

Notice of Meeting

Cabinet



Date and Time

Tuesday, 26 March
2024
2.00 pm

Place

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

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@SCCdemocracy

Committee:

Natalie Bramhall, Clare Curran, Kevin Deanus, Matt Furniss, Marisa Heath, David Lewis,
Sinead Mooney, Mark Nuti, Tim Oliver and Denise Turner-Stewart
Maureen Attewell, Jordan Beech, Paul Deach, Steve Bax

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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 email Huma Younis or Sarah Quinn on huma.younis@surreycc.gov.uk or sarah.quinn@surreycc.gov.uk. Please note that public seating is limited and will be allocated on a first come first served basis.

AGENDA

1 APOLOGIES FOR ABSENCE

2 MINUTES OF PREVIOUS MEETING: 27 FEBRUARY 2024

(Pages
1 - 12)

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 (20 March 2024).

b PUBLIC QUESTIONS

The deadline for public questions is seven days before the meeting (19 March 2024).

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 AND OTHER COMMITTEES OF THE COUNCIL

(Pages
13 - 26)

To consider any reports from Select Committees, Task Groups and any other Committees of the Council.

For Cabinet to consider the following reports:

- A. Referred Council Motion 'Advertising & Sponsorship Policy' (Communities, Environment and Highways Select Committee)
- B. Surrey Utilities – Water and Wastewater Services (Communities, Environment and Highways Select Committee).

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

(Pages
27 - 32)

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
33 - 36)

To receive an update from David Lewis, Cabinet Member for Finance and Resources.

8 SURREY INFRASTRUCTURE PLAN - PHASE 5 SCHEMES

(Pages
37 - 58)

The Surrey Infrastructure Plan (SIP) and associated prioritisation framework was approved by Cabinet in February 2021. This report recommends the approval of a further phase of schemes to be implemented, identifies additional schemes requiring further development, and provides a brief update on the status of the earlier phases which have been approved by Cabinet.

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

9 CHENNESTONE PRIMARY SCHOOL - ROOF REPLACEMENT WORKS (Pages 59 - 64)

Cabinet is asked to approve capital funding for essential works at Chennestone Primary School, Manor Lane, Sunbury-on-Thames, TW16 5ED.

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

N.B There is a part 2 report at Item 12.

10 2023/24 MONTH 10 (JANUARY) FINANCIAL REPORT (Pages 65 - 74)

This report provides details of the Council's 2023/24 financial position, for revenue and capital budgets, as at 31st January 2024 (M10) 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)

11 EXCLUSION OF THE PUBLIC

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

PART TWO - IN PRIVATE

12 CHENNESTONE PRIMARY SCHOOL - ROOF REPLACEMENT WORKS (Pages 75 - 98)

Cabinet is asked to approve capital funding for essential works at Chennestone Primary School, Manor Lane, Sunbury-on-Thames, TW16 5ED.

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

13 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.

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.

Anyone is permitted to film, record or take photographs at Council meetings. Please liaise with the committee manager prior to the start of the meeting so that the meeting can be made aware of any filming taking place.

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 FEBRUARY 2024 AT 2.00 PM
IN THE COUNCIL CHAMBER, 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
*Paul Deach
Jordan Beech
*Steve Bax

Members in attendance:

Catherine Powell, Residents' Association and Independent Group Leader
Fiona Davidson, Chairman of the Children, Families, Lifelong Learning and
Culture Select Committee

**PART ONE
IN PUBLIC**

18/24 APOLOGIES FOR ABSENCE [Item 1]

Apologies were received from Maureen Attewell and Jordan Beech.

19/24 MINUTES OF PREVIOUS MEETING: 30 JANUARY 2024 [Item 2]

These were agreed as a correct record of the meeting.

20/24 DECLARATIONS OF INTEREST [Item 3]

There were none.

21/24 PROCEDURAL MATTERS [Item 4]

21/241 MEMBERS' QUESTIONS [Item 4a]

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

With regards to her first question, Catherine Powell asked if the Cabinet Member could confirm if Members could be informed along with the District and Borough leadership of when the process to broaden the number of businesses represented at the Surrey Business Leaders Forum would begin. The Cabinet Member for Highways, Transport and Economic Growth agreed to this explaining that he wanted as many small and medium businesses involved with the Surrey Business Leaders Forum. With regards to her second question, the Member asked if the Surrey Growth Hub would be in a physical location or entirely online. The Cabinet Member for Highways, Transport and Economic Growth stated that the team would probably be based in Reigate with majority of meetings online. That nature of their work meant the team would be flexible and would go out to meet businesses. With regards to her third question, the Member asked if the Leader would also contact the Chancellor regarding the extension of the Household Support Grant. The Leader stated that he was reasonably confident that the grant would be extended and had lobbied both the Chancellor and the Secretary of State for Levelling Up, Housing and Communities. With regards to her final question, the Member stated that the charities who are delivering the affected services were already raising concerns locally and looking for alternative funding streams. She asked if the Cabinet Member would keep this issue under consideration. The Cabinet Member for Children, Families and Lifelong Learning agreed to this.

With regards to her first question, Fiona Davidson asked what the authority was doing to make sure that more disadvantaged 2 year old children were taking up nurse provision. The Cabinet Member for Children, Families and Lifelong Learning explained that targeted publicity was used along with social media campaigns to encourage take up. Take up was also publicised via partners such as health visitors and community practitioners. With regards to her second question, Fiona Davidson stated that the level at which government had set the rates for the introduction of the new early age funding would not encourage as many high quality providers. She asked if the Cabinet Member had any concerns around this. The Cabinet Member stated that at this stage this had not been highlighted as a concern but would continue to work with the early years commissioning team to keep an eye on this.

22/24 PETITIONS [Item 4c]

There were none.

23/24 REPRESENTATIONS RECEIVED ON REPORTS TO BE CONSIDERED IN PRIVATE [Item 4d]

There were none.

24/24 REPORTS FROM SELECT COMMITTEES, TASK GROUPS AND OTHER COMMITTEES OF THE COUNCIL [Item 5]

There were none.

25/24 LEADER / DEPUTY LEADER / CABINET MEMBER/ STRATEGIC INVESTMENT BOARD DECISIONS TAKEN SINCE THE LAST CABINET MEETING [Item 6]

There were no decisions to note.

26/24 PROVISION OF PRIMARY SCHOOL PLACES IN THE PLANNING AREA OF REIGATE [Item 10]

The Leader explained that Item 10 and Item 4b on the agenda would be considered together. The issues surrounding Reigate Priory Junior School had been long standing and a way forward was needed.

The report was introduced by the Cabinet Member for Children, Families and Lifelong Learning who explained that the council desired the best outcome for children attending Reigate Priory Junior School which required a safe and productive teaching environment. The future of the school had been a complex issue. The council initially wanted the school to remain on the current site but there were a number of issues including health and safety which meant this option was not reasonably feasible or deliverable. The report explains why the school cannot remain in the current building. The Department for Education agrees that the current school building is not in line with modern learning requirements and that any re-provision or redevelopment of a like-for-like school on the same site is restricted. Although the current school building is rich in heritage and in an idyllic location, there are a number of restrictions with the building including accessibility issues, a public right of way which runs through the current site, issues with classroom heating, not enough toilets and roofing issues. As the building is a Grade I listed building there are restrictions on the building.

The report recommends establishing an education working group to explore reorganisation for the Reigate Primary Planning Area. Alongside this, it is also recommended that the live planning application (Reference RE22/01796CON) is pursued to fully understand if building a school on a new site at Woodhatch Place is viable. The recommendations from the working group would be shared with Cabinet in the summer.

There were three public questions. Kate Gray stated that the Cabinet should be aware that the Department of Education and Reigate and Banstead council have stated that reprovision of the school on the existing site was achievable. She asked if the council would remove the exclusion on full reprovision on the existing site from the working group scope and focus the working group on properly evaluating this option. The Cabinet Member for Children, Families and Lifelong Learning stated that the decision that the current site was not suitable for redevelopment was reached through extensive feasibility work conducted by the Department for Education in consultation with Reigate and Banstead Borough Council's planning and conservation teams, as well as Historic England representatives.

Chris Morris stated that he did not believe that public consultation regarding the future of the school was fair and open, and therefore did not adhere to the principles of a lawful consultation. He was concerned as to why the option for the school to remain on the current site had been removed from the scope of the working group and asked if the council could review this.

Richard Oldham attended the meeting on behalf of Justin Gibson and asked if Cabinet would reverse the exclusion of the current site in the scope of the working group, remove Woodhatch place from options A and B in the report recommendations and if Cabinet Members could then tender their resignations.

The Leader stated that the report clearly set out why the current site was not a feasible option for the future of the school. Woodhatch Place would not be removed as an option as a possible school site and would be considered by the working group. The Leader clarified that Reigate and Banstead Borough Council was not responsible for providing school places. In terms of resignations of Cabinet Members, this would ultimately be decided at the ballot box in May 2025. The issue at hand was difficult but ultimately the current school building was unsafe and a decision needed to be progressed on the future of the school. This would be considered by the working group who would start their work imminently with a decision coming back to Cabinet in either June or July 2024.

RESOLVED:

1. That Cabinet pursue option 2, establishing a working group to explore reorganisation for the Reigate Primary Planning Area.
2. That Cabinet agree the timescales and scope for the working group as outlined in **Annex 1**.
3. That Cabinet agree to delegate authority to the Director of Land & Property in conjunction with the Executive Director of Children Families and Lifelong Learning to commission initial desk-based viability studies up to £0.6m.
4. That Cabinet pursue the determination of the live planning application (Reference RE22/01796CON) for option 1, to establish if this is a viable option.

Reasons for Decisions:

As the majority of respondents to the consultation selected option 2, the recommendations are to continue to look for alternative solutions and pursue option 2 by establishing a working group to explore re-organisation options as set out in recommendation 1.

It has not been possible to identify any potentially viable sites other than Woodhatch Place, or to identify a solution for Reigate Priory Junior School (RPJS) to remain a 600-place junior school on the current site for the reasons set out in **Annex 2 of this report**. The working group will look at re-organisation options to provide sufficient school places in the area. Possibilities could include the Woodhatch site and the existing school sites, including the potential for a smaller school at Priority Park and other potential sites. The evaluation criteria are set out at Annex 1, this includes the need for any solution under Option 2 to be comparable in cost to Option 1. Cabinet Agreement for the timescales and scope of the working Group is sought under recommendation 2. More information about the role, functions and scope of the working group and timescales is available in **Annex 1: Working Group Terms of Reference**.

Surrey County Council would not ordinarily recommend a closure of a school that provides quality education and continues to meet the needs of local pupils, however, school closure or school closure as part of an amalgamation may be considered by the working group, if an alternative cannot be found, or if a school no longer meets the needs of children.

Recommendation 3 ensures relevant delegated authority to ensure sufficient feasibility is completed for any solution identified by the working group. There may be feasibility studies across multiple schools as part of the agreed option. The original site search for a 5FE (5 Form Entry) Junior school may be refreshed alongside any additional site search as part of option 2.

There is no guarantee of finding viable options and this process will further delay a secure future for RPJS. To ensure a continuity of sufficient school places for children and young people in Reigate, it would be sensible and reasonable that, as set out in Recommendation 4, Surrey County Council pursues determination of the live planning application to relocate Reigate Priory Junior School to Woodhatch Place, (Ref RE22/01796CON), by submitting additional information to address the issues identified by the Planning and Regulatory Committee when referring it back to the applicants. This is in order to fully understand if this option is a viable solution.

Recommendation 4 relates only to proceeding to determination of the planning permission. This is to keep all possible options open for consideration at this time and as a back-up if an alternative cannot be identified or if a more urgent need arises to re-locate RPJS from the current site. This is because of the uncertainties in making all the changes which may be necessary under option 2 and doing so within a reasonable time frame.

A further decision will be required by Cabinet later in 2024 to determine how to proceed, taking into consideration the recommendations of the working group and the outcome of the planning application.

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

27/24 PUBLIC QUESTIONS [Item 4b]

This item was considered alongside Item 10. There were three public questions. The questions and responses were published in a supplement to the agenda.

28/24 CABINET MEMBER OF THE MONTH [Item 7]

The report was introduced by the Deputy Leader and Cabinet Member for Customer and Communities who made the following points:

- Your Fund Surrey (YFS) has recently had its third anniversary with 35 large projects having been funded to-date, equating to a total of £17m in value. As a consequence, tangible, meaningful benefits had been realised for local communities, which support the County Council's priorities, particularly ensuring no one is left behind.

- Through Your Councillor Community Fund (YCCF) had now closed for the year with almost 400 funded projects across all areas of the County, with £1.3m having been allocated to projects to support local communities. Subject to the final applications being approved, it was anticipated that only £2-3k would be unallocated meaning Members had spent 99% of their allocation.
- The Council had invested £100k into the Community Foundation for Surrey 'Strategic Transformation Fund' - which with match-funding created a total of up to £230k. The fund was available to VCFS organisations to build their capacity and develop new sustainable business models enabling them to become more resilient and better placed to face the challenges and opportunities that may arise. In addition, the council would also be providing the VCFS Infrastructure organisations with the second tranche of one off "Sparks Funding" (£160k) which would enable them to offer direct easy access small grants for community led activity across the 21 key neighbourhoods.
- It was explained that plans were underway for the delivery of a new Domestic Abuse Offer in libraries – including additional training for staff, new and revised webpages detailing support available and specific events planned around the 16 Days of Action Against Domestic Violence.
- The Cultural Services team had recently submitted a bid to Arts Council England for £400k to support the development of the cultural hub in the new Staines library with a focus on youth leadership and a programme to support progression into the creative industries sectors.
- The Cabinet Member explained that a Customer Transformation Programme had been initiated and would review how the council organises its customer structures, systems and processes so that customers are better able to access what they need in more efficient and effective ways.

RESOLVED:

That the Cabinet Member of the Month update be noted.

29/24 SECURING A COUNTY DEAL FOR SURREY [Item 8]

The report was introduced by the Leader who explained that an agreement had been reached with DLUHC around a Level 2 county deal. An initial discussion between DLUHC officials and Surrey County Council senior officers in January 2024, set out the powers expected to be included in a level 2 deal, the requirements for securing a deal with government, and an indicative sequence of events necessary to secure a County Deal for Surrey. The Leader stated that a Level 2 deal would not lead to a local government reorganisation. Paragraph 7 of the report lists devolved powers available to the county council with a Level 2 deal. District and Boroughs had been supportive of the deal and supportive of greater devolution.

RESOLVED:

1. That Cabinet note the County Deal Draft Framework Agreement proposed by DLUHC as summarised in the Annex 1 of the report.
2. That Cabinet endorse officers progressing discussions and negotiations with Government to agree a draft agreement with DLUHC based on this offer.
3. That Cabinet approve the proposals to continue to engage stakeholders as part of agreeing a Draft Agreement and ahead of securing a final County Deal with government.
4. That Cabinet delegate authority to the Executive Director for Customers, Digital and Transformation, in consultation with the Leader and Interim Chief Executive, to finalise the Draft Agreement with DLUHC.
5. That Cabinet approve the proposal to bring a full report on the County Deal, including details of the secondary legislation required to devolve and confer functions to the Council, to a full Council meeting, at the earliest opportunity.

Reasons or Decisions:

The government's Levelling Up white paper and subsequent Levelling Up and Regeneration Act present an opportunity for the council to pursue a County Deal for Surrey that will bring new powers, freedoms and flexibilities, better enabling the council to deliver for residents against the 2030 Community Vision, the council's four strategic priorities set out in the Organisation Strategy 2023 - 2028 (Growing a Sustainable Economy; Tackling Health Inequality; Enabling a Greener Future; and Empowering Communities), and work towards the overarching ambition of No One Left Behind.

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

30/24 PROMOTING AND SUPPORTING SUSTAINABLE ECONOMIC GROWTH IN SURREY (LEP INTEGRATION) [Item 9]

The Cabinet Member for Transport, Infrastructure and Growth introduced the report explaining that the Government had announced changes to how economic growth functions would be delivered in local areas in August 2023. From April 2024, the Government would cease providing funding to Local Enterprise Partnerships (LEPs) and the functions previously held by LEPs will transfer to Upper Tier Local Authorities (UTLAs). In Surrey, this meant that most economic growth functions previously delivered by Coast to Capital LEP and Enterprise M3 LEP would transfer to the County Council and delivery of economic activity would be undertaken on a single Surrey footprint. The report highlights the key progress that had been made with the other UTLAs and LEPs on the disaggregation of programmes, funding, liabilities, and assets, outlines any outstanding issues, and provides more specific details on the implications of the latest government guidance and funding. The Cabinet Member listed the key functions and activity currently being delivered by LEPs

which would be transferred across to UTLAs as part of the LEP transition. These include the Growth Hub and Careers Hub. A full list could be found at paragraph 4. A strong governance structure would be put in place with a strong focus on business representation.

