



Agenda and Reports
for the meeting of
THE COUNTY COUNCIL
to be held on
8 OCTOBER 2024

(i)

(ii)

Woodhatch Place
Reigate
Surrey

Monday, 30 September 2024

TO THE MEMBERS OF SURREY COUNTY COUNCIL

SUMMONS TO MEETING

You are hereby summoned to attend the meeting of the Council to be held at Woodhatch Place, 11 Cockshot Hill, Reigate, Surrey, RH2 8EF, on Tuesday, 8 October 2024, beginning at 10.00 am, for the purpose of transacting the business specified in the Agenda set out overleaf.

TERENCE HERBERT
Chief Executive

Note 1: *This meeting may be filmed for live or subsequent broadcast via the Council's internet site - at the start of the meeting the Chair will confirm if all or part of the meeting is being filmed. The images and sound recording may be used for training purposes within the Council.*

Generally the public seating areas are not filmed. However by entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes.

If you have any queries regarding this, please contact the representative of Legal and Democratic Services at the meeting.

If you would like a copy of this agenda or the attached papers in another format, e.g. large print or braille, or another language, please email Amelia Christopher on amelia.christopher@surreycc.gov.uk

This meeting will be held in public. If you would like to attend and you have any special requirements, please contact Amelia Christopher on 07929 725663 or via the email address above.

1 APOLOGIES FOR ABSENCE

The Chair to report apologies for absence.

2 MINUTES

To confirm the minutes of the meeting of the Council held on 9 July 2024.

(Pages
11 - 34)

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 CHAIR'S ANNOUNCEMENTS

Welcome

I hope you all had an enjoyable summer and welcome to today's meeting.

Chief Executive

I would like to begin this morning by extending a huge welcome to our new Chief Executive, Terence Herbert. Terence – welcome, we are absolutely delighted to have you here with us today.

Supporting local charities and residents

Throughout the summer and early autumn, I continued to support Surrey charities and organisations that do such vital work to support some of the most vulnerable Surrey residents. To name but a few: Kingswood Shetlands, which offers unique animal experiences through animal assisted therapy; Farm Place, a housing centre that supports young people and is run by the Amber Foundation; and I hosted a 'family fun day' here at Woodhatch Place for those supported by the Surrey National Autistic Society. It was a wonderful day for the children, young people and their families with games, art and crafts and even a visit from a friendly snake, an owl, a bearded dragon and a hedgehog! Much fun was certainly had by all.

These really are extraordinary charities who do incredible work. I do highly recommend that those of you who are unfamiliar with any of these groups check them out and see if there is any way in which you could support them or connect them with your residents who might benefit from their services.

Act of Remembrance

As you are aware, I will be hosting Surrey County Council's annual Act of Remembrance in the Memorial Garden at Woodhatch Place on Monday 11 November at 10.45am-11.15am. Our country is forever in the debt of those extraordinarily brave men and women who fought for our freedoms, often paying the ultimate price. I do hope that all of you who can, will join me, members of Surrey Royal British Legion, currently serving members of the military plus VIPs of Surrey on 11 November to show our everlasting gratitude and pay our deepest respects. We will remember them.

Community Champions Reception

You will have received my request for your nominations for my 'Community Champions Reception' which will be held next spring. Historically, this reception has been held exclusively for volunteers of Surrey, however this time I am opening it up to all residents of Surrey who significantly contribute to your community, either in a voluntary or paid-for capacity. If they have made a positive contribution to our county, I want to hear about them! Please send in your nominations in by 31 December. We know that fantastic work is done in our communities by our wonderful residents and they deserve to be recognised and thanked.

If you have any queries at all, please do not hesitate to contact my office, chairs.office@surreycc.gov.uk

Thank you very much and I greatly look forward to receiving your nominations.

As always – thank you!

Finally, thank you as always to staff and Members for all that you do for Surrey. You make an immeasurable difference to our residents - particularly our most vulnerable. Thank you.

5 LEADER'S STATEMENT

The Leader to make a statement.

There will be an opportunity for Members to ask questions and/or make comments.

6 APPROVAL OF COUNTY COUNCILLOR ABSENCE

The purpose of this report is to request that the County Council considers whether to agree that County Councillor David Lewis (Camberley West) be absent from Council meetings by reason of ill health.

(Pages
35 - 36)

7 SELECT COMMITTEES' REPORT TO COUNCIL (Pages 37 - 44)

For Members to note the headline activity of the Council's overview and scrutiny function in the period July 2024 to September 2024 asking questions of Scrutiny Chairs as necessary.

8 APPOINTMENT OF THE SECTION 151 OFFICER (Pages 45 - 48)

To appoint the Council's Section 151 Officer.

9 ANNUAL REPORT OF THE AUDIT AND GOVERNANCE COMMITTEE (Pages 49 - 62)

For Council to note the work undertaken by the Committee during the period May 2023 to May 2024.

10 AMENDMENTS TO THE CONSTITUTION (Pages 63 - 158)

Surrey County Council has a Constitution which is agreed by Members and sets out how the Council operates, how decisions are made and the procedures to be followed to ensure that they are efficient, transparent and accountable to the residents of Surrey.

It is the Council's responsibility to approve changes to the Council's Constitution. Amendments to Executive functions are the responsibility of the Leader and are brought to Council to note.

This report sets out proposed changes to:

- Part 3 – Responsibility for Functions and Scheme of Delegation (Sections 2, 3A and 3B)
- Part 5 – Rules of Procedure (Part 5(02) Financial Regulations)
- Part 6 – Codes and Protocols (Part 6(02) – Arrangements for dealing with Member Conduct)

These changes are brought to Council for formal approval in accordance with Articles 4.09, 5.02 and 13.01(a) of the Council's Constitution.

11 MEMBERS' QUESTION TIME

1. The Leader of the Council, the Deputy Leader or the appropriate Member of the Cabinet or the chairman of a committee to answer any questions on any matter relating to the powers and duties of the County Council, or which affects the county.

(Note: Notice of questions in respect of the above item on the agenda must be given in writing, preferably by e-mail, to Democratic Services by 12 noon on Wednesday 2 October 2024).

2. Cabinet Member and Deputy Cabinet Member Briefings on their portfolios.

These will be circulated by email to all Members prior to the County Council meeting, together with the Members' questions and responses.

There will be an opportunity for Members to ask questions.

12 STATEMENTS BY MEMBERS

Any Member may make a statement at the meeting on a local issue of current or future concern.

(Note: Notice of statements must be given in writing, preferably by e-mail, to Democratic Services by 12 noon on Monday 7 October 2024).

13 ORIGINAL MOTIONS

Item 13 (i)

Steven McCormick (Epsom Town & Downs) to move under standing order 11 as follows:

This Council notes that:

Home delivery via motorcycles and pedal cycles from takeaway outlets is becoming increasingly popular. It responds to customer demand, adds to the local economy and provides employment opportunities for delivery drivers. However, like some other changes of shopping behaviour and consumer preferences, it can also raise unexpected, and sometimes unwanted consequences.

Currently, in too many areas of Surrey, high streets and shopping centres are facing a need for parking spaces by delivery drivers and, too often, that is leading to inconsiderate, dangerous and illegal parking on the pavement to the detriment and safety of pedestrians and shoppers and, currently, there is no agreed response from SCC.

In light of the factors listed above, and with reference to the [Transportation Development Planning Good Practice Guide](#) this Council calls upon the Cabinet to commit to:

- I. Create a new piece of 'Standing Advice' for local planning authorities to consider, that new retail developments, and changes of use, factor in the requirements for motorcycle delivery parking.
- II. Write to central government to request a consultation on a nationwide scheme whereby delivery companies will suspend riders for a period of time on receipt of photographic evidence, from Highways or the Police, if one of their riders access or park on the pavement or in contravention of the law.
- III. Write to delivery companies (Uber Eats, Deliveroo, Just Eat, etc.) to highlight the issue of motorcycle delivery parking and to request that they introduce a policy whereby delivery companies will suspend riders for a period of time on receipt of photographic evidence, from Highways or the Police, if one of their riders access or park on the pavement or in contravention of the law.
- IV. Create a new piece of 'Standing Advice' for input into Local and Neighbourhood Plans, requiring sites with takeaway outlets to have designated parking areas close to the high street where motorcycles can be left securely.
- V. Work with take-away outlets, local landowners and borough and district councils across Surrey to identify sites for designated

parking areas close to the high street where motorcycles can be left secure.

- VI. Work more closely with partners, the Police and borough and district councils, to enforce more effectively the current parking restrictions, and to identify measures to discourage all motorised vehicles accessing the footway.

Item 13 (ii)

Mark Nuti (Chertsey) to move under standing order 11 as follows:

This Council notes:

- Council's commitment in its Organisation Strategy and through the Surrey Health and Wellbeing Strategy to reducing health inequalities, particularly in key neighbourhoods and amongst vulnerable groups.
- The significant impact of the cost of living on health inequalities in Surrey; 8.3% of households are in fuel poverty and 8.5% of children aged 0-19 years live in households experiencing relative poverty.
- The Government's pre-election commitment to adopting Section 1 of the Equality Act 2010 in England that will require all public bodies to adopt transparent and effective measures to address the inequalities that result from differences in socio-economic status.
- Good Company (Surrey) - a charity with a mission to see communities 'free of poverty, where everyone can afford life's essentials'; they co-ordinate local food banks, the Poverty Truth Commission and currently work with pupils on free school meals to understand their needs.
- The signing of Good Company's End Poverty Pledge by the Surrey Health and Wellbeing Board in July 2024, also adopted by Surrey Heartlands Integrated Care Partnership at a first combined meeting in September 2024 and Board/Partnership's commitment to enacting the pledge, including support for Board/Partnership members' organisations to also sign in their own right.

This Council believes that:

- Socio-economic disadvantage and financial hardship are barriers to reducing health inequalities and improving health and wellbeing in Surrey.
- In the delivery of all our services, we need to consider those in or at risk of poverty.
- Working with Voluntary, Community and Social Enterprise (VCSE) organisations, such as Good Company, that work with those with lived experience of financial hardship is important in ensuring service responses are led by our communities.
- Signing the Good Company's End Poverty Pledge demonstrates that this Council leads from the front in the Surrey system to reduce health inequalities so no-one is left behind.

This Council resolves to:

- I. Request the Leader of the Council sign Good Company's End Poverty Pledge on behalf of the Council.
- II. Request that the Leader of the Council subsequently instructs officers to develop an SCC poverty action plan (to include proposed actions such as the adoption of section 1 of the Equality Act 2010 which builds in addressing the inequalities that result from differences in socio-economic status and becoming an anchor institution) for mitigating and preventing poverty amongst Surrey residents.

14 FEEDBACK FROM THE COMMUNITIES, ENVIRONMENT AND HIGHWAYS SELECT COMMITTEE ON A REFERRED MOTION: 'PLANT BASED MEALS' (Pages 159 - 164)

Under Standing Order 12.6 for Council to note the feedback from the Communities, Environment and Highways Select Committee on the referred Council motion title 'Plant based meals'.

15 REPORT OF THE CABINET (Pages 165 - 168)

To receive the report of the meetings of the Cabinet held on 23 July 2024 and 24 September 2024.

16 MINUTES OF CABINET MEETINGS (Pages 169 - 190)

Any matters within the minutes of the Cabinet's meetings, and not otherwise brought to the Council's attention in the Cabinet's report, may be the subject of questions and statements by Members upon notice being given to Democratic Services by 12 noon on Monday 7 October 2024.

MOBILE TECHNOLOGY AND FILMING – ACCEPTABLE USE

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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

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**MINUTES OF THE MEETING OF THE COUNTY COUNCIL HELD AT
WOODHATCH PLACE, 11 COCKSHOT HILL, REIGATE, SURREY, RH2 8EF,
ON 9 JULY 2024 COMMENCING AT 10.00 AM, THE COUNCIL BEING
CONSTITUTED AS FOLLOWS:**

Saj Hussain (Chair)
Tim Hall (Vice-Chair)

Maureen Attewell	Eber Kington
Ayesha Azad	Rachael Lake BEM
Catherine Baart	Victor Lewanski
Steve Bax	David Lewis (Cobham)
* John Beckett	* David Lewis (Camberley West)
Jordan Beech	Scott Lewis
Luke Bennett	Andy Lynch
r Amanda Boote	Andy MacLeod
Dennis Booth	Ernest Mallett MBE
Harry Boparai	Michaela Martin
Liz Bowes	Jan Mason
Natalie Bramhall	Steven McCormick
Helyn Clack	r Cameron McIntosh
* Stephen Cooksey	Julia McShane
Clare Curran	Sinead Mooney
Nick Darby	Carla Morson
Fiona Davidson	Bernie Muir
Paul Deach	Mark Nuti
Kevin Deanus	John O'Reilly
Jonathan Essex	Tim Oliver OBE
Robert Evans OBE	* Rebecca Paul
r Chris Farr	George Potter
Paul Follows	Catherine Powell
* Will Forster	Penny Rivers
* John Furey	John Robini
Matt Furniss	* Becky Rush
Angela Goodwin	Joanne Sexton
Jeffrey Gray	Lance Spencer
David Harmer	* Lesley Steeds
Nick Harrison	Mark Sugden
Edward Hawkins	Richard Tear
Marisa Heath	Ashley Tilling
Trefor Hogg	* Chris Townsend
Robert Hughes	Liz Townsend
* Jonathan Hulley	Denise Turner-Stewart
* Rebecca Jennings-Evans	Hazel Watson
Frank Kelly	Jeremy Webster
Riasat Khan	Buddhi Weerasinghe
Robert King	Fiona White
	Keith Witham

*absent

r = Remote Attendance

49/24 APOLOGIES FOR ABSENCE (including Annex A - Approval of County Councillor Absence) [Item 1]

Apologies for absence were received from John Beckett, Amanda Boote (remote), Stephen Cooksey, Chris Farr (remote), Will Forster, John Furey, Jonathan Hulley, David Lewis (Camberley West), Cameron McIntosh (remote), Rebecca Paul, Chris Townsend.

The Assistant Director - Governance and Democratic Services noted a major incident on the motorway which meant that several Members would be late.

The Chair referred to Annex A - Approval of County Councillor Absence published yesterday in the fourth supplementary agenda.

RESOLVED:

That John Furey may continue to be absent from meetings until October 2024 by reason of ill health. The Council looks forward to welcoming him back in due course.

50/24 MINUTES [Item 2]

The minutes of the meeting of the County Council held on 21 May 2024 were submitted, confirmed and signed.

51/24 DECLARATIONS OF INTEREST [Item 3]

There were none.

52/24 CHAIR'S ANNOUNCEMENTS [Item 4]

The Chair:

- Congratulated Surrey's recipients of His Majesty The King's Birthday Honours 2024. Twenty-one residents across the county were recognised for their significant contribution across a range of services in Surrey and the country; including Tim Oliver, Leader of the Council, and Rachael Wardell, Executive Director for Children, Families and Lifelong Learning at Surrey County Council, who had both been awarded Orders of the British Empire (OBE).
- Congratulated Rebecca Paul and Will Forster, newly elected Members of Parliament for Reigate and Woking respectively, and wished them success.
- Paid homage to those Members who stood in last week's General Election but were unsuccessful, recognised their efforts in putting themselves forward for public service to stand up for the rights of others.
- Asked Members to put former Members in touch with the Chair's Office should they wish to be kept updated of Council news.
- Noted that the rest of his announcements could be found in the agenda.

53/24 LEADER'S STATEMENT [Item 5]

Liz Bowes, Fiona White and Keith Witham arrived at 10.10 am.

Carla Morson arrived at 10.13 am.

The Leader of the Council made a detailed statement. A copy of the statement is attached as Appendix A.

Members raised the following topics:

- Congratulated the Leader and Executive Director for Children, Families and Lifelong Learning for their OBEs; and to the two Members who had been elected to Parliament, and all those who stood for election.
- Hoped for positive change at Westminster that would address some of the issues the Council was struggling with.
- Noted the failure of the processes for assessing and meeting need for children and young people with Special Educational Needs and Disabilities (SEND).
- Noted that schools were struggling to meet that need, early intervention was vital to address the increased demand and complexity of need.
- Highlighted the ageing population and more SEND children transitioning into adulthood, a secure funding system was needed to enable the building of the right accommodation and support attracting the required staff.
- Stressed that strategies were needed to reduce climate change by decreasing the use of fossil fuels by generating more green energy and efficient homes, and by improving resilience to climate change by not building on flood plains.
- Hoped for systems and processes to become more efficient and more effective, removing unnecessary bureaucracy.
- Noted negative changes during the current Council term: removal of Local Committees, verge cutting and on-street parking enforcement brought back in-house, and the restructuring of the highways teams. The Council had become increasingly reactive with issues reported by residents not being resolved.
- Welcomed the additional Educational Psychologists, but correspondence with parents, carers and schools, and the delivery and support for places for children and young people was inadequate.
- Welcomed the significant capital investment programme: building new children's homes, extra care housing for older residents and those with Autism Spectrum Disorder, building more SEN schools and increasing provision in others.
- However, noted that the level of scrutiny was disappointing, the scoping, local Member engagement and project management was poor, leading to ineffective, delayed and costly delivery; called for Members' skills to be utilised.

Angela Goodwin, Julia McShane and Liz Townsend, arrived at 10.24 am.

- Welcomed that there were two more people in Parliament with experience of local government who could highlight the struggles faced.
- Noted that Members must now refocus energy on their remit, a new government would not be able to solve the problems faced for many years quickly, called for working collectively to tackle the challenges.
- Highlighted a case where the Council was instructed to pay compensation to the family of a boy with complex medical needs who lost twenty-seven days of education and special needs provision after his school transport was cancelled.
- Was horrified by the decisions made regarding Home to School Transport, the Council must use its resources efficiently to not disadvantage more children.

John Robini arrived at 10.26 am.

- Noted that the Council had to pay out more than £540,000 of compensation in the last year to families who complained about Children's Services.

- Noted that the Council had worked hard over the last five years to get to a relatively stable position, yet in-year budgets were under pressure and several funding streams were set to end in the next few years affecting valued services.
- Suggested that it was time to update Sir Andrew Dilnot's recommendations concerning Adult Social Care, that required cross-party agreement across all levels of government.
- Welcomed that the new government recognised the need for infrastructure as a precursor to development and hoped that the Council would support that.
- Noted concern that planned future reductions in spending in the commissioning of social care services through partners in the voluntary sector would negatively affect the Council's relationship with those organisations; sufficient support was needed to prevent gaps in the services particularly to vulnerable residents.
- Noted the many major changes in the Corporate Leadership Team and directorships, was pleased that looked like it was coming to an end and looked forward to welcoming and working with the new Chief Executive going forward.
- Highlighted that Sir Keir Starmer is the first UK Prime Minister to come from Surrey on its present boundaries.
- Noted that the long list of challenges that the new government would face was a sorry legacy of fourteen years of Conservative Party and Conservative-Liberal Democrat Parties governments.
- Believed that SEND and education would be at the forefront of the new government, the Labour Party had always been progressive on education and Surrey had supported that agenda around the introduction of comprehensive schools and ensuring a good education reputation; hoped that would continue.
- Stressed that Adult Social Care was a large challenge and more so in Surrey due to its larger ageing population, that increase nationally and in the number of people with age-related illnesses was a challenge; a new and better system of funding for Adult Social Care was needed.
- Regarding devolution, urged caution against a one-size-fits-all approach.
- Noted that it was fortunate that voters in the UK could oust a government at the ballot box and hoped all Members would embrace the forthcoming change.
- Supported the Leader's plans to lobby for increased funding for SEN, to provide sufficient funding to match increased demand for school places and school SEND provision; and to tackle the challenges around social care.
- Called on the Leader to lobby central government on increased overall funding for local government in line with the Local Government White Paper and for devolution to solve national challenges around transport and retrofitting homes.
- Called for the Department for Transport to stop requiring Network Rail to sell off its assets and for the Department for Education to publicly confirm that it would provide the money to refurbish Reigate Priory School on its current site.
- Congratulated Sarah Finch on her successful legal challenge against the Council's planning decision to permit oil drilling at Horse Hill shortly after the Council voted to declare a 'climate emergency'.
- Noted that just as oil wells should consider the climate impact of burning the oil extracted, asked for the Council to support the consideration of the full climate impact of Gatwick Airport Limited's plans for a second runway through increased flights and increased road traffic.

Bernie Muir and George Potter arrived at 10.35 am.

- Highlighted frustration in the Council and other county councils not being given enforcement powers over vehicles blocking pavements and called for the Leader to lobby the new Secretary of State for Transport to address the issue.

- Noted the Leader's dedication to public service, despite some national and local chaos in the Conservative Party.
- Praised the cross-party working on Brightwells Yard and the Farnham Infrastructure Programme to be delivered over the next eighteen months, and thanked the Leader, local Members and colleagues in Waverley Borough Council and Farnham Town Council.
- Looked forward to the Waverley Borough Council Leader's help to progress the Guildford-Waverley Partnership.

