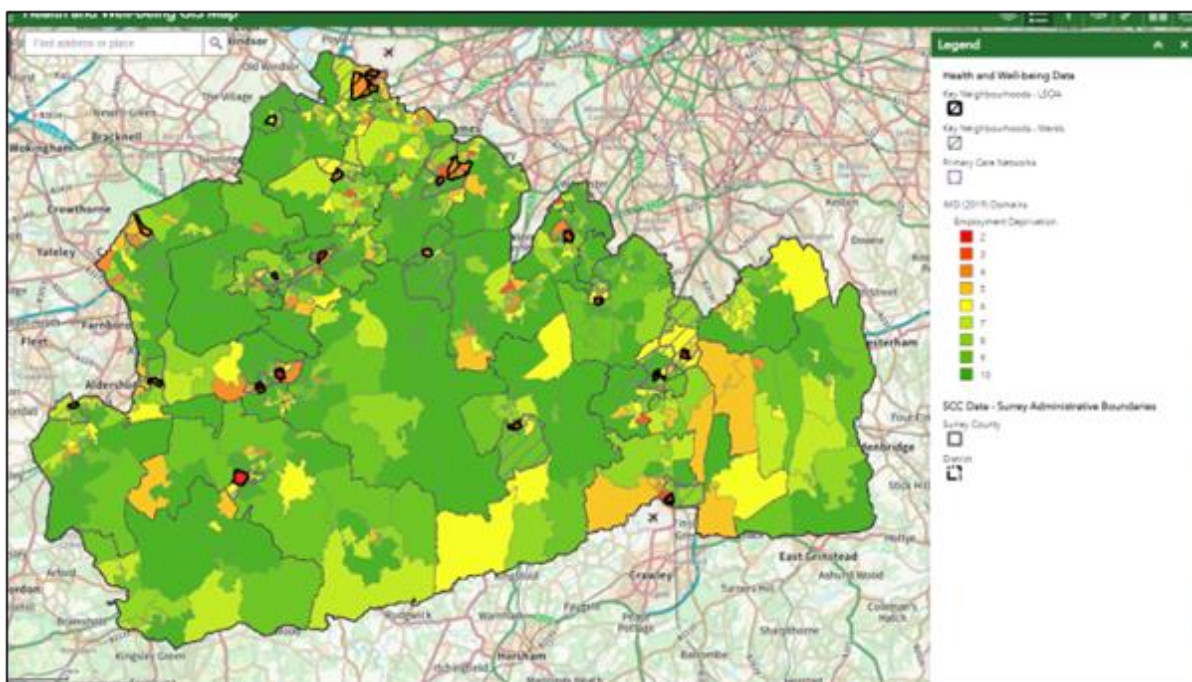


Figure 2: Economic deprivation by decile where red is in the 20% most economically deprived areas nationally

For these residents, their experience of deprivation is uniquely acute as they live alongside some of the least deprived in the UK.

- 55% Surrey's workforce is qualified above NVQ level 4<sup>iv</sup>, but in Surrey's deprived areas the rate of people with no qualifications is significantly above the national average (36% compared to 28.9% nationally), especially amongst universal credit (UC) recipients (Old Dean: 49% of UC recipients have no qualifications).
- Surrey's many professional industries, disadvantage people with disabilities who are less likely to be in professional roles, and 30% of whom earn less than living wage.
- Employment statistics count people with disabilities as employed and on a par with non-disabled people, irrespective of hours worked, masking disabled unemployment and in-work poverty in Surrey, especially in our high cost of living context.
- Surrey's "urban" categorisation masks the many rural communities where travel is particularly difficult for those with disabilities and increases their risk of exclusion from work (figure 3).
- The geographic spread of residents needing employment support, increases the difficulty in identifying them from data sets, often requiring resource intensive hyper-local approaches (figure 2).

Surrey's unique context means those experiencing poverty are significantly more marginalised and at risk of being left behind than in other areas of the UK.



Figure 3: Barriers to accessing and maintaining employment for people with disabilities

<p><b>Disabled individuals</b></p>	<ul style="list-style-type: none"> <li>• <b>Personal barriers: part-time work and inflexibility, lack of confidence, anxiety,</b></li> <li>• <b>Institutional barriers: stigma, difficulty with transportation, lack of coaching/mentoring;</b></li> <li>• <b>Structural barriers: issues related to access at work, stigma.</b></li> </ul>
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Figure 4: Surrey ICB workforce strategy commitment

SCC organisational strategy, 2030 Community Vision for Surrey and Health and Wellbeing Strategy, commit to address this, with the outcome 'People accessing training and employment opportunities within a sustainable economy' (figure 4).

IPSPC in Surrey and Frimley South will:

1. Expand eligibility for IPS support

A single provider currently makes IPS available to people accessing secondary mental health support in Surrey and Frimley South. IPSPC will be accessible to anyone in this area aged 14 or older with a health condition or disability who meets the IPSPC eligibility criteria.

2. Promote

Training opportunities for GPs and other professionals will increase awareness of employment as a driver of wellbeing and maximise referral routes, using all appropriate organisations for signposting.

A direct promotional campaign in accessible formats will ensure residents are aware of the support available. Population health management data will inform targeted approaches.

3. Integrate employment support

Building on the successful integration of Surrey and Frimley South's current IPS into mental health care (CMHRS and EIP), 59 new employment specialists will be:

- Integrated into PCNs - One employment specialist (ES) will be co-located in each of Surrey and Frimley South's 31 PCNs, integrated alongside social prescription to draw on holistic support.

Integrated across community care – 12 ES will work geographically across boroughs, integrating IPSPC into community care pathways, hospital settings, social care, and Changing Futures.

- Embedded within Key Neighbourhoods – 5 ES will focus in 5 neighbourhoods with the worst economic and employment deprivation ([figure 2](#)), working alongside community development workers to communities who otherwise may not access support.
- Embedded in priority populations of identity – 3 ES will provide culture and language specific support, working alongside existing user-led organisations supporting BAME groups and priority populations of identity highlighted in the Surrey Health and Wellbeing Strategy.
- Integrated into disability support- 8 ES will be hosted within disability support organisations.

#### 4. Implement IPS fidelity

We will work with our existing IPS kitemarked provider to ensure IPS fidelity. All new employment specialists will be trained in IPS. We will align Surrey's wider employment support sector to IPS by offering IPS training. We will undertake two fidelity reviews.

#### 5. Implement data sharing

An integrated case management system will allow easy referral, consistent recording, and system-wide reporting. This will be supported by a data sharing agreement, based on Shared Care Record.

#### 6. Facilitate holistic support

The collaborative Employment Support Network (including IPS providers, DWP, employers, training providers, and holistic support organisations) will:

- Design a support navigation tool – Under the brand *Skill Up Surrey*, this online platform will allow self-referral to IPSPC and help residents to access holistic support.

- Consider in-work poverty – IPSPC eligible participants will be recruited from hardship funds, foodbanks, and benefits advice services, and supported to enter stable, sustainable employment. We will strengthen existing benefits services and commission a research partner to understand in-work poverty in Surrey.

7. Create sustainable employment opportunities

4 employment brokers will build long-term relationships with employers, helping to carve out accessible roles and meet their skills demand through IPSPC. They will also:

- Promote self-employment – supporting IPSPC participants to become self-employed should they wish.
- Develop a skills pipeline – leveraging social value within SCC’s facilities management contract to provide guaranteed competitively paid roles for IPSPC participants.
- Embed best practice – Consider how Surrey ICS will become an IPSPC employer (figure 6).



Figure 6: Surrey ICS commitment to supporting employment

8. Evaluate and plan for the future

To ensure sustainability we will:

- Feasibility test of 6 sustainable funding models.
- Commission a local impact evaluation
- Facilitate an IPSPC oversight group (including DWP and NHSE/I) and commission IPS expertise.

**Intended delivery approach**

A programme and commissioning manager (PCM) will ensure timely and effective delivery of the approach outlined in figure 11. The PCM will facilitate stakeholder engagement and co-design, commission the IPSPC delivery partners, the benefits advice capacity, the in-work poverty service, and the evaluation partner. They will report to an integrated steering group, including partners from across the ICS such as PCN Network Lead, Health and Wellbeing Strategy Lead, Economy and Growth Lead, Poverty Strategy Lead, EDI Lead, Community Health, and Adult Social Care IPSPC Champion Leads and lived-experience representatives.

Surrey and Frimley South’s existing IPS kitemarked service is integrated into CMHRS with a data sharing agreement; declines no referrals; meets all 25 principles on the fidelity scale and; secures good job outcomes for 50% of job starts. We will grow this service to deliver the same quality for people with health conditions and disabilities.

This IPS kitemarked lead provider will work in partnership with disability-specialist sub-providers to ensure all participants get personalised support, tailored to their

condition or disability. The sub-providers will complete an IPS fidelity review before March 2025 and co-design physical health modules to complement accredited IPS training.

This approach will strengthen the existing provision and stimulate the local IPSPC market. By aligning existing, self-sustaining organisations to the IPS model, we will create a more sustainable IPSPC service.

### **Delivery Plan**

IPSPC programme will take the following steps to procure the elements of the IPSPC programme. Further detail on how these elements will cohesively deliver the IPSPC programme is outlined in annex 1.

<b>Phase 1: Preparation</b>	<b>Phase 2: PCN &amp; Community Integration</b>	<b>Phase 3: Sustainability and Evaluation</b>
<b>May 23 – October 23</b>	<b>October 23- March 24</b>	<b>March 24 – March 25</b>
<ul style="list-style-type: none"> <li>Recruit Programme Manager</li> </ul>	<ul style="list-style-type: none"> <li>Procure case management software</li> </ul>	<ul style="list-style-type: none"> <li>Promotional campaign – residents</li> </ul>
<ul style="list-style-type: none"> <li>Commission Lead Provider</li> </ul>	<ul style="list-style-type: none"> <li>Co-design and deliver professional training</li> </ul>	<ul style="list-style-type: none"> <li>IPS training for wider employment sector</li> </ul>
<ul style="list-style-type: none"> <li>Recruit and Train Employment Specialists</li> </ul>	<ul style="list-style-type: none"> <li>Recruit and Train Employment Specialists</li> </ul>	<ul style="list-style-type: none"> <li>Model a sustainable financial approach</li> </ul>
<ul style="list-style-type: none"> <li>Recruit Employment Brokers</li> </ul>	<ul style="list-style-type: none"> <li>Review and strengthen benefits advice capacity .</li> </ul>	<ul style="list-style-type: none"> <li>IPS Accreditation</li> </ul>
<ul style="list-style-type: none"> <li>Commission self-employment programme</li> </ul>	<ul style="list-style-type: none"> <li>Commission in-work poverty support service</li> </ul>	<ul style="list-style-type: none"> <li>IPS Fidelity Review – IPSPC service</li> </ul>
<ul style="list-style-type: none"> <li>Commission consultancy support</li> </ul>	<ul style="list-style-type: none"> <li>Develop a provider skills pipeline</li> </ul>	<ul style="list-style-type: none"> <li>Evaluation</li> </ul>
<ul style="list-style-type: none"> <li>Commission evaluation provider</li> </ul>	<ul style="list-style-type: none"> <li>Referrer awareness raising</li> </ul>	
<ul style="list-style-type: none"> <li>Data sharing agreement.</li> </ul>	<ul style="list-style-type: none"> <li>Launch Navigation Tool</li> </ul>	
	<ul style="list-style-type: none"> <li>Co-design IPS in non-mental health settings training</li> </ul>	

### **Participant journey**

**Referral Routes:** Residents will be able to self-refer to IPSPC through the online navigation tool. Building on social prescription integration into health treatments, IPSPC will support health care professionals to confidently promote employment as a health improvement intervention and include it in individual’s health treatment plans. We will also equip user-representative and support organisations to signpost individuals and to make referrals to IPSPC themselves.

All referrals to the IPSPC service will include a GDPR statement, explaining how data will be shared with the provider (lead or sub-contracted) and for what purpose.

Single Point of Access: The single point of access will invite the individual to an introductory session to learn more about the IPSPC offer, ensure they meet the eligibility criteria and give their consent to take part in the programme. This introduction may happen virtually or in person but will be accompanied by a consent form the participant must sign to continue on the IPSPC programme.

Engaging participants in the programme will be undertaken in a personalised way using the principles of strengths-based practice and motivational interviewing to increase participant engagement. The local evaluation will include Patient Activation Measures (PAM) to understand the impact the service has made on the individual's personal motivations to access and maintain work.

Any individuals approaching the IPSPC service who are not eligible will be supported into a wider range of employment and holistic support in Surrey through the navigation tool and the collaborative relationships built through the employment support network.

IPSPC Support: For each eligible participant, IPSPC support will be offered by the Employment Specialist with most expertise to tailor the support to the individual's condition - as per the 5 IPS service specialisms outlined in figure 12.