RESOLVED:

1. That Cabinet approves the council becoming an “Accountable Body” from 1 April 2024 for the purposes of collaborating with government on an integration plan and assurance for delivery of core LEP functions and government programmes across Surrey.
2. That Cabinet notes that from 1st April 2024 SCC will be recognised by Government as the lead for strategic economic planning and the delivery of economic growth functions in Surrey that were previously undertaken by LEPs. The new functions and responsibilities will be integrated within SCC’s existing economic growth function.
3. That Cabinet notes the progress made in transitioning LEP functions to the County Council from April 2024, through engagement with stakeholders, including relevant upper tier local authorities, Enterprise M3 LEP and Coast to Capital LEP.
4. That Cabinet delegates authority for concluding the work of transitioning LEP functions to the County Council from April 2024 to the Interim Executive Director for Customers and Communities and the council's Section 151 Officer, in conjunction with the Executive Director for Environment, Infrastructure and Growth, and in consultation with the Cabinet member for Environment, Infrastructure and Growth.

Reasons for Decisions:

To bring the significant strategic decision of the government and its consequent implications and opportunities to the attention of Cabinet and to ensure a smooth and effective approach to the transfer and integration of LEP functions for Surrey into the County Council.

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

31/24 EARLY YEARS EXPANSION OF ENTITLEMENTS AND SCHOOLS WRAPAROUND PROVISION [Item 11]

The item was introduced by the Cabinet Member for Children, Families and Lifelong Learning who explained that the report provided a description of the new Early Years Entitlements and Schools wraparound provision announced by Government in March 2023 to be implemented over the next 2 years with the first new entitlement starting in April 2024. The expanded early entitlement would support working families and would be fully funded through the Dedicated Schools Grant (DSG) and an additional Section 31 grant. The new entitlements offer exciting new opportunities to support our youngest residents at the earliest opportunity and to work closer with the early years sector. It was estimated that over the next three years the early years sector would need to expand by up to 12,000 places. The council would be working with the sector to help deliver these places.

RESOLVED:

1. That Cabinet notes the new funded entitlements for parents and the LA statutory duty to ensure a sufficiency of Early Years and Wraparound provision and the intended response to meet that obligation.
2. That Cabinet notes the expansion of teams within Children, Families and Lifelong Learning required in order to manage the implementation of the new entitlements and the strategic approach adopted to assure alignment with council priorities.
3. That Cabinet notes the intended grants and funding distribution process designed to effectively support schools and settings to deliver the entitlement.

Reasons for Decisions:

This is a new statutory duty that we are required to deliver and is fully funded by the Department for Education (DfE).

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

32/24 LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN PUBLIC REPORT REGARDING CONCERNS ABOUT THE DELIVERY OF EDUCATION FOR CHILDREN WITH ADDITIONAL NEEDS AND DISABILITIES (SEND) [Item 12]

The Cabinet Member for Children, Families and Lifelong Learning brought to Members' attention a public report which had been issued by the Ombudsman. In this report, the Ombudsman had found the Council to be at fault. The Cabinet Member gave specific details of the case explaining that the Council had failed to meet the statutory 20-week deadline for the education, health and care (EHC) needs assessment. This has been mainly due to a delay in obtaining advice from its educational psychology service. The Council accepted the Ombudsman's recommendations and an apology letter and financial remedy had now been actioned.

RESOLVED:

1. That Cabinet considers the Ombudsman's report and the steps that have been taken by the Service to address the findings;
2. That Cabinet considers whether any other action should be taken; and
3. That Cabinet notes that the Monitoring Officer will be bringing this report to the attention of all Members of the Council.

Reasons for Decisions:

There is a statutory requirement for the Monitoring Office to bring to Members' attention any public report issued by the Ombudsman about the Council which identifies it is at fault and has caused injustice as a result.

33/24 SURREY FIRE AND RESCUE SERVICE FIRE HOUSE AND TRAINING FACILITY [Item 13]

The report was introduced by the Cabinet Member for Fire, Rescue and Resilience who requested Cabinet approval for capital expenditure to redevelop the SFRS fire house and training provision and deliver a new facility which will be capable of providing crucial training for new staff and will facilitate the ongoing training of the existing operational personnel. The current facilities were not fit for purpose and the existing fire house and drill towers at this facility were reaching the end of their useful life. Parts for the ventilation system were no longer readily available due to this type of system being obsolete, requiring replacement parts to be refurbished or remade from second hand items. This had resulted in significant periods when the facility was non-operational. Redeveloping the site would also help reduce the Council's carbon footprint in a facility that is currently the highest carbon emitting asset within the council's estate. It was estimated that emissions would reduce by over 90% from the current levels. The Cabinet Member for Property and Waste stated that the planning application for this facility would be submitted in June with construction commencing in April 2025. Cabinet Members welcomed the redevelopment and recognised the positive impacts it would have on staff training and skills.

RESOLVED:

1. That Cabinet approves capital funding from the pipeline to redevelop the Surrey Fire and Rescue Service (SFRS) fire house and training facility and design and construct a new fire house and training facility on the existing site. The capital funding required to develop the new facilities 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 structures in accordance with the Council's Procurement and Contract Standing Orders.
3. That Cabinet notes that, regarding the procurement of supply chain partners, the Executive Director for Environment, Infrastructure and Growth and the Director of Land and Property are authorised to award such contracts, up to +5% of the budgetary tolerance level and any other legal documentation required to facilitate the approvals within this report.

Reasons for Decisions:

- Essential capital investment is required to enable the redevelopment of one of the SFRS critical assets – SFRS live fire training facility.
- The existing fire house and drill towers at this facility are reaching the end of their useful life. Parts for the ventilation system are no longer readily available due to this type of system being obsolete, requiring replacement parts to be refurbished or remade from second hand items. This has resulted in significant periods when the facility is non-

operational.

- There are several significant Health and Safety (H&S) concerns including internal linings falling from the ceiling, insufficient smoke extraction and ventilation which demonstrate that the facility is no longer fit for purpose.

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

34/24 MONTHLY BUDGET MONITORING- 2023/24 MONTH 09 [Item 14]

The Cabinet Member for Finance and Resources introduced the report providing details of the council's 2023/24 financial position, for revenue and capital budgets, as at 31st December 2023 (M9) and the expected outlook for the remainder of the financial year. At Month 9, the council was forecasting an overspend of £3.3m against the 2023/24 revenue budget, after the application of the contingency budget. This was a £1.5m deterioration since Month 8. The Cabinet Member stated that the council was in a robust financial position and its finances were separate to those of the district and boroughs who were experiencing some financial issues. The council's reserves were healthy and a decision had been taken to introduce spending control measures. There was a slight overspend with the Capital budget which was associated with the agile programme and the purchase of Victoria Gate.

The Leader highlighted that the overspend should be viewed against the council's overall budget of £1b.

RESOLVED:

1. That Cabinet notes the Council's forecast revenue budget (after the application of the full contingency budget) and capital budget positions for the year.
2. That Cabinet notes the implementation of spending controls in order to reduce the forecast overspend position and contain costs within the available budget.
3. That Cabinet notes the quarter end Balance Sheet Indicators as set out in Annex 2.

Reasons for Decisions:

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

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

The Leader thanked the Chief Executive for all her efforts to improve the lives of Surrey residents since joining the council 6 years ago. The council had transformed under her leadership and guidance and was now in a solid position. Members wished the Chief Executive all the best in her new post at the LGA.

35/24 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.

36/24 SFRS FIRE HOUSE AND TRAINING FACILITY [Item 16]

The Cabinet Member for Fire, Rescue and Resilience introduced a Part 2 annex 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).

The Cabinet discussed the capital expenditure involved with this work.

RESOLVED:

1. That Cabinet approves capital funding of [E-02-24] from the pipeline to redevelop the Surrey Fire and Rescue Service (SFRS) fire house and training facility and design and construct a new fire house and training facility on the existing site.
2. Approves procurement of appropriate supply chain partners to deliver the design, build and fit out of the new structures in accordance with Surrey County Council's (the Council) Procurement and Contract Standing Orders.
3. Notes that, regarding the procurement of supply chain partners, the Executive Director for Environment, Infrastructure and Growth and the Director of Land and Property are authorised to award such contracts, up to +5% of the budgetary tolerance level and any other legal documentation required to facilitate the approvals within this report.

Reasons for Decisions:

See Minute 33/24

37/24 PUBLICITY FOR PART 2 ITEMS [Item 17]

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

Meeting closed at 15:39

Chairman

**REPORT OF THE COMMUNITIES, ENVIRONMENT & HIGHWAYS SELECT
COMMITTEE'S GREENER FUTURES REFERENCE GROUP**

Item under consideration: Referred Council Motion 'Advertising & Sponsorship Policy'

Date Considered: 7 February 2023

The Community, Environment and Highways Select Committee received a report on the outcome of consideration by the Greener Futures Reference Group (GFRG) of the Original Motion regarding Advertising and Sponsorship policy submitted to the meeting of the County Council on 11 October 2022. The report was presented by the Chairman of the GFRG. The report summarised the conclusions of that group following their consideration of the Motion and the briefing and recommendations provided to them by Council officers. The report noted that:

The issue was discussed by the GFRG on 8 March 2023 and 30 November 2023. A service briefing was requested and officers invited to address the points made in the motion and make recommendations as to whether the motion could be endorsed.

Concerns were raised about the commercial implications and viability of any change to the existing advertising policy. Officers argued that imposing any restrictions on content would make potential contracts unfavourable to the markets. An alternative was put forward to utilise the income gained from advertising (c.£0.5m per annum) to progress and implement projects to expediate the attainment of Greener Futures objectives.

The GFRG concluded that the assessment was unduly negative and did not take account of any benefits that a change in approach could bring. The focus was on commercial costs and concerns and not on the opportunities presented in discouraging consumption of high carbon products or seeking to advertise instead green or neutral carbon products and services. The GFRG felt strongly that having declared a Climate emergency and committed to a NetZero target for Surrey by 2050, Surrey County Council should show leadership, even where this

proved detrimental to revenue in the short to medium term. It was undesirable to enable advertising for commercial benefit by companies or products in direct opposition to the Council's net zero goals and aims.

In light of the discussion the following conclusions and recommendations were agreed by GFRG for Cabinet to consider.

RESOLVED

That the Communities Environment and Highways Select Committee's Greener Futures Reference Group:

- a) did not endorse the recommendation of officers. The GFRG rejected the proposition that the current advertising and sponsorship policy remain in its current form and that no steps are taken to restrict advertising of fossil fuel related or high carbon products.
- b) noted its support for the Motion and suggested that the issue be looked at further by Cabinet Members, including the Cabinet Member for Environment and the Cabinet Member for Highways (with responsibility for the current advertising and sponsorship policy) to ensure that environmental as well as commercial concerns are taken into account in future decision-making. Cabinet members might invite officers to review and test their initial proposition.
- c) recommended that the issue be considered by the Cabinet prior to award of contract for small format advertising in 2024.

LANCE SPENCER

**Chairman, Communities, Environment & Highways Select Committee's
Greener Futures Reference Group**

ORIGINAL MOTION

ORIGINAL MOTION – ADVERTISING & SPONSORSHIP POLICY

Item 9 (iv)

Under Standing Order 12.3 the Cabinet Member for Environment, Marisa Heath, moved a proposal. The proposal was as follows:

That the motion below by Jonathan Essex be referred to the Greener Futures Reference Group - a Task Group of the Communities, Environment and Highways Select Committee - for consideration.

This Council notes that:

- Advertising is successful in encouraging demand for the products advertised. For example, research by Purpose Disruptors showed that the UK advertising sector, through increased product sales had the impact of increasing UK carbon emissions by 28% (186 MtCO₂) in 2019. Similarly, research by the New Weather Institute indicates that the carbon emissions resulting from the increased demand, for cars in the EU, generated by advertising, are more than Belgium's total greenhouse gas emissions.
- The [2022](#) Climate Mitigation Report published by the Intergovernmental Panel on Climate Change (IPCC) highlighted the potential for behaviour change to support carbon emission reductions. It lists regulation of advertising as an example of a policy measure that can have a “*major influence on mitigative capacity*”.
- In an Attitudes to Advertising poll in the UK by Opinium Research in 2022 of 2000 people, 68% of UK adults said they would support restrictions on advertising of environmentally harmful products.
- Advertising prohibitions and restrictions already exist; these include prohibition on advertising all tobacco products and e-cigarettes, guns and offensive weapons, ‘obscene material’. Rules also affect marketing aimed at children; high fat sugar and salt products; medical and health claims.

This Council believes that:

- Banning advertising does not ban the products themselves; people are still free to buy the products.
- Surrey County Council has committed to work in partnership to reduce carbon emissions across Surrey. A baseline report by Surrey University on behalf of the Surrey Climate Commission showed the extent of scope 3 emissions (in what we buy and import from outside of Surrey). One area where these can be reduced in Surrey is through the impact of advertising in public spaces.
- Some advertising content undermines the Council's objectives. For example, petrol and diesel car adverts, especially for Sports Utility Vehicles, undermine air quality objectives. Airline advertising undermines carbon emission targets.

This Council resolves to call upon the Cabinet:

- I. To amend its Advertising and Sponsorship Policy to ban advertisements specifically for fossil fuel companies, flights, petrol and diesel vehicles, and wording the amendment to ban other as yet unidentified high carbon products.
- II. To implement this revised Advertising and Sponsorship Policy internally and wherever possible promote its adoption by other partners committed to Surrey's Climate Change Strategy. This should include restricting advertising of high carbon products on bus stops, billboards and advertising spaces, plus all publications by Surrey County Council.

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REPORT OF THE COMMUNITIES, ENVIRONMENT & HIGHWAYS SELECT COMMITTEE

Item under consideration: Surrey Utilities – Water and Wastewater Services

Date Considered: 25 January 2025

The Community, Environment and Highways Select Committee held a private evidence gathering session on 25 January 2024 to hear the views and experiences of key water company stakeholders in Surrey and to learn what is going well, what the issues are and how these can be resolved or mitigated to deliver improvements for Surrey residents and better strategic engagement between Surrey County Council and Water utility providers. External stakeholders including representatives from Thames Water, South East Water, SES, Affinity Water and Water Resources South East (WRSE) were present. The session was held in private to allow for frank and honest discussion. A note of this session is included at Appendix 1.

After detailed discussion and noting the responses to its key lines of enquiry, the Select Committee agreed the following conclusions and recommendations for Cabinet to consider.

Committee Conclusions and Recommendations

That the Communities Environment and Highways Select Committee concludes that:

- I. There is a strong appetite for collaboration with the Council on the part of Water companies and the representative body for the south east region (WRSE).
- II. There are opportunities for water companies to work collaboratively with local authorities on the delivery of demand management and demand reduction activity and to share learnings and best practice in customer education and behaviour change.

- III. There is scope for greater collaboration at a strategic level and an opportunity for the Council to collaborate with the regional body (WRSE) on development of the next regional water plan and on other strategic issues such as the Nature Recovery Strategy and how to increase biodiversity and the resilience of water sources. The Council should seek a seat on the WRSE Strategic Advisory Board to influence development of the next regional plan and better integrate the needs of Surrey both in terms of water users and the environment.
- IV. The Council should approach the national regulator to explore options to develop (or revise existing) KPIs on water company performance to take account of community impact and collaboration with Local Authorities, as part of the next round of five-year plans.
- V. There are opportunities to work better together to plan and coordinate operational works to reduce traffic disruption and environmental impact and to explore the use of IT systems to enable this. Surrey Council should look at replicating the best practice that exists in the form of the Infrastructure Mapping Application used in London.
- VI. There is room to improve the quality and availability of information to residents on planned works and on-site signage and an appetite to work closer in partnership to develop and implement best practice.
- VII. The Council should collaborate more closely with Thames Water on the development of the next Drainage and Wastewater Management Plan (DWMP) given shared responsibilities and mutual interest in drainage, flooding and environmental protection. The next DWMP cycle is about to start.
- VIII. As the lead planning authority, the Council has an important role to play working strategically with utility companies to highlight new developments so that network capacity implications can be effectively managed and green infrastructure and sustainable drainage solutions promoted in any

new developments. The Council should enhance its role in this regard and work with utility stakeholders to act on the government review of building regulations.

IX. As the Local Lead Flood Authority there should be closer working between the Council's Flood Risk Management Team and Thames Water to map flood risk hotspots, to address flooding issues and to deliver environmental priorities. Ofwat's anticipated response to draft business plans 2025-30 should provide clarity on levels of investment and is a good starting point for discussions on delivering future priorities in flooding, drainage and wastewater management.