54/24 MEMBERS' QUESTION TIME [Item 6]

Questions:

Notice of twenty-three questions had been received. The questions and replies were published in the third supplementary agenda on 8 July 2024.

A number of supplementary questions were asked and a summary of the main points is set out below:

(Q1) Joanne Sexton asked whether the message that she was to deliver to residents was that they should be thankful that the Council would meet its climate change target in 2050 by reducing the number of cuts per annum. That expectations were too high for the Council to accommodate and only some of the complaints had merit. That cuts would not be to the same standard as those made by residents to their own garden or as good as Spelthorne Borough Council used to cut the grass verges.

Robert Evans OBE asked whether the Cabinet Member personally met with Ringway which had been given the contract in Spelthorne. If so, what was discussed, what assurance did he seek from them and what assurances were gained.

The Deputy Cabinet Member for Highways noted that previously the borough and district councils helped the Council in cutting the verges which resulted in a better service for residents, the onus was now on the Council alone so there would be fewer cuts. The four cuts per year had been increased to six and further improvements had been made since last year based on the feedback of the task and finish group. The Council had also improved the identification of areas it was responsible for, technology solutions were in place to monitor what was being done. He acknowledged that residents want a high standard of service, which the Council was working towards using the resources it has.

Responding to Robert Evans OBE, he noted that he would check with officers about the discussions with Ringway. He had spoken to the assistant director who noted that Ringway would be an additional resource, providing the Council with flexibility to be able to send in an additional contractor to areas where it was falling behind.

(Q3) Tim Hall asked whether the Cabinet Member would agree with the need to link in other networks and partners going forward. He noted that the Family Centre in North Holmwood must be linked to other communities such as Box Hill and Leatherhead North.

Jonathan Essex asked how the figure of 1,282 families supported in the first course of the contract by the eleven Family Centres compared to the number of families supported when there were 58 Children's Centres across Surrey.

The Cabinet Member for Children, Families and Lifelong Learning agreed with the need to have a close community-based network of Early Help across the county, not just in Mole Valley. The Early Help networks help to keep families safe and stop problems escalating. She noted that the Council had worked hard over the last few years to strengthen the Early Help offer to families with children of all ages. The former 58 Children's Centres were focused on families with young children, whereas the eleven Family Centres work with children and young people of all ages. The Family Centres were linked in with the new Intensive Family Support Service and the Council was bringing in its new integrated supporting adolescents team to address the disproportionate number of teenagers entering the social care system. She explained that the Early Help offer was underpinned by a whole network of community connectors who work across the county. She noted that the voluntary sector had an important role to play as not all Early Help services were delivered by the Council. She noted that partners were working together under Families First.

Responding to Jonathan Essex, the Cabinet Member noted that she would try to find the comparable figures, however she reiterated that the former Children's Centres had a smaller range of children and had a different outreach.

(Q4) Helyn Clack welcomed that the interventions put in place were resulting in improvements in timeliness. She asked whether the Cabinet Member could share the information with Members regarding outstanding payments to schools, academies and trusts, to provide assurance and to advise local providers that it was being addressed.

Lance Spencer understood the ambition of getting 100% of the Education, Health and Care Plans (EHCPs) completed within the legal 20 weeks but asked whether the 60% target was the right target, as that meant that 40% of children would not get their EHCPs in a timely manner. He noted the improvement compared to last year where only 25% of Annual Reviews were completed in a timely manner and asked whether the target was for 100% completion within the year.

The Cabinet Member for Children, Families and Lifelong Learning noted the improvement in the timeliness of the EHC Needs Assessments, the 60% target had been surpassed at around 72%. She hoped that the timeliness increases to as close to 100% as possible. Regarding Annual Reviews, she noted that 75% was inadequate and that needed to be close to 100% particularly for vulnerable children. She noted that an unintended consequence from accelerating many EHCPs over the last few months was a backlog of payments in the system to schools. She noted that the Leader called for all outstanding payments to be cleared by the end of term, she was confident that would be achieved. She noted that the Cabinet Member for Finance and Resources had worked with the teams to change the processes to avoid a repeat.

(Q5) Catherine Powell asked whether the Cabinet Member would agree to a meeting to discuss the outcome of the data analysis work expected to be completed next month regarding the update of the Surrey Highway Hierarchy Definition before the recommendations go to Cabinet. Regarding vegetation adjacent to the highway, she asked whether the Cabinet Member could share the primary routes that were automatically being managed so that local Members could identify missing routes, particularly concerning schools. She noted concern that the system was dependent on residents reporting issues other than highway defects and asked whether the Cabinet Member would consider a social media campaign to encourage residents to report such issues. She welcomed that there were self-guided walking routes around the countryside and that work was underway on resources for cycling and asked whether the Cabinet Member was still willing to consider and trial local Members to help create local walking and cycling maps using their own plans and strategies.

Edward Hawkins asked whether the Cabinet Member was aware that he was supporting two local schools on the Feet First: Walking Training programme using the Your Councillor Community Fund, to encourage young children to be able to walk safely on Surrey's roads. He asked whether he was aware of the progress being made on the signalised school crossings, one had been running for at least a year and was popular, the second one was under construction. He noted that the work carried out by the county streets team was popular.

Catherine Baart noted that the emphasis was on taking a proactive approach to vegetation and she asked for the key routes that were being managed proactively.

George Potter noted that he had been trying to help residents with a particular road for two years regarding an overgrown private hedge. He asked whether the Cabinet Member was aware that when residents and Members contact Surrey Highways, often the response was that the overgrown hedge was not fully obstructing the footpath so no action was required. He called for a renewed look at the issue, to ensure the proactive monitoring of hedges and action to ensure that footpaths are maintained at the original width.

The Cabinet Member for Highways, Transport and Economic Growth noted that he was happy to have a meeting on the data analysis. He noted that the Surrey Highway Hierarchy Definition would be received by the Communities, Environment and Highways Select Committee before the Cabinet. He noted that he would provide Members with the key routes that regularly get checked and cleared. He noted a discussion yesterday about a social media campaign reminding residents of reporting such issues.

Responding to Edward Hawkins, the Cabinet Member welcomed the Member's support of the Feet First: Walking Training programme, which along with Bikeability were important in educating young people about how to get to school safely. He noted an imminent announcement that any child on free school meals would get free Feet First: Walking Training programme and Bikeability training.

Responding to George Potter, the Cabinet Member explained that residents would receive a card reminding them to cut their vegetation back to their boundary.

(Q7) Eber Kington asked whether the Cabinet Member would arrange for his office to set up the site meeting, inviting the divisional Member for Epsom Town and Downs, and any county and borough officers and business organisations that he thinks might be able to assist with solutions.

The Cabinet Member for Highways, Transport and Economic Growth responded that he was happy to do so.

(Q8) Nick Darby asked the Cabinet Member to confirm that Ringway were not involved directly or indirectly in the assessment. He also asked him to confirm what criteria was used to assess the payment of claims, the response indicated that it was between the Council and Ringway.

The Cabinet Member for Finance and Resources noted that he would seek advice from officers regarding the involvement of Ringway in making the assessment of the claims. He understood that the split between the Council and Ringway related to whether the pothole for example had previously been reported. Regarding the last financial year, he noted that there were 2,640 claims received and of those claimed, 118 were referred to

Ringway and 270 were settled by the Council. The total compensation claimed was £83,638.

(Q9) Robert Evans OBE noted that the issue put the Council in a poor light where a new costly bit of pavement or road is laid and shortly afterwards it is dug up. He acknowledged the need for emergency works and asked the Cabinet Member whether he would agree that the utility companies must do more to find out what new connections were planned.

Robert Hughes noted that emergency utility works did happen and were a nuisance for residents, he noted that in Send there was a sewer collapse and Thames Water did the work quickly and the road was repaired. However, he noted that at the main junction in the middle of Send Barnes Lane and Send Hill, the repairs by Thames Water two years ago left a road with rough terrain. He asked the Cabinet Member to ensure that utility companies repair the roads properly after their works and for him to revisit the road at the main junction of Send Hill and for that to be fixed.

Helyn Clack noted that her residents felt boxed in regarding the A24 diesel spillage and the SGN gas works on the A25. She noted that when such incidents occur, residents' frustration concerned how the Council reacted to that with protecting rural and country roads from large heavy goods vehicles (HGVs) which get stuck stopping residents from leaving their homes. As well as the inability of the contractor to put out notices that such roads are unsuitable for HGVs. She called for the need to support the task and finish group in ensuring that utility companies understand that they cannot divert huge amounts of traffic onto rural roads and must protect those.

The Cabinet Member for Highways, Transport and Economic Growth shared the Member's frustration around utility companies and their sweeping powers concerning emergency works. He noted that the Council and County Councils Network continued to lobby central government - encouraged contact with local MPs on the matter - and he noted the utilities task force trying to get the companies to understand the cost to the local economy and to the taxpayer of their works.

Responding to Robert Hughes, he noted that he would pick up the matter with the team about Send Hill. He noted that Surrey Highways had almost doubled the number of inspections it does against utility companies ensuring that roads are repaired like for like; the Council must therefore ensure that the roads are in the best condition.

Responding to Helyn Clack, he noted that the team had been out twice to check all the sign diversions, the issue was out of the Council's control in terms of anyone choosing not to follow the official diversion route. He noted that the Council would ask the companies including SGN, to consider additional signage. He noted that the Council managed to get the businesses open as usual signage up which SGN neglected at the beginning; would continue to look at rural areas across the county.

(Q10) Steven McCormick asked whether the Cabinet Member could provide the action plan along with the date on which the system was planned to be live and confirmation of the date when reports on available Section 106 funds would be provided to all divisional Members.

The Cabinet Member for Highways, Transport and Economic Growth noted that he would send the Member the proposed plan in writing. He noted that the Council had over £40 million Section 106 funds that it needed to spend across Surrey, that was being looked at by the teams to deliver other areas such as local highway schemes. He noted that the information would be shared with Members in due course.

(Q11) Mark Sugden referred to the response to question a) and asked whether the Cabinet Member could outline how many queries had been made to the School Admissions Team and how many of those concerned his division.

The Cabinet Member for Children, Families and Lifelong Learning noted that she would ask the School Admissions Team whether they could provide that information. She noted that she had received three queries from residents in her division on the matter, which she had referred to the School Admissions Team. Should Members receive such queries from residents, she recommended that they urgently call the School Admissions Team who would provide the necessary advice.

(Q12) Tim Hall noted that the edge of Norbury Park was vulnerable and anything the Cabinet Member could do to encourage the various agencies to coordinate and prevent fly tipping around Salvation Place, Young Street, Leatherhead such as installing CCTV on the road would be appreciated.

The Cabinet Member for Property, Waste and Infrastructure believed that CCTV was likely the solution in that area and would try to get it sorted.

(Q13) Catherine Powell asked the Cabinet Member to advise how many hours in June the HGV enforcement camera was in use on the Upper Hill Road and whether any warning letters were issued.

Robert Evans OBE noted that the issue affected part of his division, he asked if the cameras were to be installed who would monitor those. He asked whether the Cabinet Member accepted that many companies write off the odd £70 fine, as the option of going around a longer way or a different route would be worse or more costly to them.

The Deputy Cabinet Member for Highways noted that he would need to consult with officers before responding in writing to both Members, regarding the deterrent point the levels of fines for example could be looked at.

(Q14) Eber Kington thanked the Cabinet Member for agreeing to the change of policy.

The Cabinet Member for Children, Families and Lifelong Learning noted her commitment.

(Q15) Nick Darby understood that having reviewed the list of those consulted, it did not include Members and asked whether that was correct.

The Deputy Cabinet Member for Highways noted that he would respond in writing.

(Q16) Robert Evans OBE noted that he was pleased that there were only twenty schools that had to close to become a polling station. He asked the Cabinet Member whether those schools must then schedule an extra school day to compensate for closing; he asked whether she would agree that weekend voting would resolve that.

The Cabinet Member for Children, Families and Lifelong Learning responded yes regarding weekend voting, she noted that she would find out the answer to whether schools that close need to schedule an extra school day.

(Q18) Mark Sugden noted that given that residents had been complaining about the road since 2009, the Council should have determined whether fine milling was appropriate or not. He noted the response stated that if fine milling was appropriate it

would be added to the provisional programme, yet fine milling was already included on the Horizon list as the provisional programme. He also noted that if fine milling was not appropriate then other options would be considered and a revised timescale for the works would be communicated, yet no original timescale was communicated. He thanked Surrey Highways for their recent visit to undertake asphalt repairs. He noted that the entrance of the road backs onto the A309 Kingston bypass and regarding the upcoming visit by Surrey Highways he asked that advanced notice be given to residents in those roads so they can keep their cars off the road to ensure there would be no safety risks.

Jonathan Essex asked what the best practices were regarding the way in which the basic exercises are undertaken on concrete roads before resurfacing was needed, such as filling a pothole or repairing a failed joint. He noted that it did seem that concrete roads were maintained as well as tarmac roads.

The Cabinet Member for Highways, Transport and Economic Growth explained that fine milling was a relatively new treatment, the application of asphalt to concrete did not work and had stopped. He would speak to the team about the road, he noted that the road was structurally sound and so had not been prioritised at present. He noted that if fine milling was not appropriate other options would be considered, the Member and affected residents would be communicated with. He would check what advance notice has been given to those residents before the works and he noted that residents were sent a leaflet asking them to keep their cars parked on their drive if possible and not on the road or where the works would be.

Responding to Jonathan Essex, he noted that concrete roads were structurally sound and required less maintenance than tarmac roads. He noted that many tarmac roads in Surrey - particularly in Waverley and Guildford - had been built on sand which meant they needed to be reconstructed, as those were not built to modern standards.

(Q19) Catherine Powell noted that given one quarter of children in Surrey's Children's Homes were not in school and were receiving Alternative Provision for an average of only nine hours a week costing over £50 per hour on average, she welcomed that those staff were being involved in the development of a flexible model of Alternative Provision. She asked the Cabinet Member to advise when she could share that model.

The Cabinet Member for Children, Families and Lifelong Learning noted that following the work undertaken by the Children, Families, Lifelong Learning and Culture Select Committee and recommendations made regarding Alternative Provision, as well as the recommendation in the Ofsted Care Quality Commission inspection report after the SEND system inspection last year; there was a specific recommendation around Alternative Provision around the delivery of Alternative Provision. She noted that the service was working hard having developed the new Dynamic Purchasing System for Alternative Provision, the delivery of that provision was being reviewed. She noted that the CFLLC Select Committee would receive an updated report on the issue in the autumn and expected that the model would be included in that report.

(Q20) Eber Kington noted disappointment that the Cabinet Member saw the Council's role in the recruitment and retention of teachers as limited to developing strategies and providing professional development. He asked whether she would agree that the below responsibilities of Children's Services all impacted how challenging the role of the teacher could be and would likely impact retention and potentially recruitment; and if resolved, many teachers' daily work experience would be improved. He referred to the responsibilities: delays in EHCPs resulted in delays in appropriate support being put in place in schools for children, the lack of specialist provision meant that children were in

schools which cannot meet their needs, those pressures children faced were endured by the teachers and support staff who in some cases are physically attacked by children not in the right setting.

Jonathan Essex noted that the response suggested that the reduction in teachers was due to teachers leaving the profession, yet he asked whether the reduction in teachers was also connected to schools not having the sufficient funding to employ the number of teachers and teaching assistants needed. He asked how the number of teaching assistants compared.

The Cabinet Member for Children, Families and Lifelong Learning agreed with the statements made by both Members. She noted feedback from her visits to schools around the financial challenges faced, having to lay off learning and support assistance which puts pressure on frontline teaching staff. Having spoken to school leaders, recruitment and retention of school staff including teaching and support staff was one of the most acute challenges they faced. She recognised the challenges faced by teachers outlined by the Member, predominantly due to children in mainstream schools whose needs had not been correctly met.

Responding to Jonathan Essex, she accepted what he said about the financial challenges making it difficult for schools to be fully staffed. However, she welcomed that the new Government was bringing in 6,500 new teachers, which would improve the situation for maintained schools. She hoped that the Government would be able to review schools' funding, giving them adequate resources to give children and young people the best start in life.

In line with Standing Order 10.12, the time limit of 45 minutes had been reached. Members could ask supplementary questions on Q21 - Q23 via email.

Cabinet Member and Deputy Cabinet Member Briefings:

These were also published in the third supplementary agenda on 8 July 2024.

Members made the following comments:

Cabinet Member for Environment: on the recipients of the grants through the Rural Prosperity Fund, **Helyn Clack** asked who those twenty-three rural businesses were, along with the further twelve applications being assessed at a total of £604,000 from the £1.2 million budget.

The Cabinet Member noted that she would provide the information requested.

Deputy Cabinet Member to the Leader of the Council: on Hello Lamp Post, Catherine Powell asked whether the Deputy Cabinet Member could commit to providing a briefing to Members on this.

The Deputy Cabinet Member received a briefing on that last week, it was innovative and he noted that Members could be provided with such a briefing.

Jonathan Essex on the new 2024-2025 Communications Strategy, he referred to the focus areas which would feed into the priorities in the Organisation Strategy 2023 to 2028, the strategy included the priority 'enabling a greener future' yet the focus areas did not mention climate or the environment. He noted that the approach taken was concerning and asked whether the Deputy Cabinet Member would commit to including

climate, environment and Greener Futures as a focus area, so as not to leave it behind.

The Cabinet Member for Environment explained that she had many conversations on the issue with the Member, she stressed the intention of continuing to pursue the climate goals. She noted that the communications work had been shared with the Greener Futures Board, to review over a broader spectrum linking into the Greener Futures behaviour change project; the work was being done collaboratively.

55/24 STATEMENTS BY MEMBERS [Item 7]

Nick Darby (The Dittons) referred to highway markings, mentioning several roads in or around his division which did not appear to be included on the list provided to Members. He noted that the following roads were dangerous, needing urgent attention: Scilly Isles roundabout where the lane markings had disappeared, another roundabout near the Imber Court roundabout where the keep clear marking was missing, by Thames Ditton train station there was a short section where the no entry markings had disappeared and it was also a bus route, at the end of that road the junction of Speer Road and Summer Road the mini roundabout's markings had disappeared and it was also a bus route, and Effingham Road on the boundaries of Long Ditton and Thames Ditton a bus stop where the yellow markings had disappeared. Such issues had been reported many times but had not been resolved.

Buddhi Weerasinghe (Lower Sunbury and Halliford) commended the Lower Sunbury Hedgehog Project launched this year led by the Lower Sunbury Residents' Association (LOSRA) and Friends of Sunbury Park. It was an example of a community driven effort to address the decline in the local hedgehog population. He used his Member's Allocation to support the hedgehog survey and the project aimed to create a hedgehog friendly community by improving their habitats and increasing their numbers. A significant impact could be made through small adjustments in gardens creating hedgehog highways, residents could also record sightings. The project aimed to spread the message through schools, neighbourhood watch groups and local organisations. There was a dedicated Facebook page and resources on the LOSRA website for residents to get involved, he called on Members to support it.

Joanne Sexton (Ashford) noted that parents in her division and Spelthorne with children and young people with SEND were unhappy that the Council had received an honour in His Majesty's The King's Birthday Honours 2024 list. She noted that the Council made the process painful and costly, parents should not have to pay for therapy and legal fees to secure a school place; parents win 97% of their cases highlighting the Council's failure to comply with the law. Even after securing a school place, many parents continued to fight for appropriate transport and to keep their children in school. She noted that over 350 councils in England had fewer than 50 complaints annually, whereas Surrey and Kent had over 150 complaints annually. The Council paid around £500,000 in compensation to the families. She highlighted the tragic deaths of Oscar Nash in 2020 and Jen Bridges in 2023, the Coroner noting the Council's failures in their care. Parents and carers want their voices heard.

56/24 ORIGINAL MOTIONS [Item 8]

None received.

57/24 SCRUTINY ANNUAL REPORT 2023/24 [Item 9]

The Chair of the Select Committee Chairs and Vice-Chairs' Group noted that scrutiny had strengthened over the last year. She highlighted the scrutiny activity outlined in paragraph four undertaken by the four select committees, reports were made to the Cabinet and numerous recommendations had been implemented. The select committees actioned the objectives from last year's report through various task and finish groups and Member visits, those provided greater breadth and depth to their work. The select committees worked cross-party to do the best for residents, setting their own agendas and questions. The select committees had strong officer support and the Leader supported the role of scrutiny. The select committees seek to provide early input to the 2025/26 budget and in yesterday's finance training session the Deputy Chief Executive of the Centre for Governance and Scrutiny (CfGS) was impressed by that early involvement. A training session on how to run effective task and finish groups was planned.

Paul Follows and Penny Rivers left the meeting at 11.54 am.