For participants in the IPSPC service who, for whatever reason, struggle to move into long term work, alternative forms of support will be available. Referral to supported vocational programmes, volunteer roles and other holistic support will enable the individual to engage in meaningful activity. We recognise some individuals may be further from being job-ready, and these individuals will be connected to other support that can help them move towards employment.

Sustainable Support: At the end of the IPSPC funding period, on-going investment will be secured through a sustainable model in partnership with Surrey employers. This will enable the Surrey IPSPC service to continue beyond March 2025.

We have also built sustainability into our approach by offering IPS training to the wider employment sector in Surrey. Aligning existing, self-sustaining organisations to the IPS model, we will create a more sustainable IPSPC service. Business continuity and exit planning will be considered within the later stages of the programme plan.

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# Approval to Procure

Note: This form is to be completed by the Service Lead for the proposed project, in consultation with Procurement.

<b>Department/Directorate:</b>	<b>Not an ESCC Project</b>	CFL - Commissioning & Prevention
<b>Service:</b>	Environment & Communities	
<b>Authority</b>	SCC	
<b>Project Sponsor:</b>	Michael Coughlin	
<b>Project/Contract Name:</b>	IPSPC	
<b>Procurement contact:</b>	Robert Gilmour	
<b>Project Banding</b>	C	

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Aggregate Contract Value (including extensions)	£6.3m		
Confirm this above value has been agreed in the budget?	Yes		
Is the funding capital, revenue or grant?	Grant		
Current contract end date (if applicable)	N/A		
Any option to extend an existing contract?	N/A		
Procurement activity required (extension, renewal, replacement, other – must specify)	<p>This project will include the procurement of a new employment support service and subsidiary support activities.</p> <p>As the grant requires the procured service to comply with a new quality assurance framework, this service will need to be a new procurement.</p>		
Expected Start Date for Procurement	01/07/2023		
Required Transition/mobilisation months required	1 month		
Expected Start Date for new contract/extension/arrangement	01/10/2023		
Income generating?	No		
Key Project: If <b>yes</b> please tick the relevant fields	Choose an item.	Strategic importance	<input checked="" type="checkbox"/> X
		High reputational risk	<input type="checkbox"/>
		Attracts significant resource	<input type="checkbox"/>
		Savings above £500k	<input type="checkbox"/>

## Contract Description and Rationale for new procurement activity

- Surrey Health and Wellbeing Strategy, SCC Organisational Priorities and the partnership 2030 Community Vision for Surrey all prioritise employment, with the outcome "People are accessing



training and employment opportunities within a sustainable economy"

- Surrey County Council has been successful in securing a £6.3m grant by DWP to roll out Individual Placement and Support in Primary Care (IPSPC) across Surrey and Frimley ICS areas.
- Surrey will be one of 12 areas pioneering this approach across the UK.
- IPSPC is a proven model of employment support aimed at adults who have a physical or mental health disability or long-term condition. It has been shown to deliver superior employment and health outcomes, achieving up to twice as many job outcomes for people than traditional programmes.
- The programme runs October 2023-March 2025 and aims to support 2882 people to access and maintain work.
- IPSPC Surrey includes support for each PCN as well as targeted support for people in Surrey's top 5 key neighbourhoods and priority populations, contributing to no one being left behind.
- IPSPC will support inclusive growth and help to achieve a reduction in health inequalities.
- The programme will be delivered in partnership with Surrey Heartlands and Frimley ICSs
- The programme will include procuring:
  - Employment support aligned to neighbourhoods and towns – especially key neighbourhoods in Surrey.
  - Employment support focused on priority populations of identity dispersed across Surrey, such as people from BAME backgrounds, care leavers, people with learning disabilities and Autism.
  - Benefits advice and other support to reduce in-work poverty.
  - Universal access to skills, employment and holistic support, to help individuals navigate the system more easily and move towards successful long-term employment. This will be in the form of a digital solution and in person support.
  - Business sector support to increase the successful employment of diverse Surrey residents.
  - Research and evaluation into the impacts on economic growth, productivity, society, health inequalities and residents' lives
  - Feasibility modelling to identify long-term self-sustaining funding models for access to work support.

As the IPSPC service is quality assured against a fidelity scale, a new contract aligned to those standards is needed. All procured elements will relate to the quality assured fidelity scale, so will represent a change in scope from any existing contracts meaning a new procurement is required.

*Explain why this was not on the Procurement Forward Plan*

Surrey County Council expected to hear the outcome of the grant application in quarter 3, 2022. Unfortunately, the decision was delayed until April 2023, and the grant agreement including funding allocation only confirmed in May 2023. As such we were not able to include the programme on the forward plan.

*Describe the expected benefits of the project (cash savings/cost avoidance/social value)*

In Surrey we expect this programme will achieve the following impacts:

- Surrey residents at risk of economic exclusion can find the help they need to access work
- Employment support in Surrey secures long-term job outcomes for residents
- Surrey residents can access and maintain work for the long-term
- Employers are confident to recruit and retain staff with health conditions and disabilities
- Being in work is financially beneficial to Surrey residents
- Increased take up of employment support by residents from at risk communities
- Future investment and approaches to IPS delivery is evidence-based
- Employment support is quality assured



- IPS provision is sustainable at scale
- Surrey residents experience improved health and wellbeing through access to work

The programme will include robust evaluation to monitor the benefits, but based on learning from the 2 pilot authorities, the following benefits are expected:

- Supporting up to 3000 people with long term conditions or disabilities to access and maintain employment.
- 80% of participants reporting increased confidence to manage their health conditions
- Reduction in the number of days lost to sickness, resulting in increased productivity for Surrey businesses.
- Reduction in the number of people claiming sickness related unemployment benefit in Surrey.

You can read more about the impact in other authorities here: [Health-led employment support in South Yorkshire and Bassetlaw | Local Government Association](#)

Form Completed by:	Rebecca Brooker	21/06/2023
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**Approval required for all projects:**

Approved by Head of Procurement:	Anna Kwiatkowska	26/06/2023
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**Approval required for ESCC projects:**

ESCC Chief Officer Approval :	(name)	(date)
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Lead Member input is required at Route to Market stage and approval at Contract Award stage:  
Yes/No

**Approval required for SCC projects:**

SCC only: Approved by Executive Director (in consultation with Portfolio Holder):	Michael Coughlin	06/07/2023
SCC only: Approved by S151 Officer:	Rachel Wigley	27/06/2023
SCC only: Approved by Cabinet (if over £1m):		

**Both approvals required if project is across the two authorities.**

*Note: Once complete, this form should be returned to the Procurement Contact, who will forward it to the Procurement PMO for resource allocation*

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

**DATE:** 25 JULY 2023

**REPORT OF CABINET MEMBER:** CLARE CURRAN, CABINET MEMBER FOR EDUCATION AND LEARNING

**LEAD OFFICER:** RACHAEL WARDELL, EXECUTIVE DIRECTOR FOR CHILDREN, FAMILIES AND LIFELONG LEARNING

**SUBJECT:** APPROVAL TO PROCURE INCREASED EDUCATIONAL PSYCHOLOGY (EP) AND SPECIAL EDUCATIONAL NEEDS (SEN) SERVICE CAPACITY

**ORGANISATION STRATEGY PRIORITY AREA:** TACKLING HEALTH INEQUALITY AND EMPOWERING COMMUNITIES

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**Purpose of the Report:**

The purpose of this report is to secure the necessary approvals and delegated authority for Educational Psychology (EP) and Special Educational Needs (SEN) capacity to be expanded at pace, enabling the Education, Health and Care Plan (EHCP) timeliness to be improved to an acceptable level as quickly as possible. This report provides a high-level overview of the accelerated EHCP Timeliness Recovery Plan and sets out the rationale for the recommendations for approval to procure.

This will enable an improvement in EHCP Timeliness which will positively contribute to the Empowering Communities priority objective in the refreshed organisational strategy.

**Recommendations:**

It is recommended that Cabinet:

1. Gives approval to procure additional Educational Psychology service capacity and Special Educational Needs service capacity up to the aggregate contract value of £15m over 3 years between 2023/24 and 2026/27.
2. Approves the delegation of contract award decisions to the Executive Director for Children, Families and Lifelong Learning in consultation with the Cabinet Member for Education and Lifelong Learning and the Cabinet Member for Finance and Resources.

**Reason for Recommendations:**

- The timely completion of Education, Health and Care needs assessments and annual reviews (collectively referred to as EHCP Timeliness throughout this report) makes an important contribution to ensuring that children and young people with additional needs and disabilities receive the right support, in the right place, at the right time.
- The EHCP Timeliness Recovery Plan is being accelerated to address the current significant delays and approvals are required to avoid delays in procuring services and allocating funding and resources. There is an urgent need to retain existing

capacity and secure additional flexible capacity in the Council's Educational Psychology (EP) and Special Educational Needs (SEN) services to improve the timeliness of these services at pace.

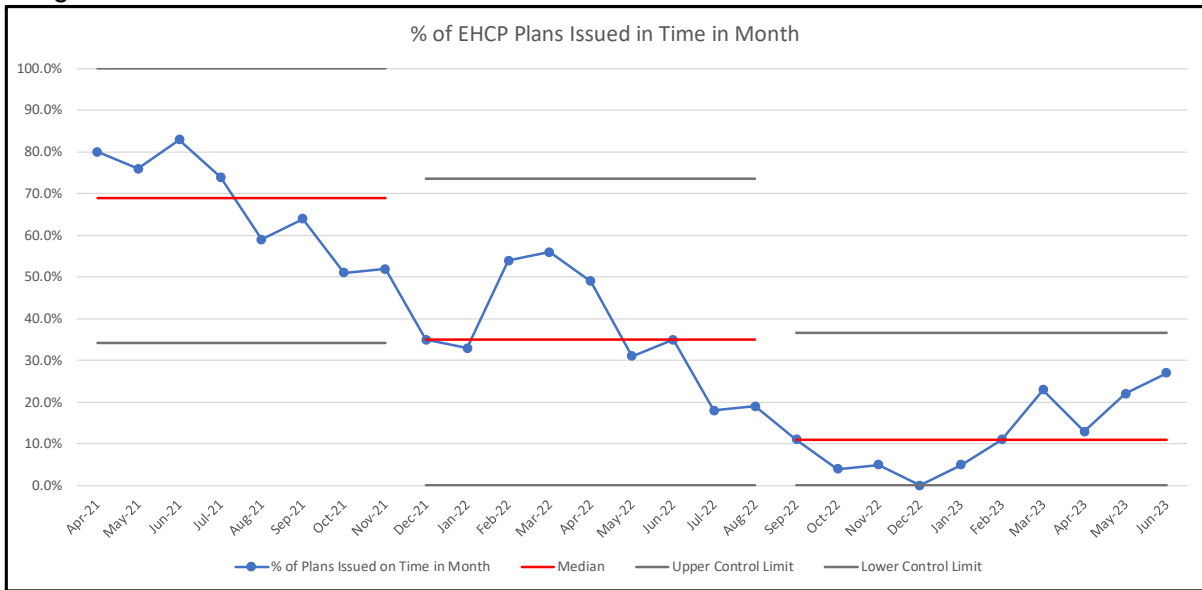
- Approval of the recommendations in this report will have multiple benefits, the most important being an improvement in the experience of families and outcomes of children and young people with additional needs and disabilities undergoing an EHC needs assessment or awaiting an annual review.

## Executive Summary:

### **EHCP Timeliness and Recovery Plan**

1. Children with Additional Needs and Disabilities receive support across Education, Health, and Social Care. For most children and young people, their needs are met through Ordinarily Available Provision (the support that mainstream schools or settings and health and care providers are expected to provide for a child or young person through their agreed funding and resource arrangements). However, for others, an Education, Health and Care Plan (EHCP) is required which sets out children's needs, the provision necessary to meet those needs and the anticipated outcomes arising from the provision stipulated in the plan.
2. As at end of June 2023, Surrey County Council held 13,429 Education, Health and Care plans (EHCPs). Data is collected by the Department for Education (DfE) each calendar year, and this confirmed that between January 2022 and January 2023 there was a 10% increase in EHCPs in Surrey, compared to 9% nationally.
3. The increase in EHCPs in Surrey is slightly ahead of the national increase, and the proportion of children with EHCPs in Surrey for the January 2023 school population is 4.8%, which is also higher than the national figure of 4.3%. Therefore, this increase builds upon a higher baseline.
4. There is a statutory requirement to complete Education, Health and Care needs assessments, and to issue a plan where the needs assessment indicates one is required, within 20 weeks from the request for an assessment, and this is referred to as timeliness. Current performance against this measure is low for a number of reasons and mirrors a trend in a significant number of other local authorities. However, timeliness in Surrey is considerably lower than the national average.
5. Timeliness of completing assessments in 2021 was 65% of plans issued within 20 weeks and was stable until Spring term 2022 with a marginal decline. However, in the summer term 2022 timeliness began to drop more rapidly. This led to overall cumulative timeliness for plans completed during the 2022 calendar year in Surrey falling to 26%. Nationally there has also been a decline in cumulative timeliness with figures dropping from 60% in 2021 to 51% at the end of 2022.
6. The latest Surrey data is that 27% of plans have been issued on time in the month of June 2023. The graph below shows the data to the end of June 2023. The blue line represents actual timeliness in each month. The red lines reflect the average timeliness over the period and the black lines are the upper and lower confidence intervals for that period.