X. A task force should be established to take these opportunities forward and to deliver the specific actions and outcomes agreed at the session (Annex B). This should involve Council officers and water company representatives and in broad terms should aim to deliver:

- Better coordination and communication around operational works on the road network
- Better coordination between the local authority and water companies on flooding, drainage, sustainable solutions and environmental objectives.
- Better coordination on planning, new developments and strategic network issues.

Note: more than one task force or working group may be necessary to address these different themes.

JONATHAN HULLEY
Chairman of the Communities, Environment and Highways Select Committee

**REPORT OF THE COMMUNITIES, ENVIRONMENT & HIGHWAYS SELECT
COMMITTEE SPECIAL SESSION ON UTILITIES – WATER
25 JANUARY 2024**

Issue

1. The Community, Environment and Highways Select Committee held the first of a series of private scrutiny sessions with Surrey Utilities on 25 January 2024. The purpose of these sessions is to explore what is going well, what the issues are and how these can be better managed, resolved and mitigated, with the aim of achieving improvements for Surrey residents and better strategic engagement between Surrey County Council and Utility providers. The terms of reference for these sessions is at the Annex.
2. This first session was focused on Water and Wastewater services in Surrey. Representatives from the major service providers attended including Thames Water, Affinity Water, South East Water, SES, and Water Resources South East (WRSE - a representative body for South East Water Companies). Officers from the Council's Highways and Environment Directorates were also present.
3. This report provides an overview of the discussion along with key findings and conclusions of the Select Committee and a set of agreed outcomes and next steps.

Background

4. The recent problems with water supply disruption in the Guildford area provided the backdrop to the session, but the focus was on building forward constructively from these events. Discussion focused on the following areas:
 - Better coordination of operational works (network upgrades, emergency repairs, Street works)
 - Better engagement and information sharing between stakeholders.
 - Better communication with the public in the event of water supply disruption or other emergency
 - Wastewater discharge and overflows
 - Long term environmental improvements
 - Network capacity and resilience

Findings and Conclusions*Future Demand, Strategic Planning & Investment*

5. The first part of the session looked at the strategic landscape for water and wastewater services in Surrey, who the main players are and the challenges they face. During the course of the discussion the following key points emerged:
 - **The complexity of the landscape of providers and regulators:** Four companies provide potable drinking water across different parts of Surrey (Thames Water, SES, South East Water, Affinity Water) with Thames Water providing waste water services across the whole County. Several different regulators operate, each setting their own requirements on water companies. DEFRA sets the overall water and sewerage policy framework in England. Ofwat is the Economic regulator of water and sewerage sectors, responsible for approving business plans, setting targets and monitoring performance. DWI, the drinking water quality regulator for England and Wales checks

drinking water is safe to drink and meets the standards set in Water Quality Regulation. The Environment Agency monitors the health of the nation's waterways and set abstraction licenses for water companies and individuals. Water Resources South East (WRSE) is responsible for developing the long-term water resource plan for South East England which identifies the future water needs of the whole region for the next 50 years. This presents a complex planning environment with several interrelated and overlapping regional, strategic and company business plans. Plans are currently being finalised with Ofwat ahead of the next 5 year business planning period 2025 -2030.

- **A severe future regional water shortfall is predicted.** Water Resources South East (WRSE) predicts that South East England could face a shortfall of over 2.7 billion litres of water per day by 2075 if significant steps are not taken. This amounts to nearly one third of the current daily consumption of around 10 billion litres of water.
- **Demand Management is key to addressing this projected future shortfall.** The expectation is that approximately 860m litres of the 2.7bn shortfall could be delivered through demand management, **primarily through leakage reduction** (including from customer pipes which accounts for 30-40% of leakage), water metering programmes and installation of smart meters to aid reduction in consumption and assist in identifying on-property leakage. Public education campaigns are also needed to encourage smarter water use.
- **The regulator has imposed challenging targets for water companies to reduce leakage by 15% in the current five-year period and by 50% by 2050.** Heavy financial penalties will be applied if companies fail to meet the targets. This provides strong incentivisation to all companies to adopt new technologies to identify, locate and fix leaks and to hit leak reduction targets. Financial penalties cannot be passed on to consumers but must be met by shareholders.
- There is a common drive to **leave more water in the environment and to reduce abstraction** from Chalk environments as well as improving resilience and network connectivity. Making sure water can be moved as efficiently and effectively as possible across the system is a priority in order to reduce abstraction from aquifers.
- Thames Water anticipates that **investment of £2billion is required on top of day-to-day maintenance activities to meet and manage the future challenge** of growth and climate change on wastewater services. An extensive 25-year investment plan is in place including upgrades to sewage treatment works, sewer lining and manhole sealing to reduce groundwater infiltration into sewers; to improve storm overflow performance and reduce the number of average annual storm discharges; to reduce the risk to properties from sewer flooding in a storm event; and to enhance treatment capacity to ensure it keeps pace with growth.
- There is a collective need to **engage and educate customers to influence how people use water** to meet the demand reduction required to maintain future services and resilient water supplies. This presents a challenge with a product that is perceived to be widely available and comparatively cheap.
- Water companies are required to deliver against a range of KPIs which they are measured against by Ofwat covering water quality leakage, pollution and so on. These KPIs are nationally set and do not address local performance, delivery and impact. There is scope to lobby the regulator to develop future **KPIs on water company performance that** take account of community impact and collaboration with Local Authorities. Business plans will be set by the end of 2024 so acting now is a priority.

6. During the course of the discussion the Select Committee concluded that:
- **There is a strong appetite for collaboration with the Council on the part of Water companies and the representative body for the southeast (WRSE).**
 - **There are opportunities for water companies to work collaboratively with local authorities on the delivery of demand management and demand reduction activity and to share learnings and best practice in customer education and behavior change.**
 - **There is an opportunity for the Council to collaborate with the regional representative body (WRSE) on development of the next regional water plan and on strategic issues such as the Nature Recovery Strategy to increase biodiversity and resilience of water sources. Surrey County Council should take a seat on the WR Southeast Strategic Advisory board to influence development of the next regional plan and better integrate the needs of Surrey, its environment and water users.**
 - **Surrey County Council should approach the national regulator to explore options for the development of KPIs that take account of community impact and collaboration with Local Authorities, as part of the next round of five-year plans.**

Coordination and communication around planned and emergency works on the road network

7. The Committee explored the issue of planned, reactive and emergency street works and the disruption these cause to residents. During the course of the discussion the following key points emerged:
- **Stakeholders could work better together to plan and coordinate future utility works** building on existing best practice. Working with the Greater London Authority, Thames Water has developed an infrastructure mapping application which all utility companies use to map their future planned network investment and to identify where works can be coordinated to reduce disruption for users (e.g. digging one trench for multiple services). In many cases this has significantly reduced disruption on the highways and to residents.
 - **The importance of better on-site information** for the public explaining what works are taking place and where relevant, the reason workmen are not present on-site (e.g. due to cement curing). Water company representatives agreed there was room to improve the quality and availability of information to residents and noted that this is one of the biggest cause of complaints to Councillors.
 - There is a need for **better communications with residents around planned works**. Councillors advocated the need for a blended communications approach including via digital messaging, hard-copy letters and newsletters as well as in person sessions to warn communities of upcoming disruption. South East Water highlighted the imminent launch of a new online Interruptions Portal detailing all planned and emergency works which all residents can access.
 - Concerns around **asset management and ease of being able to identify asset ownership** and respond in a timely fashion to resolve any problems. Attendees noted that there was no consistent approach by utility companies to labelling assets. However, asset maps and inventories are available online and should be the first port of call for local authorities. www.utilities.digdat.co.uk

8. Following discussion, the Select Committee reached the following conclusions:
- **There are opportunities to work better together to plan and coordinate operational works to reduce traffic disruption and environmental impact and to explore the use of IT systems to enable this. Surrey should look at replicating the best practice that exists in the form of the Infrastructure Mapping Application used in London.**
 - **There is room to improve the quality and availability of information to residents on planned works and on-site signage and an appetite to work closer in partnership to develop and implement best practice.**

Emergency Communications

9. There was a discussion on communications with the public in the event of an emergency. Thames Water highlighted a number of lessons learned from the Guildford supply interruption in November 2023. There was over-optimism about how quickly the problem could be repaired and customers were not kept well enough informed on progress. Learning points are being implemented including around more frequent and precise updates to customers with photographic and visual evidence to improve customer understanding. A report of lessons learned is being prepared and will be shared with Councillors.

Environmental Improvements, flooding and overflows

10. The Committee explored the problem of **overflows into rivers and the release of untreated sewage into the environment**. The following key points emerged:
- Thames Water is committed to **reducing discharges** and prioritising areas where this is doing the most harm, in the case of Surrey, its precious chalk streams. The company is investing in sewage treatment works and building bigger storm tanks to hold the large quantities of dilute untreated sewage that comes through during storms. Investment is taking place in Chertsey, Dorking and Woking. The Environment Agency (EA) holds Thames Water to account for the delivery of its Storm Overflow Reduction Plan and Thames Water is currently reviewing and updating its Healthy Rivers Strategy which will be reissued in the Spring. Improvements are heavily scrutinised by Defra, Ofwat and the EA with a penalty regime for low performance.
 - There is concern around the **capacity of contractors** in the UK to deliver the improvements required of companies by Ofwat and around the affordability of the additional investment which is in the region of billions of pounds. Intensive discussions are taking place between regulators and government looking at deliverability, affordability and the bill impact on customers.
 - Developers have a right to connect to the water network and **new developments** can impact significantly on network capacity. Water companies are keen to work with local authorities to better understand what developments are coming forward and with what level of confidence in order to plan effectively for any impact on water demand and waste water services and to work together to drive and embed sustainable green infrastructure solutions within new developments.
 - Building regulations need to be strengthened to drive the change required to adapt to challenges of climate change and to place a more stringent requirement on developers to 'build better' through the adoption and implementation of water efficiency measures and sustainable drainage solutions.

- Traditional drainage systems are under increasing pressure from the effects of climate change, urbanisation and a growing population. Regulations and processes for the creation of sustainable drainage systems at new developments are being devised, through the implementation of Schedule 3 to the Flood and Water Management Act 2010. These are aimed at mitigating flood risk by catching and storing surplus water, reducing storm overflow discharges, enhancing local nature within developments and helping with harvesting rainwater. As the Lead Local Flood Authority, Surrey County Council is the statutory consultee to the planning system for drainage advice. Schedule three changes will place more responsibility and accountability on the Council for implementation of sustainable drainage systems.
- Future sewer flood risk hotspots are mapped by Thames Water and set out in the drainage and waste water management plan (DWMMP). As the Lead Local Flood Authority Surrey County Council has a duty to develop a local flood risk management strategy for Surrey. The Council should work collaboratively with Thames Water to ensure its knowledge and understanding of sewer flood risk hotspots is integrated into the local flood risk management strategy and that critical drainage areas are identified.
- Concern was expressed at extremely high levels of sewage discharge in parts of the Country and that the volume of sewage discharged is not effectively monitored or reported. Thames Water reported that since Christmas all wastewater companies are required to have monitors on all their outfalls which monitor the length and duration from which volume is calculated. These are mapped and updated on GIS and publicly available for residents, rowers, wild swimmers to consult.

11. Following discussion, the Select Committee reached the following conclusions:

- **All parties will need to work collaboratively to address the significant and shared climate change adaptation challenges ahead.**
- **There are opportunities for local authorities and Districts and Boroughs to collaborate more closely with Thames Water on the development of the next Drainage and Wastewater Management Plan (DWMP) given shared responsibilities and mutual interest in drainage, flooding and environmental protection. The next DWMP cycle is about to start.**
- **As the lead planning authority, the Council should work with more strategically with water companies to highlight new developments coming forward so that network capacity implications can be effectively managed and to promote green infrastructure and sustainable drainage solutions.**
- **There should be closer working between the Council's Flood Risk Management Team and Thames Water to map flood risk hotspots, to address flooding issues and to deliver environmental priorities. Ofwat's anticipated response to draft business plans 2025-30 should provide clarity on levels of investment and is a good starting point for discussions on how to deliver priorities in drainage and wastewater management.**

12. Concluding the session, the Chairman reviewed and summarised the priority actions and outcomes that had emerged. These are set out at the Annex.

Johnathan Hulley
Chairman, Communities, Environment & Highways Select Committee

WATER UTILITIES SESSION: SUMMARY OF ACTIONS AND OUTCOMES

At the end of the session, the following specific outcomes were identified and agreed.

- **Greater collaboration on demand management** – leakage reduction and water metering particularly on customer sites (including on behavioural change, **customer engagement, education** and awareness of impact of water use on the environment)
- Work together to replicate/implement **Greater London Authority approach with Infrastructure Mapping Tool in Surrey**. To cover planned, reactive and emergency works.
- **Signage**: Encourage improvement in **quality and availability of information to customers on planned works** (e.g. site information boards explaining who is working/ what is being done).
- Closer working between Thames Water and Surrey County Council on development of next DWMP (**Drainage and Wastewater Management Plan**)
- Greater collaborative working on **development of next regional plan with WRSE & review Surrey County Council representation on relevant boards** – e.g. **Strategic Advisory Board** which supports regional plan development.
- **Input to the national regulator as to the KPIs** that matter to our local communities as part of the next round of five year plans.
- **Single Joint Plan**: WRSE to take away aspiration for a single geographic plan and better linkage between local and regional plans.
- **Developments/Planning**: Closer collaboration between utility providers and the Council to understand what **major developments** are coming forward, the implications for capacity of the network and how to prioritise/encourage **green infrastructure solutions**.
- **Flooding**: More dialogue between Thames Water and Surrey County Council **Flood Risk Management Team** to address flooding issues and deliver priorities in drainage and waste water management plan.
- **The establishment of an officer/working-level task force or joint working group with water company representatives to take these issues forward.**

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SURREY COUNTY COUNCIL**CABINET****DATE:** 26 MARCH 2024**REPORT OF:** N/A**LEAD OFFICER:** LEIGH WHITEHOUSE, INTERIM CHIEF EXECUTIVE**SUBJECT:** LEADER/DEPUTY LEADER/CABINET MEMBER/ STRATEGIC INVESTMENT BOARD AND COMMITTEE-IN-COMMON DECISIONS TAKEN SINCE THE LAST CABINET MEETING**SUMMARY OF ISSUE:**

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

RECOMMENDATIONS:

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

REASON FOR RECOMMENDATIONS:

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

DETAILS:

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

Contact Officer:

Huma Younis, Committee Manager, huma.younis@surreycc.gov.uk

Annexes:

Annex 1 – Delegated Decisions Report

Sources/background papers:

None

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CABINET MEMBER DECISIONS

LEADER DECISION – 27 FEBRUARY 2024

1. LONDON ROAD GUILDFORD ACTIVE TRAVEL CORRIDOR SCHEME

(i) Resolved:

The Leader of the Council:

1. Noted the efforts that have gone into extending the engagement with the local community and stakeholders for the London Road active travel corridor in Guildford and acknowledge the feedback provided on the scheme proposals.
2. Proceeded with the construction of Section 2 – Boxgrove Roundabout based on the strength of support from the local community, with the detailed design incorporating comments from the community engagement to deliver a scheme that prioritises pedestrians and cyclists.
3. Deferred a decision on Section 1 subject to further design review informed by comments received through the engagement to ensure that the scheme considers the needs of all road users, with further consideration to be given by the Leader at a future date.
4. In the interim, committed to progressing with the delivery of a controlled crossing near Winterhill Way to assist with safer routes to school, following strong representation from local stakeholders.
5. Did not proceed with Section 3 - Boxgrove Roundabout to York Road, as there were legitimate concerns raised about the design of this section and there is an existing alternative route through Stoke Park, but instead to progress with the delivery of a more targeted improvement in the form of a zebra crossing on the junction of Nightingale Road and London Road

(ii) Reasons for decision:

1. When the engagement exercise for this scheme was launched, there was a commitment to only proceed where there is not substantial opposition to the scheme. After careful consideration of the community feedback on the proposed scheme following a 12-week extensive community engagement, the results indicate that on balance, there was overall support for progressing with section 2 (Boxgrove Roundabout), more mixed views on Section 1 (New Inn Lane to Boxgrove Roundabout), and less overall support to proceed with section 3 (Boxgrove Roundabout to York Road).
2. Proceeding with the delivery of the Boxgrove roundabout improvements and considering the improvements to the stretch of road from New Inn Lane to Boxgrove Roundabout will enable key links to be made with existing walking and cycling routes and key local destinations. Enhancing the infrastructure at this location also contributes to the delivery of important policy priorities for the County Council, including the ambitions of the Local Transport Plan 4 (LTP4) and achieving the county's net zero carbon target by 2050.
3. Progressing with the zebra crossing at Nightingale Road reflects that whilst there was less overall support for Section 3 of the proposed corridor, the feedback received during the engagement exercise highlighted the need for improved infrastructure at this location which would further contribute to the provision of safer walking and cycling

facilities. There was also positive feedback for a new controlled crossing on London Road, near to the junction with Winterhill Way which again will contribute to safer walking.