The Chairman of the Adults and Health Select Committee, called on Members to support recommendation two. He noted NHS England's decision to move the Primary Treatment Centre for paediatric cancer care from the Royal Marsden Hospital - working with the Institute of Cancer Research and Saint George's Hospital, Tooting - to the Evelina Hospital in central London. The change risks damage to the level of care given, families faced travelling from Surrey into central London with seriously ill children, with significantly higher costs and lesser family accommodation than that proposed by St George's. The Evelina Hospital did not provide serious paediatric cancer care and would still require ambulance transfers between multiple centres. The South West London and Surrey Joint Health Overview and Scrutiny Committee unanimously agreed that the decision was damaging to the health services.

A Member thanked the select committee members for their work, noting particular thanks to the CFLLC Select Committee for its work and analysis to lobby for the increase in the budget envelope of £30 million. Also, for its support to get the community-based play and leisure scheme for children with SEND that lost funding in the 2023/24 budget reinstated; and thanked the Leader and the Cabinet for their support. The Member noted disappointment that despite reassurances that it would be the case, the Cabinet agenda last month reflected that the schemes lost had not been reinstated and funding had been allocated to different parts of those services. Whilst the hours had broadly been reinstated, missed provision would not be gotten back and there was nothing to address waiting lists. Those schemes provided children and young people with a relaxing and safe place, and provided their families and carers with respite. She hoped that the SEND Capital Programme and the roll out of the Foster Carers' Charter would be scrutinised effectively over the coming year, with support from officers in sharing information.

A Member praised yesterday's finance training session with the CfGS and welcomed a repeat of it following the 2025 County Council elections, and noted that budget scrutiny should be built into next year's training programme for Members.

RESOLVED:

1. Noted the summary of scrutiny activity provided and the key areas of impact highlighted in the report (para 10-32).

2. Noted the work of the South West London and Surrey Joint Health Overview & Scrutiny Committee (para 25) and endorsed the decision to submit a joint request to the Secretary of State to consider a call-in.
3. Further noted that the Constitution will be updated to take account of changes to Health Scrutiny legislation and updated statutory guidance which removes local authority powers of referral to the Secretary of State replacing them with the current system whereby all interested parties can write to request that the Secretary of State consider calling in a proposal via a call-in request form.
4. Supported the areas of improvement identified by the report (para 33-34).

58/24 MEMBER DEVELOPMENT STRATEGY REVIEW 2024 [Item 10]

The Chairman of the Member Development Steering Group (MDSG) noted that he was appointed as chair of the MDSG at the start of the new municipal year, he thanked the former chairman, Mark Nuti for his work. He noted that the MDSG was cross-party and had worked with officers to review and update the Member Development Strategy, to ensure it aligns with the Council's organisational priorities and supports the needs of elected Members for the next two years. The revised strategy included the induction plans for 2025. He noted that feedback from one-to-one meetings between Members with senior officers from Democratic Services was fed into the work to update the strategy, around what approaches work best for Members and upcoming training opportunities they would like. Provision for specific skills identified as being key for Members: IT and Digital, Equality, Diversity and Inclusion, and Member-Officer relationships; and external support for Members had been included. He highlighted the round table meeting with county councils in the South East to discuss their approaches to Member development, their 'Be a Councillor' campaigns and plans for Member inductions following next year's elections; as well as how training feedback was gathered and sharing best practice. He noted that similar challenges were faced and the MDSG would review the ideas discussed.

RESOLVED:

Approved the revised Member Development Strategy and its appendices.

59/24 AMENDMENTS TO THE CONSTITUTION [Item 11]

The Chair noted the proposed changes to Parts 3 and 4 of the Constitution.

RESOLVED:

1. Approved the amendments to Part 3, Section 3, Part 3A of the Constitution as set out in Annex 1 of this report.
2. Approved the amendments to Part 4 of the Constitution as set out in Annex 2 of this report.

60/24 REPORT OF THE CABINET [Item 12]

The Leader presented the report of the Cabinet meeting held on 25 June 2024.

Recommendations on Policy Framework Documents:

- A. Youth Justice Plan

RESOLVED:

Approved the 2024/25 Youth Justice Plan.

B. School Organisation Plan 2024

RESOLVED:

Approved the School Organisation Plan 2024.

Reports for Information/Discussion:

25 June 2024:

- C. Delivering For Surrey Through Strategic Partnerships
- D. Special Educational Needs and Disabilities (SEND) and Alternative Provision (AP) Capital Programmes and Specialist Sufficiency to 2031/32
- E. 2023/24 Outturn Financial Report

- F. Quarterly Report on Decisions Taken Under Special Urgency Arrangements: 14 May 2024 – 2 July 2024

RESOLVED:

1. Noted that there had been no urgent decisions since the last Cabinet report to Council.
2. Adopted the report of the meeting of the Cabinet held on 25 June 2024.

61/24 MINUTES OF CABINET MEETINGS [Item 13]

No notification had been received by the deadline from Members wishing to raise a question or make a statement on any matters in the minutes.

[Meeting ended at: 12.10 pm]

Chair

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Leader's Statement – County Council, 9 July 2024

Mr Chairman, Members,

No one can deny that we are entering a new phase of political leadership in this country.

One that may be of a different political colour to the administration of this council, but a new government that I congratulate and am hopeful of working constructively with for the benefit of Surrey residents.

I'd also like to take this opportunity to congratulate our successful Surrey County Councillors Rebecca Paul, the newly elected Member of Parliament for Reigate, and Will Forster, the newly elected Member of Parliament for Woking, as well as the other Surrey MPs – some new, some returning - who I am sure will be working hard on behalf of our residents over the coming parliament. It's not surprising that this county has produced a multitude of Ministers, Secretaries of State, Foreign Secretaries and Chancellors, and we now have a local Surrey boy as Prime Minister. What a county!

The new government campaigned on an agenda of change, and I trust that it has entered office with its eyes, and its mind, open.

Open to all of the strong avenues of growth and progress that this country holds – whatever the political make-up.

Surrey is one such place.

We are a county that delivers great benefit to the UK – financially, environmentally, socially – and if it's growth they want to deliver, Surrey is the place the new government should champion.

We will continue to innovate to help tackle the challenges our society faces, and we stand ready to grasp any opportunity to deliver better outcomes for our people.

Mr Chairman, national and global politics, over recent weeks, months and perhaps years, has demonstrated one very clear thing – instability simply does not deliver those better outcomes.

I am proud that in this council, our strategic direction and leadership is strong.

Our progress is demonstrable.

Our vision is clear.

We will continue to improve, continue to ensure we're fit for the future, continue to look up and embrace challenge and opportunity head on.

We will stick to our purpose and our ambition that no one in Surrey deserves to be left behind.

I hope the new government will recognise the strength of counties like Surrey, and not just the metro Mayors, and will work with us to tackle the fundamental challenges local government, local communities, and local people are facing.

Some of those challenges are stark and require engagement from the new government urgently.

I want to touch briefly on those issues that need to be at the top of the in-tray for new government Ministers as they get their feet under the table, issues that I lobbied heavily the previous government on.

Firstly, Special Educational Needs and Disabilities.

I know we have again seen frustrated and understandably angry parents and carers here at Woodhatch today.

They are angry because the system is not working.

They are angry because they feel injustice at having to fight to give their children the opportunities they feel they deserve.

They are angry because they care about their children's future.

The system doesn't work for children, and it doesn't work for schools or councils either.

While reforms expanding eligibility for Education Health and Care plans were made with the best of intentions some years ago, it has led to a huge increase in unfunded demand – the number of EHCPs has more than doubled nationally since 2015 - with an over reliance on specialist school provision.

The cost to councils has also doubled to over £10bn this year, leading to deficits across the country of over £3bn.

This is clearly not sustainable and is clearly not working.

Mr Chairman, we must see the new government address this challenge immediately.

In Surrey we can be part of the solution.

We have invested a huge amount of money to address legitimate frustrations from Surrey parents and carers.

We have developed a deep understanding of the systemic issues that need to be fixed, and we have established better practices ourselves to go some way to improving experiences.

However, we know this is not enough.

Councils like us cannot fix this alone, and we need government to take this opportunity to fundamentally grip this issue - enabling a more inclusive school system, more SEND support in schools, and more levers for councils to pull to shape provision in our local area.

Mr Chairman, another core issue that needs solving is the charging system for Adult Social Care – the biggest single area of spend for us as a council.

We support reform of the charging system to make it fairer for people in need - without hard working people having to give up their life savings and assets too fund care.

However, both the workforce challenge and cost implications for councils under current proposals, must be resolved properly and realistically.

In its current form, the changes suggested – whilst noble in their aims – are simply not deliverable.

This government must further delay any implementation and take stock.

Any reform in this area must be fully funded, a fairer distribution formula must be established, and it must be piloted through trailblazer councils, with proper support provided.

Again, here in Surrey we want to be part of the solution to this complex issue.

We urge the new government to engage with it, face up to the challenge, and work with councils like us to create a better system for everyone.

A further area of huge, unsustainable spend, is high-cost placements for children in care.

Young people in need of social care – in need of a safe and loving home – are some of the most vulnerable people we have a responsibility for as a council.

It's a responsibility we take with the upmost seriousness.

Being a corporate parent to these young people is in many ways the epitome of public service.

Preventing them being left behind is our guiding mission as an organisation – as an administration, as Councillors, as Officers, as compassionate human beings.

The number of children referred to Children's Services has spiked post-pandemic.

Consequently, more children are in local authority care than ever before, and it is one of the biggest areas of overspend for county councils like us.

It has therefore never been more urgent to ensure Children's Services are financially sustainable and deliver the best possible outcomes that can be achieved for our children.

The new government must keep momentum with the strategy for children's social care set out by the previous administration.

Take it further with appropriate funding, better regulation of the market, so our public duty is not taken advantage of, and a system that enables us to more effectively deliver the services that protect children and give young people the best possible start in life.

Mr Chairman, another area that I sincerely hope the government picks up and keeps progressing is that of devolution.

We have made strides – perhaps not huge strides, but certainly significant ones – in the argument for more power to be devolved from Westminster to local areas.

Local councils and communities know our areas better than central government can.

We know what's needed, what works and what doesn't.

We know our people, what they want, and where the greatest need lies.

We know the specific challenges we must face up to, and the opportunities we are equipped to grasp.

The previous government understood this, and through the Levelling Up White Paper, moved in the right direction with a framework that enabled more effective collaboration between county and district authorities, and ultimately a clearer path to devolving more powers to local areas.

By recognising the importance of whole county geographies as the building blocks for devolution outside our major cities, it celebrated counties like Surrey and embraced our potential to provide growth and opportunity.

I strongly urge the new government to build on this.

Keep moving forward and keep momentum.

Keep expanding the scope of powers for devolution, and the funding levers available.

Use devolution – and use counties like Surrey - to help address local government funding challenges, strategic planning, house building, and boosting growth and opportunity for the whole country.

Mr Chairman, there is no place for naivety or partisan political ideology at this moment in time.

The challenges this country has been through over the last few years – pandemic, war in Europe, global inflation – have been monumental.

On entering office, this new government has inherited an extremely precarious situation with finances stretched and the challenges I've outlined above coming to a head.

Local government is at the coalface.

There are fundamental questions to be addressed about what we should be – and can be – delivering.

Any upcoming Spending Review must provide sustainable, long-term funding and solutions for councils.

Don't rely on short-sighted sticking plasters or burdensome restricted bidding processes.

We can be a huge help to the new government, provided they engage with us, and understand these issues.

Here in Surrey, we are part of the solution.

We are already taking action to be fit for the future.

We are determined and clear in our ambition for the people of Surrey.

And we will not let up in our endeavour – hopefully with the new government as an active and constructive partner. Thank you.



OFFICER REPORT TO COUNCIL

APPROVAL OF COUNTY COUNCILLOR ABSENCE

KEY ISSUE/DECISION:

The purpose of this report is to request that the County Council considers whether to agree that County Councillor David Lewis (Camberley West) be absent from Council meetings by reason of ill health.

BACKGROUND:

Under Section 85 of the Local Government Act 1972, a Member ceases to hold that office if he/she has not attended a meeting for a period of six consecutive months, unless the failure to attend is due to a reason approved by the authority during that six months.

The last meeting that David Lewis (Camberley West) attended was a meeting of the County Council in May 2024. He has been unable to attend any formal meetings in person since then due to ill health.

For that reason, the County Council is requested to agree that Councillor David Lewis (Camberley West) may be absent from meetings while maintaining membership of the Council during his period of ill health. This situation will be monitored regularly and reviewed in February 2025.

RECOMMENDATIONS:

That Councillor David Lewis (Camberley West) continues to be absent from meetings until February 2025 by reason of ill health. The Council looks forward to welcoming him back in due course.

LEGAL IMPLICATIONS – MONITORING OFFICER:

Section 85(i) of the Local Government Act 1972 states “if a member of a Local Authority fails throughout a period of six consecutive months from the date of their last attendance to attend any meeting of the Authority, they shall unless the failure was due to some reason approved by the Authority before the expiry of that period cease to be a Member of the Council.”

Attendance in an official capacity at a meeting of a committee or sub-committee of the council or at any meeting of a joint committee or other such body discharging functions of the council or at any meeting as a representative of the council is deemed to be a 'meeting of the council'.

If after six months from the date of a member's last attendance to attend any meeting, the council has not approved the absence then the member as a result of the operation of law ceases to be a member of the council from that date. The six months runs from the date of the member's last attendance and approval must be given within that six month period.

Lead/Contact Officers:

Vicky Hibbert, Assistant Director – Governance and Democratic Services,
Surrey County Council, vicky.hibbert@surreycc.gov.uk

Sources/background papers:

None



OFFICER REPORT TO COUNCIL

SELECT COMMITTEES' REPORT TO COUNCIL

KEY ISSUE/DECISION:

For Members to note the headline activity of the Council's overview and scrutiny function in the period July 2024 to September 2024 asking questions of Scrutiny Chairs as necessary.

BACKGROUND:

As part of the ongoing process to raise the profile of the work of Select Committees and to ensure appropriate visibility of scrutiny work and outcomes, regular reports are provided to Council. These are an important opportunity to evaluate the contribution the scrutiny select committee function makes to the work of the Council and to highlight the achievements of scrutiny.

This report focuses on the work of two of the Council's Select Committees and work conducted in two recent Task and Finish Group reviews:

- **Additional needs and disabilities: parent/carer experience** (A Task Group of the Children, Families, Lifelong Learning and Culture Select Committee, chaired by Cllr Jeremy Webster)
- **Digital Business and Insights (DB&I): Lessons Learned** (A Task Group of the Resources and Performance Select Committee, chaired by Cllr Steven McCormick)

Both reviews identified a number of improvements and recommendations for consideration by the executive.

SUMMARY OF DIGITAL BUSINESS AND INSIGHTS (DB&I) TASK GROUP REVIEW

1. Members conducted a 'Lessons Learned' analysis of the *MySurrey* ERP replacement project¹ with the aim of gaining an understanding of the factors that contributed to the delay in the implementation of the Unit4

¹ Enterprise Resource Planning software is a category of business management software that typically integrates organisations' key functions such as payroll, HR and employee data

product, the additional cost to the Council, and what could have been done to avoid this outcome, with the benefit of hindsight.

Background

2. The programme suffered a large increase in budget, with an end cost to the Council of £27.9m against an initial budget of £16.6m. 'Go-live' was originally intended for December 2021 and eventually achieved in June 2023, some 18 months behind the original target date. Delays to the programme have had negative impacts on staff, partners and on the council's reputation, and there have been a significant number of problems to resolve after project implementation, particularly in Payroll. Additional technical and '*business-as-usual*' support to manage these issues has been required, incurring significant additional cost to the council.
3. The Task Group conducted extensive oral witness sessions with many senior officers involved in the delivery of the programme, as well as input from the Cabinet Member for Finance and Resources, and detailed review of contemporaneous committee and Programme Board reports. A Lessons Learned report produced by an independent consultant was also commissioned and proved valuable to the work of the group.
4. The final report of the Task Group was presented to Cabinet on 23 July 2024. It contained 18 recommendations intended to ensure the Council did not make similar mistakes in future projects. **Cabinet accepted all of the Group's recommendations and the principles behind them. A plan has been provided detailing how they will be implemented and operationalised by the administration.**

Conclusions & Recommendations

5. In its conclusions, the Task and Finish Group found that a lack of understanding of the complexity of the project at the outset, was at the heart of the delay and overspend that the Council incurred. The original implementation timeline and expectation of 15 months was unrealistic and proved damaging, with more time required to attend to complexities that arose and multiplied throughout the course of the project. This in turn damaged stage control² and resulted in a tendency to progress through programme stages with issues unresolved, or to run core project stages concurrently, which caused further problems.
6. Business readiness emerged as the key issue which could have made a material difference to the time required to complete the project and its eventual cost. The lack of understanding at the outset of the way the Council was using the old system (SAP) and weaknesses in internal processes and underlying data were key factors in the complexities that arose and the numbers of change requests made. Myriad problems

² Procedures to ensure that the different stages, or 'phases', of a project are only exited and entered at the appropriate time, usually only after the satisfaction of a number of pre-agreed entry or exit criteria.

became apparent throughout the programme, notably with Payroll, and had to be addressed. Witnesses highlighted a good understanding of the 'as is' position and of weaknesses in existing functions and operations, as an essential pre-requisite to commencing a programme of this size and being able to set realistic implementation expectations at the outset.

7. To avoid similar future problems with the implementation of projects the following priority recommendations were identified:

- **Undertake a robust *business readiness* assessment to test the organisation's capacity to receive any new system and to ensure weaknesses are identified in advance and factored fully into implementation plans and timelines.**
- **Ensure that there are stronger links between board representatives and their service users to deliver a better understanding of service weaknesses and issues at leadership and Programme Board level.**
- **Give greater focus to the behavioural change aspects of implementing new systems and the impacts on users who may be required to work in new ways, ensuring the provision of more, better-timed training, education and support for staff.**
- **Ensure that the council has sufficient leadership capacity to manage a programme of this scale and complexity by appointing a full-time senior responsible owner (SRO) within the organisation to work alongside the Programme Director.**

SUMMARY OF ADDITIONAL NEEDS AND DISABILITIES: PARENT/ CARER EXPERIENCE TASK GROUP REVIEW

8. This Group was tasked with considering what changes could improve the Council's support of parents and carers of Children and Young People (CYP) with Additional Needs and Disabilities (AND), and ensure it strives to put families at the centre of the Education, Health and Care Plan (EHCP) process to as far as possible meet the needs of CYP.

9. Primary data was gathered through focus groups with 25 parents and carers, a survey of Members' casework, and discussions with young people, SCC SEND case officers, management and caseworkers in the Learners' Single Point of Access (LSPA). The EHCP process, complaints and appeals data and statutory guidance were examined.

Conclusions & Recommendations

10. Members found conflict is built into the EHCP system, with "hand-off" points that contribute to communication issues. This results in Member

involvement at various stages and a survey of Members showed that poor communication from SCC was a key factor in disputes. Parents and carers who participated in the focus groups, already burdened with child worries, are further stressed by a system they enter into looking for support. A focus group with case officers illustrated the pressures of an individual helping around 200 parents negotiate an excessively complicated system, in a role where the parent expects an advocate while the law expects compliance with a timeline, in an environment lacking sufficient places of the type sought by families. The result can often be emotional overload on both sides.

11. The Task Group identified a number of changes and improvements required to better support the family in their quest to meet the educational needs of a child with *additional needs*. The following priorities were identified. These are underpinned in the full report by a number of more detailed recommendations

- **Staff and Training: The Additional Needs and Disabilities (AND) workforce must be appropriately sized to meet demand and better equipped to cope with the challenges of the role.**
- **Communications: Support for families must be more personal and easier to access.**
- **Timeliness monitoring: The system used by Inclusion and Additional Needs teams needs to enable full monitoring of Key Performance Indicators.**
- **Quality Assurance: To mitigate a decline in quality during the clearance of the backlog, bring forward annual reviews due in the next 12 months to the earliest possible opportunity.**
- **Process: The excessively complicated EHCP procedure needs to be improved.**
- **Dispute resolution: When only 2% of Local Authority decisions are being fully upheld at tribunal, there is a need to reduce the number reaching that stage.**
- **Training for schools: SCC should lobby the Government to continue the pilot Partnership for Inclusion of Neurodiversity in Schools (PINS) in the future and should encourage more schools to take up the offer. SEN and building relationships with families should not be the sole responsibility of one person in a school.**

12. These recommendations were presented to Cabinet on 24 September 2024 and a Cabinet response is awaited.

SUMMARY OF SELECT COMMITTEE ACTIVITY July to September 2024

13. The Select Committee Chairs and Vice Chairs Group met twice to discuss challenges and share best practice. The Leader and interim Chief Executive attended a meeting to give an overview of key priorities for the Council year and to identify potential areas for future working between Cabinet and Select Committees. This included an assessment of the opportunities, risks and challenges for Surrey County Council this year and over the remaining lifetime of this Council and a number of areas were suggested where future scrutiny might add value. The Select Committee Chairs and Vice Chairs Group reviewed scrutiny approaches and the importance of prioritising scrutiny activity to ensure scrutiny is as effective as possible and targeted appropriately on strategic priorities or issues of resident concern.