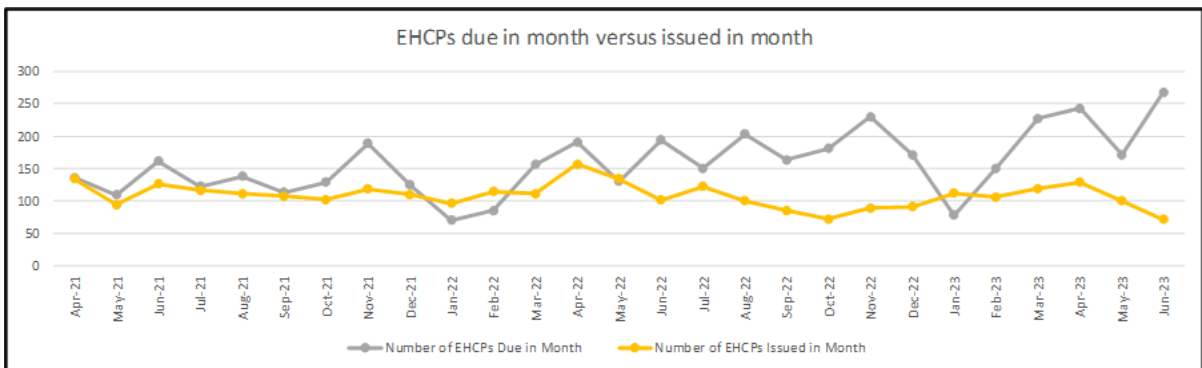
Figure 1



7. The drop in timeliness during 2022 was due to an imbalance between the levels of demand coming into the system (which increased) and the capacity to manage those demands (which reduced). Requests for assessment have increased by 64% since 2020 and EP capacity has become more constrained due to local vacancies and national shortages. The subsequent backlog of delayed needs assessments and annual reviews negatively impacts on the experiences of children and families and could negatively impact outcomes.

8. The graph below shows the number of plans due for issue each month (grey line) against the number of plans that were issued (yellow line). This illustrates that prior to May 2022, these two lines were generally very close together, although there is always a seasonal ebb and flow in number of requests and in number of plans issued. The impact of staffing shortages after this point resulted in the backlog of EHCPs building up in both the EP service and across the SEND teams, which then caused the reduction in timeliness overall.

Figure 2



9. The EP service which has an establishment of around 44 FTE currently has 70% of posts filled (a 30% vacancy factor, or 45% excluding management posts) and the SEN service which has an establishment of around 109 FTE currently has 80% of posts filled (a 20% vacancy factor). This is despite significant effort to recruit, retain and diversify the workforce and improvements to the EP terms and conditions. Over

the past 6 months the EP service, which is particularly critical to EHCP timeliness, has had two contracts in place to supplement EP capacity with approximately 600-700 advices, but the scale of these contracts and strategies has not been sufficient to provide a solution to the EHCP timeliness challenges.

10. A multi-agency recovery plan has been in place, and this has been scaled up significantly for the next phase of recovery to reflect the scale of the issue. This plan includes the following areas:
- We are working hard to clear the backlog, addressing the longest waits and risk assessing each case individually to ensure that we take quick, appropriate action, as well as prioritising proactive communications with families and settings to mitigate the impact on experiences and outcomes.
  - Moving forwards, we will be introducing enhanced support for settings so that they are better placed to meet individual childrens' needs without a statutory EHC plan, where that is appropriate.
  - We have already significantly increased the funding to and capacity in our EP service and our SEN Teams. We now need to increase the scope for further capacity increases in key services through approvals to procure and strengthen recruitment and retention in critical teams.
11. This plan will enable us to get back to an acceptable level of timeliness of 60%+ during 2024 (above the current national average and at least back on par with our previous performance). In order to reach our ultimate goal of 100% EHCP timeliness, we are reliant on health partners and the wider system continuing to work more closely together, so we will continue to work as a partnership to achieve this goal.

#### **Requirement to procure additional EP advice and SEN service capacity**

12. The latest EHCP Timeliness Recovery Plan modelling accounts for the trends of requests for assessment and the size of the backlog, the realistic impact of early help strategies and service efficiencies and identifies the shortfall in capacity that is required to recover EHCP timeliness. The assumptions informing the forecast have been tested, and numerous scenarios modelled to enable consideration of the best version of the recovery plan that the Council can realistically expect to achieve.
13. This modelling indicates that the two most significant areas of additional capacity required to achieve the ambition for EHCP timeliness recovery in the remaining 8 months of 2023/24 will be for approximately 1100-1200 EP advices and approximately 30 additional SEN case officers for this period to manage the wave of workload that will be generated by the EP service getting on top of the backlog. The medium-term outlook is less certain, but the modelling and scenarios indicate that there could be a lower requirement for EP advices in subsequent years as the backlog of long waits will have been eliminated. The level of additional SEN service capacity required may be at a similar level in future years as the number of requests and plans continue to increase.
14. The EP and SEN services are already aiming to recruit above establishment, and will continue to do so, but the recruitment market conditions mean that it is extremely unlikely that the Council would be able to secure even a small proportion of the additional EP resource that would be required in 2023/24 through recruitment alone. The resourcing challenges are not quite as acute for the SEN service, but the speed

at which the capacity will need to be scaled up for EHCP timeliness to benefit from the EP contract capacity would only be achievable through individual or service contracts. The terms “EP advices” and “SEN service capacity” are used intentionally because both these services include a range of roles, activities and supporting functions, that are all intended to be covered by the proposed approval to procure and contractual arrangements.

15. There will also be additional demands on the SEN teams through the recovery period in terms of Annual Reviews, although a proportion of this is covered in the above modelling, and there will also be additional demands on the relevant health and social care teams. The scale and timing of these demands through the recovery period are less predictable as they will depend on the EP and SEN allocations and whether individual assessments require health or care input. Whilst it is likely that there will be capacity requirements in these areas, and they may be significant, it is considered unlikely that these will be of a scale that would require Cabinet approval to procure.

### **Procurement route to market and market testing**

16. Procurement have carried out some initial market testing to look for compliant routes to market to source Educational Psychology (EP) Assessments which can be delivered urgently to address the outstanding backlog. Two Frameworks have been identified that meet the requirements for Education Psychology (EP) assessments and discussions are still ongoing to confirm capacity and availability. The Frameworks have the ability to direct award and are single supplier solutions. The advantage of the direct award framework is that it ensures a quick solution (given the urgency) to award contracts in a timely manner.
17. The intention is to secure contracts with a longer term to address the increasing demand and ensure flexible EP and SEN capacity for future provision. It is proposed that multiple contracts (rather than one large contract) are sourced and secured for EP advices and SEN capacity, for 12 months, with the option to extend for another 12 months, and then another 12 months. The aim would be to secure the required capacity whilst allowing for an appropriate degree of flexibility in volume to match the need as closely as possible. If direct staff recruitment is more successful then the contracts could be scaled down, but if demand increases more quickly or vacancy rates increased there would be sufficient headroom in the contracts to allow the capacity to be scaled up.
18. Market testing for both EP advices and SEN service capacity has indicated that there is contract capacity in the market if the Council is in a position to act swiftly, which the approvals in this Cabinet paper would enable.
19. **EP market testing:** following initial meetings with the suppliers, early discussions have resulted in them putting forward minimum guarantees to deliver EP assessments up until the end of March 2024. Both providers have indicated that the minimum they can guarantee of EP Assessments per month would be 60 per supplier or a total of 120 per month. This can be further increased after the first few months of the contract based on the demand of the EP backlog.



20. **SEN Service capacity market testing:** following initial contacts with agencies, there is a reasonable level of confidence that, despite the challenges in the market, they should be able to meet the needs as forecast in our plans. To support a more secure arrangement for the benefit of the LA, we are exploring the practicality of entering into a 'statement of work' agreement via agency suppliers to ensure a consistent level of service and pre-agreed KPIs. This would be the case for both the EHCP backlog activity and the Annual Review recovery streams of work.

### **Moving to a sustainable future operating model with appropriately enhanced recruitment and retention packages**

21. It is essential to procure the above contracts at pace to deliver the EHCP timeliness recovery plan and achieve the intended improvement for children and families, but it is also important to develop a sustainable operating model of the services that can deliver sustainably good EHCP timeliness. An end to end review of SEND services is underway, linked to the EHCP timeliness recovery, and later in the year a new operating model with capacity right sized to manage the workloads and desired outcomes will be developed.
22. The future sustainable operating model may recommend that a proportion of service activity should continue to be fulfilled via contracts, but it is also likely to be necessary to both maintain and scale up the establishment teams as well.
23. In both the short term and the medium term, ensuring that there are appropriate recruitment and retention incentives for critical teams will be important to the success of this plan. A proposal and business case is in development with People and Change and this will follow the approval route set out in the Council's Reward policy, which requires a decision on the business case to be made by the Director for People and Change in consultation with the Leader.

### **Benefits of the proposals**

24. Approval of the recommendations in this report will have multiple benefits, the most important being an improvement in the experience of families and outcomes of children and young people with additional needs and disabilities undergoing an EHC needs assessment or awaiting an annual review. Long waits would be eliminated, and the majority would benefit from timely EHCPs. Key benefits will include:
- a. Improved experiences and outcomes for children and families;
  - b. Fewer complaints and tribunals resulting from poor EHCP timeliness;
  - c. Improved experiences for schools and settings supporting children and families;
  - d. Improved experiences for the EHCP workforce, with better systems and processes, and workload and capacity in balance;
  - e. Improved data and insight into EHCP demand, capacity and timeliness in Surrey, enabling more accurate modelling and more effective strategies and decision making in the future.

<b>Consultation:</b>
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25. The recovery plan has been developed in consultation with statutory partners across education, health and social care through the Inclusion and Additional Needs Partnership and Transformation boards and the Education Health and Care Liaison Group. Partner organisations lead workstreams within the plan, provide monitoring information and have contributed to the design of the overall strategy.



26. Concerns about the drop in timeliness, the capacity of teams managing the statutory process and the rise in needs assessments have been raised with stakeholder groups and all stakeholders are keen to work with the LA and have contributed to the design of recovery plan through sharing ideas and providing feedback on elements of the workstreams. These stakeholders have included:
- Family Voice Surrey, voluntary organisations and education providers through the Partnership Board and EHC Liaison Group noted above;
  - Headteacher groups, Leaders of Multi-Academy Trusts through the EHCP focus group;
  - SENDCO’s through network meetings.
27. There has also been Member engagement through the Inclusion and Additional Needs Partnership and Transformation boards, local meetings with members and a briefing for MPs in December 2022 and opposition leaders in July 2023. Members have expressed their shared concerns about the declining trend in timeliness and the impact this has for children, young people, families and education providers.
28. The challenges relating to EHCP Timeliness have been brought to the attention of the Council’s Select Committee for Children, Families, Lifelong Learning and Culture, including in October 2022 and July 2023 meetings. A dedicated item on EHCP Timeliness and the Recovery Plan will be considered by the Select Committee on 25<sup>th</sup> July 2023. This report seeks the Committee’s support for the EHCP Timeliness Recovery Plan that the recommendations in this Cabinet report relate to.