CABINET MEMBER FOR CHILDREN AND FAMILIES, AND LIFELONG LEARNING – 27 FEBRUARY 2024

6

2. PROPOSAL TO CHANGE THE AGE RANGE AND EXTEND THE PREMISES AT ST PAUL'S COFE INFANT SCHOOL, TONGHAM

(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 change the age range and extend the premises at St Paul's CofE Infant School.

(ii) Reasons for decision:

The proposal supports and delivers the Local Authority's statutory obligation to provide sufficient school places to meet demand and forms part of a reorganisation of primary places in Guildford and Waverley.

Implementing the proposal will:

- Allow pupils to transition through the school from Reception year, without the need to apply elsewhere, giving them and their families the reassurance of a continuity of educational provision
- Seek to enhance pupils' experiences, enabling higher standards of education to be provided
- Enable the school to deliver the curriculum in a continuous and coherent way, putting them in a stronger position to plan for both continuity and progression in learning
- Provide the opportunity to build partnerships with pupils, parents and families over a longer period of time
- Enable siblings to remain together during their primary education, rather than parents having to travel to two different schools
- Create a sustainable school to serve the local community

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

3. SEND CAPITAL PROGRAMME BUDGET: GUILDFORD COUNTY SCHOOL NEW SEN UNIT

(i) Resolved

The Cabinet Member:

1. Approved the use of £3.33m of the total approved SEND Capital budget of £180.4m for 2023/24 to 2027/28 for Guildford County School's new mainstream SEN Unit.

This will create permanent accommodation for 25 additional state-maintained specialist school places in Surrey from September 2025 onwards.

2. Approved entry into any associated legal agreement and terms agreed with Director Land and Property to facilitate the contract award and project delivery for the mainstream SEN Unit at Guildford County School.

(ii) Reasons for decision

Investing in Guildford County School's capital project will generate a positive impact on outcomes for children with complex additional needs and disabilities, as well as improving the Council's financial sustainability.

The committed expansion project is business critical to ensure Surrey County Council (the Council) discharges its statutory duties under Section 3 of the Local Government Act 1999, Sections 13 and 14 of the Education Act 1996 and Part 27 Section 3 of the Children and Families Act 2014.

Capital Programme Panel (CPP) endorsed the project's Strategic Business Case on Tuesday 16 January 2024. The confirmed budget for the project is above the threshold for CPP approval. Cabinet's authority to allocate resources from the approved SEND Capital budget required for individual projects, and agreement to enter any associated legal agreement to facilitate the contract award and project delivery is delegated to the Cabinet Member for Children, Families and Lifelong Learning, following CPP's financial scrutiny and endorsement. This is in line with Full Council approved amended Financial Regulations from March 2023.

To that end, agreement is sought to use defined resources to enable project progression against the Procurement Forward Plan, so that contracts can be awarded in March to facilitate the target delivery timescale of June 2025.

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CABINET MEMBER OF THE MONTH – David Lewis, Finance & Resources

As the Cabinet Member of the Month, I would like to introduce you to **Aida who is the MySurrey Chatbot**. The use of Digital, Data and Tech is seen as key to making improvements to our internal and external Customer Service. A real-life example of this is Aida which has been deployed as part of the support for the My Surrey system. The Digital team identified that there were large volumes of queries being submitted which were unfiltered, meaning no inspection or categorisation has been applied. Analysis of these tickets identified that many problems could be solved by providing information, advice or training. An opportunity was therefore identified to potentially answer frequently asked user support questions, using Chatbot technology.

Aida – The MySurrey Chatbot	
BEFORE the Chatbot went live	AFTER the Chatbot went live
<ul style="list-style-type: none"> • Average of 526 support forms submitted per month • 3989 queries in the backlog • Average 5 weeks response time for priority 2 and 3 queries 	<ul style="list-style-type: none"> • Average of 480 support forms submitted per month • 1800 queries in the backlog • 2 weeks response time

AIDA, was developed and delivered. It has successfully reduced the number of queries logged as shown in the table by answering users' questions instantly, reducing pressure on the support team thus allowing them to focus on more complex questions. The technology will continue to learn and keep solving more issues as time progresses.

7

Following the introduction of the new Enterprise Resource Planning (ERP) system known as **MySurrey** last June, a transition to Business-as-usual (BAU) Programme was established in the lead up to the close of the Programme in December 2023. This programme is governed by a Steering Group and reports to a Transition Board which considers all functional areas and their operational readiness to take on responsibility for the MySurrey system. This programme is due to come to an end in May and we will then transition into a permanent arrangement with a Managed Services solution and a client function.

To make the system more robust, there are a number of technical fixes underway which will improve how we do things on a day-to-day basis and remove the need for workarounds.

There are also operational and process issues which are being handled through the Transition to BAU programme) which will help to optimise operationalise the system's performance.

AI Update: Following the AI update to Informal Cabinet, IT&D have continued with the agreed next steps. These include:

- Increased communications on AI with a blog recently published, updates to the Digital Data and Technology Network and further engagement to the data board.
- Establishing an AI governance which includes a steering group and working group. Both meetings are scheduled for March and throughout 24/25.
- Continued exploration of opportunities that could use AI to address some of the challenges facing the organisation.
- Developing an AI policy as an enabling and guiding framework

Customer Relationship Management (CRM) Update: In light of the new Customer Transformation Programme led by Liz Mills, the Relationship, Management and Insight board has agreed to pause any procurement or replacement of CRM systems. This allows time for the ambition of the work to be established and defined ensuring that any systems or broader changes are aligned/support the ambition.

Financial Accounts: In January, Grant Thornton, our external auditors, presented their Annual Audit Report for 2022/23 to the Audit & Governance Committee. This includes a commentary on the arrangements that the Council has put in place. The assessment focuses on three areas: financial sustainability, governance and improving economy, efficiency and effectiveness. No significant

weaknesses in arrangements were found in relation to any of these areas. I am pleased that Grant Thornton expressed their opinion that the Council had strong arrangements in place and that the findings in this report were in contrast to reports relating to many other local authorities in the current climate. There was a recognition that the medium-term financial outlook remains extremely challenging, however Grant Thornton's view was that the Council had arrangements in place to plan for this and is transparent about the challenges and risks ahead.

At the same meeting the 2022/23 accounts were signed off by the Audit & Governance Committee, following a number of national delays to the sign off of the 2022/23 local authority Statement of Accounts. The last technical checks are being undertaken by Grant Thornton with final sign off anticipated in the coming weeks.

7 In Year Budget: The Council is currently forecasting a £4m overspend for the current financial year. This position reflects the challenging financial environment that Councils nationally are operating in. The drivers of the overspend are predominantly within Adults, Wellbeing and Health Partnerships (AWHP) and Children, Families and Lifelong Learning (CFLL) and are the result of significantly higher prices for social care placements than anticipated in the budget, alongside continued demand pressures for adult social care and Home to School Travel Assistance. This is a pressure mirrored across local authorities nationally.

Cabinet has already approved the utilisation of the full contingency budget of £20m, although the financial pressures in CFLL and AWHP, in particular, continue to worsen the overall financial position. As a result, and in anticipation for a continuation of these challenges into 2024/25, Cabinet and the Corporate Leadership Team have agreed to implement a number of spending controls, including recruitment controls, procurement controls, deep dives in AWHP and CFLL and focusing attention on the SWITCH programme and other areas where costs could be reduced. The impact of these controls will be closely monitored, impacts tracked and reported. Although it is anticipated that they will have limited impact on the 2023/24 position, the controls should establish stronger financial management behaviours into 2024/25.

In addition, the Capital Programme Panel has carried out an assurance session to better understand the causes of capital slippage and learn lessons to improve both future forecasting and delivery. A number of recommendations have been made to improve forecasting and the narrative provided for variances, which will be closely monitored by the Capital Programme Panel. Work is underway to review the 2024/25 capital budget and pipeline to ensure their deliverability.

2024/25 Budget & Medium-Term Financial Strategy: The Council approved the budget for 2024/25 and the MTFS in February. The financial environment faced by local authorities continues to be significantly challenging. We have seen a number of Councils declaring s114 notices over recent months and others are in discussion with DLUHC about additional support. Surrey County Council is not in this position and we have worked hard over recent years to improve our financial resilience and ensure our financial sustainability. However, the 2024/25 budget and finances into the medium term remain challenging. The budget includes significant efficiency targets of £54m and we continue to see demand for, and the cost of, services increasing at rates faster than available funding. As a Council we all need to be aware of these challenges and review all areas of spend, ensuring that we are making the right decisions and using our scarce financial resources effectively.

Purchase of Victoria Gate and agile working: The County Council formally took possession of the Victoria Gate office building in Woking on 29 February and our facilities provider, Macro, is on-site and providing facilities management. McLaren Applied, who were previous occupants of the building, have been served their 3 months-notice. Our design team is currently scoping detailed requirements with a view to minimising the cost of any building and fitout works required to meet council needs.



Work is also underway to understand if the building's capacity, which is limited due to fire regulations, can be increased to accommodate more staff. When purchased, the building capacity was circa 450 people but the business case identified that this could reasonably be increased to circa 700 with some relatively low-cost building changes. Two more options are currently being investigated which could increase capacity to an expected 850 or 1000+. The

costs are currently being worked out to determine if this would be feasible/economical and options will be presented when available.

Other Agile Sites: Given some of the new options available in relation to the capacity of buildings and the current commercial property market for selling buildings, the broader Estates and Agile teams are jointly re-examining options to service the needs of council offices and maximise savings. These options will be presented in due course.

Procurement Plan: Following months of engagement and preparation with Service Directorates, the Annual Procurement Forward Plan (APFP) for 2024/25 was approved by Cabinet on 19 Dec 2023. This means that Cabinet gave officers Approval to Procure for the 179 procurement projects (over the £213,477 inc. VAT threshold) to commence from 1st April 2024. This marks the beginning of more detailed planning with Services as well as targeted provider engagement.

The procurement activities listed in the APFP will proceed without the requirement for further Cabinet approval provided the tender outcome is within +5% of the budget indicated in the Procurement Report.

For projects **not** on the Forward Plan Individual Approval to Procure will be sought by the Head of Service concerned before any procurement activity begins.

For revenue projects, approval will be needed as below:

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

For capital projects, approval can be given by Capital Programme Panel, then as above.

A number of additional procurement controls are being implemented to support the overall programme of spend controls.

Orbis Internal Audit update: On 5th March, the delivery of Surrey's Internal Plan stood at 78.1% of our audit plan being completed to at least draft report stage, against a year-end target of 90%. Given the time remaining before the end of the financial year, we are confident that this performance will continue to improve and meet the expected level by the end of the year.

Since January, we have seen an increase in the number of draft and final reports with a final opinion of Partial Assurance. In the first three quarters of 2023/24 only 3 audits at this level of assurance were reported (Health and Safety Governance Arrangements; Surrey Alliance for Excellence Contract; and Unofficial School Funds) and none of Minimal Assurance. In quarter four to date, we have 8 Partial Assurance audits either in draft or finalised with the service, and the potential that a few more could fall into this category. However, looking at these provisional figures by comparison to statistics based on last year's audit plan, the level of lower assurance opinions is not greatly different in absolute terms (16% of all audits with Partial or Minimal Assurance in this current year excluding schools, versus 13% in 22/23). Further analysis is taking place to understand if there are themes contributing to this lower level of assurance, which will inform the Annual Opinion for the year 23/24 and help to understand if the current pattern represents a diminution of the Council's overarching control environment or if it is a coincidence of timing of individual pieces of work and does not reflect reducing levels of control.

Investments and Fees Income: Some of the Council's subsidiary companies have been or are undergoing financial sustainability reviews. This is intended to ensure that they can continue to deliver services or financial benefits to the shareholder and are aligned to Council priorities.

Separately, the Commercial Transformation Programme has been carrying out commercial reviews of 20 Services that receive income from fees and charges. The purpose of these reviews is to enable us to validate the financial position and support informed decision making; specifically whether we are optimising our income, aligning our financial resources to Council priorities and understanding the level of risk of providing those services.

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SURREY COUNTY COUNCIL**CABINET****DATE: 26 MARCH 2024****REPORT OF: NATALIE BRAMHALL – CABINET MEMBER FOR PROPERTY, WASTE AND INFRASTRUCTURE****LEAD OFFICER: KATIE STEWART – EXECUTIVE DIRECTOR FOR ENVIRONMENT INFRASTRUCTURE AND GROWTH****SUBJECT: SURREY INFRASTRUCTURE PLAN – PHASE 5 SCHEMES**

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

SUMMARY OF ISSUE:

Investment in infrastructure is essential for sustainable economic growth and to cater for the needs of Surrey's businesses and communities. The Surrey Infrastructure Plan (SIP) and associated prioritisation framework was approved by Cabinet in February 2021. This adopted a new approach to developing and prioritising infrastructure projects across the county. The plan allows for a more flexible approach whereby all projects are assessed on how they meet a range of outcomes and align to new and emerging funding opportunities as they arise. The plan introduces a continuous cycle of schemes as they move from concept to implementation stages.

This report recommends the approval of a further phase of schemes to be implemented, identifies additional schemes requiring further development, and provides a brief update on the status of the earlier phases which have been approved by Cabinet.

RECOMMENDATIONS:

It is recommended that Cabinet:

1. Agree the implementation of the Surrey Infrastructure Plan Phase 5 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. Agree the implementation of the Surrey Flood Alleviation Programme 2024/25 to 2025/26 as identified in this report and set out in Appendix 4a, within the approved budget envelope, subject to the final business case for each scheme being approved by the Capital Programme Panel.
3. Agree the implementation of the Smallfield and Reigate Flood Alleviation scheme as identified in this report and set out in Appendix 4b, within the approved budget

envelope, subject to the final business case for each scheme being approved by the Capital Programme Panel.

4. Agree to delegate the development and delivery of the schemes to the Executive Director for Environment, Infrastructure & Growth, in consultation with the Cabinet Member for Property, Waste and Infrastructure.

REASON FOR RECOMMENDATIONS:

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 fifth phase of SIP 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.

DETAILS:

Background

1. Cabinet approved the adoption of a prioritisation framework to assess infrastructure projects at its meeting on 23 February 2021. The framework enables infrastructure schemes to be assessed against SCC priority objectives, as contained in its Organisational Strategy 2021-2026. The SIP provides a framework to identify opportunities for the Council to maximise the value of investment by ensuring multiple outcomes are achieved wherever possible. Governance and oversight of the delivery of these infrastructure projects is provided through the SIP Programme Board established in October 2021.
2. Following Cabinet, the partners involved in the development of the Surrey Place Ambition 2050 were consulted and the assessment of projects shared. This included all 11 Districts and Boroughs (D&Bs), both Local Economic Partnerships and the Surrey Wildlife Trust. Other stakeholders including Network Rail, Homes England and National Highways were informed, along with neighbouring authorities where there were schemes crossing the boundary.
3. The engagement with partners led to the conclusion that this exercise and the wider development and delivery of infrastructure should be an ongoing, dynamic process rather than a one-off exercise, which is historically how local government has operated in this space. The evolving societal impacts as a result of the Covid pandemic are leading to new travel patterns and behaviours, most notably a trend towards more working from home and a greater focus on local places, which means that the infrastructure requirements of our communities are changing. In addition, the Local Plan process means the D&Bs are at different stages, as are their Community Infrastructure Levy (CIL) rounds and therefore ongoing dialogue and engagement is key to ensuring that the County Council can work in partnership to provide the right level of investment in infrastructure across the county. This engagement continues on a regular

and ongoing basis as the SIP continues to evolve, including a focus on securing CIL as part of the funding package.

4. The development of the Surrey Transport Plan, the creation of the Economic Growth Strategy – Plan for Growth and the work on the Greener Futures net zero carbon delivery plans (for the Council and county), mean that it is critical for the Council to continue to keep its infrastructure priorities under review and to ensure these new and emerging policy agendas are reflected in the delivery of infrastructure into the future.