Communities, Environment and Highways Select Committee:

14. At its July meeting the Committee received a report on the Updated Vision Zero Road Safety Strategy (including a New Approach to 20mph Speed Limits). The report was presented by the Cabinet Member for Highways, Transport and Economic Growth. This followed Committee consideration of earlier drafts of the strategy in 2023. The Committee submitted recommendations to Cabinet requesting further clarity on the process of local community engagement and Member involvement plus more detailed targets to monitor progress and assess impact.

15. The Committee also reviewed the performance of the Surrey Fire and Rescue Service (SFRS) and its progress addressing recommendations from the inspection carried out by His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS). A further session is scheduled with SFRS on 15 October 2024 to hear the Service's initial response to the Grenfell Inquiry Report including any plans to address and incorporate key recommendations.

16. Following a report from the Head of Community Investment and Engagement which provided an update on the Your Fund Surrey (YFS) community grant programme, the Committee asked the Cabinet Member to review the process and crossover between the large and small project funds and any flexibility for contributing from the small fund to a larger project. The Committee also received an update from the Deputy Cabinet Member for Strategic Highways on the new Utility Task Force convened in response to the Committee's recommendations to address streetworks issues including site signage and emergency works.

Adults and Health Select Committee:

17. The second meeting of the Joint Health Overview Scrutiny Committee (Frimley Park Hospital) (JHOSC) took place on 6 September 2024 at

Surrey Heath House. This is the statutory joint committee providing scrutiny to the programme for replacing Frimley Park Hospital which was constructed during the seventies using Reinforced Autoclaved Aerated Concrete (RAAC). Frimley NHS Foundation Trust provided an update on the current situation at Frimley Park Hospital and how that continues to be managed, including access to the current site, the new diagnostic unit and out of hospital urgent care facilities for residents requiring same day access. A detailed update on the selection process for identifying a new site and what could be communicated with people about potential sites was also provided. The JHOSC made a strong recommendation for Frimley Health to commence work on a Contingency Plan in case the authorisation to proceed is delayed to the point where the provision of hospital services is put at hazard.

Children, Families, Lifelong Learning and Culture Select Committee:

18. At its July meeting the Committee received an update report on the Home to School Travel Assistance (H2STA) Improvement Programme undertaken by the Surrey School Travel and Assessment Team (SSTAT) and the current performance of the service provided to children, young people, and families in Surrey. The Committee expressed concerns around the ongoing budget deficit and communications between Council teams and parents. Recommendations were submitted to Cabinet.
19. At its September meeting the Select Committee progress checked the *Education, Health and Care Plan (EHCP) Recovery Plan* which aims to bring timeliness in line with statutory obligations, and reviewed lessons learned from an *End-to-End Review of the EHCP statutory process*. It also received a report on *Children Not In School*, exploring how many children of statutory school age are not registered at school or suitably (electively) home educated, the range of reasons and the impact.

Resources and Performance Select Committee:

20. On 18 July 2024 the Resources and Performance Select Committee received a report on the Customer Transformation Programme. The report was presented by the Interim Executive Director for Customer, Digital and Change. In considering the Customer Transformation Programme, the accompanying Dynamic Customer Operating Model and other appended papers, the Select Committee noted the potential benefits of the programme but were concerned about the potential risks which it considered to be significant and not well enough articulated. The Committee submitted a report to Cabinet highlighting its concerns and requesting further work to clarify these risks and provide assurance to the Committee, Cabinet and Members that these are well understood and can be effectively managed; and that any learnings from the recent DB&I experience are being applied.

RECOMMENDATIONS:

That Council review the work summarised in this report providing feedback to Scrutiny Chairs as appropriate.

Lead/Contact Officers:

Clare Madden, Scrutiny Business Manager, clare.madden@surreycc.gov.uk

Sources/background papers:

Select Committee agenda and minutes. Available here: [Committee structure - Surrey County Council \(surreycc.gov.uk\)](#)

Report of the DB&I Task Group available here [\(Public Pack\)Agenda Document for Cabinet, 23/07/2024 14:00 \(surreycc.gov.uk\)](#)

Cabinet response to the DB&I Task Group Report available here: [\(Public Pack\)Cabinet- 23 July 2024- Supplementary Agenda 3 Agenda Supplement for Cabinet, 23/07/2024 14:00 \(surreycc.gov.uk\)](#)

Report of the Additional needs and disabilities: parent/carer experience Task Group available here [\(Public Pack\)Agenda Document for Cabinet, 24/09/2024 14:00 \(surreycc.gov.uk\)](#). Cabinet response to follow.

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OFFICER REPORT TO COUNCIL

APPOINTMENT OF THE SECTION 151 OFFICER

KEY ISSUE/DECISION:

To appoint the Council's Section 151 Officer.

BACKGROUND:

1 Introduction

1.1 Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs and appoint a Section 151 Officer, also known as a Chief Financial Officer (CFO), to have responsibility for those arrangements. The Section 151 Officer must lead on a local authority's financial functions and ensure they are fit for purpose. They must be professionally qualified and suitably experienced. At Surrey County Council, the Section 151 Officer also holds the position of Executive Director of Finance and Corporate Services.

2 The appointment process

2.1 Anna D'Alessandro was appointed as Interim Section 151 Officer by Council and has been undertaking the role since 6 February 2024 whilst the recruitment of a permanent Section 151 Officer was undertaken.

2.2 The Council's Constitution, Part 2, Officer Employment Procedure Rules, sets out that the responsibility for the appointment of the Section 151 Officer rests with Council. The responsibility for the appointment of chief officers sits with the People, Performance and Development Committee.

2.3 The membership of the People, Performance and Development Committee for this appointment was as follows:

- Cllr Tim Oliver OBE – Chair
- Cllr Denise Turner-Stewart – Deputy Chair
- Cllr David Lewis
- Cllr Sinead Mooney

- Cllr Eber Kington
- Cllr Lance Spencer

- 2.4 At the conclusion of a competitive and rigorous selection process, the People, Performance and Development Committee recommends that Andy Brown be appointed as the Section 151 Officer of Surrey County Council on a permanent basis with a start date to be agreed.
- 2.5 Andy has been the Deputy Chief Executive and Corporate Director of Resources at Wiltshire Council since July 2020. Wiltshire is the sixth largest unitary council in the country, serving the needs of over 513,000 residents. It employs over 5400 staff with a revenue budget of £482m and a net Capital programme budget of £214m.
- 2.6 Andy's previous roles have included: Director of Finance and Procurement (S151 Officer) (March 2020-July 2020) at Wiltshire Council; Chief Operating Officer (S151) at Cornwall Council (January 2019 - February 2020); Service Director Resources (S151 Officer) at Cornwall Council and Council of the Scilly Isles (January 2016-December 2018); Assistant Head of Finance (Deputy S151) at Cornwall Council (November 2012-December 2015).
- 2.7 Andy is CIMA (Chartered Institute of Management Accountants) qualified and has had a career in local government finance since 2008 with the past eight years operating in Corporate Leadership Teams.
- 2.8 Anna D'Alessandro will continue as Interim Section 151 Officer until Andy Brown commences employment with the Council.

3. Deputy Chief Executive

- 3.1 The Chief Executive has discretion to designate an officer as the Deputy Chief Executive. The Deputy Chief Executive will be the Chief Executive's nominated deputy both internally and externally and fulfil the role of Head of Paid Service in his absence, for example during periods of annual leave. These additional duties will attract an allowance which is the equivalent of 5% of the postholder's base salary.
- 3.2 The Chief Executive has decided that Andy Brown will be designated as the Deputy Chief Executive on commencement of his employment with the Council. Andy Brown's job title will therefore be Deputy Chief Executive and Executive Director of Finance and Corporate Services.

RECOMMENDATIONS:

It is recommended that Andy Brown is appointed as the Section 151 Officer of Surrey County Council, with a start date to be agreed.

LEGAL IMPLICATIONS – MONITORING OFFICER:

This report complies with the Council duties under Section 151 of the Local Government Act 1972 to make arrangements for the proper administration of their financial affairs and appoint a S151 Officer, also known as a Chief Financial Officer (CFO), to have responsibility for those arrangements. In accordance with the Local Authorities (Standing Orders) (England) Regulations 2001, matters relating to the appointment of a CFO 151 Officer are reserved to the full Council.

Lead/Contact Officers:

Sheila Smith, Director of People and Change
Email: Sheila.Smith@surreycc.gov.uk

Sources/background papers:

None

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County Council Meeting – 8 October 2024

REPORT OF THE AUDIT AND GOVERNANCE COMMITTEE

Elected Members:

(Present = *)

- * Victor Lewanski (Chairman)
- * Richard Tear (Vice-Chairman)
- * Stephen Cooksey
- * Steven McCormick
- * Ayesha Azad
- * Helyn Clack
- * Matthew Woods (Independent Member)

Members in Attendance

David Lewis (Cobham) - Cabinet Member for Finance and Resources

AUDIT AND GOVERNANCE COMMITTEE - ANNUAL REPORT 2023/24

1. The Audit and Governance Committee's Annual Report 2023/24 (Annex A) was reviewed and commented on by the committee on 11 September 2024. The committee agreed to commend it to the County Council at its meeting on 8 October 2024.
2. The Audit and Governance Committee was established to monitor, review and report on the governance arrangements of the County Council. In line with CIPFA's (the Chartered Institute of Public Finance and Accountancy) recommendation that audit committees produce a publicly available annual report, the attached Annual Report (Annex A) covers the work of the Audit and Governance Committee during the period May 2023 to May 2024. It provides a summary of work and engagement undertaken by the committee.
3. The Annual Report provides assurance to those charged with governance at Surrey County Council that the committee demonstrates impact and fulfils its purpose, and that the committee is undertaking its role effectively to ensure that the Council's governance, risk management, internal controls and financial reporting are effective. The Audit and Governance Committee's activities are in line with the core functions set out in its Terms of Reference: Regulatory Framework, Audit Activity, Accounts, Ethical Standards.

RECOMMENDATION:

That Council **NOTES** the work undertaken by the Audit and Governance Committee during the period May 2023 to May 2024.

Victor Lewanski
Chairman of the Audit and Governance Committee
27/30 September 2024

Asmat Hussain
Monitoring Officer and Interim Director of Law and Governance
27/30 September 2024

Audit & Governance Committee
11 September 2024

Audit and Governance Committee - Annual Report 2023/24

Purpose of the report:

For the Committee to review and comment on its Annual Report.

Recommendations:

It is recommended that:

The Committee reviews and comments on the Annual Report 2023/24, commending it to October's Council meeting.

Introduction:

1. The Audit and Governance Committee was established to monitor, review and report on the governance arrangements of the County Council.
2. Undertaking oversight of the management of the internal control systems is fundamental, the Committee provides a high-level and independent focus on financial accounts, and audit and governance matters including the Member Code of Conduct. The Committee's activities are in line with the core functions of the Committee's Terms of Reference: Regulatory Framework, Audit Activity, Accounts, Ethical Standards.

Detail:

3. CIPFA (the Chartered Institute of Public Finance and Accountancy) recommends that audit committees produce a publicly available annual report, which provides assurance to those charged with governance on how the committee demonstrates impact and fulfils its purpose.
4. The attached Annual Report (Annex A) covers the work of the Audit and Governance Committee during the period May 2023 to May 2024. It provides a summary of work and engagement undertaken by the Committee.

Conclusions:

5. The Annual Report provides assurance that the Committee is undertaking its role effectively to ensure that the Council's governance, risk management, internal controls and financial reporting are effective.

Financial and value for money implications:

6. Internal training is delivered by the Council's officers. Regarding external courses and conferences, there is a budget set aside for training and development for Members. Information on entitlement to Travelling and Subsistence Allowances, is contained in the Members' Allowances Scheme.

Equalities and Diversity Implications:

7. There are no direct equalities implications of this report.

Risk Management Implications:

8. There are no direct risk management implications of this report.

Legal Implications – Monitoring Officer:

9. There are no direct legal implications of this report.

Next steps:

10. The Annual Report will be presented to October's Council meeting for noting.
11. The Committee will continue to undertake its assurance role and help the Council with its oversight and governance responsibilities by commending effective processes and procedures and providing challenge to ineffective ones and making recommendations for improvement.

Report authors: Amelia Christopher, Committee Manager, Democratic Services

Contact details: 07929 725663; amelia.christopher@surreycc.gov.uk

Sources/background papers:

- Audit committees: practical guidance for local authorities and police publication, CIPFA, 2022
- Audit and Governance Committee agendas and minutes: [Browse meetings - Audit and Governance Committee - Surrey County Council \(surreycc.gov.uk\)](#)

- Council Budget meeting, 8 February 2022: [Appointment of Independent Member to the Audit and Governance Committee](#)
- Council AGM, 21 May 2024: [Appointment of Independent Member to the Audit and Governance Committee](#)
- Council's Constitution
- Members' Allowances Scheme

Annexes/Appendices:

- Annex A - A&G Committee - Annual Report 2023/24
-

Audit and Governance Committee - Annual Report 2023/24

Introduction

I am pleased to present the Committee's Annual Report. The Committee is accountable to the Council and welcomes the scrutiny of its effectiveness in fulfilling its terms of reference and its impact on the improvement of governance, risk and control within the authority.



This report covers the work of the Audit and Governance Committee during the period **May 2023 - May 2024**. In addition to outlining the role and purpose of the Committee and presenting a summary of work undertaken, the report includes details of Committee membership and attendance, training, officer support to the Committee and how the Committee has engaged with others. For a deeper dive into the Committee's effectiveness, a report conducting such a review is scheduled later in the year.

I would like to thank officers and Committee members who have supported the work and achievements of the Committee.

Victor Lewanski
Chairman
Audit and Governance Committee

Contents

- Role and purpose
- Meetings
- Work undertaken
- Membership
- Attendance
- Training
- Looking forward

Role and purpose

CIPFA (the Chartered Institute of Public Finance and Accountancy) defines the purpose of an audit committee as:

*“to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. The committee’s role in ensuring that there is sufficient assurance over governance risk and control gives greater confidence to all those charged with governance that those arrangements are effective.”*¹

Therefore, the Committee is primarily concerned with assuring itself, and advising the Cabinet and County Council as necessary, that the Council’s policies are being implemented and that appropriate systems are in place which provide adequate controls over the Council’s resources and assets to prevent the risk of loss through fraud and corruption. It is not the role of the Committee to be responsible for the arrangements.

An audit committee should be independent of the Cabinet and Scrutiny functions of the authority, have clear reporting lines and rights of access to other committees (primarily the Cabinet and County Council), and its members should be properly trained to fulfil the role.

The purpose of the Committee is stated in the Council’s Constitution:

*“The Council recognises the importance of undertaking scrutiny of the management of the internal control systems and the Audit and Governance Committee provides an independent and high-level focus on audit, governance and financial accounts matters.”*²

Meetings

The Committee meets six times a year in person at Woodhatch Place, Reigate and met on the following occasions for the reporting year 2023-2024:

- [5 Jun 2023 2.00 pm](#) - Agenda, Minutes
- [12 Jul 2023 10.00 am](#) - Agenda, Minutes
- [13 Sep 2023 10.00 am](#) - Agenda, Minutes
- [22 Nov 2023 10.00 am](#) - Agenda, Minutes
- [17 Jan 2024 10.00 am](#) - Agenda, Minutes
- [13 Mar 2024 10.00 am](#) - Agenda, Minutes

The administration of the Committee is supported by a Committee Manager in Democratic Services. Officers (report authors) provide expertise in relation to: finance - accounts and treasury management, internal audit, external audit, corporate governance, legal compliance, risk, and complaints.

¹ CIPFA’s Position Statement 2022: Audit committees in local authorities and police

² Surrey County Council Constitution: Part 3 Scheme of Delegation, 6.8

Work undertaken

The Committee's Terms of Reference is included in the Council's [Constitution](#), see Part 3, Section 1, paragraph 6.7. The [Work Plan](#) details upcoming agenda items in line with its core and wider functions, it is flexible as items can be added at the request of the Committee and officers in consultation with the Chairman to ensure it remains current. The [Recommendations Tracker](#) outlines the actions raised at Committee meetings which is reviewed at every meeting of the Committee.

Regulatory Framework

- Received six-monthly updates on Risk Management at its September and March meetings. It reviewed the Corporate Risk Heat Map, querying the risk ratings, additions and deletions.
- Approved the updated Risk Management Strategy querying the length of time items were on the risk registers for and mitigations in place for risks materialising, in line with the agreed approval route recommended by the Constitution Review Group. It performed its function of monitoring the effective development and operation of the risk management and corporate governance arrangements of the Council, reviews the strategy annually.
- Reviewed the Counter Fraud Annual Report and work of the Counter Fraud team in countering and raising awareness of fraud risk. Sought follow up information on whether a check had been undertaken across all schools in Surrey to make sure that all the business managers were on the right salary level; and requested that next year's annual report includes a National Fraud Initiative (NFI) results section summarising the major areas identified in the cases.
- Reviewed the contents of the draft Annual Governance Statement (AGS), was satisfied that the Council's governance arrangements were regarded as fit for purpose and were in accordance with the governance framework. Received a half year update report on the AGS outlining the progress on the improvement areas identified, requesting an update on the improvement of health integration.
- Following the update received in June 2022 from the Corporate Strategy and Policy team, it requested a follow up report in July 2023 on: Update on the Surrey Forum and the Four Associated Strategic Partnership Boards, to understand their governance role. It requested greater transparency through the publication of the minutes, agendas and membership lists.

Audit Activity

- Considered the Internal Audit Annual Report and Opinion, noting the work undertaken and the performance of Internal Audit. It queried what improvements had been made regarding the Pension Administration audit, accessing additional audits undertaken, definitions of the audit opinions, when follow-up audits would commence on those ranked Partial Assurance, and requested a staffing update. It determined that there were no matters that the Committee wished to consider for inclusion in the Council's AGS; and considered that the Council's arrangements for internal audit had proved effective during the year.

- Approved the Internal Audit Strategy, Internal Audit and Corporate Fraud Plan, and Internal Audit Charter. It sought an update on staffing, whether there had been many identified cases from the NFI, Blue Badge fraud activity, and the resources allocated to counter fraud.
- Considered the quarterly Internal Audit reports. It requested that the suggestion be considered around individual services and teams responsible for completing the medium and low priority actions report back to Internal Audit on their completion. It requested a response on the Council's provision made several years ago in its accounts around equal pay claims, Internal Audit's methodology regarding school audits, rewording future reports 'encouraged' to 'required' regarding school staff declaring any relevant interests, confirmation whether the Council's Officer Code of Conduct applied to school staff, and sought written responses to the questions asked concerning the Surrey Fire and Rescue Service Customer Relationship Management (CRM) System and Adult Social Care (ASC) Data Handling audit.
- Requested a progress update on the Internal Audit follow-up audit on Home to School Transport (H2STA), inviting the service manager to answer questions on the report. It queried how many children and young people who applied for transport by 31 July that did not have transport confirmed by two weeks before the start of term, requested information regarding data quality issues around two sets of addresses, addressing a Committee member's concerns regarding H2STA, where the barriers are around the provision of specialist vehicles and training of specialist drivers, sought further detail on the H2STA team not knowing which school children would be starting at until they made an H2STA application, and requested a breakdown of costs between special needs and general provision, and pressures.
- Raised concerns on the transition from SAP to Unit4/MySurrey, requested a report from the Resources and Performance Select Committee's Digital Business & Insights Task and Finish Group, for it to review alongside the later report from Internal Audit; ensuring that the Committee member gets an up-to-date response as to how all the complaints around late payments concerning the new system were being progressed. A Committee member is the Chairman of that Group and provided updates on the progress made in producing the report.
- Approved Grant Thornton's External Audit Plan, and it requested that the External Audit Update Report includes a separate report on the Value for Money (VfM) arrangements, and to confirm whether Public Sector Audit Appointments has approved the proposed audit fee.
- Approved the Surrey Pension Fund External Audit Plan, querying whether the £20,000 fee for 'IAS19 Assurance letters to scheduled and admitted bodies' was a new requirement, and whether the IT audit strategy took into account the Council's transition from SAP to Unit 4.
- Noted the External Audit Update Report, welcomed the progress made and asked whether there were any major areas that still required auditing that might cause a delay.
- Noted the External Auditor's Annual Report and considered the improvement recommendations outlined by Grant Thornton. It queried how Surrey compared to other authorities, the external auditors noted that Surrey's position was strong, towards the top of the group compared

to other counties in the area. It noted the difficulty of achieving a Green rating for financial sustainability.

- Considered the contents of the Audit Reports for the Council's subsidiaries, receiving the Financial Statements for each company as background information. It welcomed that there were no material misstatements and queried the companies' differing external auditors.