**Risk Management and Implications:**

29. There a number of risks associated with the EHCP timeliness recovery plan and the recommendations to procure additional capacity; these are summarised in the table below.
30. The key risks include:

<b>Risk</b>	<b>Mitigation</b>
There are varying degrees of confidence in the datasets that inform the demand and capacity modelling, and the impacts on overall timeliness are influenced by factors outside the Council’s control	Best available data has been used, and a number of scenarios have been developed and tested, so that realistic scenarios can be identified with an understanding of the sensitivities. The real data will be monitored closely so that appropriate management action can be taken if this starts to deviate from the forecast modelling.
There is a high demand for EP and SEN services due to insufficient in-house capacity and national shortages, so despite the market testing, it could be challenging to secure sufficient capacity from the market	Market testing has indicated that whilst the market is challenging, it is realistic that we will be able to secure contracts of the size required. It is important to be quick to secure provision and contracts with medium term longevity are proposed (3 years structured 12 months, plus 12 months, plus 12 months).
There is a risk that external contracts for service capacity could not be at the quality standards required.	Quality standards and quality roles are included in the specification and will be managed via the contract and services and subject to usual internal quality assurance processes.
The impact of these proposals on overall EHCP timeliness will be constrained by the least timely service	All relevant teams and services, including health partners, are part of the EHCP timeliness

/team that contributes to the process across the system, including health partners.	recovery through the EHC liaison group referred to earlier in this report.
The retention of existing valued members of staff working in all associated teams and services may be more challenging whilst services are under increased pressure.	Communications with managers and staff is ongoing and will be strengthened by the appointment of a County wide SEN Senior Manager (started in July 2023). Communications reminding staff in all relevant services of the support and escalation route available to them will be promoted, and the pressure on staff should be eased by the additional resources these proposals will bring.
There is a risk that the experiences of families do not improve, or do not improve fast enough, during the EHCP timeliness recovery period	It is noted that EHCP timeliness performance data may show a further drop in the months that the backlog of overdue assessments is completed, and that the next national SEN 2 data set will show a low cumulative timeliness. However, on an individual basis this will represent improved timeliness for individual families and long waits are expected to reduce rapidly over the next 4-6 months. The scale of the proposals and contracts are likely to push market availability to the limit, but if there turns out to be greater capacity available that means that the recovery could be achieved more quickly, then the approvals to procure should provide scope to do so.

**Financial and Value for Money Implications:**

31. Based on the expected unit costs and volumes set out in the Part 2 paper, it is recommended that approval to procure contracts up to a total aggregate contract value of £15m over a three-year period (2023/24 to 2026/27). Dependent on the final contract arrangements, it is expected that the annual costs will be fairly evenly spread at approximately £5m per annum.
32. This funding is not within the current CFLL budget envelope so any approval to proceed would be with the understanding these costs needed to be offset by reductions in expenditure elsewhere in CFLL, or through draw down of Council reserves.
33. The impact of accelerating the work, on core High Needs Block (HNB) spend, is that growth built into the Safety Valve program will impact on the budget in a more uneven way, as opposed to materialising at a steady pace /in line with the seasonal patterns observed when timeliness was at more acceptable levels. However, based on current forecast this is not expected to create an additional pressure in the HNB.
34. Last year the Council's actual HNB spending was £2m less than the agreed planned HNB deficit. At the same time, when planning for 2023/24, an additional c£3m was added to the cost containment target to mitigate against the risk of overall growth running higher than planned. Therefore, at the end of 2023/24, if all targets and growth were as planned the deficit could be lower by c£5m.
35. High level modelling indicates that the cost of accelerating the assessments and clearing the backlog could result in c£4.7m associated costs to the High Needs Block

over the course of this financial year. If these costs materialise in this way the Council would still remain on-track with the overall Safety Valve trajectory.

36. This does introduce a risk around sufficiency of school placements as financial forecasts assume suitable educational placements are available for all children at the appropriate level. This will be influenced by the results of each assessment and the specific provision capacity needs. The Admissions teams are monitoring the backlog and preparing to manage these needs effectively.
37. As well as the impact on DSG funded budgets, clearing the backlog could also create an influx of SEN Children requiring Home to School travel assistance (H2STA) part way through an academic year. Current modelling assumptions are that 33% of children with an EHCP require some level of H2STA. Based on the current backlog this could therefore represent c350 children which would be a 6% increase on the current level of SEN Children receiving support. Whilst the same growth assumptions have also been used in H2STA planning, the phasing of this accelerated approach may mean an increase in plans being finalised after the start of the new academic year which may cause a surge of demand for the H2STA service and make efficient route planning more challenging as most routes are optimised in time for the start of the school term in September. Additional administrative costs may also be required to process the level of extra applications within timescales. Close monitoring of these applications and early communication with the H2STA teams is anticipated and is key to ensuring that appropriate support is provided and planned.

#### **Section 151 Officer Commentary:**

38. Significant progress has been made in recent years to improve the Council's financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.
39. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, 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 the stable provision of services in the medium term.
40. As such, the Section 151 Officer supports the proposal to increase capacity and improve EHCP timeliness, noting the potential financial impact this may have on other budgets which will need to be factored into the MTFS planning.

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

41. The Council's statutory duty under the Special Educational Needs and Disability (SEND) Regulations 2014 provides that the local authority must finalise the EHC plan

“as soon as practicable, and in any event within 20 weeks of the local authority receiving a request for an EHC needs assessment” as set out in the body of the report.

42. The proposed procurement route is in accordance with the Council contract standing orders and legal support will be provided as required in the completion of the contractual agreements with suppliers.

**Equalities and Diversity:**

43. The procurement of additional EP advices and capacity in the SEN service team will make an important contribution to ensuring that children and young people with additional needs and disabilities receive the right support, in the right place, at the right time.

**Other Implications:**

44. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

<b>Area assessed:</b>	<b>Direct Implications:</b>
Corporate Parenting/Looked After Children	Approximately 24% of Looked After Children in Surrey have EHCPs. Procurement of these services will contribute towards improved experiences for those children, as well as children and young people undergoing an EHC needs assessment.
Safeguarding responsibilities for vulnerable children and adults	These proposals will enable the Council to better discharge safeguarding responsibilities for vulnerable children and young people. In mitigation to the current lack of timeliness, safeguarding is a key consideration upon the receipt of all EHC needs assessments and appropriate action is taken straight away (i.e. not delayed by the assessment timescales).
Environmental sustainability	These proposals have no significant implications on this area
Compliance against net-zero emissions target and future climate compatibility/resilience	These proposals have no significant implications on this area
Public Health	These proposals have no significant implications on this area

**What Happens Next:**

45. Subject to Cabinet approval:
- a. Completion of procurement documentation, and drafting and agreement of contracts with providers (August 2023)
  - b. Contract(s) award (August /September 2023)
  - c. Recruitment and retention proposals developed and agreed (August /September 2023)

- d. Review of financial impact and decisions for full year 2024/25 (through Medium Term Financial Planning processes)
- e. Approval to procure and progress securing additional capacity /contracts to be included in broader communications to families and partners about the EHCP timeliness recovery plan (July – September 2023 and ongoing)

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**Report Author:** Emily George, Assistant Director for Additional Needs and Disabilities Transformation, Emily.George@surreycc.gov.uk

**Consulted:**

- Additional Needs and Disabilities Partnership and Transformation boards with representation from Education, Health, Care, 3<sup>rd</sup> sector, Family Voice Surrey and ATLAS (user voice group for children and young people with additional needs and disabilities)
- Education Health and Care Liaison Group
- Family Voice Surrey
- EHCP Focus Group
- Children, Families, Lifelong Learning and Culture Select Committee

**Annexes:**

Part 2 report

**Sources/background papers:**

[Report on EHCP Timeliness for the CFLLC Select Committee 20 July 2023](#)

[Department for Education research on educational psychology services: workforce insights and impact 29 June 2023](#)

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**SURREY COUNTY COUNCIL****CABINET****DATE: 25 JULY 2023**

**REPORT OF CABINET MEMBER: DENISE TURNER-STEWART, DEPUTY LEADER AND CABINET MEMBER FOR COMMUNITIES AND COMMUNITY SAFETY**

**LEAD OFFICER: MARIE SNELLING, EXECUTIVE DIRECTOR CUSTOMER AND COMMUNITIES**

**SUBJECT: YOUR FUND SURREY- CF265 ASHFORD COMMUNITY BUILDING**

**ORGANISATION STRATEGY PRIORITY AREA: EMPOWERING COMMUNITIES**

<b>Purpose of the Report:</b>
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This report sets out the key information on the Ashford Community Building Your Fund Surrey (YFS) application, for the consideration of Cabinet.

The vision of YFS is to bring community-led and place-making projects to life, with a focus on the wider community benefit that leaves a real legacy.

<b>Recommendations:</b>
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It is recommended that Cabinet:

1. Approve the full amount requested of £899,645, (76% of total project cost), comprised of:
  - Up to £899,645 of capital funding towards the construction of a community building to be paid in staged payments, on evidence of spend.
  - 5% of which will be retained as final payment until final evidence of income, expenditure and building control sign-off is provided.

<b>Reason for Recommendations:</b>
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- This application has been the subject of a rigorous assessment process and officers consider the project meets the aims and published criteria of the Fund and to satisfy the requirements to award funding.
- The project will provide a much-needed community building supporting one of Surrey County Council's most deprived neighbourhoods, Stanwell. There are very few facilities currently in the area, so the new community building will enhance the neighbourhood and provide many opportunities for the residents as there has been considerable interest in using the new facility.

## Executive Summary

1. Ashford Community Building is an application made by 8<sup>th</sup> Ashford Scouts, the largest scout group in Spelthorne. They have been part of the community since 1945 providing opportunities for local children to experience outdoor activities and develop the life skills needed to become responsible members of the community.
2. Their current building on Convent Road, Ashford is a wartime barracks hut and is not fit for purpose. The lease on the land has expired and they could be asked to vacate at any time. As a result, the group began seeking alternative accommodation 10 years ago within the group's Ashford catchment area.
3. This YFS application is for a new purpose-built building, with a variety of different sized spaces which will appeal to a broad number of users. It will have one main hall, a kitchen, storage area and two smaller meeting rooms. The new community building will provide affordable facilities for a variety of groups and the wider community as well as meeting the current increasing demand for scouts, cubs and beavers in the area.

## Project Summary

4. 8<sup>th</sup> Ashford Scouts are being displaced from their existing facilities and are looking for funding for a community building at their new site at Woodthorpe Road, Ashford, supporting a number of key neighbourhoods. The location is 0.5 miles from Ashford Station with residents being able to access the site on foot, bicycle, car or by train.

Lower Super Output Area (LSOA)	Spelthorne 003E
National Index of Multiple Deprivation (IMD)	6 (one is most deprived)
Surrey Index of Multiple Deprivation	2 (one is most deprived)
Neighbouring LSOAs	The community building will serve residents from across the district including one of Surrey County Council's identified key neighbourhoods: 11655 - Ashford North & Stanwell South.  Further neighbouring LSOAs in Surrey Decile 1 are: 10099 Ashford East 11885 & 12737 Staines South

5. 8<sup>th</sup> Ashford Scouts are committed to ensuring the building is used by the wide community. They have received over fifty expressions of interest from potential user groups varying in age, gender, ethnicity and physical abilities. The significant level of interest provides an indication on the level of need, and lack of current facilities, in the local area.
6. 8<sup>th</sup> Ashford Scouts have received funding from Spelthorne Borough Council's Community Infrastructure Levy to install bike racks outside the venue and to become a drop off point for The Bike Project. The Bike Project charity receives second hand bikes which they then fix and donate to refugees and people seeking asylum.



7. A proposed usage plan for the spaces has been. 8th Ashford Scouts' activities equates to approximately 9 hours of use per week with one Saturday a month dedicated to district events with other groups or extra programme activities. The remaining time will be dedicated to community use, with priority being given to registered charities and not-for-profit groups. 8<sup>th</sup> Ashford Scouts have devised four differential rates depending on the hirers status. The prices were developed by benchmarking against other community halls in Surrey and will be reviewed annually. Any profits will be used for a maintenance fund in anticipation of future repairs or upgrades.
8. To ensure the efficient running of the Community Building, the Scouts have identified a need for a role which would oversee and update the centre's calendar and programming of activities. 8<sup>th</sup> Ashford Scouts were previously successful in getting to the last stage of funding of The National Lottery Community Fund for a Community Outreach Manager in 2020. The funding stream was withdrawn due to the Covid pandemic, however the Scouts were told that a future application would be looked on favourably. The role would be responsible for ensuring that the Ashford Community Building is well utilised by a diverse range of groups from across the community, and for the day-to-day management of the building. In the interim, this role would be fulfilled by a team of volunteers guided by the Executive Committee.
9. The group are currently finalising a 60-year lease on land owned by Ashford Sports Club. Ashford Sports Club lease the land to WR Sports Club, who will sublease it to 8th Ashford Scouts. Both the sublease and the headlease are for 60 years so we would be unable to extend the lease beyond that.
10. WR Sports Club were awarded £300,000 from Your Fund Surrey to increase the size of the indoor space available to better provide services for members and non-members. Careful consideration was taken before progressing this application in view of their close proximity to each other. Officers agreed that the community benefits and target audience of both projects were different, and the project should be progressed to Advisory Panel, especially given the high level of need in the area and its proximity to highly deprived areas.
11. 8th Ashford Scouts will be open from 8.30am-9.30pm each day and have placed a particular emphasis on the facilities being used for charity and community groups rather than for private parties and functions. The groups identified who they would particularly like to support are children, women and girls, people with learning disabilities, asylum seekers and refugees, and those experiencing poor mental health.
12. WR Sports has amended its constitution to state there will be a named representative of 8<sup>th</sup> Ashford on its board. Likewise, 8<sup>th</sup> Ashford will be amending their constitution to state that one or more representative(s) from WR Sports can join their Executive Committee. The parties have agreed on shared objectives to maximise usage of both facilities.
13. 8<sup>th</sup> Ashford Scouts place emphasis on the building being sustainable. Included within the building, but not limited to, will be a high level of insulation, an Air Source Heat Pump, LED lighting and solar panels.