Surrey Infrastructure Plan – Project selection

5. Through the development of the SIP, a list of over 140 infrastructure projects have been identified between SCC and its partners. All schemes have been assessed using the prioritisation framework agreed by Cabinet in February 2021, and the list of schemes within each District or Borough boundary was shared with the relevant officers at each authority. The projects in this fifth phase, noted in **Appendix 1**, have been recommended for implementation based on the availability of funding, support from the relevant District or Borough, their feasibility, and their assessment against the SIP prioritisation framework.
6. The estimated cost of the next phase of Category 1 projects is approximately £6.95m, made up of £2.10m from SCC capital which in turn looks to leverage in approximately £4.85m from external partners or from Section 106 planning contributions / CIL. Wherever possible, officers will continue to pursue external funding for these projects, and where such external funding can be secured, this will reduce the Council's contribution.
7. An update on the status of the previously approved Category 1 projects is included in **Appendix 2**.
8. A further list of projects is also noted in **Appendix 3**. These category 2 projects require feasibility and development work before an assessment can be made as to whether they can move to implementation (Category 1). These Projects will be developed using feasibility funding already approved by Cabinet, along with other funding from partners where available. Those schemes that are considered suitable for implementation will then be recommended to Cabinet later this year as part of the ongoing cycle of scheme development and implementation. This list is flexible and subject to change as priorities are put forward by partners and the feasibility work is progressed. A map of all the Category 1 and 2 projects is included.
9. In addition to the SIP projects, this report presents the Surrey Flood Alleviation Programme for 2024/25 and 2025/26. This programme will look to invest approximately £12.29m over the next two financial years, made up of £7.83m from SCC capital which in turn leverages in approximately £4.46m from external grants. A list of these projects is included in **Appendix 4**.

Surrey Infrastructure Plan – Phase 5 Projects

10. The projects considered as part of this fifth phase are summarised below:

Godalming to Guildford Cycle and walking Corridor (Phase 1) [£6.25 million]

11. SCC have been developing proposals for a 7km long cycling and walking corridor between Guildford and Godalming. The scheme will deliver high-quality active travel infrastructure to serve both towns as well as the communities in between. The scheme is strongly aligned with the County Council's Local Transport Plan 4, Greener Futures agenda, and Community Vision for Surrey in 2030. It also supports key policies set by both Waverley Borough Council and Guildford Borough Council.
12. During 2021, a non-statutory public consultation exercise was conducted. This exercised received over 1,000 responses of which 66% of respondents either supported or strongly supported the proposals. Many of the respondents recognised that the proposals would provide a more continuous, attractive, and safer route for both pedestrians and cyclists.
13. Since the 2021, SCC has developed the first phase of the scheme concentrating on the southern half of the route between Godalming and Peasmarsh. Subject to securing further external funding it is anticipated construction would commence during 2024/25. Further phases of the project will be taken forward in future years subject to securing additional funding.
14. The total cost of the first phase of the scheme is estimated to be £6.25 million. SCC will make a capital contribution of up to £1.4 million. With the remaining £4.85 million comprising of third-party funding. SCC have already secured a £1.65 million contribution from National Highways (Designated Funds) and are awaiting the outcome of a second application for funding to Active Travel England (Active Travel Fund). Further funding will also be made available from Waverley Borough Council. They have allocated CIL funding to the scheme as this supports their Local Plan objectives, and their aims and targets of their Climate Emergency agenda. In addition, funding may also be leveraged in from S106 developer contributions, the value of which will be agreed with the Borough Council to ensure it can be appropriately used on the project. Subject to the outcome of the second application for funding from Active Travel England, both CIL and S106 contributions will either contribute to the overall project or offset SCC capital investment.

The Street, Compton, Highway & Public Realm Improvements [£0.4 million]

15. The project will introduce traffic calming measures to improve road safety and enhance public realm in Compton, creating a high-quality environment which is attractive and safe for all road users.

16. The project seeks to introduce raised tables in suitable locations along The Street to address known speeding issues. Gateways into the village will also further help reduce vehicle speeds. These will be co-designed with community groups, residents and the Parish Council to ensure they reflect and celebrate local heritage. The project will include enhancement of the existing public realm and improved biodiversity through the introduction of new planting areas and seating. This will create a more pleasant space for residents to enjoy, contributing to improved health and wellbeing. Pedestrian and cycle improvements are also being considered along Down Lane, encouraging access to The Watts Gallery and Chapel. The bus stop area outside the Watts Gallery will be upgraded to further encourage active travel and create a safe waiting area for pedestrians.
17. Initial stakeholder engagement has taken place with the Parish Council and other key local stakeholders such as Watts Gallery. A wider community engagement event is planned to take place in March.
18. The total cost of the scheme is estimated to be in the region of £400,000 funded by SCC. Match funding options are limited in this locality but are currently being explored, and if secured would reduce the SCC proposed contribution accordingly.

Kings Road, Shalford Improvements [£0.3 million]

19. Kings Road, Shalford, in addition to serving the local parade of shops, is currently used as a diversion to avoid queuing traffic at the Horsham Road roundabout. This creates a hostile environment for pedestrians and therefore detracts from residents and visitors the use of local businesses. The project aims to address this issue by re-aligning the existing road layout, changing the priority of traffic, and widening the footways along this road. These measures will not only slow vehicles but will also reduce the overall number of vehicles using the road, creating a safer, more pleasant environment for pedestrians. The improved pedestrian permeability and widened footways will provide an opportunity for businesses to have more tables and chairs outside their premises. Additional seating and dense planting will also be provided, enhancing the biodiversity and enjoyment of the space whilst creating a buffer from the traffic. Existing parking spaces will be re-allocated. More cycle parking will also be introduced to cater for the growing demand from cyclists.
20. These improvements should encourage more sustainable travel to Shalford's local shops, encourage greater use of the local businesses as well as providing a safe, pleasant environment where the local community can come together contributing to improved health and wellbeing. Initial discussions with local businesses have shown that they are keen to see improvements made to the area. A wider public engagement is planned to take place in early April.

21. The total cost of the scheme is estimated to be in the region of £300,000 funded by SCC. Match funding options are limited in this locality but are currently being explored, and if secured would reduce the SCC proposed contribution accordingly.

**Surrey Flood Alleviation Programme [2024/25 to 2025/26]
[£12.29 million]**

22. In October 2019, Cabinet approved investing £33 million over 10 years for delivering the objectives of the Surrey Local Flood Risk Management Strategy. This investment, supplemented by grants from the Environment Agency (EA) forms the Surrey Flood Alleviation Programme. Details of the programme for 2024/25 and 2025/26 can be found in **Appendix 4a**. The programme is monitored by the Cabinet Member for Environment, is regularly reviewed at the Surrey Infrastructure Plan Programme Board and at the Surrey Flood Risk Partnership Board as recommended by Cabinet in October 2021.
23. The Surrey Flood Alleviation Programme forms part of our overall work in managing the flood risk across the County. SCC teams are currently carrying out investigations in communities affected by the recent flooding resulting from Storm Henk. These, alongside our ongoing work with other Risk Management Authorities such as the EA, Districts and Boroughs and utility companies, will feed into future programmes of work and activities. This programme is in addition to the £237 million investment into the development and delivery of the River Thames Scheme which will reduce the risk of flooding for communities adjacent to the Thames.
24. Flood alleviation schemes have long development and delivery timescales, which make it challenging to accurately forecast costs across financial years. The programme expenditure presented in this report is over the next two financial years (2024/25 and 2025/26) which allows officers to manage expenditure on each scheme within that two-year budget envelope and reduce the risk of total variance.
25. The Surrey Flood Alleviation Programme has historically been at a higher risk of underspend than overspend. This is mainly due to the value of contributions to schemes delivered to external partners, which we have reduced control over. To mitigate this, officers have intentionally over-programmed the scheme list to a higher value than approved in the MTFs, with the expectation that some items will be delayed or fall through entirely. Additional schemes for development may be raised either internally or by partners in response to flood incidents.
26. Within the two-year investment plan is a programme of development projects. These are currently in progress or are due to commence drainage catchment investigations and grant-funded economic feasibility studies. Project business cases will be submitted through appropriate governance when and if required. The values given include assumed delivery costs post-business case approval. The Development Project programme will be used to manage the risk of variance within the approved budget envelope for these years, as at this stage

work can easily pause or accelerate as needed. Although specific projects are named, projects that do not pass feasibility will be removed and replaced with other upcoming priority flood projects within the same value envelope.

27. From this programme, Cabinet approval is required for the following schemes detailed below. These schemes will be delivered across three years and the estimated costs for 2024/25 and 2025/26 are included in the total programme cost of £12.291m. We are seeking Cabinet approval for the total cost of the schemes, the remainder of which will be delivered in 2026/27. See detail in **Appendix 4b**.

Reigate Flood Alleviation Scheme - £1.29 million

28. The Reigate Flood Alleviation Scheme aims to reduce flood risk for 84 properties that have historically flooded or that are modelled to be at high risk of flooding by offering Property Flood Resilience (PFR) measures e.g. flood doors, removeable flood barriers, non-return valves, and air brick covers. The aim of these measures is to minimise the impacts of flooding and significantly reduce the time and cost of restoring the property after a flood event.
29. The scheme cost is £1.29 million with funding secured through the Environment Agency of £990,000. The remaining £300,000 will come from the Surrey Flood Alleviation Programme. These costs include a 30% contingency as per DEFRA Flood and Coastal Erosion Risk Management guidance. The projected profile for this expenditure is £55,000 in 2024/25, £985,000 in 2025/26 and £250,000 in 2026/27.
30. The scheme will be delivered using the EA National PFR Framework in two phases with survey and design stage happening first followed by installation and construction. This will take place across three financial years with completion expected in 2026/27.

Smallfield Flood Alleviation Scheme £3.88 million

31. The Smallfield Flood Alleviation Scheme aims to reduce flood risk for 175 properties that have historically flooded or that are modelled to be at high risk of flooding through a combination of a flood storage area that will reduce high water levels through the village by storing water and by offering PFR measures.
32. The scheme cost is £3.88 million, of which the Council has applied for £3 million from the EA. The remaining £880,000 will come from the Surrey Flood Alleviation Programme. These costs include a 30% contingency as per DEFRA Flood and Coastal Erosion Risk Management guidance. The projected profile for this expenditure is £500,000 in 2024/25, £1,796,000 in 2025/26 and £1,584,000 in 2026/27.
33. As in the Reigate scheme, the PFR measures will be delivered using the EA National PFR Framework in two phases with survey and design stage happening first followed by installation and construction. This will take place across three financial years with completion expected in 2026/27. The flood storage area will be delivered using Atkins for design under the professional services contract and then construction will follow.

RISK MANAGEMENT AND IMPLICATIONS:

34. Risks will be monitored and managed by project. The business cases that will be submitted to the Capital Programme Panel (CPP) will therefore include details on any project risk and mitigation.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

35. The development of the SIP has been funded by the Council's Feasibility Fund. The Council's capital pipeline makes provision for scheme costs, and this report outlines the estimated costs for the projects/programmes noted in this next phase. The full business cases that will be prepared for each project and considered by the CPP will set out in more detail the spend profile, the value for money and any external or third-party funding identified.
36. All costs are estimated at this stage, and in some cases external funding contributions are subject to further approval. Projects will only be agreed within the overall SIP budget envelope approved by Cabinet with variations to cost estimates for each scheme between this report and Full Business Case to be managed by the SIP Board in conjunction with CPP. Further feasibility work will be required for those schemes noted in Category 2 for which funding will be sought from the Feasibility Fund and any external contributions from partners where available.
37. The revenue impact of borrowing is shown in table 1 and is factored into the Council's Medium Term Financial Strategy.

Table 1 – Borrowing costs

£m	24/25	25/26	26/27	27/28	28/29	29/30	Total
Borrowing Costs	0.08	0.14	0.18	0.20	0.20	0.20	1.01

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 2024/25 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. The Surrey Infrastructure Plan is included in the approved capital programme 2023-28. Individual schemes will be considered in detail by the Council’s Infrastructure Board and Capital Programme Panel as appropriate in accordance with existing governance arrangements, within the overall Surrey Infrastructure Plan budget envelope approved by Cabinet. As such, the Section 151 Officer supports the proposed approach.

LEGAL IMPLICATIONS – MONITORING OFFICER

41. There are no significant legal implications raised in the report at this stage. There will be contractual agreements to be entered into as part of the projects. Some of these projects may also require traffic regulation orders as well as potential land acquisition, both of which are subject to their own statutory processes.

EQUALITIES AND DIVERSITY

42. The Public Sector Equality Duty is a duty imposed on all UK public bodies by section 149 of the Equality Act 2010, to have due regard when exercising their functions and making decisions to the need to eliminate the types of conduct which are prohibited under the Equality Act 2010 and to advance equality of opportunity and foster good relations between those who have particular protected characteristics and those who do not. Equalities impacts of the SIP will be monitored and managed according to each project. Equality Impact Assessments (EIAs) will be undertaken for each project to ensure that any negative consequences for people protected under the Equality Act 2010, (and other vulnerable groups as recognised by Surrey County Council), caused by changes to services, policies and functions, are minimised and opportunities for promoting fairness and respect are maximised.

OTHER IMPLICATIONS:

43. 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	No significant implications arising from this report
Safeguarding responsibilities for vulnerable children & adults	No significant implications arising from this report
Compliance against net-zero emissions target and future climate compatibility/resilience	The proposed projects will contribute to reducing emissions through improving infrastructure needed to promote active travel, use of public transport, uptake of electric vehicles and waste recycling contributing to

	<p>Surrey climate change delivery plan targets. The construction phase will involve generation of carbon emissions which will be prioritised through procurement of contractors that will assess the emissions and climate impact risks at design stage and put in place measures to reduce operational and embodied emissions during construction and ensure the proofing of infrastructure to projected and current climate impacts like flooding and increased temperatures.</p>
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ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

44. An Environmental Sustainability Assessment (ESA) will be undertaken as required as part of the individual business case development for each scheme.

PUBLIC HEALTH IMPLICATIONS

45. Public Health implications will be dealt with within the individual Business Cases.

WHAT HAPPENS NEXT:

46. Where appropriate all schemes identified in Appendix 1 will now have a full business case developed and reported to the Capital Programme Panel before they formally commence. They will then be progressed with stakeholders and the community engaged as part of the scheme development before moving to implementation. In addition, schemes identified in Appendix 2 will be further developed using Feasibility Funds with a view they are reported to this Cabinet as part of the next phase of schemes to be implemented. Engagement with all partners including the Districts and Boroughs will recommence to review priorities and agree how schemes are progressed in partnership.

47. The Surrey Flood Alleviation Programme schemes Smallfield and Reigate will be procured once the Environment Agency have approved the Business Case. The wider programme will seek appropriate approval at Infrastructure Board, Capital Programme Panel or Cabinet in consultation with the Cabinet member for Environment.

Report contact: James Vaks, PMO Manager, PPS, EIG Directorate

Contact details: james.vaks@surreycc.gov.uk

Consulted:

Communities, Environment and Highways Select Committee – 18 January 2021

Appendices:

Appendix 1: Category 1, Phase 5 Projects

Appendix 2: Progress update on Category 1 projects previously approved by Cabinet

Appendix 3: Category 2 Projects

Appendix 4a: Surrey Flood Alleviation Programme for 2024/25 and 2025/26

Appendix 4b: Reigate and Smallfield Flood Alleviation Schemes

Sources/background papers:

Surrey Infrastructure Prioritisation Framework – Technical Note, January 2021

Appendix 1: Category 1, Phase 5 Projects

Project	Estimated Project Capital Cost	SCC Contribution requested	Third Party Contributions
The Street, Compton Improvements	£0.40m	£0.40m	No contributions identified but will continue to explore further funding opportunities.
Kings Road, Shalford Improvements	£0.30m	£0.30m	No contributions identified but will continue to explore further funding opportunities.
Godalming to Guildford Cycle and walking Corridor (Phase1)	£6.25m	£1.40m	<p>£1.65m secured from National Highways (Designated Funds)</p> <p>Awaiting outcome of a further bid to Active Travel England (up to £3.2m). Funds will either contribute to any funding shortfall or offset SCC contribution.</p> <p>Up to £0.6m CIL + S106 contributions. Value to still be agreed. Funds will either contribute to any funding shortfall or offset SCC contribution.</p>
Total	£6.95m	£2.10m	

Notes:

1. All projects will be subject to business case approval.
2. This table excludes Surrey Flood Alleviation Programme. Refer to Appendix 4 for details of these projects.

Appendix 2: Progress update on Category 1 projects previously approved by Cabinet.