Accounts

- Considered the draft Statement of Accounts for the Council and Surrey Pension Fund (2022/23). It requested that a note be included in the final version explaining that the schools grant is included in the Council's gross expenditure of just over £2 billion, that the draft accounts on the Council's website would be updated to include the final draft Annual Governance Statement, and that Committee members feedback any queries on the Narrative Report in the accounts. It sought an update on the Surrey Pension Fund 2022 triennial valuation, and the work to improve financial resilience regarding the Council's reserve position.
- Noted the final audited and signed Statement of Accounts 2021/22 which the Committee had received earlier in the year, reasons for the delay were highlighted. Lessons learned by the Council and Grant Thornton would be incorporated for the 2022/23 audit and onwards.
- Noted the contents of the Audit Findings Report (AFR) and approved the 2022/23 Statement of Accounts for publication on the council's website. Concerning the IT system, it queried whether Grant Thornton had discovered cases where someone had breached the segregation of duties or had user access when they should not have, queried the lateness of the report and reasons for the delays and timetable, queried the fee, and requested an audit plan from the new external auditors (Ernst & Young) before the end of the financial year.
- Noted the content of the Treasury Management Outturn Report and compliance with all Prudential Indicators. It queried how internal borrowing was managed, and whether the Minimum Revenue Provision (MRP) was a prescribed amount or a value judgement.
- Noted the content of the Treasury Management Mid-Year Report. It asked for detail on the Council's management of the Police and Crime Commissioner for Surrey's (PCC) funds, and whether the Council reviewed its investment returns via benchmarking.
- Approved the Treasury Management Strategy Statement including the Prudential Indicators. It requested an update on where the work on Environmental Sustainability is shared regarding the reporting of carbon impacts of the Capital Programme, for the figures in Table 7 concerning Commercial Investments: Property to be reviewed around the expected gain for Retail, and for the numbering and lettering of the various annexes to be reviewed to ensure clarity going forwards.

Ethical Standards

- Noted the Monitoring Officer's report on recent activity in relation to the Members' Code of Conduct, including Registration of Interests and Gifts and Hospitality, and complaints made in relation to Member conduct;

and noted the further training and development planned for the coming year. It requested that it receives the report on gifts and hospitality, interests and whistleblowing at a senior officer level alongside the annual report on Members. It agreed that it would be disproportionate to ask all Members to submit a nil return regarding the gifts and hospitality register.

- The Council's Constitution was last reviewed in 2017, a cross-party, Constitution Review Group (CRG) was set up at the end of 2022 and considered several issues which had been raised with Democratic Services in recent years by Members and officers. The Committee received the Constitution Review 2023 report where Committee members were supportive of the changes to the Standing Orders, welcoming the delegation of approval of the Risk Management Strategy to the Committee; leading to better governance. It did not think there was anything that would compromise governance or audit.
- Reviewed the contents of the Annual Whistleblowing report to satisfy itself that the governance arrangements were operating effectively. Made the following recommendations for improvement: That existing employees alongside new employees would be asked to sign the Code of Conduct too. That the headcount figures regarding the whistleblowing cases be updated to include other employees such as those in schools and contractors. It requested that the two recommendations for improvement be incorporated into next year's annual report, and next year's annual report to include the comparison of how other councils track their grievances and whistleblower cases.
- Received the Behaviour and Cultural Governance - Update on Action Plan, reviewing actions taken by officers in response to the Centre for Governance and Scrutiny report and made no recommendations; it was satisfied by the progress underway.
- Noted the recruitment process being undertaken regarding the Independent Member (IM) and following an interview process, recommended the preferred candidate to County Council to be appointed. The appointed IM had a suitable breadth of experience and knowledge needed to fulfil the role.
- Noted the Annual Complaints Performance Report. It made comments and suggestions to be actioned a) - i), for example a) comparative complaints figures with other local authorities; refer to the tracker action A7/23 for updates.
- Noted the LGSCO Annual Letter and Complaints Handling Update. It made two additional recommendations: All Members would be provided with the information set out in paragraph 11 of the report regarding the notification of LGSCO cases and decisions, to show the improvements made and to extend communication and transparency. The risks regarding the complaints process would be considered in line with the council's Risk Management Strategy to actively manage those risks going forward. It made eight actions for improvement.
- Noted the 6 Month Complaints Performance Update Report. It requested an update on the head count of how many FTE staff are in the team (across the three services) compared to last year. Several queries were

made such as around financial remedies, resourcing, development of a recovery plan, and the revised approach.

Membership

The Committee is composed of six elected Members plus one Independent Member. The membership provides knowledge and expertise, promoting good governance principles and challenge. Committee members have received training to fulfil their role, to provide an objective and independent approach. The membership is politically proportionate and operates in an apolitical manner. The Chairman directs the Committee's work and to help maintain the Committee's independence, he is not a member on any of the Council's scrutiny committees nor is he a member of the Cabinet.

Further details about Members can be found on the [Your Councillors](#) webpage.

- **Victor Lewanski (Chairman)** - Conservative Group.
- **Richard Tear (Vice-Chairman)** - Conservative Group.
- **Ayesha Azad** - Conservative Group.
- **Helyn Clack** - Conservative Group.
- **Steven McCormick** - Residents' Association & Independent Group, replaced Joanne Sexton.
- **Stephen Cooksey** - Liberal Democrats Group.
- **Matthew Woods** - non-voting co-opted Independent Member, replaced Terry Price.

Attendance

Attendance at Committee meetings:

Member	Total expected attendances	Total attendances
Victor Lewanski	6	5
Richard Tear	6	6
Ayesha Azad	6	4
Helyn Clack	6	5
Joanne Sexton	4	2
Steven McCormick	2	2
Stephen Cooksey	6	5
Terry Price	6	5
Matthew Woods	N/A	N/A

Training

The Committee received training covering the following topics (including any new members):

- Introduction to the Committee's purpose and Terms of Reference
- Treasury Management
- Risk Management
- Governance: Code of Corporate Governance, the Annual Governance Statement and the Members' Code of Conduct
- Internal Audit and Counter Fraud

For 2023/24 the Committee also received the following training sessions on:

- Internal Audit Plan
- Treasury Management: a joint training session with the Resources and Performance Select Committee
- Statement of Accounts - Local Government Finance

All Committee members have access to external training and webinars, using resources from organisations such as CIPFA and the Local Government Association.

Looking forward

Throughout 2024/25, the Committee will continue to undertake its assurance role and help the Council with its oversight and governance responsibilities by commending effective processes and procedures and providing challenge to ineffective ones and making recommendations for improvement.

Reports will cover the key areas: Risk Management, Internal Audit Progress Reports and Strategy and Annual Plan, updates on complaints: performance, handling, and the complaints task and finish group, Annual Governance Statement - half year update, Statement of Accounts 2023/24 and accounts of the Council's subsidiaries, External Audit update report and Annual Report, Treasury Management mid-year report and Strategy Statement, Ethical Standards Annual Review.

Reintroduced to the Committee will be its evaluation of its impact and effectiveness in line with CIPFA's guidance on best practice, is to be reported in the Audit & Governance Committee Effectiveness Review 2024.

The Chair will work closely with the Select Committees on matters of common interest to secure good governance, exploring areas of concern collaboratively. For example, the Committee's Chairman to explore with the Chair of the CFLLC Select Committee a joint informal session on Special Educational Needs and Disabilities (SEND) and the Safety Valve Agreement to try and avoid duplication and have a joint approach.

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OFFICER REPORT TO COUNCIL

AMENDMENTS TO THE CONSTITUTION

KEY ISSUE/DECISION:

Surrey County Council has a Constitution which is agreed by Members and sets out how the Council operates, how decisions are made and the procedures to be followed to ensure that they are efficient, transparent and accountable to the residents of Surrey.

It is the Council's responsibility to approve changes to the Council's Constitution. Amendments to Executive functions are the responsibility of the Leader and are brought to Council to note.

This report sets out proposed changes to:

- Part 3 – Responsibility for Functions and Scheme of Delegation (Section 2 and Section 3 Parts 3A and 3B)
- Part 5 – Rules of Procedure (Part 5(02) Financial Regulations)
- Part 6 – Codes and Protocols (Part 6(02) – Arrangements for dealing with Member Conduct)

These changes are brought to Council for formal approval in accordance with Articles 4.09, 5.02 and 13.01(a) of the Council's Constitution.

BACKGROUND:

Improvements to the Governance of the Surrey Pension Fund

1. On 13 September 2024, the Pension Fund Committee considered a report that made the case for Surrey County Council to make changes to the Council's Pension Fund Committee Terms of Reference, Scheme of Delegation and Financial Regulations to more effectively recognise the distinct relationship and management of conflicts of interest between Surrey County Council in its dual role as employer and administering authority of the Surrey Pension Fund.

2. Every Local Government Pension Scheme (LGPS) is legislatively required to have an Administering Authority that is ultimately responsible for managing and administering the scheme. At SCC this responsibility is delegated to the Pension Fund Committee, as laid out in the Constitution of Surrey County Council, Part 3, Section 2. There is also a Local Pension Board which is charged with ensuring the SPF complies with relevant LGPS regulations and pension law.
3. A review of the current governance artefacts was completed by an independent pensions industry expert in late 2023. This review, combined with internal audit recommendations, the Scheme Advisory Board (SAB) Good Governance project and the new Pensions Regulator's (TPR) General Code of Practice suggests that SPF should evolve its governance to:
 - a) ensure it has sufficient independence to effectively manage conflicts of interest enable SPF to achieve its vision
 - b) future proof the organisation to any governance changes proposed by the Government as part of its review of pensions safeguard the interests of its members and employers.
4. This paper recommends that, in order to deliver the Strategic Plan and provide a first class and cost-effective service for the benefit of its members and employers (including SCC), the SPF requires greater recognition of its autonomy within existing structures. The SPF has drawn on four sources of evidence to inform its recommendations:
 - a) An independent governance review
 - b) Recommendations of Internal Audit
 - c) Recommendations of the SAB Good Governance Project
 - d) Guidance from TPR in its new General Code of Practice

Further information on these sources of evidence is provided in **Annex 1**.

5. A number of minor proposed changes are recommended to the Pension Fund Committee's Terms of Reference and the Council's Scheme of Delegation.
6. It is proposed to amend the Pension Fund Committee's Terms of Reference to allow for formal recognition of the potential conflict of Surrey County Council in its dual role as Administering Authority for and scheme employer of the Surrey Pension Fund. The following addition is recommended:

"To consider and approve an annual conflict of interest policy, which shall include how the potential conflict of Surrey County Council in its dual role as Administering Authority for and scheme employer of the Surrey Pension Fund is managed."

7. Proposed changes to the Council's Scheme of Delegation primarily reflect the current ways of working - where responsibility for the operation of the SPF is delegated to the Senior LGPS Officer and will formalise the reporting line directly to the Section 151 Officer. These changes help to ensure that the SPF has appropriate senior representation in the organisation, enabling a clear line of sight and support to the Section 151 Officer and providing unimpeded dialogue and response for what is a key part of the Section 151 responsibilities.
8. An example of changes on a day-to-day basis would be the formal identification of the LGPS Senior Officer as lead officer for the SPF in reports to the Pension Fund Committee and Local Pension Board. In addition, decisions regarding pension fund matters (e.g. cash transfers) will be exclusively delegated to pension fund officers with appropriate expertise.
9. The full list of proposed changes to the Terms of Reference, Scheme of Delegations and Financial Regulations is included at Annex 2 of this report.

Consequential amendments to People, Performance and Development Committee (PPDC) Terms of Reference

10. As a result of the above proposals, consequential amendments to the terms of reference of the PPDC, as set out in Part 3, Section 2 of the Constitution are required as follows:

Paragraph 6.13(c)

determine the Council's Policy Statement in respect of Employing Authority and Administration Authority Discretions under regulations relating to the ~~Local Government Pension Scheme (LGPS); Teacher's Pension Scheme (TPS) and Firefighter's Pension Scheme (FPS);~~

Paragraph 6.13(d) – NEW

determine the Council's Policy Statement in respect of Employing Authority Discretions under regulations relating to the Local Government Pension Scheme (LGPS).

Existing Paragraphs 6.13(d) to (g) to be renumbered 6.13(e) to (h)

Updated Arrangements for Dealing with Member Conduct

11. At its meeting on 11 September 2024, the Audit & Governance Committee considered proposed amendments to the Arrangements for Dealing with Member Conduct following a review by the Monitoring Officer and the introduction of a form to help complainants focus their complaint and identify where they believe a breach of the Member

Code of Conduct has occurred. The Committee agreed the proposed amendments and now recommends them to Council.

12. The updated arrangements are set out in Annex 3 of this report.

RECOMMENDATIONS:

- A. That the amendments to Part 3 - Section 2 and Section 3 Parts 3A and 3B and Part 5(02) in relation to improvements to the governance of the Surrey Pension Fund, as set out in Annex 2 of this report be approved.
- B. That the consequential amendments to Part 3 – Section 2 (the terms of reference of the PPDC) as set out in paragraph 10 of this report be approved.
- C. That the amendments to Part 6(02) of the Constitution (Arrangements for dealing with Member Conduct) as set out in Annex 3 of this report be approved.

Lead/Contact Officers:

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Annexes:

Annex 1 – Report to Surrey Pension Fund Committee, 13 September 2024

Annex 2 - Detailed amendments to the Constitution in respect of Pension Fund Governance

Annex 3 – Detailed amendments to Constitution - Part 6(02)

Sources/background papers:

Constitution of the Council

Report to Audit & Governance Committee, 11 September 2024

SURREY PENSION FUND COMMITTEE REPORT

SURREY COUNTY COUNCIL

SURREY PENSION FUND COMMITTEE

DATE: 13 SEPTEMBER 2024

LEAD OFFICER: ANNA D'ALESSANDRO, EXECUTIVE DIRECTOR, FINANCE AND CORPORATE SERVICES

SUBJECT: IMPROVING THE GOVERNANCE OF THE SURREY PENSION FUND

SUMMARY OF ISSUE:

Surrey County Council (SCC) has the dual role as Administering Authority for and a scheme employer of the Surrey Pension Fund (SPF). This dual role creates potential conflicts of interest. This report recommends ways in which the governance of the SPF can be improved to enable this conflict to be more effectively managed. It also explores areas in which the recognition of the autonomy of the SPF can enhance the effectiveness of its Strategic Plan.

RECOMMENDATIONS:

It is recommended that the Pension Fund Committee:

1. Supports the proposed changes to the Council's Pension Fund Committee Terms of Reference and Scheme of Delegations and recommends approval of these changes to SCC at the Full Council meeting of 8 October 2024.
2. Notes that officers are exploring options for the future of SPF, as outlined in this report. Any proposed options to be taken forward will be subject to further consideration by the Pension Fund Committee and the Council's governance, legal and financial due diligence.

REASON FOR RECOMMENDATIONS:

To optimise the performance of the SPF, by more effectively recognising the distinct relationship and management of conflicts of interest with SCC, allowing it to meet its strategic vision, allow for more cost effectiveness and equipping it to meet future changes to the LGPS (please see Background document 1).

DETAILS:

Background

1. Every Local Government Pension Scheme (LGPS) is legislatively required to have an Administering Authority that is ultimately responsible for managing and administering the scheme. At SCC this responsibility is delegated to the Pension Fund Committee, as laid out in the Constitution of Surrey County Council, Part 3, Section 2. There is also a Local Pension Board which is

charged with ensuring the Committee complies with relevant LGPS regulations and pension law.

2. This governance structure creates challenges and discrepancies:

- a) There is a potential for conflicts of interest e.g. SCC is both the Administering Authority and an employer within the scheme. SCC could therefore exert undue influence which may not be in the best interests of all the 360+ other employers in the scheme. This can also manifest itself organisationally through strategic misalignment.
- b) Although Surrey residents are a key stakeholder of the SPF its primary customers are members and employers of the scheme. The SPF has a fiduciary duty to the members and employers of the scheme.
- c) The SPF team is subject to all the policies of SCC. The cost of those resources necessary for delivering the administering authority role is met from the pension fund (under Regulation 4(5) of The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009). There is therefore no direct impact on SCC's revenue account costs.
- d) The current pressure on resources faced by SCC is recognised. However, as laid out by the Scheme Advisory Board (SAB), Administering Authorities must ensure that sufficient resources are maintained to meet the statutory obligations placed on them to manage the scheme. Where sufficient resources are not provided, there are a number of potentially negative outcomes including:
 - i) Censure by the Pensions Regulator (TPR) for non-compliance with the requirements of the Public Service Pensions Act 2013 and other primary legislation.
 - ii) Findings against SCC by the Pensions Ombudsman.
 - iii) Failure to fulfil financial responsibilities in accordance with Accounts and Audit (England) regulations 2011.
 - iv) Failure of internal control systems for financial and investment activities (Accounts and Audit (England) regulations 2011 and CIPFA/LASAAC code of practice).
 - v) Overpayment or underpayment of pension amounts.
 - vi) Incomplete data leading to valuation assumptions which could result in increased employer contributions.
 - vii) Incorrect tax liabilities for the authority, participating employers, and scheme members.

3. A review of the current governance artefacts was completed by an independent pensions industry expert (Barnett Waddingham) in late 2023. This review, combined with internal audit recommendations, the Scheme Advisory Board (SAB) Good Governance project and the new Pensions Regulator's (TPR) General Code of Practice suggests that SPF should evolve its governance to:
 - ensure it has sufficient independence to effectively manage conflicts of interest
 - enable SPF to achieve its vision
 - future proof the organisation to any governance changes proposed by the Government as part of its review of pensions
 - safeguard the interests of its members and employers.

Governance changes

4. The SPF has a rolling 3-year strategic plan which highlights its roadmap to become a trailblazing LGPS Fund. We are committed to ensuring that the Fund completes its transformation and builds the organisational capability and resilience to ensure it is well positioned to be the leader in its response to anticipated changes in the pension industry.
5. This paper recommends that, in order to deliver the Strategic Plan and provide a first class and cost-effective service for the benefit of its members and employers (including SCC), the SPF requires greater recognition of its autonomy within existing structures. The SPF has drawn on four sources of evidence to inform our recommendations:
 - a) An independent governance review
 - b) Recommendations of Internal Audit
 - c) Recommendations of the SAB Good Governance Project
 - d) Guidance from TPR in its new General Code of Practice

Independent Review

6. An independent review of the current governance artefacts was completed by an independent pensions industry expert (Barnett Waddingham) in late 2023 (See Annexe 1). The objectives of the review were as follows:
 - a) Make the governance and supporting arrangements for the LGPS function work more effectively and efficiently.
 - b) Ensure conflicts of interest between the council and LGPS function are managed.
 - c) Ensure the independence of the LGPS function is recognised.

7. The review recommends the increased use of delegations. Under this proposal the Pension Fund Committee would retain the principal role of oversight and strategic decision making in all areas of the LGPS function while delegating the majority of functional and implementation decisions to officers. This would:
 - a) Enable the committee to concentrate its time and resources on material matters for which it is accountable to the full council and ultimately the local taxpayer.
 - b) Significantly reduce the potential for actual or perceived conflict of interest.
 - c) Increase the ability of officers to act swiftly and efficiently in delivering the LGPS function.

Internal audit recommendations

8. In April 2023 the Surrey Internal Audit team reviewed the current governance structure of the SPF (See Annexe 2). The following risks and mitigations were recommended with regard to “Clarity Regarding Committee Roles:

Risk:

“One of the key objectives of the Good Governance Review was to consider how potential conflicts of interest manifest themselves within current LGPS set up, including recognition of the dual role of the Council as the Administering Authority and a scheme employer in the Fund, and to suggest how those potential conflicts can be managed to ensure that they do not become actual conflicts.”

Recommended mitigations:

- a) *“Develop a comprehensive matrix of roles and responsibilities.*
- b) *Undertake discovery work in the context of the relationships with the Council, Staff, IT, Cyber Security, Accommodation etc.*
- c) *The Governance matrix will clearly lay out the decision-making powers and delegations.*
- d) *Ensure the Scheme of delegations and constitution are amended and approved by full Council.*
- e) *Creation of a Conflict of Interest Policy.”*

The SAB Good Governance Project

9. The Good Governance project was instigated by the SAB to examine the effectiveness of LGPS governance models and consider enhancements to further strengthen governance. After a procurement exercise, Hymans Robertson were appointed by the Board in January 2019 to work alongside scheme stakeholders to identify best practice and propose beneficial changes to regulations or guidance.

10. In the February 2021 Scheme Advisory Board Meeting, the Board considered the final report from Hymans Robertson (See Background paper 2).
11. This included the need for the creation of a “Senior LGPS Officer” to ensure that the role of the pension fund and LGPS matters are understood and represented at the local authority’s senior leadership level. The SPF created this role in 2022 and recommendations in this report allow for closer alignment of it with the recommendations of the Good Governance project.
12. It also included the following with regards to the potential conflict between the Council as administering authority and employer:
 - a) *“Each fund must produce and publish a conflicts of interest policy which includes details of how actual, potential and perceived conflicts are addressed within the governance of the fund, with specific reference to key conflicts identified in the Guidance.*
 - b) *The Guidance should refer all those involved in the management of the LGPS, and in particular those on decision making committees, to the guide on statutory and fiduciary duty which will be produced by the SAB.”*

Guidance from TPR in its General Code of Practice

13. In March 2024 TPR published a new General (Single) Code of Practice (see Background paper 3) under the powers given to us in section 90 and section 90A of the Pensions Act 2004 and is a combined code in accordance with section 90A(6)(a).
14. The new code merged ten of the existing TPR codes of practice into one, this included the public service pension code, and the LGPS has a statutory duty to comply with it.
15. TPR describes conflicts of interest as follows:

“Conflicts of interest may arise from time to time while running a pension scheme, either among members of the governing body themselves, or with service providers, sponsoring employers, advisers, and others. Conflicts can also arise for members of the governing body who for example, are members of the scheme or who represent trade unions. Conflicts of interest may be either actual conflicts or potential conflicts. Unless otherwise stated, references to ‘conflicts of interest’ include both actual and potential conflicts.”