### **Description of project benefits**

The key benefits of the project include:

- i. Meeting SCC ambition of 'Nobody Left Behind' by providing support in a Key Neighbourhood
- ii. Offering a new community space with opportunities to enhance social interaction
- iii. Increased capacity for local Scouts, Beavers, Cub sessions

- iv. Improve the local economy through increased skills and volunteering opportunities.
- v. Creating a new environmentally friendly and accessible building with low running costs

### **Project Timeframes and Management**

- 14. The project will take approximately 36 weeks. Planning permission was granted in 2021. The new building will have an expected minimum life expectancy of 50 years, however on-going maintenance has the potential to extend the lifespan.
- 15. Under guidance of the Executive Committee, the 8<sup>th</sup> Ashford New Building Task Force will have overall responsibility for the management and maintenance of the facility.
- 16. 8<sup>th</sup> Ashford Scouts have been given considerable support from several professionals during the development of the project. This includes legal advice from White & Case and financial advice from Community Foundation Surrey.

### **Consultation:**

#### **Summary of Support**

- 17. Have Your Say, which featured the 8<sup>th</sup> Ashford Scouts Community Building, received 358 comments. Almost 100% of comments were positive of the project with many residents saying it is a well-needed community resource.
- 18. Letters of support have been received from a range of organisations, groups, individuals and County Councillors.
- 19. The Divisional Councillor, Cllr Denise Turner-Stewart commented as follows:

*'This much needed facility will provide a wide range of opportunities for our communities in Spelthorne, but particularly Ashford and Stanwell. There is a high need for constructive and structured activity for young people in the Ashford area and the location for the new site sits between Ashford North, one of the top areas of deprivation on the Surrey index and Staines South which is an area with a high level of social housing and with many residents on low incomes.*

*This is a popular and well run Scout Group which provides affordable activities where young people learn essential practical and social skills to prepare them for adulthood. Access is provided to outdoor activities which would be difficult to access for low income families and which are subsidised to enable families to benefit from the extensive programme of outdoor provision. This provision will be developed further with the increased uptake that will arise from the new Facility.*

*The new hut will be used by charities and not for profit community groups in the local area with a focus, in particular, on supporting community health and wellbeing and reducing social isolation. The facility will be available for all age groups including those supporting new mothers, the elderly, refugees and asylum seekers and community groups will be providing a wide range of activities which are not currently available in the Ashford, Staines and Stanwell areas. There is a large sheltered housing complex nearby and the residents would benefit from the wide range of supportive activities which will be delivered from this community building.*

*This scout group is very well run and is supported by a strong volunteer base and the group has taken out extensive research to identify the volunteer and community groups who will be able to deliver their varied sessions in the local area, providing support to address local*

need. The scout group have made a good case for the need for support for provision of this community facility. In my capacity as divisional Member, I fully support this application and I am very keen to see the application progressed to enable the Scout Group to continue and expand their outstanding work, contributing to the development of our young people in Spelthorne in an area of high population density, in close proximity to vulnerable groups and with limited outdoor space and very high local demand for community activities, support and provision.

This new scout hut will be an asset to the community and will provide a welcoming and accessible space for all ages to enjoy, strengthening and benefitting the community for many years to come.'

**Risk Management and Implications:**

20. This table below outlines the key risks to the project. Officers consider there to be adequate control measures in place.

**Summary Table of Risks and Key Mitigations**

Risk description	RAG	Mitigation action/strategy
The sub-lease between WR Sports & 8 <sup>th</sup> Ashford Scouts has a 4-year break clause	Yellow	8 <sup>th</sup> Ashford Scouts have been running since 1945 and are established in the community. The Scouts have limited the circumstances to which they can use the break to only if there are financial difficulties for the scouts. Finance have assessed the Scouts financial stability and this risk has been accepted after confirmation from Land & Property. A condition within the funding agreement would be to review final head-lease and sub-lease before any funding is released
Post award project costs rise significantly, and the build is no longer viable	Yellow	Ensure 8 <sup>th</sup> Ashford Scouts are working closely with contractor to ensure best value on the project. Project costs include a 10% contingency, and the Scouts have further fundraising potential if needed
Lack of community use in new building	Green	The Scouts have planned publicity through local media/social media sites. They have strong existing connections with community groups with expressions of interest already over capacity.
Weak management committee/lack of volunteers	Green	Very clear constitution. Management group well established and experienced
8 <sup>th</sup> Ashford Scouts sell the venue	Green	Consider the inclusion of a condition on funding that 8 <sup>th</sup> Ashford Scout add a restriction to the title to ensure they cannot sell for a set number of years

**Financial and Value for Money Implications:**

21. YFS funding is requested for the construction of the community building. The application for £899,645 equates to 76% of the overall project costs. Table 1. Financial Summary details the £284,484 of other funding which has been secured. A further £45,000 is pending. The total project cost is £1,184,129 and Table 2 details the total project cost breakdown.

**Table 1. Financial summary**

<b>Amount applied for:</b>	£899,645
<b>Total project cost:</b>	£1,184,129
<b>Percentage of cost against total:</b>	76%
<b>Have other funding sources been secured?</b>	Yes
<b>Other funding:</b>	<p><b>Actual</b>              8<sup>th</sup> Ashford Scouts - £170,699              Garfield Weston - £30,000              St Faith's Trust - £50,000              Spelthorne CIL - £9,484 (Cycle rack for the bike project)              Various funders - £24,301  <b>Total - £284,484</b></p> <p><b>*In progress</b>              Heathrow Community Trust - £15,000              Clothworkers Foundation - £20,000              Bernard Sunley - £10,000  <b>Total - £45,000</b>  <i>*If this funding was approved, their bid to YFS would reduce to £854,645</i></p>
<b>Is there a commercial element to the project?</b>	Yes
<b>Amount suggested for funding:</b>	£899,645

**Table 2. Project Cost breakdown:**

<b>Activity</b>	<b>Total Cost (inc. VAT)</b>
Construction of the new building	£964,187*
Decorating	£2,200
Electricity	£46,782
Cycle rack	£9,484
Gravel for pathway	£2,500
Equipment & materials	£28,976
Professional fees – quantity surveyor	£10,000
Evaluation (2%) - YFS requirement	£20,000
<b>Sub total</b>	<b>£1,084,129</b>
Contingency (10%)	£100,000*
<b>Total</b>	<b>£1,184,129</b>

\*Denotes YFS funded element

**Advisory Panel Comments**

22. The applicant presented the project to the Advisory Panel on 14<sup>th</sup> June 2023. Panel Members recognised the project was in, and serves, an area of need within the County.
23. Panel members queried how the applicant was going to manage the bookings if they didn't receive funding for the Community Outreach Manager. Further queries were

raised on the number of hours per week the scouts would use the facilities and what community use would be made available.

24. The Panel were satisfied with responses given. Four out of five Members who attended agreed that the project should be recommended for funding. One member declared an interest and withdrew from the discussion.

#### **Section 151 Officer Commentary:**

25. Significant progress has been made in recent years to improve the Council's financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.
26. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, 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 the stable provision of services in the medium term.
27. As such, the Section 151 Officer supports this application. This project has been reviewed and initial questions about the costings have all been addressed. There is lower investment from other parties into the project (YFS are funding 76% of the project cost). This places more risk on YFS however, the delivery of the project appears to be adequately planned financially and the investment should provide community benefit and financial return, to enable the organisation to maintain the new premises in the long term.
28. The borrowing costs associated with the fund have been fully built into the Council's Medium-Term Financial Strategy. The annual cost of borrowing for this specific project of £899,645, would be £52,430.

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

29. The report sets out the information and steps for the consideration of the application further to the Council's governance arrangements for Your Fund Surrey.
30. Further to those arrangements, if approved, the Council and the organisation will enter into a comprehensive funding agreement which will include the performance measures that will be put in place to ensure the funding is used as intended as well as clearly describing any support or additional conditions agreed as part of the funding award.
31. It is recommended that SCC Require a restriction on the title to prevent sale of the property or change of use without SCC permission and require pay back should the building be sold or not used for the intended purpose, on a sliding scale. The final terms to be agreed by the Executive Director.

## Equalities and Diversity:

32. Your 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 this project 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 may be more likely to experience social and economic exclusion.

## Other Implications:

33. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail in Table 4 below.

**Table 4. Implications for council priorities and policy areas**

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	No direct implications
Safeguarding responsibilities for vulnerable children & adults	Provides a safe space for vulnerable children and adults attending sessions with charities
Environmental sustainability	<ul style="list-style-type: none"><li>The building will be sustainable, including environmental features such as air source heat pump, LED lighting, solar panels and insulation.</li><li>Reduction in journeys and encouragement of more sustainable forms of travel through EV charging points and cycle parking</li></ul>
Public Health	The project will have a positive impact on wider health determinants with reference to: <ul style="list-style-type: none"><li>signposting to services</li><li>close work with local charities</li><li>enhance social cohesion and wellbeing in an area of deprivation</li></ul>

## What Happens Next:

- Following Cabinet approval of the funding a notice of the records of decisions taken under delegated power, will be published within 3 days of the decision being made.
- Officers will prepare the relevant schedules and funding agreements to enable payment of funds and monitoring and evaluation of the project against its outcomes.
- The YFS Team officers will issue a provisional offer of funding to the applicant requiring review of the tender before the final value of YFS funding is confirmed and a funding agreement drafted.

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**Consulted:**

Division County Councillor

Portfolio holder for Communities

Land & Property, Corporate Finance & Commercial – SCC

**Sources/background papers:**

Your Fund Surrey Criteria

Your Fund Surrey Governance Document

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## SURREY COUNTY COUNCIL

## CABINET

DATE: 25 JULY 2023



REPORT OF CABINET MEMBER: DENISE TURNER-STEWART, DEPUTY LEADER AND CABINET MEMBER FOR COMMUNITIES AND COMMUNITY SAFETY

LEAD OFFICER: MARIE SNELLING, EXECUTIVE DIRECTOR CUSTOMER AND COMMUNITIES

SUBJECT: YOUR FUND SURREY- CF277 WILDLIFE AID FOUNDATION

ORGANISATION STRATEGY PRIORITY AREA: EMPOWERING COMMUNITIES

<b>Purpose of the Report:</b>
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This report sets out the key information on the **Wildlife Aid Foundation** Your Fund Surrey (YFS) application, for the consideration of Cabinet.

The vision of YFS is to bring community-led and place-making projects to life, with a focus on the wider community benefit that leaves a real legacy.

<b>Recommendations:</b>
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It is recommended that Cabinet:

1. Approve the full amount requested of £2,808,000 (21% of total project cost), comprised of:
  - Up to £2,808,000 of capital funding towards the development of a community hub to be paid in staged payments, on evidence of spend. The final value of funding will be contingent on Surrey County Council's (SCC) review of a tender before entering into a funding agreement.
  - 5% of which will be retained as final payment until final evidence of income, expenditure and building control sign-off is provided.

<b>Reason for Recommendations:</b>
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- This application has been the subject of a rigorous assessment process and officers consider the project meets the aims and published criteria of the Fund and to satisfy the requirements to award funding.
- This project has the potential to have a long-lasting positive impact on the environment and wildlife in Surrey. The proposed Wildlife Centre would help redress the balance between humans and nature and play a part in preserving Surrey's natural heritage for future generations to enjoy. The community spaces will support charities, schools and

diverse community groups across Surrey and provide education for all about how to protect the natural environment for the future.

### Executive Summary

1. For 40 years, the Wildlife Aid Foundation (WAF) has been rescuing and rehabilitating sick, injured and orphaned wildlife, including some of Britain's most vulnerable and endangered animals. Alongside this, they also run off-site education and public engagement programmes.
2. The charity is now in a period of transformational change. They have purchased a 20-acre piece of land in Leatherhead, where they plan to create "The Wildlife Aid Centre" which will include new habitats, a visitor centre & community hub, a new wildlife hospital and a domestic vet practice. Most of the site, which is bordered by the M25 and the River Mole, is currently classed as impoverished floodplain and offers little biodiversity. They plan to restore the land and create a network of diverse, productive ecosystem including 12 acres of wetland habitats that will attract a range of wildlife.
3. The YFS application is for phase 3 of the total project which is the Visitor Centre and Community Hub (Community Hub) and the habitat walkways. The Community Hub will consist of two classrooms, an exhibition space and shop, a community café, surrounding outdoor areas and paths and walkways around the wetlands.