Project	Update
A25 Dorking to Reigate Safer Roads Fund Project	Implementation of these improvement measures will take place during 2024 (from April) although high containment kerbs have already been installed at several locations along the route.
A308 Corridor Improvements	Construction of Black Dog Junction Improvements complete. Shears Road Junction Improvements to commence in April 2024.
A3100 London Road, Guildford - Active Travel Scheme	Feasibility design and public consultation completed. The Cabinet Member is now expected to decide on the next steps for the scheme taking feedback from the public consultation in February 2024.
A320 Woking HIF Scheme	Project will not progress. Following the Woking Executive meeting on 5th October, it was agreed that Woking BC and SCC will pursue alternative small-scale improvements to public realm and walking and cycling infrastructure on the south side of the bridge to enhance sustainable travel options.
Ash Road Bridge	This is a Guildford BC (GBC) led project. Construction in progress. Funding agreement between SCC and GBC to enabled SCC to make capital contribution to the project.
Ashford Park Estate Low Traffic Neighbourhood	Detailed design in progress. Consultation programmed to commence from Spring 2024.
Boxgrove Roundabout, Guildford - Active Travel Scheme	Feasibility design and public consultation completed. The Cabinet Member is now expected to decide on the next steps for the scheme taking feedback from the public consultation in February 2024.
Caterham Town Improvement Package	The project had relied on Government Levelling Up Funding to progress. This was not secured. SCC are continuing to hold discussions with Tandridge DC to explore alternative funding options.
Cranleigh High Street Public Realm Enhancements	A phased construction programme is proposed for this project. Consultation continues between members officers and residents.
Croydon Road Regeneration, Caterham	Construction programmed to commence in February 2024.

Project	Update
Guildford E-Bike Scheme	Scheme programmed to launch in Spring 2024.
Ewell Village Improvements	Following the consultation exercise conducted during June and July 2023, a further engagement exercise is now proposed in February 2024. This will determine how the project will progress.
Farnham Town Centre Improvements	Following the public consultation exercise conducted during 2023, detailed design of the project is progressing.
Horley Town Centre revitalisation programme	Design of this multi-phased project ongoing. Construction of the High Street public realm improvements is programmed to commence summer 2024.
Local Street Improvements Tranche 1A Programme	<p>Liveable Neighbourhoods Programme was re-branded as the Local Street Improvements (LSI). LSI will deliver the same outcomes as Liveable Neighbourhoods, i.e., solutions that improve the pedestrian and cycling environment through interventions to lower speeds, and increase the perception of road safety, particularly for the vulnerable road user groups.</p> <p>Early design development and engagement activities ongoing for both Sunbury and Egham LSI zones.</p> <p>The Cabinet Member for Transport and Infrastructure endorsed the design development of five other LSI zones as a part of the Tranche 1A Programme. These include Woking (WO10), Chertsey (R15), Walton (EL6) and Sunbury-on-Thames (SP4&5). Design on these zones has now commenced.</p> <p>Additional LSI zones in Cranleigh and Farncombe are also being considered, although will be subject to successful bids in Waverley Borough Council's CIL bidding round.</p>
Pedestrianisation of the Square, Shere	Proposals to pedestrianise The Square will undergo a six-month trial period. Subject to further community engagement this will commence during Spring 2024.
Redhill to East Surrey Hospital via Earlsbrook Road - Active Travel Scheme	Detailed design in progress.
Shelvers Hill, Tadworth Flood Reduction	Preliminary Design has commenced. Subject to the design phase and public engagement works are programmed to take place in 2025.

Project	Update
Three Arch Junction Improvements	SCC officers are working with Reigate and Banstead BC to agree land exchange requirements and timescales for this. Design is progressing concurrently with this exercise.
Tongham Village & Ash Improvements	Construction of this project has been split into two phases. Construction of Phase 1 (Gateways) will be completed by March 2024. Construction of Phase 2 (Roundabout and Bus Stop Improvements) is programmed to commenced from Summer 2024.
Water Lane Pedestrian Crossing, Farnham	Construction of scheme programmed to commence from April 2024.
Weybridge Town Centre Improvements	Project moving to construction phase, although timeframes are heavily influenced by the concurrent construction of the M25 Junction 10 improvement scheme. With restricted network availability within the town until at least October 24, the focus will be to construct Manby Lodge crossing by September with the remaining elements of the project co-ordinated after the network restrictions are lifted.
Woking Sustainable Transport Corridor Improvements	This multi-element project was not funded by Government as part of the levelling up bid that was made in August 2022. SCC are exploring alternative funding options.
Woodhatch Junction Improvements	SCC officers are reviewing proposal with Reigate and Banstead BC to consider alternative funding options to deliver improvements at the existing junction.

Appendix 3: Category 2 Projects

New Category 2 Projects

Project	Project Details
Woking Triangle Improvement Scheme	Improvements to public realm and walking and cycling infrastructure (involving improved highway signing, lining and surfacing) on the south side of Victoria Arch bridge to enhance sustainable travel options.

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Existing Category 2 Project (as previously reported)

Town and Village Improvements

Projects aim to reduce congestion, improve air quality, provide improvements for pedestrians, vulnerable users, and cyclists as well as public realm enhancements to improve the economy and social infrastructure.

Project	Update
Addlestone Town Improvements	Feasibility study completed and outcomes of this exercise has been shared with Councillors. Awaiting feedback to determine next steps.
Church Road Ashford Town Centre Improvements	Feasibility design now commenced. Early engagement event held during December 2023.
Guildford Town Centre Improvements	Review conducted to determine which elements of the 'Shaping Guildford Future' Masterplan can be taken forward. Initial focus of funding is expected to cover flood alleviant/prevention measures, with SCC working in partnership with the Environmental Agency.
Staines Town Centre Improvements	Following the completion of works beneath Iron Bridge in May 2023, SCC Officers are continuing to engage with colleagues at Spelthorne Borough Council, through the Joint Infrastructure Group, to identify any future projects which are a shared priority for both organisations.

Active Travel Projects

Projects to provide safer and more attractive facilities for cycling and pedestrians whilst looking to overcome existing barriers to walking, wheeling, and cycling both. These projects will link to the LCWIPs.

Project	Update
Camberley to Frimley	Detailed design work is being progressed during 2023/24 for a cycleway between Camberley and Frimley.
Redhill to Hooley	The project team are working with National Highways to progress the feasibility of cycle infrastructure through Hooley which spans the Strategic Road Network managed by National Highways. The feasibility study has also investigated the feasibility of infrastructure between Redhill and Merstham, and between Merstham and Hooley on the Local Road Network managed by SCC.
Clockhouse Lane pedestrian and cycle scheme	A feasibility study is being completed during 2023/24 to determine whether there is a sufficiently strong Business Case to provide improved pedestrian and cycle facilities along Clockhouse Lane where it passes over the railway line to the north of Ashford.
Lower Sunbury Crossing	Initial feasibility study complete. SCC holding ongoing discussions with both Elmbridge BC and Spelthorne BC to agree the next stage of feasibility work and potential funding sources to deliver a future project.
Waverley - Bullers Rd and Hale Reeds School Streets	Design is nearly complete, and engagement and consultation will proceed during spring. Subject to this, implementation of measures to be programmed over the school summer holidays.

Local Cycling and Walking Implementation Plans (LCWIPs)

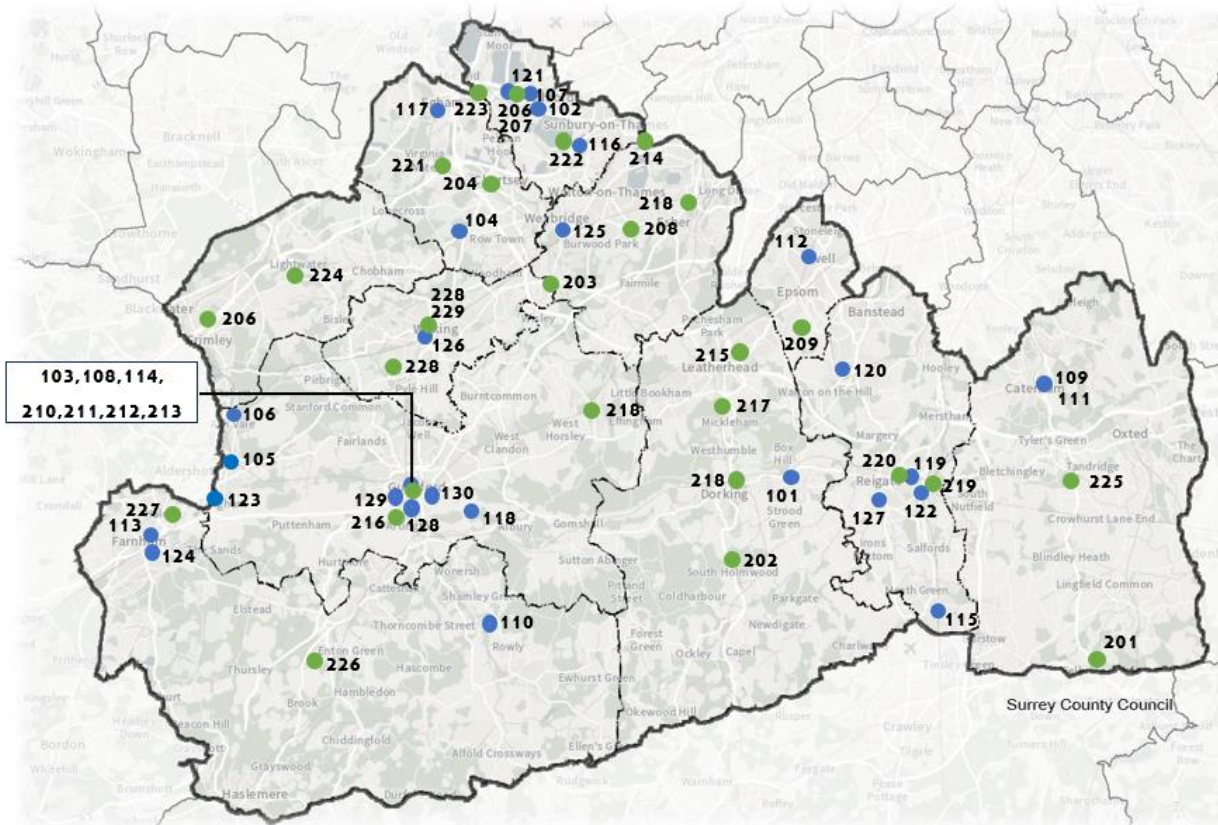
Projects that have been developed in partnership with local Boroughs and Districts to identify new or improved walking and cycling facilities. Further schemes to be added to this list pending review.

Project	Update
Woking Town	Initial pilot LCWIP for Surrey completed. Scheme design/development being taken forward with support from DfT/ Active Travel England in preparation for capital funding bid for delivery stage.
Reigate and Banstead	LCWIP stage 1 plan complete and signed off. Stage 2 feasibility design/development underway for phase 1 priority schemes. Baseline scheme review completed against Active Travel England design criteria.
Spelthorne	As above
Elmbridge	As above
Runnymede	As above
Guildford	LCWIP development underway, in parallel with Guildford bus priority study. Early stakeholder engagement completed to inform priority route selection and concept design work. LCWIP stage 1 due for completion Q4 23/24.
Surrey Heath	LCWIP development underway. Early stakeholder engagement completed to inform priority route selection and concept design work. LCWIP stage 1 due for completion Q4 23/24.
Mole Valley	LCWIP stage 1 plan complete and signed off. Stage 2 feasibility design/development being prepared to commence Q4 23/24.
Epsom Ewell	LCWIP development underway. Early stakeholder engagement in progress to inform priority route selection and concept design work. LCWIP stage 1 due for completion Q1 24/25.
Waverley	LCWIP stage 1 plan complete and signed off. Stage 2 feasibility design/development being prepared to commence Q4 23/24, with inclusion of Farnham Town LCWIP priority schemes.
Tandridge	LCWIP project scope being agreed with Tandridge DC. Project proposal being prepared. Programmed for Q4 23/24 start.
Wider Woking	LCWIP project scope being agreed with Woking BC, with requirement to develop wider borough active travel routes for connection to existing Woking town LCWIP plans. Project proposal being prepared. Programmed for Q4 23/24 start.

Transport Improvement Schemes

Project	Update
A24 Dorking to Horsham Improvements	Design development progressing. Optioneering workshop complete traffic modelling exercise now progressing.
A22 Whyteleafe to East Grinstead corridor study (inc. A264 Corridor)	This is joint commission with West Sussex County Council. Feasibility design ongoing.
M25 Jnc 9 (A24/A243)	Scoping of project continuing with National Highways.
A245 Smarter Highway - West Byfleet to Painshill	Design of cycling and walking improvement corridor between Cobham and Painshill to commence in spring 2024. Funding being agreed with National Highways (Designated Funds).
Milford Transport Study	The study complete. Now actively seeking funding opportunities, including developer contributions to take forward those projects identified from study.
Guildford Sustainable Movement Corridor Programme	SCC are working with Guildford BC to review and agree the approach to the deliver these packages of schemes.
Guildford West Rail Station (Park Barn) New rail station development.	Project pending further dialogue with Guildford BC and Network Rail.
Network Rail/DfT Station Access for All (AfA)	Awaiting AfA funding decision for the following stations: Ash Vale, Dorking Deepdene, Esher, Horsley.

Location Plan of Category 1 and 2 Projects



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Category 1 Projects

101	A25 Dorking to Reigate Safer Roads Fund Project
102	A308 Corridor Improvements
103	A3100 London Road, Guildford - Active Travel Scheme
104	A320 Woking HIF Scheme
105	Ash Road Bridge
106	Ash Vale Station
107	Ashford Park Estate Low Traffic Neighbourhood
108	Boxgrove Roundabout, Guildford - Active Travel Scheme
109	Caterham Town Improvement Package
110	Cranleigh High Street Public Realm Enhancements
111	Croydon Road Regeneration, Caterham
112	Ewell Village Improvements
113	Farnham Town Centre Improvements
114	Guildford E-Bike Scheme
115	Horley Town Centre revitalisation programme
116	LSI 1A Programme - Sunbury
117	LSI 1A Programme - Egham
118	Pedestrianisation of the Square, Shere
119	Redhill to East Surrey Hospital via Earlsbrook Road - Active Travel Scheme
120	Shelvers Hill, Tadworth Flood Reduction
121	Staines Iron bridge improvements
122	Three Arch Junction Improvements
123	Tongham Village & Ash Improvements
124	Water Lane Pedestrian Crossing, Farnham
125	Weybridge Town Centre Improvements
126	Woking Sustainable Transport Corridor Improvements
127	Woodhatch Junction Improvements

Category 2 Projects

201	A22 Whyteleafe to East Grinstead corridor study – including A284 Corridor
202	A24 Dorking to Horsham Improvements
203	A245 Smarter Highway - West Byfleet to Painshill
204	Addlestone Town Improvements
205	Camberley to Frimley Cycle and Walking Corridor
206	Church Road Ashford – town centre improvements
207	Clockhouse Lane pedestrian and cycle scheme
208	Elmbridge LCWIP
209	Epsom Ewell LCWIP
210	Guildford LCWIP
211	Guildford Sustainable Movement Corridor Programme
212	Guildford Town Centre Improvements
213	Guildford West Rail Station (Park Barn) New rail station development
214	Lower Sunbury Crossing
215	M25 Junction 9 (A24/A243)
216	Milford Transport Study
217	Mole Valley LCWIP
218	Network Rail/DfT Access for All. Improve access at Ash Vale, Horsley, Esher and Dorking Deepdene rail stations.
219	Redhill to Hooley Cycle and Walking Corridor
220	Reigate and Banstead LCWIP
221	Runnymede LCWIP
222	Spelthorne LCWIP
223	Staines Town Centre Improvements
224	Surrey Heath LCWIP
225	Tandridge LCWIP
226	Waverley LCWIP
227	Waverley - Bullers Rd and Hale Reeds School Streets
228	Wider Woking

New Category 1 Projects (Phase 5)

128	Godalming to Guildford Cycle & Walking Corridor
129	The Street, Compton - Road safety and Public Realm Enhancements
130	Kings Road Improvements, Shalford

New Category 2 Projects (Phase 5)

229	Woking Triangle Improvement Scheme
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Appendix 4a: Surrey Flood Alleviation Programme for 2024/25 and 2025/26

All figures in £ 000s				
Category	Estimated Spend in 24/25 & 25/26	SCC Funding (SFAP)	Grant Funded	Project Name
Contributions to External Projects	5000	5000		EA - Sanway Byfleet Flood Alleviation Scheme*
	600	600		EA - Lower Mole Flood Alleviation Scheme Major Refurbishment Works
	200	200		RBBC - South Merstham Recreation Ground
	100	100		EA - Addlestone Flood Alleviation Scheme
	100	100		TDC - Caterham Queens Park and catchment SuDS
subtotal	6000	6000	0	
Virements to Internal SCC Projects	830	330	500	Placemaking - Shelveys Way**
	340	340		A320 St Peters Hospital**
	200	200		Placemaking - Croydon Road**
	100	100		Caterham Raingardens (HWY capital drainage)**
	100	100		Placemaking - Cranleigh**
subtotal	1570	1070	500	
Flood & Climate Resilience Team Projects in Delivery Phase	2296	350	1946	Smallfield Flood Alleviation Scheme
	80	80		A217 Highway Improvements
	625	625		Woking Raingarden Retrofits
	1040	50	990	Reigate Flood Alleviation Scheme
	270		270	Alfold Property Flood Resilience
	125	75	50	Ash Natural Flood Management
	100		100	Caterham on the Hill Property Flood Resilience
	90	90		Caterham Bourne Dome Hill
	50	50		Tadworth/Nork Waterbutts
30		30	Brockham and Strood Green	
subtotal	4706	1320	3386	
Flood & Climate Resilience Team Development Projects	310	310		Countywide Property Flood Resilience
	260		260	Whitebushes Flood Alleviation Scheme (South Earlswood East)
	105		105	South Merstham Flood Alleviation Scheme
	100	30	70	Farnham Flood Alleviation Scheme
	100		100	Worcester Park Flood Alleviation Scheme
	100	100		South Merstham Malmstone Avenue
	80	30	50	Guildford Surface Water Flood Alleviation Scheme
	80	30	50	Horley Surface Water Flood Alleviation Scheme
	50		50	Lower Thames Corridor Surface Water Study
50		50	South Earlswood Flood Alleviation Scheme (West)	
subtotal	1235	500	735	
Total	13511	8890	4621	
Over-programming	(1,220)	(1,059)	(161)	Intentional overprogramming to offset risk of delay
Total Budget	12,291	7,831	4,460	
* Subject to Cabinet approval				
** Approval sought by relevant SCC delivery team				