Proposed governance changes

16. A number of minor proposed changes are recommended to the Pension Fund Committee’s Terms of Reference and the Council’s Scheme of Delegations.
17. It is proposed to amend the Pension Fund Committee’s Terms of Reference to allow for formal recognition of the potential conflict of Surrey County Council in its dual role as Administering Authority for and scheme employer of the Surrey Pension Fund. The following addition is recommended:

“j) To consider and approve an annual conflict of interest policy, which shall include how the potential conflict of Surrey County Council in its dual role as Administering Authority for and scheme employer of the Surrey Pension Fund is managed.”

18. Proposed changes to the Council’s Scheme of Delegations primarily reflect the current ways of working - where responsibility for the operation of the SPF is delegated to the Senior LGPS Officer and will formalise the reporting line directly to the Section 151 Officer. These changes help to ensure that the SPF has appropriate senior representation in the organisation, enabling a clear line of sight and support to the Section 151 Officer and providing unimpeded dialogue and response for what is a key part of the Section 151 responsibilities.
19. An example of changes on a day-to-day basis would be the formal identification of the LGPS Senior Officer as lead officer for the SPF in reports to the Pension Fund Committee and Local Pension Board. In addition, decisions regarding pension fund matters (e.g. cash transfers) will be exclusively delegated to pension fund officers with appropriate expertise. The full list of proposed changes to the Terms of Reference and Scheme of Delegations is included as Annexe 3.
20. It is also suggested that these proposed changes will allow SCC to more effectively manage any inadvertent moral hazards and reputational risk as well as providing greater clarity on roles and responsibilities. This ultimately leads to stronger organisational control, compliance to regulations and better service provision.

Future proposals in recognition of the autonomy of the SPF

Policies

21. Subject to approval of the proposed governance changes and consistent with Internal Audit Recommendations, the SPF will bring a SPF Conflict of Interest Policy and Roles and Responsibilities Matrix to the Pension Fund Committee for approval.

The identity of the SPF

22. Drawing on collateral from the SPF Customer Insights project and further anecdotal evidence, there is confusion amongst SPF customers regarding the SPF relationship with SCC. This prohibits the effective and efficient delivery of service.
23. Subject to approval of the proposed governance changes, to remedy this, it is recommended that the SPF explores how it may bring more clarity to its identity.

Systems and services

24. Subject to approval of the proposed governance changes and consistent with internal audit recommendations, a thorough review should be conducted of the services that are cross charged to SPF such including Staff, IT, Cyber Security, Accommodation, etc to ensure that the current level of service is fit for purpose and is appropriate for its longer-term strategic plan aspirations. As a first stage it is proposed to benchmark costs and have clear service level agreements in place.

Future proofing the Fund

25. On 16 August 2024 the Government shared the Terms of Reference of its pension review. This will include *“tackling fragmentation and inefficiency in the Local Government Pension Scheme through consolidation and improved governance”*, in order to improve *“the affordability and sustainability of the Local Government Pension Scheme in the interest of members, employers and local taxpayers”*.
26. The proposals in this report are consistent with the ask from Government to improve governance. Increased autonomy will allow the SPF to be nimbler to respond to future industry developments and allow both the SPF and SCC to be at the forefront of change.
27. The SPF will continue to investigate governance options that exist within primary pensions legislation. There are a number of potential options which will be fully explored before bringing any further recommendations as and when appropriate.

CONSULTATION:

28. The Chair of the Pension Fund Committee and Chair of the Local Pension Board and the SCC Corporate Leadership Team to be consulted on this report.

RISK MANAGEMENT AND IMPLICATIONS:

29. Any relevant risk related implications have been considered and are contained within the report.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS:

30. The cost of the resources necessary for implementing the changes recommended above and for delivering the administering authority role is met from the pension fund (under Regulation 4(5) of The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009).

EXECUTIVE DIRECTOR OF FINANCE & CORPORATE SERVICES (S151 OFFICER) COMMENTARY:

31. The Executive Director of Finance and Corporate Services (s151 Officer) is supportive of the proposed changes and satisfied that all material, financial

and business issues and possibility of risks have been considered and addressed.

LEGAL IMPLICATIONS – MONITORING OFFICER:

32. The County Council has delegated responsibility to the Pension Fund Committee for its statutory functions as the Administering Authority for the SPF. The scheme of delegations is the function of full Council and Legal will be part of any future options appraisal to ensure the Council undertakes its full due diligence.

EQUALITIES AND DIVERSITY:

33. There are no equality or diversity issues.

OTHER IMPLICATIONS:

34. There are no other implications.

NEXT STEPS:

35. The following steps are planned:

- a) Take the proposed changes to the Council's Pension Fund Committee Terms of Reference and Scheme of Delegations to the County Council for approval at its meeting of 8 October 2024.
- b) Subject to County Council approval of changes to the Council's Pension Fund Committee Terms of Reference and Scheme of Delegations officers to begin discovery work of the SPF as outlined in this report, in the areas of policy, identity, accommodation, people, systems and services and future proofing.

Contact Officer:

Neil Mason, Assistant Director – LGPS Senior Officer

Annexes:

1. Independent governance review (Barnett Waddingham)
2. Internal Audit Report: Pension Fund Governance
3. Proposed changes to the Pension Fund Committee Terms of Reference and Scheme of Delegations

Sources/Background papers:

1. Surrey Pension Team 2024/25 Strategic Plan [PowerPoint Presentation \(surreycc.gov.uk\)](https://surreycc.gov.uk)
2. [Good Governance Final Report February 2021.pdf \(lgpsboard.org\)](https://lgpsboard.org)
3. [Conflicts of interest TPR code module | The Pensions Regulator](https://www.thepensionsregulator.gov.uk)

4. Pension Fund Committee Terms of Reference [SECTION 2 \(surreycc.gov.uk\)](https://surreycc.gov.uk)
5. Scheme of officer delegations [SERVICES FOR COMMUNITIES \(surreycc.gov.uk\)](https://surreycc.gov.uk)
6. Government pension review [Terms of Reference - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

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Surrey Pension Fund

Review of the current governance arrangements
and options for change

Barnett Waddingham LLP
20 August 2024

Version 2
CONFIDENTIAL



Surrey Pension Fund

Review of the current governance arrangements and options for change

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Review of the current governance arrangements and options for change

Disclaimer

This document has been prepared at the request of Surrey County Council (SCC) in its capacity as a Local Government Pension Scheme (LGPS) administering Authority. The information contained in this document is based on our understanding of current and proposed legislation and practice which may be subject to future variation. This document is not intended to provide nor must be construed as legal advice.

Regulatory references

In this document any reference to regulations or to specific provisions of regulations should be treated as referring to the following:

- The 2013 Regs – The Local Government Pension Scheme Regulations 2013
- The 2016 Regs – The LGPS (Management and Investment of Funds) Regulations 2016

Likewise, any reference to Acts should be treated as referring to the following:

- The 1972 Act – The Local Government Act 1972
- The 1989 Act – The Local Government and Housing Act 1989
- The 1999 Act – The Local Government Act 1999
- The 2009 Act – The Local Democracy, Economic Development and Construction Act 2009
- The 2011 Act - The Localism Act 2011
- The 2013 Act – The Public Service Pensions Act 2013
- The 2023 Act – The Levelling-up and Regeneration Act 2023

unless specified as otherwise.

Relevant extracts from the above legislation can be found in the ANNEX to this report.

Client Requirements

Options under current legislation

SCC wishes to explore options for the greater segregation of governance and supporting functions in relation the administering authority function from those of other functions within the council. Such options are to be limited to those which are possible under current legislation, including options requiring the consent of the council and the Secretary of State.

The objectives for these options would be to:

- Make the governance and supporting arrangements for the LGPS function work more effectively and efficiently.
- Ensure conflicts of interest between the council and LGPS function are managed.
- Ensure the independence of the LGPS function is recognised.

In seeking to achieve these options SCC seeks to acknowledge the unique status of the LGPS function in that:

-
1. Although the pension fund is a revenue reserve of the council it is ringfenced to the extent of having a single purpose – that of paying pensions.
 2. The costs of management and administration associated with the LGPS function may be met from the pension fund and therefore do not impact on the revenue expenditure of the council.
 3. Investment decisions in regard to pension fund monies should be made in the light of the quasi-trustee fiduciary duties of the decision makers.
 4. Decisions around the amount of employer contributions set at triennial valuations should be demonstrably equitable and not either favour or perceive to favour the administering authority.
-

Within SCC as it is across the vast majority of LGPS administering authorities the function is effectively delivered with potential conflicts of interest well managed. However, increasing demands on LGPS authorities together with the potential for increasing turnover of elected members may make that position more difficult to sustain.

Options under new or amended legislation

SCC also wishes to explore 'blue sky' options for the greater segregation of governance and supporting functions in relation the administering authority function from those of other functions within the council which would require either new legislation, amendments to current legislation or the introduction of new provisions by the Secretary of State, for example by Direction or Order, under powers contained in existing legislation.

The purpose of these options would be to provide a greater degree of effective, independent and conflict free provision in relation to the LGPS function beyond those possible under current legislation even with the consent of the council and the Secretary of State.

Executive Summary

Current governance arrangements

SCC delegates the delivery of LGPS administering authority function to a Pension Fund Committee assisted by a local pension board both of which are supported by officers and advisors. Although these arrangements are common amongst LGPS administering authorities, they rely on the goodwill of those involved to ensure that the potential conflicts of interest between those of the pensions function and the other functions of the council are effectively managed.

Alternative governance arrangements are used in a minority of other LGPS administering authorities.

The legislative landscape

As a statutory function of the authority and a responsibility under public service pensions law, arrangements for governance are determined by SCC within the provisions of a range of primary and secondary legislation including:

- The Local Government Pension Scheme Regulations 2013
- The LGPS (Management and Investment of Funds) Regulations 2016
- The Local Government Act 1972
- The Local Government and Housing Act 1989
- The Local Government Act 1999
- The Localism Act 2011
- The Public Service Pensions Act 2013

Future challenges

The LGPS is facing significant challenges going forward which may require the review and potential adjustment of current governance arrangements. These include:

- McCloud, Fair Deal and Pensions Dashboard
- The Pension Regulators General Code and the Scheme Advisory Board's Good Governance Review

- Boycotts and Sanctions Legislation (not in Kings Speech 2024)
- The new Government's Pensions Review 2024

Options under current legislation

This report provides a review of the options available to SCC under the current legislative framework in order to minimise the potential for conflict and the impact of future challenges:

- Increased use of officer delegations
- Full delegation to officers
- Combined committee and pension board

The report also includes a brief overview of options under new or amended legislation.

SCC Current arrangements

Surrey Pension Fund Committee

Surrey County Council delegates the delivery of LGPS administering authority function to a Pension Fund Committee (originally named Surrey Pension Fund Board) with responsibility for the governance and administration of the Surrey County Council Pension Fund.

Purpose of Committee

1. To undertake statutory functions on behalf of the Local Government Pension Scheme and ensure compliance with legislation and best practice.
2. To determine policy for the investment, funding and administration of the pension fund.
3. To consider issues arising and make decisions to secure efficient and effective performance and service delivery.
4. To appoint and monitor all relevant external service providers:
 - fund managers
 - custodian
 - corporate advisors
 - independent advisors
 - actuaries
 - governance advisors
 - all other professional services associated with the pension fund.
5. To monitor performance across all aspects of the service.
6. To ensure that arrangements are in place for consultation with stakeholders as necessary.
7. To consider and approve the annual statement of pension fund accounts.
8. To consider and approve the Surrey Pension Fund actuarial valuation and employer contributions.

The 'standard' Committee diary provides for four meetings a year and additional meetings are occasionally required for a specific purpose.

The Committee is made up of publicly elected Members as well as co-opted members who provide stakeholder membership. The co-opted members represent the members of the Fund (trade union representation), District and Borough Councils and other employers in the Fund. Co-opted Members have the same rights on access to information and voting as elected Members.

Surrey Local Pension Board

The Pension Fund Committee is assisted by the Local Pension Board which has the role of assisting the committee:

1. to secure compliance with:
 - the scheme regulations
 - any other legislation relating to the governance and administration of the LGPS Scheme and any connected scheme
 - any requirements imposed by the Pensions Regulator in relation to the LGPS Scheme.
2. to ensure the effective and efficient governance and administration of the LGPS Scheme.

Delegation to officers

There are currently limited delegations to officers of SCC as set out in the scheme of delegations, for example:

The Chief Finance Officer/ Strategic Finance Manager (Pension Fund and Treasury) have delegated authority for the borrowing, lending and investment of County Council Pension Fund moneys, in line with strategies agreed by the Pension Fund Committee and to take urgent action as required between Pension Fund Committee meetings, but such action can only be taken in consultation with and by agreement with the Chairman or Vice Chairman of the Pension Fund Committee and following consultation with any relevant Consultant or Independent Advisor.

The Legislative landscape

The LGPS Statutory Function

SCC is a public service pension scheme manager under the 2013 Act as defined by its status as an LGPS Administering Authority under the 2013 Regs Schedule 3 Part 1.

The role of administering the scheme in relation to those scheme members defined in Part 2 of Schedule 3 of the 2013 Regs is therefore a statutory function of SCC. The council is the administering authority, and the administering authority is the council, there is no legal distinction between the two. In this sense the function of administering the LGPS is no different from any other statutory function assigned to the council from time to time.

The latest [combined list of statutory functions](#) (duties) on local authorities was compiled in 2011. Administering the LGPS is number 192 in the spreadsheet entitled 'List of statutory duties – DCLG owned (revised 30 June 2011)'

Discharging a Statutory function

A local authority may discharge a statutory function at full council level or, using the powers granted by Section 101 (1) of the 1972 Act, arrange for the function to be discharged by:

- A committee or sub-committee of the authority
- An officer of the authority
- Another local authority

However, any such arrangements do not prevent the authority from discharging the functions itself (i.e. at full council level) – See 1972 Act Section 101(4).

Voting on and political balance across committees is set out in Sections 13, 15 and 17 of the 1989 Act.

Under the 1999 Act powers are conferred on the Secretary of State to modify or confer new powers on 'best value authorities', while the 2011 Act sets out the extent and limitations of the general power of competence granted to authorities in respect of governance arrangements.

Current arrangements across the LGPS

The vast majority of administering authorities currently discharge the LGPS function using a committee set up under the powers of Section 102(1) of the 1972 Act with some also adding a sub-committee (for example to deal specifically with investment matters).

Arrangements other than by committee

Two LGPS authorities (Southwark and Cheshire) discharge via an officer making use of Section 101(1)(c) of the 1972 Act:

(1) Subject to any express provision contained in this Act or any Act passed after this Act, a local authority may arrange for the discharge of any of their functions—

*(a) by a committee, a sub-committee or **an officer** of the authority;*

In both cases the officer is 'advised' by a pension committee set up under Section 102(4) of the LG Act and further information on these is set out below.

A small number of authorities combine the committee and local pension board and an example of this (Hampshire) is also set out below.

LB Southwark

The London Borough of Southwark is the Administering Authority for The London Borough of Southwark Pension Fund (the Fund).

The London Borough of Southwark, as the Administering Authority of the Fund, has delegated responsibility for the management of the Fund to the chief finance officer (the Strategic Director of Finance and Governance), who will take into account advice from the [Pensions Advisory Panel](#) (the Panel).

The chief finance officer's powers include the requirement to review investments made by external investment managers at least once every three months and to administer all other functions relating to the Fund in accordance with the relevant legislation and regulations. This includes responsibility for the management of the Fund, oversight of the general framework within which the Fund is managed, and agreements of the policies under which the Fund will operate.

Cheshire Pension Fund

Cheshire West and Chester Council is the Administering Authority for the Cheshire Pension Fund (the Fund)

Overall responsibility for managing the Fund lies with the full Council of who have delegated the management and administration of the Fund to the Chief Operating Officer.

The full Council reviews the discharge of its responsibilities through the Council's [Audit and Governance Committee](#). Follow the link for all agendas and minutes of these meetings.

The Local Pension Board assists the Council to deliver efficient governance and administration of the Fund responsibilities through the Council's Audit and Governance Committee.

The Chief Operating Officer is advised by the Pension Fund Committee and also takes appropriate advice from the Councils Head of governance, the Fund actuary and from the strategic Investment Advisor.

The Pension Fund Committee receives recommendations from the Investment Sub Committee and the Pensions Consultative Forum to enable it to discharge its responsibilities effectively.

Hampshire Pension Fund

The 2013 regulations provide for the committee and the pension board to be one and the same.

106 – (2) Where the Scheme manager is a committee of a local authority the local pension board may be the same committee if approval in writing has been obtained from the Secretary of State.

An example of where such arrangements are used is Hampshire County Council. Hampshire County Council is the Administering Authority for the Hampshire Pension Fund (the Fund)

Its website states that the combined body has the following roles:

1. In its role as the Pension Fund Panel for the Hampshire Pension Fund the Pension Fund Panel and Board is responsible for the County Council's statutory functions as administering authority of the Hampshire Pension Fund This includes dealing with all matters arising that relate to the Hampshire Pension Fund, including the management and investment of the Fund.
2. In its role as the Pension Board for the Hampshire Pension Fund it is responsible for assisting Hampshire County Council, as the administering authority of the Hampshire Pension Fund, to secure compliance with the Local Government Pension Scheme Regulations 2013 and any other legislation relating to the governance and administration of the Local Government Pension Scheme ('LGPS), for securing compliance with requirements imposed in relation to the LGPS by the Pensions Regulator and for ensuring the effective and efficient governance and administration of the Hampshire Pension Fund.

Consideration of arrangements other than by committee

Arrangements other than by committee are not the norm for LGPS authorities which may, at least in part, due to convention. There is no legislative reason why the LGPS function should be delegated to a committee, as opposed to any other arrangement provided for under the 1972 Act.

Officer delegation

Although perfectly acceptable under legislation this arrangement has limited use presumably due to elected members' wishing to have control of decisions for the function particularly around investments. Given the introduction of pooling with manager selection and investment implementation now in the hands of pools such considerations have, to an extent, been superseded.

A further issue with such arrangements centers on the accountability elected members have to local taxpayers for investment decisions which may have an adverse effect on employer contributions. This issue should however be considered in the light of the fact that it is investment strategy rather than manager selection or implementation which drives the vast majority of returns.

Combined committee and board

There are issues around this arrangement mainly with regard to meeting the membership requirements for pension boards as set out within Section 5 of the 2013 Act:

(4) The regulations must include provision—

(c) requiring the board to include employer representatives and member representatives in equal numbers.

Together with the membership requirements for committees as set out in Section 102 of the 1972 Act and Section 15 of the 1989 Act (allocation of seats to political groups), and the voting requirements of such committees as set out in Section 13 of the 1989 Act.

Future challenges

There are a number of challenges to the delivery and governance of the LGPS function coming over the next 12 to 24 months which may require the review and potential adjustment of current arrangements. The rest of this section further explores two of these, increasingly complex governance requirements together with proposed boycotts and sanctions legislation.

Significant administrative developments

The increasingly complexity of the scheme, for example ongoing changes to survivor benefits and upcoming Fair Deal regulations will be added to by the requirements of McCloud and the Pensions Dashboard to significantly increase the demands on the administrative element of the LGPS function. These developments will require flexibility of service delivery, the development and implementation of new/revised processes and systems, the potential for an increased internal resource and/or the use of external resource together with extensive communication exercises.

In order to meet these challenges the LGPS function will not only need to appropriately plan and budget in advance but also but adaptable to moving circumstances and timescales requiring the ability to flex those plans and budgets.