### Project Summary

4. The new Wildlife Aid Centre location is based in the electoral division of Leatherhead and Fetcham East. The new centre will be open to all residents of Surrey and further afield.

Lower Super Output Area (LSOA)	Mole Valley 003A
National Index of Multiple Deprivation (IMD)	7 (one is most deprived)
Surrey Index of Multiple Deprivation	3 (one is most deprived)
Neighbouring LSOAs	The Community Hub will serve people from across Surrey and surrounding counties.  Neighbouring LSOAs to the Centre: Leatherhead North - 12740 (Surrey decile 1) & 17115 (Surrey decile 2).

5. WAF currently operates from the home of the CEO, on Randall's Road in Leatherhead, and is used to rescue and rehabilitate injured animals. All their current educational outreach work takes place offsite with various educational volunteers visiting schools, groups and clubs to inform the public about the importance of our natural heritage.
6. The Wildlife Aid Centre's overall project includes the following five phases:

- **Phase 1 & 2 – Habitats:** Creating a network of diverse, productive ecosystems – including 12 acres of wetland habitats attracting a wide range of wildlife.
  - **Phase 3 - Community Hub, wetlands walkway and temporary caretaker and security building- The subject of this funding application.** – Accessible to all, the Community Hub will include a community café, community spaces, exhibition areas and a shop. The Community Hub will host school, college and community groups, adult leisure learning, family sessions and talks. There will be a bookable community room and a changing exhibition programme. Volunteering and placement opportunities here will include working in the café or shop, giving talks to visitors and supporting delivery of school and community activities.
  - **Phase 4 - Caretaker and security accommodation and ancillary buildings:** This will provide 24-hour security 365 days a year.
  - **Phase 5 - Wildlife Aid hospital:** An upgrade from its current overcrowded facilities with more animals being treated, housed and rehabilitated.
  - **Phase 5 - Domestic vet practice:** The domestic vet practice will offer care for domestic animals. A key element is that all profits will go straight back to support the work of the whole Wildlife Aid Centre, strengthening their business model.
7. Development will be phased to reduce risk and ensure full focus is given to each stage. The final phase will be to create a commercial veterinary practice, that will supplement the income of the activities at the Community Hub. The whole project has taken 8 years to plan, involving extensive research into the issues wildlife face, to ensure they are providing the most effective solutions to increase biodiversity across Surrey.
  8. The Community Hub will comprise of two classroom/meeting spaces, an exhibition space/retail area and café. Including the habitats, this size allows for a maximum of 120 students visiting per day. The Community Hub is a flexible space that can be used to welcome small or large groups.
  9. The Community Hub and walkways will be free to access and be fully accessible to all the community. The spaces will be designed and run to be inclusive to all.
  10. The Community Hub will have a bookable community space open to schools, charities and community groups. Costs will be lower for visits from schools in disadvantaged areas (25% reduction) and there will be a 50% reduction in room hire costs for community groups. WAF have assumed 25% of all community bookings will be free and are committed to ensuring the space meets the needs of the local community.
  11. WAF are keen to use the Wildlife Centre to support green social prescribing and have consulted with a variety of charities who have a mental wellbeing provision and work in partnership with GP surgeries and community partners to support people with mild to moderate mental health difficulties. They have a paid Learning Manager who will coordinate the WAF activities on site as well as externally run activities by the community.
  12. WAF is already deeply embedded in the local community with over 400 current volunteers, equating to 78,000 volunteer hours per year. With the increase in opportunities the new Wildlife Centre will bring, they hope to expand this to over 600. WAF have a waiting list for volunteers and 96% of current volunteers have expressed an interest in additional shifts.

- 17
13. The Community Hub will include a community café, outsourced to a community organisation at a nominal rent. WAF are currently exploring possible options including a model that offers people with Learning Disabilities and Autism an opportunity to work.
  14. WAFs vision and mission is focused on protecting the wildlife of Surrey. This is achieved directly, through their rescue and rehabilitation work, and in-directly through their environmental education programme. WAF has completed a number of community consultations in Surrey to understand the views of the community on wildlife and the new Wildlife Centre. Of the 908 people who initially responded, 41% lived local to Leatherhead. Of those who live locally, 98% said they would visit and use the Wildlife Centre. Furthermore, WAF's community consultation highlighted some potential activities that would be of interest to visitors including tree planting, litter picking days and land management workshops. WAF activities at the Centre will be focused on their engagement programme iDot (I Do One Thing), in which people commit to carrying out one positive action per day for wildlife and the wider environment. Since the launch of iDot in 2019, it has already produced over 1.3m individual actions.
  15. The Wildlife Centre will have accessible boardwalks, viewing platforms and hides which will offer visitors access across the habitats, enabling them to learn what wildlife lives where and how to replicate those habitats in their own green spaces.
  16. The Community Hub has been designed with sustainability in mind and has received the BREEAM sustainability standard of 'Very Good'. Included within the building, but not limited to, will be high levels of insulation, a Ground Source Heat Pump, solar panels, EV charging points and bike racks. Alongside these environmental features, WAF plan to promote greener travel to the site from their staff, volunteers and the community.
  17. Due to the considerable level of investment, an element of the funding agreement would include the requirement of WAF to work with the Council's marketing team to install significant Surrey County Council signage at the front of the building to reflect the project is in partnership with SCC.

### **Description of project benefits**

18. The key benefits of the project include:
  - i. Supporting physical and mental health by providing unique opportunities for residents to engage with animals and nature
  - ii. Creating new habitats for wildlife and biodiversity
  - iii. Creating new community spaces and opportunities for local people
  - iv. Supporting greater and accessible access to wildlife and the environment in Surrey
  - v. Increasing opportunities for volunteering and skills development

### **Project Timeframes and Management**

19. Phases 1, 2 & 4 are fully funded. Phases 1 and 2 have been completed.
20. After securing funding for Phase 3, the Community Hub, WAF will begin the remaining elements of the project plan, including:
  - RIBA Stage 3 – Spatial Coordination – 10 weeks
  - RIBA Stage 4 – Technical Design – 10 weeks
  - Procurement – 23 weeks

- RIBA Stage 5 – project delivery – approximately 58 weeks, comprising of the following stages:
    - Site set-up & temporary works
    - Piling foundations and underground services
    - Superstructure
    - Roofing, windows, external doors, cladding
    - Mechanical and electrical works
    - Community Hub Fit out
    - Ancillary, landscape works and wetlands walkway
21. Planning permission was granted by Mole Valley District Council (MVDC) in September 2020. In early 2021, MVDC confirmed that the permission has been lawfully implemented and therefore remains in place. The new building will have an expected minimum life expectancy of 50 years. On-going maintenance has the potential to extend the lifespan beyond this.
  22. The overarching project manager will be the WAF CEO, who in turn reports to the WAF board of trustees. An external project manager will manage the build. Throughout the build the WAF hospital will continue to operate from Randalls Road and the learning manager will continue to work with communities, schools, and businesses. On opening, the centre will be the responsibility of the centre manager, who will report to the CEO.
  23. Progress and spend on the Wildlife Aid Centre is reviewed quarterly at each board meeting. For Phase 3, milestones will be set between the contractors and WAF project manager for the build, which will be regularly reviewed at WAF board meetings.
  24. WAF have recognised the significant expansion to their current operation and have changed their management structure accordingly, creating a flat management team. An external consultant is mentoring the management team as they work towards the creation of the Wildlife Aid Centre.
  25. WAF have five trustees who bring a broad range of skills to the project, including finance, project management, public relations and design. They are currently actively looking for an additional 3 board members and have identified key additional skills and knowledge requirements, including legal, retail, community engagement and evaluation.

<b>Consultation:</b>
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### **Summary of Support**

26. Have Your Say, which featured The Wildlife Aid Centre, received 4,304 comments, the highest of any project to date. 99% of comments were positive.
27. Letters of support have been received from a wide range organisations, groups, individuals and county / district Councillors.

**Risk Management and Implications:**

28. Table 1 below outlines the key risks to the project. Officers consider there to be adequate control measures in place.

**Table 1: Summary Table of Risks and Key Mitigations**

Risk description	RAG	Mitigation action/strategy
Uncertainty over the future management of the organisation.	Yellow	The original WAF management structure has been changed to reflect the expansion of the operation, creating a flat management team that oversees all areas of the business. The CEO is still in charge but is also mentoring the team, sharing knowledge, contacts and skills, enabling WAF to run effectively. In addition, an external consultant is mentoring the management team as they work towards the creation of the Wildlife Aid Centre and will continue to do so. They have identified additional skills required on the Board and are currently trying to recruit an additional 3 Board members in next 6 months.
Unable to raise the funding gap.	Green	They have significant fundraising potential. YFS funding could also help leverage other grant funding.
Project costs rise well above QS estimates post tender due to inflationary environment.	Yellow	Full tender process and subsequent value engineering to mitigate against cost increases. SCC will review tender exercise and agree final funding and scope before completing funding agreement.
Post award project costs rise significantly, and the build is no longer viable.	Yellow	Full tender process and subsequent value engineering to mitigate against cost increases. SCC review of tender before completing funding agreement. Multiple funding streams and phases of work allow flexibility in meeting available budget.
Failure of the organisation.	Green	WAF have been running for 40 years and have significant support from the community.
Wildlife Aid sell the building.	Green	Consider: • Restriction on title • Claw back if not used as intended or sold.
Project fails to deliver desired community benefit.	Green	WAF well connected in the community. WAF have already conducted community engagement to ascertain need and support. Funding agreement requirement to monitor use over 20 years.

<b>Financial and Value for Money Implications:</b>
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29. YFS funding is requested towards the construction of the community hub and walkways. The project has applied for £2.8m which equates to 21% of the overall Wildlife Aid Centre project costs and 67% of Phase 3 (Community Hub) project costs.
30. Due to the high value of the project and YFS funding request, all costs are based on a detailed Quantity Surveyor (QS) report conducted in March 2023 which has also been reviewed by SCC Land & Property (L&P). L&P had queries regarding some of the costs such as the inflation allowance and WAF provided appropriate responses. The cost estimate is based on benchmark rates from similar projects. Any funding provided by YFS would be subject to a satisfactory tender process.
31. Table 2 - Financial Summary, details the £10,764,029 of other funding which has already been secured or is being sourced towards the wider project. The total project cost is £13,572,029. Table 3 details the Wildlife Aid Centre project cost breakdown. Table 4 shows the Community Hub project cost breakdown.

**Table 2 - Financial summary**

<b>Amount applied for:</b>	£2,808,000
<b>Total project cost:</b>	£13,572,029
<b>Percentage of cost against total:</b>	21% of whole project & 65% of Community Hub
<b>Have other funding sources been secured?</b>	Yes, towards the wider project
<b>Other funding:</b>	<p>Actual</p> <p>Phases 1,2, &amp; 4</p> <ul style="list-style-type: none"> <li>• Wildlife Aid funding £1,200,000</li> <li>• Surrey Freemasons - £50,000</li> <li>• Haskins Garden Centre - £14,000</li> <li>• International Tree Foundation - £3,780</li> <li>• Surrey Climate Commission, community grants for sustainability - £1,200</li> </ul> <p>Phase 3 – Community Hub</p> <ul style="list-style-type: none"> <li>• £1,536,661 WAF contribution</li> </ul> <p>Phase 4</p> <ul style="list-style-type: none"> <li>• Wildlife Aid funding £1,977,360</li> </ul> <p>Phase 5</p> <ul style="list-style-type: none"> <li>• Simon's Last Wish campaign - £524,148 (live campaign specific to the wildlife hospital equipment)</li> <li>• Wildlife Aid funding (includes restricted funds, legacies &amp; donations due to launch June 2023) - £5,456,880</li> </ul> <p><b>Total – £10,764,029</b></p> <p><i>Fundraising activity for the Wildlife Aid Centre is ongoing throughout all phases.</i></p>



**Table 3 - Wildlife Aid Centre Cost Breakdown**

Phase	Activity	Total Cost (inc VAT)	YFS Funding	Other Funding
Phase 1 & 2	Land purchase, architects, surveyors, ponds & habitats	£1,268,980	£0	£1,200,000
				£50,000
				£14,000
				£3,780
				£1,200
<b>sub-total</b>				<b>£1,268,980</b>
Phase 3	Community Hub, infrastructure & temporary security building	£4,344,661	£2,808,000*	£1,536,661
<b>sub-total</b>				<b>£1,536,800</b>
Phase 4	Workshops, garages and security house	£1,977,360	£0	£1,977,360
<b>sub-total</b>				<b>£1,977,360</b>
Phase 5	Wildlife hospital and community vet	£5,981,028	£0	£524,148
				£5,456,880
<b>sub-total</b>				<b>£5,981,028</b>
<b>Total</b>		<b>£13,572,029</b>	<b>£2,808,000</b>	<b>£13,572,029</b>