Appendix 4b: Reigate and Smallfield Flood Alleviation Schemes

All figures in £000s					
Project Name	Total Cost	Funding Source	2024/25	2025/26	2026/27
Reigate	1,290	Surrey Flood Alleviation Programme		50	250
		Grant Funded	55	935	
Smallfield	3,880	Surrey Flood Alleviation Programme		350	530
		Grant Funded	500	1,446	1,054

SURREY COUNTY COUNCIL**CABINET**

DATE: 26 MARCH 2024

REPORT OF CABINET MEMBER: NATALIE BRAMHALL, CABINET MEMBER FOR PROPERTY, WASTE AND INFRASTRUCTURE

LEAD OFFICER: KATIE STEWART, EXECUTIVE DIRECTOR FOR ENVIRONMENT, INFRASTRUCTURE & GROWTH

SUBJECT: CHENNESTONE PRIMARY SCHOOL – ROOFING WORKS

ORGANISATION STRATEGY PRIORITY AREA: ENABLING A GREENER FUTURE/ EMPOWERING COMMUNITIES

Purpose of the Report:

Cabinet is asked to approve capital funding for essential works at Chennestone Primary School, Manor Lane, Sunbury-on-Thames, TW16 5ED. The works are required to improve the condition of the school's flat roofing, thereby safeguarding the health and safety of pupils and staff, mitigating the impact on the school's operational activities and the children's education whilst improving the school's overall energy efficiency.

The existing roof coverings are in poor condition and prone to leaks causing disruption to the educational operation of the school. The concrete roof deck also exhibits signs of structural damage, whilst the steel water tanks feeding water outlets in the school are also deteriorating.

The proposed works include provision of new insulated roof coverings, water tank replacement, structural repairs and strengthening, asbestos removals, high level window replacements, internal decorations and consequential works.

The proposed works will be phased to take place during school holidays where possible, including critical health and safety works such as asbestos removal.

The works will contribute to Surrey County Council's (the Council) Net Zero Carbon (NZC) target due to improved thermal insulation in the roof. The roof structure is not suitable for photovoltaic (PV) installation.

Recommendations:

It is recommended that Cabinet:

1. Approves capital funding allocated within the School Capital Maintenance Budget for the Minor Capital Works (MCW) Programme of FY2024/25 to replace the roof coverings and water tanks, remove asbestos, undertake structural repairs, and carry out any other associated work for essential condition improvement works to Chennestone Primary School, Sunbury-on-Thames. The capital funding required is commercially sensitive at this time and is set out in the Part 2 report.

2. Approves procurement of appropriate construction partners to carry out the works in accordance with the Council's Procurement and Contract Standing Orders.
3. Notes that, regarding the procurement of construction partners, the Executive Director for Environment, Infrastructure & Growth and the Director of Land and Property are authorised to award such contracts, up to +5% of the budgetary tolerance level.
4. Authorises Legal Services to seal any awarded contract where required.

Reason for Recommendations:

Approving the recommendations in this report will enable the Council to:

- Provide a dry, warm and safe learning and working environment for the school's pupils and staff.
- Support the school's operational activities and the children's education.
- Improve the building's energy efficiency and contribute to the Council's NZC target.
- Maintain and protect the building, providing a fit for purpose building for future years.
- Reduce the maintenance burden for the Council and school.

Executive Summary:

1. Chennestone Primary School is a community school for children aged 4 to 11 years of age. The school has an approximate capacity for 340 pupils and has an Ofsted rating of "Good". The school is situated in Sunbury-upon-Thames within the borough of Spelthorne.
2. A building condition survey carried out by the Council in 2019 noted that the condition of the flat roof of the school was "bad" and classified the roof as needing essential replacement within a year. Although design works were initiated at the school within the original timeframe, these were slow to progress meaning that the works have slipped and now have a greater urgency than previously. The cold-water storage tank was classed as "satisfactory" but to be replaced in 2026. The roof work is now overdue, and the tank replacement works are being brought forward to deliver efficiency savings.
3. Since the 2019 survey, the school have requested remedial works of a temporary nature to stem roof leaks and repair damage to the internal fabric caused by rainwater leaking through the roof.
4. The works have been developed in conjunction with the Council's Greener Futures team, to incorporate measures which will contribute to the Council's ambition to be NZC by 2030. The measures include improving insulation however installation of PV panels are not suitable for these roofs due to the roof deck composition and material condition.
5. The proposed works will be phased to take place during school holidays and term time. The intention is to complete the critical works over the school holidays. A temporary double classroom unit will also be provided to support the school and limit disruption to its operations.
6. The proposed approach, timeframes and programme of works have been discussed and agreed by the school, the Council's Education Service, Land and Property and its project delivery team.

Consultation:

7. The following have been consulted before, during and after site inspections by Council Officers, and in the development of the works programme and schedule:

- Mrs Hayley Mulhall, Head Teacher, Chennestone Primary School
- Mr Nick Watkins, School Business Manager, Chennestone Primary School
- Natalie Bramhall, Cabinet Member for Property, Waste and Infrastructure.
- Buddhi Weerasinghe, Divisional Cabinet Member, SCC
- Carrie Traill, Service Manager, Educational Effectiveness, SCC
- Katie Stewart, Executive Director, Environmental, Infrastructure and Growth
- Stuart Clayton, Head of FM Services, L&P, SCC
- Amanda Boyton, Customer Experience Manage, L&P, SCC
- Vicky Reader, Head of Estates, Estate Management, L&P, SCC
- Fotini Kallipoliti Vickers, Renewable Energy Programme Manager, Strategic Energy, SCC
- Property Panel and Capital Programme Panel members, SCC
- Finance and Legal Teams, SCC
- Macro, SCC's Managing Agent and Delivery Partner

Risk Management and Implications:

8. Key risks associated with the project at this time have been identified and are being actively managed, as outlined below.

	Risk description	Mitigation action/strategy
a.	<p>Operational activity</p> <ul style="list-style-type: none"> • Works being undertaken at an active school which even out of term-time will likely have users for which the works could cause disruption (including but not limited to operation of site equipment/ plant, storage of spoil/debris, storage of construction materials, COSHH etc.) • Delays due to discovery of unidentified asbestos in concealed structures. • Functionality of site and safety procedures e.g. fire evacuation plans 	<ul style="list-style-type: none"> • Pre-Contract meeting to be held to ensure Contractor and School staff understand the works programme. • Contractor to provide a Construction Phase Plan (CPP) which will detail codes of practise and H&S policies. The CPP will be approved by a third-party Principal Designer prior to the works commencing. • Plans to include details on how works can be isolated from building users without negatively impacting operational activity or safety plans. • Regular engagement between school staff and Contractor with works monitored regularly by consultant team.
b.	<p>Works programme and schedule</p> <ul style="list-style-type: none"> • Supply chain and labour shortages • Delays to programme if works can only take place outside of term-time 	<ul style="list-style-type: none"> • Early engagement is planned with manufacturers for early procurement. • Programme schedule and budget includes allowance for works to commence during term-time.
c.	<p>Health and Safety (H&S)</p> <ul style="list-style-type: none"> • Potentially working in close proximity to building users • H&S of site staff • Working at height (roofing) • Working on/around structures known to contain Asbestos Containing Materials 	<ul style="list-style-type: none"> • H&S codes of practise and policies will be included in the CPP. • Contractor to provide Asbestos Survey Information report.

	Risk description	Mitigation action/strategy
d.	Financial <ul style="list-style-type: none"> • Insufficient funding if scope of works increases, rise in cost of materials, discovery of deleterious materials. • Inflation increases. 	<ul style="list-style-type: none"> • A sufficient contingency is held outside of the contract sum to cover any unplanned changes to the scope of works, cost increases and a risk contingency for unforeseen items (e.g. deleterious materials). • An allowance for a rise in inflation is included within the budget in line with current forecasts.
e.	Reputational	<ul style="list-style-type: none"> • Engagement with the school is in progress and will continue throughout the planning and works period. • The school is responsible for liaising and engaging with staff, parents and pupils, and the Consultant team will provide support and information as and when necessary.

Financial and Value for Money Implications:

- The budget for this scheme has been allocated within the School Capital Maintenance Budget for the Minor Capital Works (MCW) Programme of 2024/25. The funding allocation for the 2024/25 programme of works is sufficient to accommodate the above proposed works and other prioritised works for the programme year.
- Not carrying out these works could lead to potential closures of the Surrey-maintained school with decant costs incurred. Officers are not aware of a pending academy conversion; however, should an application be received, SCC would still be liable for the replacement works prior to conversion.

Section 151 Officer Commentary

- 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.
- 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.
- There is sufficient capital funding in the Schools Capital Maintenance budget in the current MTFs for the proposed roofing works. The majority of this budget is funded by government grant and the revenue cost of the borrowing is included in the MTFs. As such the Section 151 Officer supports the recommendations in this report.

Legal Implications – Monitoring Officer:

14. This paper seeks approval of capital funding to carry out essential works required at Chennestone Primary School, Sunbury-on-Thames. The works include extensive external refurbishment works including asbestos removal to safeguard the health of pupils and staff and improve the overall condition and energy-efficiency of the building.
15. The Council is empowered under section 2 of the Local Authorities (Land) Act 1963 to undertake such works and improvements and it is recommended that such works are progressed to ensure that the Council discharges its responsibilities in respect of Health & Safety requirements associated with the building.
16. Cabinet is under fiduciary duties to residents in utilising public monies and in considering this business case Cabinet Members will want to satisfy themselves that the recommendations represent an appropriate use of the Council's resources.
17. Officers, must ensure that any procurement to appoint appropriate construction partners to carry out the works, is done in accordance with the requirements of the Public Contracts Regulations 2015 (and any successor legislation) where appropriate, and the Council's Procurement and Contract Standing Orders.

Equalities and Diversity:

18. An Equalities Impact Assessment is not applicable to this project and has therefore not been completed.

Other Implications:

19. 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	No implications arising from this report.
Safeguarding responsibilities for vulnerable children and adults	No implications arising from this report.
Environmental sustainability	No implications arising from this report.
Compliance against net-zero emissions target and future climate compatibility/resilience	Supports the Council meeting its NZC targets through making the building energy efficient by reducing heat and electricity demand through efficiency. Efficiency measure include increasing the roof's insulation to current Building Regulation requirements.
Public Health	No implications arising from this report.

What Happens Next:

20. Should this proposal be approved, the timeframes for completion are as set out below.

Key milestones	Start	Complete
Detailed design	Feb 2024	March 2024
Tender period, evaluation and contract award	April 2024	May 2024
Mobilisation and commencement of contractor	Jun 2024	Jul 2024
Construction works	Jul 2024	Nov 2024

21. The school is responsible for communicating timescales, implications for school operations and mitigating management actions to staff, parents and pupils. The Council's project team will provide information to inform and support such communications.

Report Author:

Ade Durojaiye, Head of Programme Management, Workplace & Facilities, Land and Property, 07792 185 999

Consulted:

Hayley Mulhall, Head Teacher, Chennestone Primary School
 Nick Watkins, School Business Manager, Chennestone Primary School
 Natalie Bramhall, County Cabinet Member, Property, Waste & Infrastructure, SCC
 Buddhi Weerasinghe, Divisional Cabinet Member, SCC
 Katie Stewart, Executive Director, Environment, Infrastructure and Growth
 Carrie Traill, Service Manager, Educational Effectiveness, SCC
 Stuart Clayton, Head of FM Services, L&P, SCC
 Amanda Boyton, Customer Experience Manage, L&P, SCC
 Vicky Reader, Head of Estates, Estate Management, L&P, SCC
 Fotini Kallipoliti Vickers, Renewable Energy Programme Manager, Strategic Energy, SCC
 Property Panel and Capital Programme Panel members, SCC
 Finance and Legal Teams, SCC
 Macro (SCC's Managing Agent and Delivery Partner)

Annexes:

Part 2 report

Sources/background papers:

None

SURREY COUNTY COUNCIL

CABINET



DATE:	26 MARCH 2024
REPORT OF CABINET MEMBER:	DAVID LEWIS, CABINET MEMBER FOR FINANCE AND RESOURCES
LEAD OFFICER:	LEIGH WHITEHOUSE, INTERIM CHIEF EXECUTIVE
SUBJECT:	2023/24 MONTH 10 (JANUARY) FINANCIAL REPORT
ORGANISATION STRATEGY PRIORITY AREA:	NO ONE LEFT BEHIND / GROWING A SUSTAINABLE ECONOMY SO EVERYONE CAN BENEFIT / TACKLING HEALTH INEQUALITY / ENABLING A GREENER FUTURE / EMPOWER AND THRIVING COMMUNITIES / HIGH PERFORMING COUNCIL

Purpose of the Report:

This report provides details of the Council's 2023/24 financial position, for revenue and capital budgets, as at 31st January 2024 (M10) and the expected outlook for the remainder of the financial year.

Regular reporting of the financial position underpins the delivery of all priority objectives, contributing to the overarching ambition to ensure No One Left Behind.

Key Messages – Revenue

- Local government continues to work in a challenging environment of sustained and significant pressures. **At M10, the Council is forecasting an overspend of £4m against the 2023/24 revenue budget, after the application of the contingency budget. This is a £0.7m deterioration since M9.** The details are shown in Annex 1 and summarised in Table 1 (paragraph 1 below).
- In October 2023, Cabinet agreed the use of the £20m corporate contingency budget to reduce the overall in-year forecast overspend position for 2023/24. This was to allow a focus on mitigating the residual forecast overspend. However, the in-year position has worsened over recent months and there is an increased risk that it will continue to do so.
- In response to this worsening in-year financial position, the residual level of risk for the remainder of the financial year and a significant medium term budget gap, a number of spending control measures have been implemented. The impact of these controls will be closely monitored, impacts tracked and reported. Although it is anticipated that they will have limited impact on the 2023/24 position, the controls should establish stronger financial management behaviours into 2024/25. **Further work is therefore required for all services to identify ways to mitigate the forecast overspend in 2023/24 to contain costs within the available council budget.**
- 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. The level of reserves held by the Council provides additional financial resilience should the residual forecast overspend not be effectively mitigated.

Key Messages – Capital

- At month 10, capital expenditure of £269.1m is forecast for 2023/24, a variance of £0.8m more than the re-set budget of £268.3m. This is a decrease of £1.8m from the forecast at M9. There are a number of offsetting variances within this position and further details are set out in paragraphs 7-11.

Recommendations:

It is recommended that Cabinet:

- Notes the Council's forecast revenue budget (after the application of the full contingency budget) and capital budget positions for the year.

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.

Executive Summary:

- At M10, the Council is forecasting a full year overspend of £4m against the revenue budget. This is a £0.7m deterioration since M9. Table 1 below shows the forecast revenue budget outturn for the year by Directorate (further details are set out in Annex 1):

Table 1 - Summary revenue budget forecast variances as at 31st January 2024

	M10 Forecast £m	Annual Budget £m	Forecast Variance £m
Adult Social Care	441.8	439.4	2.4
Public Service Reform & Public Health	37.9	38.1	(0.2)
Children, Families and Lifelong Learning	286.1	257.9	28.2
Environment, Transport & Infrastructure	154.7	154.2	0.4
Surrey Fire and Rescue	38.8	38.7	0.1
Customer & Communities	20.9	20.8	0.1
Resources	84.3	83.3	1.0
Communications, Public Affairs and Engagement	2.2	2.2	(0.0)
Prosperity, Partnerships & Growth	2.0	2.2	(0.1)
Central Income & Expenditure	37.5	45.4	(8.0)
Directorate position	1,106.2	1,082.2	24.0
Contingency	0.0	20.0	(20.0)
Corporate Funding	(1,102.2)	(1,102.2)	0.0
Overall	4.0	0.0	4.0

- The £4m forecast overspend is made up of an overspend of £24m on Directorate positions, offset by the application of £20m contingency budget, as previously approved by Cabinet. The £24m underlying forecast overspend relates primarily to the following:
 - Adult Social Care - £2.4m overspend, £0.4m deterioration since last month.** There is significant pressure on care package budgets due to demand and market pressures and the forecast impact of assessed fees & charges debt across the year. An overspend of £8.3m is forecast for ASC's care package budget, which is being partially mitigated by additional grant funding and underspends elsewhere. The £0.4m

deterioration since last month largely relates to increased care package expenditure for Learning Disabilities & Autism services.