Increasingly complex governance requirements

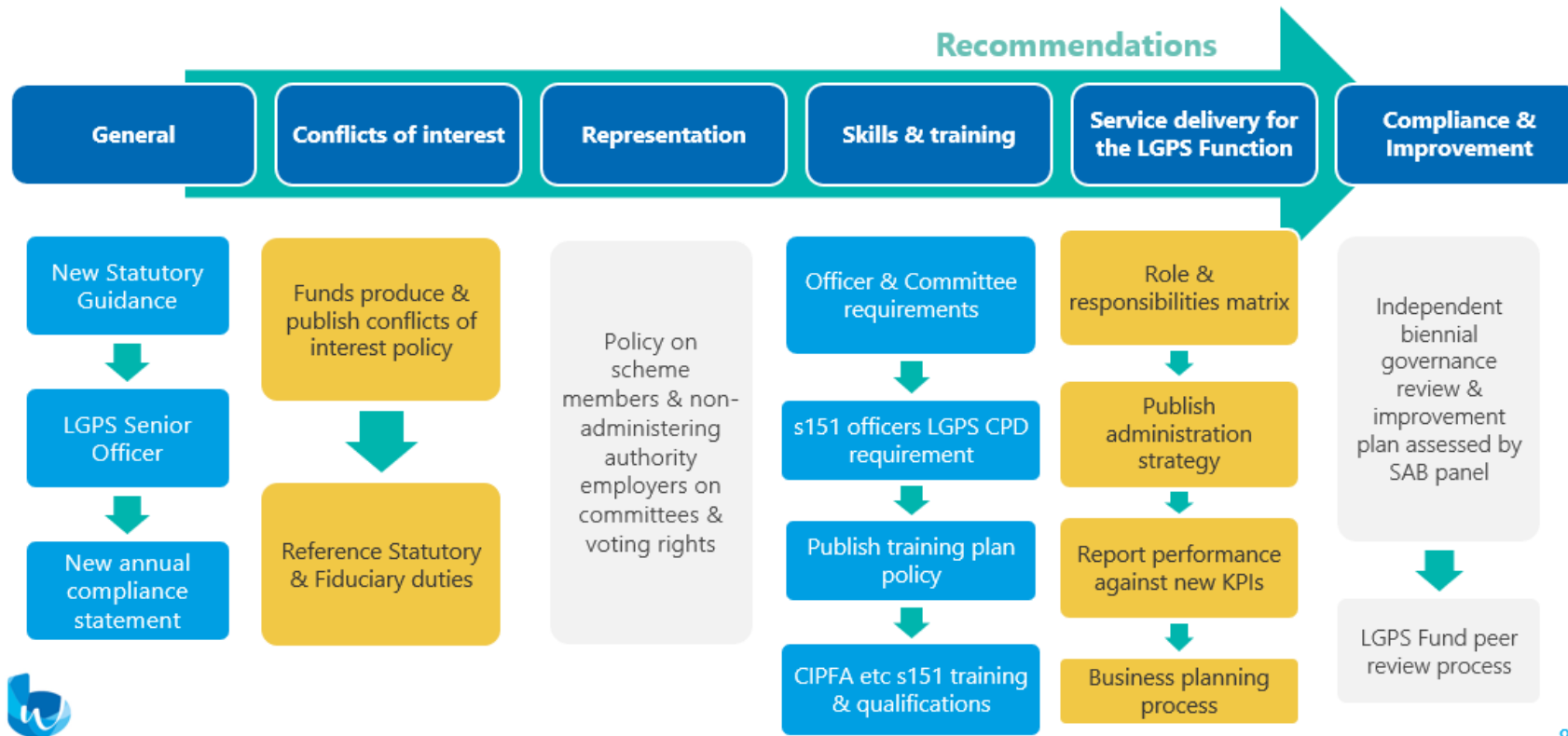
These requirements fall under two main headings, firstly the new TPR General Code and secondly the SAB's Good Governance recommendations. Both of these will increase the level of compliance within governance structures which inevitably will come with increased demands on the time of decision makers and the resources needed for support.

TPR General Code

The Code replaces all the previous codes, including Code of Practice 14 for public sector schemes, and covers the following subject areas many, but not all, of which will apply to the LGPS.

1. Status of the Code
2. The Governing Body: Board structure and activities
3. The Governing Body: Knowledge and Understanding
4. The Governing Body: Value for scheme members
5. The Governing Body: Advisors and service providers
6. The Governing Body: Risk management
7. The Governing Body: Scheme governance
8. Administration: Scheme administration
9. Administration: Information handling
10. Administration: IT
11. Administration: Contributions
12. Communications and Disclosure: Information to members
13. Communications and Disclosure: Public Information
14. Reporting to TPR: Regular report
15. Reporting to TPR: Whistleblowing

SAB Good Governance Review



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Elected member Knowledge and Understanding (K&U)

To pick just one challenge stemming from both of the above SCC will need to consider how it meets the K&U requirements for LGPS decision makers.

The General Code states that the 'governing body' (the committee in the case of SCC) should:

- have a balance of skills and experience throughout the board and be able to demonstrate this
- be able to apply its knowledge to governing the scheme
- have enough skills to judge and question advice or services provided by a third party
- be able to identify and address skills gaps
- have enough understanding of industry good practice and standards to assess scheme performance and its service providers
- keep records of the learning activities of individual members and the body as a whole
- be able to demonstrate steps it has taken to comply with the law
- have and maintain training and development plans to ensure that individual and collective knowledge and understanding is kept relevant and up to date.

DLUHC in support of SAB recommendations has in the recent investment consultation response stated that it will:

"...revise guidance on annual reports and on governance to require all funds to publish formal training policies for pension committee members, to report on training undertaken, and to align expectations for pension committee members with those for local pension board members. Given the role and responsibilities of committees, including setting the investment and funding strategies for funds, it is essential that members of committees should have the appropriate training, knowledge and skills to undertake their role."

This K&U requirement may prove difficult to implement should there be a high turnover of elected members on the pension committee or should new elected members not wish to commit to the necessary training in order to be a member of the committee.

Boycotts and sanctions legislation

The Economic Activities of Public Bodies (Overseas Matters) - EAPB (OM) Bill was brought by the previous government and was well on its way through both houses of parliament when it fell due to the election in July 2024.

Although the Bill did not appear within the Kings Speech 2024 its reappearance has not been definitively ruled out by the new government and therefore this section has been retained from the earlier draft of this report. The Bill covered both procurement and investment decisions of public authorities, however for this purpose the description below focuses only on LGPS investment decisions.

In summary the Bill:

- Prohibits public authorities from making a decision to invest or divest based on its moral or political opinion (or the opinion of any pressure groups which are seeking to influence it) of the actions of foreign states abroad.
- Prohibits the authority going on record saying it would have made that investment or divestment decision if not for the existence of this legislation.
- Includes a number of exemptions although these are in the main restricted to actions which are illegal.
- Provides for sufficiently interested parties to bring about legal proceedings against the authority and/or report the authority to TPR if they consider an investment decision to be or likely to be in contravention of the above prohibitions.

Should the Bill become law SCC will need to carefully consider not only the potential for decisions actually being in contravention of the legislation but also the potential for interested parties to bring about costly and time-consuming legal proceedings in relation to decisions they do not agree with. [In doing so SCC may want to revisit its governance arrangements particularly in relation to investment decisions in order to minimise the risk of challenge.](#)

What will the Bill prohibit?

The Bill seeks to prevent public authorities making decisions or statements of intent about investment which result from political or moral disapproval of the actions of a foreign state which have an overseas impact,

The stated purpose of the Bill is to catch both open participation in boycotts or divestment campaigns, and more subtle ways of singling out countries or territories that could produce similar results, for example expressing support for engaging in boycotts and divestment campaigns.

The Bill will not prevent public authorities from complying with formal UK Government legal sanctions, embargoes and restrictions.

How will the Bill achieve this aim?

The Bill will prohibit a public authority, when making an investment decision, having regard to a territorial consideration in a way that would cause a reasonable observer to conclude that the decision was influenced by moral or political disapproval of a country or territory's foreign state conduct.

The Bill will also prohibit public authorities having any regard to a third-party's moral or political disapproval of a country or territory's foreign state conduct if that third party is trying to persuade the decision maker to act. This applies even when the decision is not influenced by the authority's own political or moral disapproval of foreign state conduct.

The public authority will also be prohibited from publishing a statement indicating that they would have made such a decision if it were lawful to do so. It is worth noting that the prohibition on statements will apply to the authority not to individuals so, for example, an individual councilor will be able to express support for a boycott without fear of personal liability under the legislation.

Are there any exemptions?

Yes, the Bill lists those considerations which may be taken onto account when making an investment decision without breaching the prohibitions. These exemptions are:

- financial and practical matters
- national security
- international law
- bribery
- labour-related misconduct

- competition law infringements, or
- environmental misconduct

At first glance these exemptions may appear pretty broad and/or straightforward but on closer reading not so much, as they are in the main reliant on the action being illegal.

For example, environmental misconduct includes conduct which causes, or has the potential to cause, significant harm to the environment, including the life and health of plants and animals, so far so wide. However, the exemption only applies where such conduct is an offence under the law of the United Kingdom or another country or territory. Therefore, an investment decision based solely on considerations of actions which have a significant environmental impact but are perfectly legal worldwide would be caught by the prohibitions of the Bill. Similarly, the labour-related misconduct exemption only applies to consideration of actions which would be an offence or result in a misconduct order in the UK.

How could the Bill impact on SCC?

The Bill provided for two routes of enforcement firstly via an enforcement authority and secondly through legal proceedings.

The Pensions Regulator will be the enforcement authority in relation to public authorities which are LGPS scheme managers and may make use of existing enforcement powers in pensions legislation including improvement notices under Section 13 of Pensions Act 2004 and ultimately fines of up to £50,000 under Section 10 of Pensions Act 1995.

Given the resource demands and expertise required for TPR to enforce the Bill together with the fact that very few, if any LGPS authorities actually make decisions which would contravene the provisions of the Bill, it is not anticipated that the major impact on LGPS authorities would come from the direction of TPR.

It is far more likely that third parties with a wide variety of political and moral agendas will seek to commence legal proceedings against SCC in respect of an investment decision, to either take an action they disagree with or not to take an action they are in favour of.

Legal proceedings may take the form of a Judicial Review (JR), where appropriate, or by application to the High Court. The High Court may permit an application by a person it considers has 'sufficient interest' and may, if satisfied that the legislation has been or is likely to be contravened, make any order that the court thinks appropriate by way of relief and/or any order appropriate to preventing such a contravention.

The Pensions Review 2024

On Monday 22 July 2024, the Chancellor Rachel Reeves convened a meeting at Number 10 to discuss how the government intends to encourage better use of the assets of pension schemes to foster growth. Those invited included representatives from the LGPS for whom, according to the [government press release](#), there were some specific messages.

'The Local Government Pension Scheme (LGPS) in England and Wales is the seventh largest pension fund in the world, managing £360 billion worth of assets. Its value comes from the hard work and dedication of 6.6 million people in our public sector, mostly low-paid women, working to deliver our vital local services. Pooling this money would enable the funds to invest in a wider range of UK assets and the government will consider legislating to mandate pooling if insufficient progress is made by March 2025.'

'To cut down on fragmentation and waste in the LGPS, which spends around £2 billion each year on fees and costs and is split across 87 funds – an increase in fees of 70% since 2017, the Review will also consider the benefits of further consolidation.'

Since the press release a further clarification of the government's thoughts has emerged in the news ([6 August 2024](#)) that the chancellor is to:

'...meet bosses of big pension schemes in Toronto on Wednesday, as she seeks to create a "Canadian-style" model in the UK with massive retirement funds investing in equities and infrastructure.'

In order to potentially:

'...unlock the investment potential of the £360bn local government pension scheme, which has more than 6mn members but is fragmented into 86 individual funds in England and Wales. If it were a single fund, it would rank among the top 10 biggest funds in the world. Reeves wants the UK market to achieve the scale of the megafunds operated in Canada by the so-called Maple 8.'

On August 18 2024 the [Terms of Reference](#) of the review were published and included in the background section:

'The review will also work closely with the Minister of State at MHCLG Jim McMahon to look at how tackling fragmentation and inefficiency can unlock the investment potential of the £360 billion Local Government Pension Scheme in England and Wales, which manages the savings of those working to deliver our vital local services, including through further consolidation.'

Under the Policy Remit was included:

'Tackling fragmentation and inefficiency in the Local Government Pension Scheme through consolidation and improved governance;'

The review is due to report later this year in advance of the Pension schemes Bill, presumably to ensure there is a primary legislative vehicle available for any provisions the government deems necessary to achieve its objectives.

It seems clear that the new government has governance and consolidation of LGPS funds in its sights. Current administering authorities should therefore reflect on how they will evidence improved governance and either make the case for their continued existence or consider options for consolidation on their terms and with their preferred partners.

Options under current legislation

Increased use of delegations

Under this option the pension committee would retain the principal role of oversight and strategic decision making in all areas of the LGPS function while delegating the majority of functional and implementation decisions to officers. This would:

- Enable the committee to concentrate its time and resources on material matters for which it is accountable to the full council and ultimately the local taxpayer.
- Significantly reduce the potential for actual or perceived conflict of interest.
- Increase the ability of officers to act swiftly and efficiently in delivering the LGPS function.

In summary this option would see the Pension Fund Committee with the following roles:

- Set the Investment Strategy.
- Agree the Funding Strategy.
- Agree the Business Plan and Budget.
- Monitor the delivery of the function against the Business Plan.
- Oversee compliance with regulation and guidance.

With the following roles delegated to the senior LGPS officer:

- Implementation of the Investment Strategy.
- Setting and implementing the Funding Strategy.
- Setting and implementing the Business plan and budget.
- Deliver compliance with regulation and statutory guidance.
- Procurement and use of internal services.

Some of the more significant advantages of moving to this option, particularly in respect of the challenges set out in the previous section of this report are set out below.

A forward looking and adaptable service

Enabling the senior officer responsible for the delivery of the function to plan and budget in advance would provide the ability to successfully meet the expectations of scheme members and regulators. Setting a budget, which has a clear and prudent process for in year changes, to be met from the pension fund based on a clear business plan provides a greater degree of both certainty of delivery as well as the flexibility to quickly adapt to shifting priorities and resource requirements.

More focused K&U requirements for committee members

Clear focus of committee responsibilities at the strategic level would enable the K&U requirements for committee members to also be set at that level. This would focus training requirements on a smaller number of high-level areas avoiding the need for committee members to commit significant time to gaining knowledge of detailed subject areas thereby making it more attractive and easier for new members to meet K&U requirements and for existing members to maintain the necessary knowledge as the scheme develops in the future.

Reduced exposure to legal challenge

Delegating potentially contentious implementation decisions, especially those in relation to investment, to officers would minimise the risk that third parties could seek to challenge the political nature of such decisions. For this to be effective however the committee would need to be careful to set the Investment Strategy at a sufficiently high level to avoid the accusation that officer decisions have been fettered to the extent that they are forced into making what are effectively political or moral decisions. For example, if an Investment Strategy set a target for equities which contained detailed exclusions in respect of the nature of companies or territories which should be avoided.

Full delegation to officers (the Cheshire and Southwark model)

Under this option the LGPS function would be delegated in full to a senior officer. As with Cheshire and Southwark a Pension Fund Committee could be retained in an advisory capacity (under Section 102(4) of the 1972 Act). The committee would also, assisted by the pension board, have a role in monitoring the delivery of the function and its compliance with regulation and guidance.

This option would include the advantages set out in the greater delegation option above but would provide a further reduction in the risk of legal challenge as there would not be the potential for detailed strategies fettering the decisions of the delegated officer.

Combined committee and pension board

Use of either of the above options would more easily enable SCC to consider the adoption of a combined committee and pension board as such a body would be either partly or entirely advisory/monitoring in nature. This would provide a more streamlined governance structure reducing the time required from members (particularly where there is duplication of membership) and the support required from officers and may be a more attractive body for employers and scheme members.

Accountability and oversight considerations

Although the above options would by default place an increased level of decision making with officers it should be remembered that making use of the delegation powers under Section 101 of the 1972 Act does not remove the accountability for or the ability to override such decisions from the authority as a whole. Section 101(4) of the 1972 Acts is clear that:

[Any arrangements made by a local authority or committee under this section for the discharge of any functions by a committee, sub-committee, officer or local authority shall not prevent the authority or committee by whom the arrangements are made from exercising those functions.](#)

Therefore, elected members of the authority can be confident that they can continue to ultimately provide the necessary level of oversight of the function and the necessary level of accountability for the function to local taxpayers, scheme members, employers and regulators.

Options under new or amended legislation

Given the limited potential for the time and appetite of a government for amendments to primary legislation the options below are restricted to existing powers to make or amend secondary legislation (regulations).

Amend the 2013 Regulations

This option would seek to add to Part 3 of the 2013 regulations regarding the manner in which they exercise the LGPS function. The purpose of the amendments would be to place new duties on the LGPS authority. These duties would seek to ensure that the necessary resources and plans are in place to properly exercise the function and that all decisions made in relation to the function are as free of conflict as is possible either by delegating those decisions or by showing that those decisions followed the interests of scheme members and employers.

For example, the 2013 regulations could be amended to introduce a new regulation 105A as follows:

Duties of an administering authority

105A (1) In exercising the provisions of these and related regulations an administering authority must take account of its duties under paragraph (2)

(2) An administering authority shall:

- a) Publish a properly costed and budgeted business plan for the proper exercise of the provisions of these and related regulations, and*
- b) Either*
 - i. Delegate all decisions relating to these and related regulations except for those relating to paragraph 7 of The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (Investment Strategy) and to officers apart from setting strategic plans for investment and funding, or*
 - ii. Publish the policies and procedures it has in place to ensure that all investment and funding decisions are made in the best interest of scheme members and employers.*

Amending the regulations in this way could replicate many of the advantages in the previous options while preventing a future administration of SCC furthering an agenda for the pension fund and function which may reverse those advantages.

The disadvantage of this option is that it would apply to all LGPS authorities equally and therefore may not gain their agreement through consultation for a number of different reasons.

Make use of Section 9BA of the 2011 Act

Provisions of the section

The purpose of this option would be to provide the ability for SCC to apply to the Secretary of State for permission to use governance arrangements which are beyond those contained in existing legislation in order to create even further distance between the exercise of the LGPS function those of the council's other statutory functions, thereby further reducing the potential for any conflict.

Section 9BA enables the Secretary of State to:

..by regulations make provision prescribing arrangements that local authorities may operate for and in connection with the discharge of their functions

Furthermore, it provides that:

A local authority may propose to the Secretary of State that the Secretary of State make regulations prescribing arrangements specified in the proposal..

Providing that such proposals are an improvement on current arrangements, would ensure decisions are efficient, transparent and accountable and that they would be appropriate for either all authorities or any particular description of authority.

A possible proposal under the section

SCC could propose that the Secretary of State make regulations to allow LGPS administering authorities to make use of the arrangements prescribed in those regulations.

Such arrangements could include a new definition of a decision-making body (committee or otherwise) the constitution of and members of which are closer in nature to the trustee model including the obligation to act solely in the interests of scheme members and employers.

The advantage of this option over amending the 2013 regulations would be to provide for other LGPS authorities to make use of the proposed arrangements only if they wish to do so rather than placing the same obligation on all.

Request the creation of a Single Purpose Combined Authority

The 2009 Act and the 2023 LU Act include powers to set up Combined Authorities (CAs) and Combined County Authorities (CCAs) across and within existing council boundaries. These authorities are created, and functions and assets transferred by regulation or by order of the SoS and require the consent of all of the councils involved in the creation and included in the boundaries of the new authority.

As yet, no single purpose LGPS CA or CCA has been created under the 2009 Act or the 2023 LU Act, however the South Yorkshire Pensions Authority (SYPA) - created in 1986 after the abolition of the metropolitan counties is a good example of one created under earlier legislation. SYPA is a single purpose local authority governed by a committee with representatives from all of the councils within its boundary and created with the sole purpose of managing and administering the LGPS function and fund of the previous South Yorkshire County Council.

A possible proposal under the section

An LGPS CA or CCA, which could become the LGPS administering authority, could leverage its single purpose status to be able to focus all of its time, resources and planning into that function without the potential for conflict with other functions and priorities while still retaining overall control by elected members.

Such a structure could provide the opportunity for the SCC pension fund to discuss mutually beneficial merger options with other LGPS pension funds potentially pre-empting any mandating of consolidation by the new government.

Next steps

This draft has been provided to SCC for consideration. The next stage would be for SCC officers to digest the contents of this report then to agree the form in which it shall, if appropriate, be presented to senior management and/or committee.

The final version shall include an Executive Summary based on the discussions referred to above together with a contents page.



Jeff Houston,
Principal and Senior Public Sector Consultant

ANNEX – Relevant Legislative extracts

The LGPS Function

Public Service Pensions Act 2013

1 Schemes for persons in public service

(1) Regulations may establish schemes for the payment of pensions and other benefits to or in respect of persons specified in subsection (2).

(2) Those persons are—

.....

(c) local government workers for England, Wales and Scotland;

.....

(3) These terms are defined in Schedule 1.

(4) In this Act, regulations under this section are called “scheme regulations”.

4 Scheme manager

(1) Scheme regulations for a scheme under section 1 must provide for a person to be responsible for managing or administering—

(a) the scheme, and

(b) any statutory pension scheme that is connected with it.

(2) In this Act, that person is called the “scheme manager” for the scheme (or schemes).

(3) The scheme manager may in particular be the responsible authority.

(4) Subsection (1) does not apply to a scheme under section 1 which is an injury or compensation scheme.