\*towards community building & walkways only

**Table 4 - Community Hub Project Cost breakdown**

Phase 3 element		Total	YFS Contribution
Community Hub*	Substructure	£231,195	£2,408,000
	Superstructure	£958,847	
	Internal Finishes	£66,922	
	Fittings and Furnishings	£52,700	
	Services	£427,200	
	External works	£60,500	
	Preliminaries	£391,736	
	Contractor overheads	£218,900	
Civil & Infrastructure Works	Wetlands walkways to make the site fully accessible *	£400,000	£400,000
	Tarmac road & car park	£204,000	£0
	Landscaping in between buildings	£25,000	
	Permanent block paving	£20,000	
	Cabling & fencing	£35,000	
	External drainage	£61,861	
		£745,861	



Caretaker and Security	£130,000	£0
Inflation allowance (2%)	£69,000	£0
Design & Construction Contingency (10%)	£335,000	£0
VAT	£656,800	£0
<b>Total</b>	<b>£4,344,661</b>	<b>£2,808,000</b>

\*Denotes YFS funded element

### Advisory Panel Comments

32. The applicant presented the project to the Advisory Panel on 14<sup>th</sup> June 2023. Panel members were particularly interested in understanding the future management of the Wildlife Centre, considering the significant upscale from their current operation and future change in management.
33. Members also queried if there are any negative implications of the Wildlife Centre being located on the floodplains close to the M25. The applicant's architect clarified the measures that will be taken including elevating the buildings. Wildlife Aid representatives explained how wildlife can thrive near human activity such as roads & motorways.
34. Further queries were raised on the funding gap. The applicant gave further details on their fundraising plan, including potential future legacies.
35. Members of the Advisory Panel were generally satisfied by the answers provided and further information was sent out after the meeting on the future management of the centre and trustees. Three out of four Members in attendance agreed that the project should be recommended for funding. One member abstained as they felt they did not have enough financial and cashflow information to take an informed view.

### Greener Futures Comment

36. This is a very strong project as it has demonstrable benefits for wildlife and biodiversity, both of which are at risk in the county. The building will be low carbon and therefore aligns with the county net zero 2050 target.

<b>Section 151 Officer Commentary:</b>
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37. Significant progress has been made in recent years to improve the Council's financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.
38. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, 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 the stable provision of services in the medium term.

39. The Section 151 Officer supports this application. WAF have submitted detailed financial costing and queries on this have been resolved. The documentation shows the full scope of the project envisaged. The value of award is material but as a % of total project costs is reasonable as there is significant wider funding secured. Due to the scale of the project, costs need to be tightly controlled and project management needs to be strong to ensure financial risk is minimised. Conditions should be added to the funding agreement to mitigate exposure to these risks.
40. The borrowing costs associated with the fund have been fully built into the Council's Medium-Term Financial Strategy. The annual cost of borrowing for this specific project of £2,808,000 would be £163,645.

**Legal Implications – Monitoring Officer:**

41. The report sets out the information and steps for the consideration of the application further to the Council's governance arrangements for Your Fund Surrey.
42. Further to those arrangements, if approved, the Council and the organisation will enter into a comprehensive funding agreement which will include the performance measures that will be put in place to ensure the funding is used as intended as well as clearly describing any support or additional conditions agreed as part of the funding award.
43. It is recommended that SCC Require a restriction on the title to prevent sale of the property or change of use without SCC permission and require pay back should the building be sold or not used for the intended purpose, on a sliding scale. The final terms to be agreed by the Executive Director.

**Equalities and Diversity:**

44. Your 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 this project 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 may be more likely to experience social and economic exclusion.

**Other Implications:**

45. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail in Table 4 below.

**Table 5 - Implications for council priorities and policy areas**

<b>Area assessed:</b>	<b>Direct Implications:</b>
Corporate Parenting/Looked After Children	Improved access to environment and nature activities for looked after children across Surrey.
Safeguarding responsibilities for vulnerable children & adults	Provides a safe space for vulnerable children and adults attending sessions with charities
Environmental sustainability	As well as protecting local wildlife populations, the Centre will contribute to national efforts to reverse species and habitats decline. Visitors will also learn about Surrey wildlife, how human activity impacts it, and how they can each protect and live in harmony with nature.

Public Health	Increasing access to green spaces for residents across Surrey. Involvement in such activities can have positive impacts on health and wellbeing.
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### What Happens Next:

- Following Cabinet approval of the funding a notice of the records of decisions taken under delegated power, will be published within 3 days of the decision being made.
- Officers will prepare the relevant schedules and funding agreements to enable payment of funds and monitoring and evaluation of the project against its outcomes.
- The YFS Team officers will issue a provisional offer of funding to the applicant requiring review of the tender before the final value of YFS funding is confirmed and a funding agreement drafted.

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### Report Author:

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### Consulted:

Division County Councillor

Portfolio holder for Communities

Land & Property, Greener Futures, Corporate Finance & Commercial – SCC

### Sources/background papers:

Your Fund Surrey Criteria

Your Fund Surrey Governance Document

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## SURREY COUNTY COUNCIL

## CABINET

DATE: 25 JULY 2023

REPORT OF: DAVID LEWIS, CABINET MEMBER FOR FINANCE AND RESOURCES

LEAD OFFICER: LEIGH WHITEHOUSE, DEPUTY CHIEF EXECUTIVE AND EXECUTIVE DIRECTOR FOR RESOURCES (S151 OFFICER)

SUBJECT: 2023/24 MONTH 2 (MAY) FINANCIAL REPORT

ORGANISATION STRATEGY PRIORITY AREA: GROWING A SUSTAINABLE ECONOMY SO EVERYONE CAN BENEFIT/ TACKLING HEALTH INEQUALITY/ENABLING A GREENER FUTURE/EMPOWERING COMMUNITIES



<b>Purpose of the Report:</b>
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This report provides details of the County Council's 2023/24 financial position, for revenue and capital budgets, as at 31<sup>st</sup> May 2023 (M2) and the expected outlook for the remainder of the financial year.

**Key Messages – Revenue**

- **At M2, the Council is forecasting an overspend of £9.7m against the 2023/24 revenue budget** approved by Council in February 2023. This represents a deterioration of £3.7m since the April position. The details are shown in Annex 1 and summarised in Table 1 (paragraph 2 below).
- In addition **£19.3m of net risks** to the forecast position have been quantified (further details in paragraph 4). **Historically risks are higher in the early part of the financial year** as the likelihood they will materialise, and the financial impact, is not yet clear.
- **Directorates will take action to mitigate** these risks and maximise the opportunities to offset risks, in order to contain costs within available budget envelopes.

**Key Messages – additional investment**

- The Council has reviewed the level of its reserves, balancing the need to ensure that funds are put to the best use, while protecting the financial resilience of the Council through sufficient reserve balances for the current risk environment.
- The Council is taking the opportunity to target investment to improve service delivery in some specific areas that are currently struggling to keep pace with sustained pressure and changing demands.
- £5.7m of additional funding is proposed to bring faster improvements in the rates of Education Health and Care Plan timeliness, further improve recruitment and retention within the childrens social work workforce and address specific areas of activity within highways and environmental services.

**Key Messages – Capital**

- The M2 position shows a forecast spend of £307.9m against a budget of £326.4m, **an underspend of £18.6m**, mainly due to project slippage in Highways and Transport.
- The Capital Programme Panel will continue to review capital position and identify opportunities to accelerate spend to offset the forecast slippage.

## Recommendations:

It is recommended that Cabinet:

1. Notes the Council's forecast revenue and capital budget positions for the year and the need for mitigating actions to be developed to offset the projected revenue overspend.
2. Approves an increase in the 2023/24 revenue budget of £5.7m, in response to the Council's recognition of the need to accelerate the improvements in service delivery in the following specific areas:
  - improvement in the rates of Education Health and Care Plan timeliness,
  - to support initiatives to improve recruitment and retention within the childrens social work workforce, and
  - highways and environmental service improvements.

This temporary increase in budget is proposed to be funded from the Council's reserves, following a review of the sufficiency of reserve levels. Ongoing implications of these additional investments will be factored into the 2024/25 budget planning process.

## 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:

3. At M2, the Council is forecasting a full year £9.7m overspend against the revenue budget, a deterioration of £3.7m since April. Table 1 below shows the forecast revenue budget outturn for the year by service.

Table 1 - Summary revenue budget forecast variances as of 31<sup>st</sup> May 2023

	M2 Forecast	Annual Budget	M2 Forecast Variance
	£m	£m	£m
Adult Social Care	441.4	438.9	2.5
Public Service Reform & Public Health	37.8	37.8	0.0
Children, Families and Lifelong Learning	256.3	250.3	6.0
Environment, Transport & Infrastructure	149.7	149.6	0.0
Surrey Fire and Rescue	38.7	38.7	0.0
Customer & Communities	21.2	20.9	0.3
Resources	83.0	82.1	0.9
Communications, Public Affairs and Engagement	2.3	2.2	0.1
Prosperity, Partnerships & Growth	2.1	2.2	(0.0)
Central Income & Expenditure	79.3	79.3	0.0
<b>Total before Funding</b>	<b>1,111.7</b>	<b>1,102.0</b>	<b>9.7</b>
Corporate Funding	(1,102.0)	(1,102.0)	0.0
<b>Overall</b>	<b>9.7</b>	<b>0.0</b>	<b>9.7</b>

4. The £9.7m forecast Directorate overspend relates primarily to the following (further details set out in Annex 1):
  - **Adult Social Care - £2.5m overspend, £2.5m deterioration** since last month due to demand and market pressures relating to care packages and delays to the deliverability of planned efficiencies for strength based practice (£1.4m) due to a need

to focus on fulfilling statutory obligations, in the context of the new CQC assurance regime.

- **Children, Families and Lifelong Learning - £6m overspend, unchanged since last month.** Pressures relate to price inflation within Social Care placements (£4m) and demand pressures within Area Care (£1m) and Care Leavers (£1m), a continuation from costs experienced in 2022/23 based on the current trajectory. It should also be noted that further risks remain for placements, with the current forecast including significant management action required during the year. Market pressures mean that placement costs are continuing to rise at a sharp rate, with often very limited alternatives but to accept. Further work is being undertaken to ascertain if the forecast will need to increase for M3.
  - **Resources - £0.9m overspend, £0.9m deterioration since last month.** Due to anticipated reduction in income of £0.3m from the provision of payroll services caused by a decreases in customer numbers and staffing pressures in Legal and People & Change due to agency and restructure costs (£0.4m).
  - **Customer & Communities - £0.3m overspend, £0.3m deterioration since last month.** Flagged as a risk last month, libraries' income is forecast to be £0.3m less than the budget. It is now considered unlikely that income will fully recover to pre-pandemic levels, due to changes in demand for services. The service is seeking new revenue streams to mitigate.
5. In addition to the forecast overspend position, emerging risks and opportunities are monitored throughout the year. Directorates have additionally identified net risks of £19.3m, consisting of quantified risks of £20.1m, offset by opportunities of £0.8m. These figures represent the weighted risks and opportunities, taking into account the full value of the potential risk or opportunity adjusted for assessed likelihood of the risk occurring or opportunity being realised.
6. Directorates will take action to mitigate these risks and maximise the opportunities available to offset them, in order to avoid these resulting in a forecast overspend against the budget set.

#### Dedicated Schools Grant (DSG) update

7. The table below shows the projected forecast year end outturn for the High Needs Block. The forecast at month 2 is in-line with budget.

Table 2 - DSG HNB Summary

2023/24 DSG HNB Summary	Budget £m	Forecast £m
Education and Lifelong Learning	231.7	231.7
Place Funding	22.7	22.7
Children's Services	2.3	2.3
Corporate Funding	2.0	2.0
<b>Total expenditure</b>	<b>258.7</b>	<b>258.7</b>
DSG High Needs Block	(218.3)	(218.3)
<b>Deficit</b>	<b>40.4</b>	<b>40.4</b>

8. The first monitoring report for the safety valve agreement in 23/24 was submitted in May to the DfE. It confirmed the Council remains on track with its agreed trajectory, although

also noting continued pressures both within the system and through rising inflation. DfE reporting requirements are now for 3 submissions during each financial year.