Within the latest position there is a £4.1m shortfall across efficiencies relating to strength-based practice, demand management, changing care models and funding related to Section 117 aftercare and Continuing Health Care. The delivery of these efficiencies has been challenging and the service is refocusing in order to mitigate the underachievement as far as possible. Forecast overachievement of £2.9m for efficiencies relating to in-house delivered care services, primarily related to the closure of in-house Older People care homes, is part of the mitigation.

- **Children, Families and Lifelong Learning - £28.2m overspend, £1.2m deterioration since last month.** The increase from last month is due to further increases in Home to School Travel Assistance (H2STA) and additional costs for children in Education placements.

The full year adverse outturn position is largely due to:

- i. social care placements and allowances (£16.1m pressure), with a national lack of market sufficiency and price inflation having a significant impact on external agency placements;
- ii. legislation that requires matching of special guardianship rates paid to those of fostering allowances (£1.8m pressure);
- iii. demand pressures within children with disability care budgets (£1.5m), reflecting a continuation of the demand experienced in 2022/23; and
- iv. growth in pupil numbers in excess of budgeted volumes along with significant price increases in H2STA (£9m pressures).

This pressure is partially mitigated by improvements in costs for Unaccompanied Asylum Seeking Children (UASC) of £1.4m due to an increase in grant funding, an underspend on in-house fostering of £1.5m due to a lower number of children supported through in-house foster carers and a £0.7m underspend on in-house residential provision with staffing vacancies.

- **Environment, Transport & Infrastructure - £0.4m overspend, £0.1m improvement since last month.** Existing pressures include a net £0.2m within Highways & Transport due to a range of items including additional staffing (including inspectors), reduced income related to the housing market and delayed parking enforcement, partly offset by concessionary fares saving due to lower patronage and release of winter maintenance contingencies; £0.2m in Environment primarily due to Greener Futures expenditure and treatment of ash dieback; and £0.2m in the Planning, Performance & Support service due to additional capacity to support service improvements and legislative change and resources to support community engagement. These pressures are offset by smaller underspends in other areas. In addition, Highways & Transport has other pressures that are being monitored but are currently expected to be contained within the overall service budget envelope.
- **Surrey Fire and Rescue £0.1m overspend, unchanged since last month.** There is a £0.7m pressure due to a backdated national pay award agreed in March 2023 at a

higher rate than budgeted for, partly mitigated by management of vacancies (£0.5m) and savings through partnership working (£0.1m).

- **Resources - £1.0m overspend, unchanged since last month.** Overall, there are several variances across the directorate. There is an overspend relating to an expected reduction in income of £0.4m from the provision of payroll services, due to decreases in customer numbers. There are also staffing pressures in the Payroll service within Business Services (£0.2m). Land and Property is forecasting an overspend of £0.5m due to delays in the full financial benefit of the Facilities Management Contract (£0.3m) and a grounds maintenance pressure (£0.2m). These overspends are offset by staffing vacancies in other services (£0.1m).
- **Public Service Reform and Public Health - £0.2m underspend, unchanged since last month,** relating to recruitment delays within the Analytics & Insight team.
- **Customer & Communities - £0.1m overspend, unchanged since last month.** The overall overspend position is due mainly to under recovery of income in Libraries, offset by staffing underspends. The libraries' income budget was set at 2019/20 levels as footfall continued to recover after the pandemic, however it is now considered unlikely that income will fully recover.
- **Central Income & Expenditure - £8m over-recovery, £0.7m improvement since last month,** relating to additional Business Rate income from the business rates pool and multiplier compensation grant income (£4.1m), less redundancy spend (£1.2m), increased net interest position (£1m), reduced uptake of the empty property subsidy (£1m) and £0.7m relating to the surplus on the national business rates levy account.

3. In addition to the forecast overspend position, emerging risks and opportunities are monitored throughout the year. Directorates have additionally identified net risks of £5.2m, consisting of quantified risks of £6.2m, offset by opportunities of £1m. 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. The net risk is a reduction of £7.2m since M9.
4. Directorates are expected to 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. In recognition of the worsening financial position, immediate in-year spending controls have been implemented, including recruitment and procurement controls. In addition, there will be 'deep dives' carried out into spend on Home to School Travel Assistance and Adults Social Care to ensure the drivers for continued increasing pressures are understood and further mitigations identified. An action plan has been developed.

Dedicated Schools Grant (DSG) update

5. The table below shows the projected forecast year-end outturn for the High Needs Block. The forecast at month 10 shows an overspend of £2.5m.

Table 2 - DSG HNB Summary

2023/24 DSG HNB Summary	Budget	Forecast	Variance to budget	Safety Valve*	Variance to SV
	£m	£m	£m	£m	
Education and Lifelong Learning	231.5	233.7	2.2		
Place Funding	22.7	22.7	0		
Children's Services	2.3	2.6	0.3		
Corporate Funding	2	2	0		
TOTAL	258.5	261.0	2.5		
FUNDING	-218.1	-218.1	0.0		
In-Year Deficit	40.4	42.9	2.5	44.2	-1.3

*Safety Valve In-Year Deficit includes £42m in the agreement for this year plus a further £2.2m headroom from prior years.

6. The final monitoring report for the safety valve agreement in 2023/24 was approved by the Department for Education, confirming a final £3m funding contribution for the year to be paid to SCC in February 2024. This brings the total DfE contributions to date to £9m in this financial year and £73m in total. The report confirmed that the Council remains on track with its agreed trajectory, although also noted continued demand pressures both within the system and through cost inflation.
7. The M10 monitoring position shows an overspend against the planned total expenditure as a result of several factors:
 - a change to the overall High needs block DSG funding, from £218.3m to £218.1m, as a result of the in-year import/export exercise
 - an overspend in Education and Lifelong Learning of £1.9m, largely relating to the Post 16 expenditure where the cohort is higher than modelled projections
 - an overspend in Children's residential placements with associated Education costs of £0.3m
8. Despite the forecast overspend the council remain within the spending profile of the Safety Valve due to achieving an underspend against planned expenditure in 2022/23 and having set the 2023/24 budget with more ambitious containment targets than included in the initial safety value projections.

Capital Budget

9. 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 £10m budgeted for Your Fund Surrey. After adjustments for 2022/23 carry forwards and acceleration, the revised budget was £326.4m.
10. During August a re-set of the capital budget was undertaken, to ensure that the budget reflected spend profiles more accurately, taking into account known delays, additional in-year approvals and reflecting the current supplier market and wider economic conditions impacting on programme delivery. The re-set budget is **£268.3m**.

11. Capital expenditure of **£269.1m** is forecast against this budget, which represents a forecast variance of £0.8m (an decrease of £1.8m since month 9), as summarised below.
12. The Capital Programme Panel has led an exercise to further review the areas of significant slippage to identify common risks and barriers to delivery and identify potential mitigations. An action plan is being developed to address some of the findings of that exercise.

Table 3 - Summary capital budget

Strategic Capital Groups	Annual Budget	2023-24 Outturn Forecast at M10	M10 Forecast Variance	M9 Forecast Variance	Change from M9 to M10	Increase / Decrease / Unchanged
	£m	£m	£m	£m	£m	
Property						
Property Schemes	101.8	105.3	3.6	6.3	(2.8)	Decrease
ASC Schemes	1.6	1.6	0.0	0.0	0.0	Unchanged
CFLC Schemes	2.4	2.4	(0.1)	0.0	(0.1)	Decrease
Property Total	105.8	109.3	3.5	6.3	(2.8)	Decrease
Infrastructure						
Highways and Transport	121.9	125.3	3.4	1.6	1.8	Increase
Infrastructure and Major Projects	15.9	13.4	(2.5)	(2.0)	(0.6)	Decrease
Environment	9.5	9.1	(0.4)	(0.3)	(0.1)	Decrease
Surrey Fire and Rescue	6.0	5.0	(1.0)	(1.0)	0.0	Unchanged
Infrastructure Total	153.4	152.8	(0.6)	(1.7)	1.1	Increase
IT						
IT Service Schemes	9.2	7.0	(2.2)	(2.1)	(0.1)	Decrease
IT Total	9.2	7.0	(2.2)	(2.1)	(0.1)	Decrease
Total	268.3	269.1	0.8	2.6	(1.8)	Decrease

13. The overall variance is attributable to the following:

- **Property Schemes - £3.5m variance over budget**, a reduction of £2.8m since M9, mainly the SEND programme and a further delays to the Hopescourt Schools due to complex planning conditions and biodiversity net gain requirements.

The variance reflects the inclusion of spend in relation to the Agile Office Programme which was not in the re-set budget. In addition, there is acceleration of £2m on Schools & Corporate Maintenance schemes.

This is offset by significant slippage across a number of schemes including Independent Living (£1.3m), SEND (£7.6m), Extra Care (£3.3m) and Alternative Provision (£3.1m), delays are caused in the main by the planning process much of which is outside the control of the council's planning team. These delays do not impact on MTFS 2024/25 efficiencies. In addition, there is a delay of c£2m on Depots following a decision to delay works until after the gritting season.

The majority of the reduced SEND spend this year relates to the new Hopescourt school scheme, the new school building remains on track to open in May 2025. The school will open as planned in September 2024 on the temporary site of the former Hurst Park Primary site. There are also smaller reductions due to delays relating to several other schools. The cost containment targets aligned with the Safety Valve Agreement for Financial Year 2023/24 are forecast to be on track, subject to all 234 additional places brought on from September 2023 places being filled. Along with the phasing in of additional places from projects delivered in previous years, the programme will create around 270 new places from September 2024.

- **Infrastructure - £0.6m variance under budget**, a £1.1m increase from M9. The overspend across structural maintenance, surface treatment, footway maintenance and safety defects has increased by £2.6m. This additional spend will be funded by an unbudgeted Government grant. Significant slippage remains on the acquisition of ultra-low emission buses which has increased by £0.9m to £4.1m. Other smaller Highways & Transport variations include acceleration of bridge, safety barrier, flooding and road safety works partially offset by slippage including on local transport schemes. Within Infrastructure Planning & Major Projects there is £1.1m of slippage in relation to the A320 works. Slippage of £1m is forecast on purchase of fire appliances due to the timing of stage payments for vehicles which have been ordered.

IT - £2.1m variance under budget, due to delays to the planned laptop refresh, following the outcome of the pilot and test phase.

Consultation:

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

Risk Management and Implications:

15. Risk implications are stated throughout the report and each relevant director or head of service has updated their strategic and or service risk registers accordingly. In addition, the 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:

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

Section 151 Officer Commentary:

17. 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.
18. 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.
19. 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.

Legal Implications – Monitoring Officer:

20. 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.
21. 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:

22. 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.
23. 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:

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

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Consulted: Cabinet, Executive Directors, Heads of Service

Annexes:

Annex 1 – Detailed Outturn position

Detailed Revenue Outturn Position

Annex 1

Service	Cabinet Member	Gross budget	Net budget	Forecast	Outturn variance
Family Resilience	C Curran	£58.4m	£58.4m	£58.7m	£0.3m
Education and Lifelong Learning	C Curran	£28.0m	£28.0m	£28.5m	£0.5m
Commissioning	C Curran	£3.7m	£3.8m	£3.8m	£0.0m
Quality & Performance	C Curran	£75.1m	£75.4m	£84.1m	£8.7m
Corporate Parenting	C Curran	£95.7m	£95.7m	£109.6m	£13.9m
Exec Director of CFLL central costs	C Curran	-£3.4m	-£3.4m	£1.3m	£4.8m
Children, Families and Lifelong Learning		£257.4m	£257.9m	£286.1m	£28.2m
Public Health	M Nuti	£35.8m	£35.8m	£35.8m	£0.0m
Public Service Reform	D Lewis	£2.3m	£2.3m	£2.2m	(£0.2m)
Public Health and PSR		£38.1m	£38.1m	£37.9m	(£0.2m)
Adult Social Care	S Mooney	£440.2m	£439.4m	£441.8m	£2.4m
Highways & Transport	M Furniss	£67.3m	£67.3m	£67.5m	£0.2m
Environment	M Heath/ N Bramhall	£82.6m	£81.5m	£81.7m	£0.2m
Infrastructure, Planning & Major Projects	M Furniss	£2.8m	£2.8m	£2.6m	(£0.1m)
Planning Performance & Support	M Furniss	£2.1m	£2.1m	£2.3m	£0.2m
Emergency Management	K Deanus	£0.5m	£0.5m	£0.6m	£0.0m
Environment, Transport & Infrastructure		£155.3m	£154.2m	£154.7m	£0.4m
Surrey Fire and Rescue	K Deanus	£38.7m	£38.7m	£38.8m	£0.1m
Armed Forces and Resilience	K Deanus	£0.1m	£0.1m	£0.1m	(£0.0m)
Communications	T Oliver	£2.1m	£2.1m	£2.1m	(£0.0m)
Communications, Public Affairs and Engagement		£2.2m	£2.2m	£2.2m	(£0.0m)
PPG Leadership	T Oliver	£0.3m	£0.3m	£0.3m	(£0.0m)
Economic Growth	M Furniss	£1.8m	£1.8m	£1.7m	(£0.1m)
Partnerships, Prosperity and Growth		£2.2m	£2.2m	£2.0m	(£0.1m)
Community Partnerships	D Turner-Stewart	£1.9m	£1.9m	£1.8m	(£0.1m)
Customer Services	D Turner-Stewart	£3.0m	£3.0m	£3.1m	£0.1m
Customer Experience	D Turner-Stewart	£0.5m	£0.5m	£0.4m	(£0.0m)
Cultural Services	D Turner-Stewart	£8.3m	£8.3m	£8.9m	£0.5m
Customer and Communities Leadership	D Turner-Stewart	£2.2m	£2.2m	£1.7m	(£0.4m)
Registration and Nationality Services	D Turner-Stewart	-£1.5m	-£1.5m	-£1.5m	(£0.0m)
Trading Standards	D Turner-Stewart	£1.9m	£1.9m	£1.8m	(£0.1m)
Health & Safety	D Turner-Stewart	£0.0m	£0.0m	£0.0m	£0.0m
Coroners	K Deanus	£4.5m	£4.5m	£4.6m	£0.0m
Customers and Communities		£20.8m	£20.8m	£20.9m	£0.1m
Land & Property	N Bramhall	£26.4m	£25.1m	£25.7m	£0.5m
Information Technology & Digital	D Lewis	£20.2m	£20.2m	£20.2m	£0.0m
Twelve15	D Lewis	-£1.1m	-£1.1m	-£1.2m	(£0.1m)
Finance	D Lewis	£7.7m	£7.7m	£7.5m	(£0.2m)
People & Change	T Oliver	£7.8m	£7.8m	£8.0m	£0.1m
Legal Services	D Lewis	£5.9m	£5.9m	£5.9m	(£0.0m)
Joint Orbis	D Lewis	£6.2m	£6.2m	£6.3m	£0.2m
Democratic Services	D Lewis	£3.8m	£3.8m	£3.8m	£0.0m
Business Operations	D Lewis	£0.8m	£0.8m	£1.4m	£0.6m
Executive Director Resources (incl Leadership Office)	D Lewis	£3.8m	£3.8m	£3.8m	(£0.0m)
Corporate Strategy and Policy	D Lewis	£1.2m	£1.2m	£1.1m	(£0.1m)
Transformation and Strategic Commissioning	D Lewis	£1.7m	£1.7m	£1.6m	(£0.1m)
Procurement	D Lewis	£0.1m	£0.1m	£0.1m	£0.0m
Performance Management	D Lewis	£0.2m	£0.2m	£0.2m	£0.0m
Resources		£84.6m	£83.3m	£84.3m	£1.0m
Central Income & Expenditure	D Lewis	£45.9m	£45.4m	£37.5m	(£8.0m)
Directorate position		£1,085.4m	£1,082.2m	£1,106.2m	£24.0m
Contingency	D Lewis	£20.0m	£20.0m	£0.0m	(£20.0m)
Corporate Funding			-£1,102.2m	-£1,102.2m	£0.0m
Overall		£1,105.4m	-£0.0m	£4.0m	£4.0m

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