### **In-year additions:**

9. The Council continues to be forward looking and ambitious. However, local government continues to work in a challenging environment of sustained and significant pressures, which has resulted in service delivery in some specific areas not keeping up pace with the changing landscape and demands.
10. The Council wants to address these issues and as such has identified a number of specific areas where investment in improvements is recommended. Alongside, the identification of these areas of focus, the Council has assessed the level of reserves, balancing the need to ensure ongoing financial resilience with the need to ensure funds are put to best use. It is proposed that the identified investment requirement of £5.7m can be funded from the Council's reserves, without impacting on the appropriateness of the reserve levels given the current risk environment. The 2023/24 revenue budget includes contingency of £20m, any unutilised element of this contingency budget will be used to replenish the reserve levels at financial year-end.
11. The areas identified for improvement are:
  - Surrey's street scene – our roads, highways verges, and localised flooding – as well as our management of tree felling and planting. Over the last couple of months, Officers from our Highways and Countryside Teams, along with Cabinet Members and Senior Leaders in the organisation have worked to review service delivery, and put in place both immediate actions where possible and further opportunities for investment that will result in noticeable improvements for residents. £2.5m of additional funding is requested in 2023/24 in response to the recommendations to fund the following:
    - £0.4m – accelerated refreshment of road lines across our network to bring it back to an acceptable state and improve the look of local places for communities.
    - £0.2m - enhanced capacity for customer handling and improvements to online defect reporting defects on the network.
    - £0.2m - increased capacity for additional proactive tree planting and removal and replanting of urban stumps.
    - £1.3m - flooding & drainage - enhanced operational protocols and resources, particularly addressing issues with defective gullies and wetspots.
    - £0.3m - to boost the verge cutting programme, targeted at key areas.
    - £0.05m - increased capacity to respond to customer enquiries on streetworks.
    - £0.05m - increased capacity to respond to customer enquiries on highways maintenance.
    - £5k – identification & collection of new road layout signage.
  - £0.7m of additional funding is requested in 2023/24 to support a initiatives to further improve **recruitment and retention within the childrens social work workforce**. Despite reduced voluntary turnover, there remains a significant challenge in terms of vacancies and proportion of agency staff within our Family Safeguarding service. These teams undertake the critical intervention work with children and their families within Child in Need, Child Protection and our Public Law pre-proceedings and court work. Following an extensive programme of work completed by the Recruitment, Retention and Culture



Board (RRC) over the last year additional initiatives have been identified that will assist both recruitment and retention.

- £2.5m of additional funding is requested in 2023/24 to address the rates of Education Health & Care Plans (EHCP) timeliness. Current rates are improving from a low base but remain well below both internal targets and national comparators. The requested funding will support a series of measures, including demand management and capacity/effectiveness improvements. The total requirement for 2023/24 is £5m, however, £2.5m can be funded from existing corporately held budgets. The additional increase requested amounts to a further £2.5m.
12. This temporary increase in budget is proposed to be funded from the Council's reserves and any ongoing implications of this additional investment will be factored into the 2024/25 budget planning process.

### **Capital Budget**

13. The 2023/24 Capital Budget was approved by Council on 7th February 2023 at £319.3m, with a further £92.7m available to draw down from the pipeline and £15m budgeted for Your Fund Surrey. After adjustments for 2022/23 carry forward and acceleration, the revised budget is £326.4m.
14. Capital expenditure of £307.9m is forecast against the budget, a forecast variance of £18.6m. This decrease relates mainly to project slippage of £19.3m in Highways and Transport.
15. The Capital Programme Panel will continue review the capital position. The Strategic Capital Groups are identifying opportunities to accelerate spend to offset the forecast slippage
16. Table 3 below provides a summary of the forecast full-year outturn at M2.

**Table 3 - Summary capital budget**

Strategic Capital Groups	Annual Budget	2023-24 Outturn Forecast at M2	M2 Forecast Variance
	£m	£m	£m
<b>Property</b>			
Property Schemes	115.6	115.4	(0.1)
ASC Schemes	1.7	1.7	0.0
CFLC Schemes	2.8	2.8	0.0
<b>Property Total</b>	<b>120.1</b>	<b>119.9</b>	<b>(0.1)</b>
<b>Infrastructure</b>			
Highways and Transport	150.4	131.1	(19.3)
Infrastructure and Major Projects	33.1	30.9	(2.2)
Environment	10.9	9.7	(1.2)
Surrey Fire and Rescue	7.6	6.9	(0.7)
<b>Infrastructure Total</b>	<b>202.0</b>	<b>178.5</b>	<b>(23.5)</b>
<b>IT</b>			
IT Service Schemes	4.4	9.5	5.1
<b>IT Total</b>	<b>4.4</b>	<b>9.5</b>	<b>5.1</b>
<b>Total</b>	<b>326.4</b>	<b>307.9</b>	<b>(18.6)</b>

17. The forecast variances relate to:

- **Highways and Transport Schemes - £19.3m decrease.** Purchase of low emission buses is delayed whilst contracts are finalised, and further delays are expected due to long lead in and manufacturing times (£9.4m). Slippage on Active Travel, due to schemes being subject to public consultation, with uncertainty about the timing and response (£4.5m). £2.8m of slippage on Local Highways schemes, £1.2m slippage on Bridge Strengthening, £0.7m on Safety Barriers, and £0.6m on Road Safety Schemes, reflecting risk within the current programme.
- **Infrastructure and Major Projects - £2.2m decrease** due to slippage on Housing Infrastructure Fund (£3.4m) and Farnham Schemes (£1.5m), offset by £2.8m increase on smaller schemes, as Pipeline amounts have been approved and will be reflected in budgets in the next reset.
- **Environment Schemes - £1.2m decrease.** Slippage on Basingstoke Canal due to preparatory work needed before planning permission is granted (£0.5m). £0.5m slippage on Sustainable Warmth schemes where residents have decided not to proceed or to delay installations.
- **Surrey Fire & Rescue Service - £0.7m decrease.** £0.4m of slippage on purchase of appliances and equipment due to long lead times and remodelling of the replacement programme.
- **IT Service Schemes - £5.1m variance** due to the DB&I project. Spend remains in line with Cabinet approvals, although budgets are yet to be reset.
- **Property Schemes – £0.1m decrease** due to small variances on various schemes

**Consultation:**

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

### **Risk Management and Implications:**

19. 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 Corporate 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:**

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

### **Section 151 Officer Commentary:**

21. Significant progress has been made in recent years to improve the Council's financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.
22. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, 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 the stable provision of services in the medium term.
23. The Council has a duty to ensure its expenditure does not exceed the resources available. As such, 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.
24. The Section 151 Officer confirms that a review of the Council reserve balances compared to the risk benchmark has concluded that there is sufficient capacity to fund these one-off increases to the Council budgets. Any unutilised element of the 2023/24 contingency budget can be used to replenish reserves at financial year end. The ongoing financial implications of these additional investments will be factored into the budget setting process for 2024/25.

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

25. 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.
26. 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:**

27. 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.
28. 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:**

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

#### **Report Author:**

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#### **Consulted:**

Cabinet, Executive Directors, Heads of Service

#### **Annex:**

Annex 1 – Detailed Outturn position

## Detailed Revenue Outturn position

Service	Cabinet Member	Gross budget £m	Net budget £m	Forecast £m	Outturn variance £m
Family Resilience	C Curran	£39.8m	£34.7m	£35.2m	£0.5m
Education and Lifelong Learning	S Mooney	£282.4m	£23.4m	£23.4m	£0.0m
Commissioning	S Mooney	£157.9m	£69.7m	£69.7m	£0.0m
Quality & Performance	S Mooney	£10.5m	£9.7m	£9.7m	£0.0m
Corporate Parenting	S Mooney	£135.2m	£116.5m	£122.0m	£5.5m
Exec Director of CFLL central costs	S Mooney	-£3.7m	-£3.7m	-£3.7m	£0.0m
<b>Children, Families and Lifelong Learning</b>		<b>£622.0m</b>	<b>£250.3m</b>	<b>£256.3m</b>	<b>£6.0m</b>
Public Health	M Nuti	£35.8m	£35.8m	£35.8m	£0.0m
Public Service Reform	M Nuti	£2.3m	£2.0m	£2.0m	£0.0m
<b>Public Health and PSR</b>		<b>£38.1m</b>	<b>£37.8m</b>	<b>£37.8m</b>	<b>£0.0m</b>
<b>Adult Social Care</b>	<b>M Nuti</b>	<b>£604.1m</b>	<b>£438.9m</b>	<b>£441.4m</b>	<b>£2.5m</b>
Highways & Transport	M Furniss / K Deanus	£80.8m	£63.6m	£63.6m	£0.0m
Environment	M Heath/ N Bramhall	£83.5m	£81.2m	£81.2m	£0.0m
Infrastructure, Planning & Major Projects	M Furniss	£5.6m	£2.8m	£2.8m	£0.0m
Planning Performance & Support	M Furniss	£1.5m	£1.5m	£1.5m	£0.0m
Emergency Management	K Deanus	£0.7m	£0.5m	£0.6m	£0.0m
<b>Environment, Transport &amp; Infrastructure</b>		<b>£171.9m</b>	<b>£149.6m</b>	<b>£149.7m</b>	<b>£0.0m</b>
<b>Surrey Fire and Rescue</b>	<b>D Turner- Stewart</b>	<b>£44.5m</b>	<b>£38.7m</b>	<b>£38.7m</b>	<b>£0.0m</b>
Armed Forces and Resilience	K Deanus	£2.1m	£2.1m	£2.2m	£0.1m
Communications	T Oliver	£0.1m	£0.1m	£0.1m	£0.0m
<b>Communications, Public Affairs and Engagement</b>		<b>£2.2m</b>	<b>£2.2m</b>	<b>£2.3m</b>	<b>£0.1m</b>
PPG Leadership	T Oliver	£0.3m	£0.3m	£0.3m	£0.0m
Economic Growth	M Furniss	£1.8m	£1.8m	£1.8m	(£0.0m)
<b>Prosperity, Partnerships and Growth</b>		<b>£2.2m</b>	<b>£2.2m</b>	<b>£2.1m</b>	<b>(£0.0m)</b>
Community Partnerships	D Turner-Stewart	£1.9m	£1.9m	£2.0m	£0.1m
Customer Services	D Turner-Stewart	£3.1m	£2.9m	£3.1m	£0.2m
Customer Experience	D Turner-Stewart	£0.5m	£0.5m	£0.5m	£0.0m
Cultural Services	D Turner-Stewart	£18.5m	£8.3m	£8.6m	£0.3m
Customer and Communities Leadership	D Turner-Stewart	£2.7m	£2.2m	£1.8m	(£0.4m)
Registration and Nationality Services	D Turner-Stewart	£2.5m	-£1.5m	-£1.5m	£0.0m
Trading Standards	D Turner-Stewart	£4.0m	£1.9m	£1.9m	£0.0m
Health & Safety	D Turner-Stewart	£0.7m	£0.3m	£0.3m	£0.1m
Coroners	K Deanus	£4.5m	£4.5m	£4.5m	(£0.0m)
<b>Customers and Communities</b>		<b>£38.4m</b>	<b>£20.9m</b>	<b>£21.2m</b>	<b>£0.3m</b>
Land & Property	N Bramhall	£32.9m	£25.1m	£25.1m	£0.0m
Information Technology & Digital	D Lewis	£21.0m	£20.2m	£20.2m	£0.0m
Twelve15	D Lewis	£20.5m	-£1.3m	-£1.4m	(£0.0m)
Finance	D Lewis	£12.7m	£7.6m	£7.5m	(£0.1m)
People & Change	T Oliver	£7.4m	£7.3m	£7.5m	£0.2m
Legal Services	D Lewis	£6.3m	£5.9m	£6.1m	£0.2m
Joint Orbis	D Lewis	£6.2m	£6.2m	£6.2m	£0.0m
Democratic Services	D Lewis	£4.0m	£3.8m	£3.7m	(£0.1m)
Business Operations	D Lewis	£2.5m	£0.7m	£1.0m	£0.3m
Executive Director Resources (incl Leadership Office)	D Lewis	£3.5m	£3.5m	£3.9m	£0.4m
Corporate Strategy and Policy	D Lewis	£1.1m	£1.1m	£1.1m	(£0.0m)
Transformation and Strategic Commissioning	D Lewis	£1.7m	£1.7m	£1.7m	£0.0m
Procurement	D Lewis	£0.1m	£0.1m	£0.1m	£0.0m
Performance Management	D Lewis	£0.2m	£0.2m	£0.2m	£0.0m
<b>Resources</b>		<b>£120.1m</b>	<b>£82.1m</b>	<b>£83.0m</b>	<b>£0.9m</b>
<b>Central Income &amp; Expenditure</b>	<b>D Lewis</b>	<b>£103.2m</b>	<b>£79.3m</b>	<b>£79.3m</b>	<b>£0.0m</b>
<b>Overall before funding</b>		<b>£1,746.7m</b>	<b>£1,102.0m</b>	<b>£1,111.7m</b>	<b>£9.7m</b>
<b>Corporate funding</b>			<b>-£1,102.0m</b>	<b>-£1,102.0m</b>	<b>£0.0m</b>
<b>Overall</b>		<b>£1,746.7m</b>	<b>£0.0m</b>	<b>£9.7m</b>	<b>£9.7m</b>

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