(5) Scheme regulations may comply with the requirement in subsection (1)(a) or (b) by providing for different persons to be responsible for managing or administering different parts of a scheme (and references in this Act to the "scheme manager", in such a case, are to be construed accordingly).

(6) For the purposes of this Act, a scheme under section 1 and another statutory pension scheme are connected if and to the extent that the schemes make provision in relation to persons of the same description.

(7) Scheme regulations may specify exceptions to subsection (6).

LGPS Regulations 2013

53. Scheme managers

53. -(1) The bodies listed in Part 1 of Schedule 3, referred to in these Regulations as "administering authorities", must maintain a pension fund for the Scheme.

(2) An administering authority is responsible for managing and administering the Scheme in relation to any person for which it is the appropriate administering authority under these Regulations.

(3) The appropriate administering authority in relation to a person who is or has been a member of the Scheme, or is entitled to any benefit in respect of a person who is or has been a member of the Scheme, is the authority specified in Part 2 of Schedule 3 in relation to that person.

Schedule 3 Part 1

1. The following bodies are required to maintain a pension fund and are administering authorities for the purposes of these Regulations-

(a) a county council in England;

.....

LGPS Investment regs 2016

2.—(1) In these Regulations—

“authority” means an administering authority listed in Part 1 of Schedule 3 to the 2013 Regulations;

Local Government Legislation Discharge of Functions

LG Act 1972

101 Arrangements for discharge of functions by local authorities.

(1) Subject to any express provision contained in this Act or any Act passed after this Act, a local authority may arrange for the discharge of any of their functions—

(a) by a committee, a sub-committee or an officer of the authority; or

(b) by any other local authority.

(1A) A local authority may not under subsection (1)(b) above arrange for the discharge of any of their functions by another local authority if, or to the extent that, that function is also a function of the other local authority and is the responsibility of the other authority’s executive.

(1B) Arrangements made under subsection (1)(b) above by a local authority (“the first authority”) with respect to the discharge of any of their functions shall cease to have effect with respect to that function if, or to the extent that,—

(a) the first authority are operating or begin to operate executive arrangements, and that function becomes the responsibility of the executive of that authority; or

(b) the authority with whom the arrangements are made (“the second authority”) are operating or begin to operate executive arrangements, that function is also a function of the second authority and that function becomes the responsibility of the second authority’s executive.

(1C) Subsections (1A) and (1B) above do not affect arrangements made by virtue of section 19 of the Local Government Act 2000 (discharge of functions of and by another authority).

(1D) A combined authority may not arrange for the discharge of any functions under subsection (1) if, or to the extent that, the function is a mayoral function of a mayor for the area of the authority.

(1E) “Mayoral function” has the meaning given by section 107G(7) of the Local Democracy, Economic Development and Construction Act 2009.

(2) Where by virtue of this section any functions of a local authority may be discharged by a committee of theirs, then, unless the local authority otherwise direct, the committee may arrange for the discharge of any of those functions by a sub-committee or an officer of the authority and where by virtue of this section any functions of a local authority may be discharged by a sub-committee of the authority, then, unless the local authority or the committee otherwise direct, the sub-committee may arrange for the discharge of any of those functions by an officer of the authority.

(3) Where arrangements are in force under this section for the discharge of any functions of a local authority by another local authority, then, subject to the terms of the arrangements, that other authority may arrange for the discharge of those functions by a committee, sub-committee or officer of theirs and subsection (2) above shall apply in relation to those functions as it applies in relation to the functions of that other authority.

(4) Any arrangements made by a local authority or committee under this section for the discharge of any functions by a committee, sub-committee, officer or local authority shall not prevent the authority or committee by whom the arrangements are made from exercising those functions.

(5) Two or more local authorities may discharge any of their functions jointly and, where arrangements are in force for them to do so,—

(a) they may also arrange for the discharge of those functions by a joint committee of theirs or by an officer of one of them and subsection (2) above shall apply in relation to those functions as it applies in relation to the functions of the individual authorities; and

(b) any enactment relating to those functions or the authorities by whom or the areas in respect of which they are to be discharged shall have effect subject to all necessary modifications in its application in relation to those functions and the authorities by whom and the areas in respect of which (whether in pursuance of the arrangements or otherwise) they are to be discharged.

(5A) Arrangements made under subsection (5) above by two or more local authorities with respect to the discharge of any of their functions shall cease to have effect with respect to that function if, or to the extent that, the function becomes the responsibility of an executive of any of the authorities.

(5B) Subsection (5A) above does not affect arrangements made by virtue of section 20 of the Local Government Act 2000 (joint exercise of functions).

(5C) Arrangements under subsection (5) by two or more local authorities with respect to the discharge of any of their functions cease to have effect with respect to that function if, or to the extent that, the function becomes a general function of a mayor for the area of a combined authority.

(5D) Subsection (5C) does not prevent arrangements under subsection (5) being entered into in respect of that function by virtue of section 107E of the Local Democracy, Economic Development and Construction Act 2009 (joint exercise of general functions).

(5E) In subsection (5C), "general functions" has the meaning given in section 107D(2) of that Act.

(6) A local authority's functions with respect to levying, or issuing a precept for, a rate shall be discharged only by the authority.

(6A) Community Infrastructure Levy under Part 11 of the Planning Act 2008 is not a rate for the purposes of subsection (6).

(7)

(7A)

(8) Any enactment, except one mentioned in subsection (9) below, which contains any provision—

(a) which empowers or requires local authorities or any class of local authorities to establish committees (including joint committees) for any purpose or enables a Minister to make an instrument establishing committees of local authorities for any purpose or empowering or requiring a local authority or any class of local authorities to establish committees for any purpose; or

(b) which empowers or requires local authorities or any class of local authorities to arrange or to join with other authorities in arranging for the exercise by committees so established or by officers of theirs of any of their functions, or provides that any specified functions of theirs shall be discharged by such committees or officers, or enables any Minister to make an instrument conferring such a power, imposing such a requirement or containing such a provision; shall, to the extent that it makes any such provision, cease to have effect.

(9) The following enactments, that is to say—

(a)

(b)

(c)

(d)

(e)

(f)

(g)

(h)are exempted from subsection (8) above.

(10) This section shall not authorise a local authority to arrange for the discharge by any committee, sub-committee or local authority of any functions which by any enactment mentioned in subsection (9) above are required or authorised to be discharged by a specified committee, but the foregoing provision shall not prevent a local authority who are required by or under any such enactment to establish, or delegate functions to, a committee established by or under any such enactment from arranging under this section for the discharge of their functions by an officer of the local authority or committee, as the case may be.

(11).

(12) References in this section and section 102 below to the discharge of any of the functions of a local authority include references to the doing of anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of those functions.

(13) In this Part of this Act "local authority" includes the Common Council, the Sub-Treasurer of the Inner Temple, the Under Treasurer of the Middle Temple, any joint authority, an economic prosperity board, a combined authority, sub-national transport body, a joint board on which a local authority within the meaning of this Act or any of the foregoing authorities are represented and, without prejudice to the foregoing, any port health authority.

(13A) In this section "local authority" includes the London Fire Commissioner; but nothing in this section authorises functions of the Commissioner to be discharged by a committee or sub-committee of the Commissioner.

(14) Nothing in this section affects the operation of section 5 of the 1963 Act or the M1Local Authorities (Goods and Services) Act 1970.

(15) Nothing in this section applies in relation to any function under the Licensing Act 2003 of a licensing authority (within the meaning of that Act).]

102 Appointment of committees.

(1) For the purpose of discharging any functions in pursuance of arrangements made under section 101 above or section 53 of the Children Act 1989—

- (a) a local authority may appoint a committee of the authority; or
- (b) two or more local authorities may appoint a joint committee of those authorities; or
- (c) any such committee may appoint one or more sub-committees.

(1A) For the purpose of discharging any function in pursuance of arrangements made under section 9E(2)(b)(iv), (3)(b), (4)(a) or (5)(a)] of the Local Government Act 2000 or under regulations made under section 18 of that Act (discharge of functions by area committees)—

(a) a local authority may appoint a committee of the authority; or

(b) any such committee may appoint one or more sub-committees.]

(2) Subject to the provisions of this section, the number of members of a committee appointed under subsection (1) or (1A) above, their term of office, and the area (if restricted) within which the committee are to exercise their authority shall be fixed by the appointing authority or authorities or, in the case of a sub-committee, by the appointing committee.

(3) A committee appointed under subsection (1) or (1A) above, other than a committee for regulating and controlling the finance of the local authority or of their area, may, subject to section 104 below, include persons who are not members of the appointing authority or authorities or, in the case of a sub-committee, the authority or authorities of whom they are a sub-committee.

(4) A local authority may appoint a committee, and two or more local authorities may join in appointing a committee, to advise the appointing authority or authorities or, where the appointing authority or each of the authorities operate executive arrangements, any executive of that or those authorities, or a committee or member of that executive, on any matter relating to the discharge of their functions, and any such committee—

(a) may consist of such persons (whether members of the appointing authority or authorities or not) appointed for such term as may be determined by the appointing authority or authorities; and

(b) may appoint one or more sub-committees to advise the committee with respect to any such matter.

(5) Every member of a committee appointed under this section who at the time of his appointment was a member of the appointing authority or one of the appointing authorities shall upon ceasing to be a member of that authority also cease to be a member of the committee; but for the purposes of this section a member of a local authority shall not be deemed to have ceased to be a member of the authority by reason of retirement if he has been re-elected a member thereof not later than the day of his retirement.

(6) Subsection (7) applies in relation to—

(a) a committee or sub-committee appointed by a local authority in England wholly or partly for the purposes of discharging functions of a fire and rescue authority,

(b) a joint committee appointed by two or more local authorities in England wholly or partly for the purposes of discharging such functions, or

(c) a sub-committee appointed by any such committee or joint committee wholly or partly for the purposes of discharging such functions.

(7) A relevant police and crime commissioner may only be appointed to a committee or sub-committee to which this subsection applies in response to a request made by the commissioner to the appointing authority or authorities or, in the case of a sub-committee, to the appointing committee.

(8) If a request under subsection (7) is made to an appointing authority or authorities or an appointing committee, they must—

(a) consider the request,

(b) give reasons for their decision to agree to or refuse the request, and

(c) publish those reasons in such manner as they think appropriate.

(9) A relevant police and crime commissioner may attend, speak at and vote at a meeting of a committee to which the commissioner is appointed in accordance with this section only if and to the extent that the business of the meeting relates to the functions of a fire and rescue authority.

(10) Subsection (11) defines “relevant police and crime commissioner” for the purposes of this section in relation to—

(a) a committee or sub-committee appointed by a local authority,

(b) a joint committee appointed by two or more local authorities, or

(c) a sub-committee appointed by a committee of a local authority or a joint committee of two or more local authorities.

(11) For those purposes “relevant police and crime commissioner” means a police and crime commissioner—

(a) whose area is the same as, or contains all of, the area of that local authority or (as the case may be) one or more of those local authorities, or

(b) all or part of whose area falls within the area of that local authority or (as the case may be) one or more of those local authorities.]

LG&H Act 1989

13 Voting rights of members of certain committees: England and Wales.

(1) Subject to the following provisions of this section, a person who—

(a) is a member of a committee appointed under a power to which this section applies by a relevant authority and is not a member of that authority;

(b) is a member of a joint committee appointed under such a power by two or more relevant authorities and is not a member of any of those authorities; or

(c) is a member of a sub-committee appointed under such a power by such a committee as is mentioned in paragraph (a) or (b) above and is not a member of the relevant authority, or one of the relevant authorities, which appointed that committee, shall for all purposes be treated as a non-voting member of that committee, joint committee or, as the case may be, sub-committee.

(2) The powers to which this section applies are—

(a) the powers conferred on any relevant authority by subsection (1) of section 102 of the Local Government Act 1972 (ordinary committees, joint committees and sub-committees);

(b).....

c).....

(3) Nothing in subsection (1) above shall require a person to be treated as a non-voting member of a committee or sub-committee falling within subsection (4) below; but, except—

- (a) in the case of a sub-committee appointed by a committee falling within paragraph (e) of that subsection; and
 - (b) in such cases as may be prescribed by regulations made by the Secretary of State, a person who is a member of a sub-committee falling within that subsection shall for all purposes be treated as a non-voting member of that sub-committee unless he is a member of the committee which appointed the sub-committee.
- (4) A committee or sub-committee falls within this subsection if it is—
- (a)
 - (b)
 - (c) a committee established in accordance with any regulations made by virtue of section 7 of the Superannuation Act 1972 (regulations making provision for the superannuation of persons employed in local government service etc.);
 - (d)
 - (e) a committee appointed under section 102(4) of the Local Government Act 1972 (appointment of advisory committees by local authorities);
 - (f) a committee constituted in accordance with [F6Part I of Schedule 33 to the Education Act 1996 (constitution of appeal committees for admission appeals etc.)];
 - (fa) an inshore fisheries and conservation authority for a district established under section 149 of the Marine and Coastal Access Act 2009;]
 - (fb) a committee of a relevant authority which is the scheme manager (or scheme manager and pension board) of a scheme under section 1 of the Public Service Pensions Act 2013;]
 - (g) a committee established exclusively for the purpose of discharging such functions of a relevant authority as may be prescribed by regulations made by the Secretary of State;

(h) a sub-committee appointed by a committee falling within any of [F9paragraphs (b) to (g)] above or such a sub-committee as is so prescribed.

(5) Nothing in this section shall prevent the appointment of a person who is not a member of a local authority as a voting member of—

(a) any committee or sub-committee appointed by the local authority wholly or partly for the purpose of discharging any education functions of the authority,

(b) any joint committee appointed by two or more local authorities wholly or partly for the purpose of discharging any education functions of the authorities, or

(c) any sub-committee appointed by any such committee or joint committee wholly or partly for the purpose of discharging any of that committee's functions with respect to education, where that appointment is required either by directions given by the Secretary of State under section 499 of the Education Act 1996 (power of Secretary of State to direct appointment of members of committees) or pursuant to regulations under subsection (6) of that section.

(5ZA) Nothing in this section shall prevent the appointment of a police and crime commissioner as a voting member of—

(a) any committee or sub-committee appointed by a local authority in England wholly or partly for the purposes of discharging functions of a fire and rescue authority,

(b) any joint committee appointed by two or more local authorities in England wholly or partly for the purposes of discharging such functions, or

(c) any sub-committee appointed by any such committee or joint committee wholly or partly for the purposes of discharging such functions.

(5ZB) In subsection (5ZA) "local authority" does not include—

(a) a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies,

(b) a joint authority which is a metropolitan county fire and rescue authority, or

(c) the London Fire Commissioner.

(5A) Nothing in this section shall prevent the appointment of a council manager of a local authority, or one other officer of that local authority in his place, as a voting member of a joint committee, or a sub-committee of such a committee, where—

(a) that local authority have a mayor and council manager executive and

(b) the joint committee or the sub-committee has been appointed for the purpose of discharging functions which, as respects that local authority, are the responsibility of that executive.

(6) The Secretary of State may, if it appears to him appropriate to do so in consequence of the preceding provisions of this section, withdraw any approval given before the coming into force of this section in relation to any arrangements for the purposes of paragraph 1 of Part II of Schedule 1 to the said Act of 1944.

(7) Where a person is treated by virtue of this section as a non-voting member of any committee, joint committee or sub-committee, he shall not be entitled to vote at any meeting of the committee, joint committee or sub-committee on any question which falls to be decided at that meeting; and the reference in subsection (5) above to a voting member, in relation to any committee, joint committee or sub-committee appointed for the purpose mentioned in that subsection, is a reference to a person who is entitled to vote at any meeting of that committee or sub-committee on any question which falls to be decided at that meeting.

(8) In subsection (3) of section 102 of the Local Government Act 1972, the words from “but at least” onwards (which require at least two-thirds of certain committees to be members of the appointing authority or authorities) shall be omitted.

(9) In this section—

“council manager”, “executive” and “mayor and council manager executive” have the same meaning as in Part II of the Local Government Act 2000 (arrangements with respect to executives etc.);

“education functions” has the meaning given by section 579(1) of the Education Act 1996; and

“relevant authority” means a local authority of any of the descriptions specified in paragraphs (a) to (f), (h) to (jc)] or (n) of section 21(1) below or any parish or community council;

and references in this section to voting include references to making use of a casting vote.

15 Duty to allocate seats to political groups.

(1) It shall be the duty of a relevant authority having power from time to time to make appointments to a body to which this section applies to review the representation of different political groups on that body—

(a) where the members of the authority are divided into different political groups at the time when this section comes into force, as soon as practicable after that time;

(b) where the authority hold annual meetings in pursuance of paragraph 1 of Part I of Schedule 12 to the Local Government Act 1972 (annual meeting of principal councils) and the members of the authority are divided into different political groups at the time of any such meeting, at or as soon as practicable after the meeting;

(c) where, at the time of the meeting required by paragraph 1 of Schedule 7 to the Local Government (Scotland) Act 1973 to be held in an election year within twenty-one days of the election, the members of the authority are divided into different political groups, at or as soon as practicable after the meeting;

(d) as soon as practicable after any such division as is mentioned in paragraphs (a) to (c) above occurs; and

(e) at such other times as may be prescribed by regulations made by the Secretary of State.

(2) Except in such cases as may be prescribed by regulations made by the Secretary of State, it shall be the duty of every committee of a relevant authority which is a committee having power from time to time to make appointments to a body to which this section applies to review the representation of different political groups on that body—

(a) where the members of the authority are divided into different political groups at the time when this section comes into force, as soon as practicable after that time; and

(b) as soon as practicable after any occasion on which the members of the committee are changed in consequence of a determination under this section.

(3) Where at any time the representation of different political groups on a body to which this section applies falls to be reviewed under this section by any relevant authority or committee of a relevant authority, it shall be the duty of that authority or committee, as soon as practicable after the review, to determine the allocation to the different political groups into which the members of the authority are divided of all the seats which fall to be filled by appointments made from time to time by that authority or committee.

(4) Subject to subsection (6) below, it shall be the duty of a relevant authority or committee of a relevant authority—

(a) in performing their duty under subsection (3) above; and

(b) in exercising their power, at times not mentioned in subsection (3) above, to determine the allocation to different political groups of seats on a body to which this section applies, to make only such determinations as give effect, so far as reasonably practicable, to the principles specified in subsection (5) below.

(5) The principles mentioned in subsection (4) above, in relation to the seats on any body which fall to be filled by appointments made by any relevant authority or committee of a relevant authority, are—

(a) that not all the seats on the body are allocated to the same political group;

(b) that the majority of the seats on the body is allocated to a particular political group if the number of persons belonging to that group is a majority of the authority's membership;

(c) subject to paragraphs (a) and (b) above, that the number of seats on the ordinary committees of a relevant authority which are allocated to each political group bears the same proportion to the total of all the seats on the ordinary committees of that authority as is borne by the number of members of that group to the membership of the authority; and

(d) subject to paragraphs (a) to (c) above, that the number of the seats on the body which are allocated to each political group bears the same proportion to the number of all the seats on that body as is borne by the number of members of that group to the membership of the authority.

(6) Where any relevant authority or committee of a relevant authority are required, in determining the allocation to different political groups of seats on a body to which this section applies, to give effect to the principles specified in subsection (5) above—

(a) any seats which, in accordance—

(i) with provision made by virtue of subsection (5) of section 13 above; or

(ii) with subsection (6) of section 14 above, are to be or may be filled by the appointment of persons who are not members of the authority shall be taken into account for the purpose of determining how many seats constitute a majority of the seats on a body mentioned in either of those subsections; but

(b) that authority or committee shall, in making that determination, disregard for all other purposes any seats which, in accordance with any such provision, the said subsection (6) or otherwise, are to be or may be so filled; and for the purposes of this subsection a seat on an advisory committee of a relevant authority or on a sub-committee appointed by such an advisory committee shall not be treated as one which may be so filled unless the authority have determined that it must be so filled.

(7) Schedule 1 to this Act shall have effect for determining the bodies to which this section applies and for the construction of this section and sections 16 and 17 below.

17 Exceptions to and extensions of political balance requirements.

(1) Subject to subsection (2) below, sections 15 and 16 above shall not apply in relation to appointments by a relevant authority or committee of a relevant authority to any body in so far as different provision is made by arrangements approved by the authority or committee—

(a) in such manner as may be prescribed by regulations made by the Secretary of State; and

(b) without any member of the authority or committee voting against them.

(2) Arrangements approved under subsection (1) above in relation to any body shall not affect any duty imposed by virtue of section 15(1)(c), (d) or (e) or (2) above on a relevant authority or committee to review the representation of different political groups on that body; and, accordingly, such arrangements shall cease to have effect when any such duty arises.

(3) The Secretary of State may, for the purpose of securing what appears to him to be the appropriate representation of different political groups on any sub-committee falling within subsection (4) below, by regulations make such provision as he thinks fit.

(4) The sub-committees that fall within this subsection are those to which appointments may be made by bodies to which section 15 above applies but which are not themselves such bodies.

(5) Without prejudice to the generality of subsection (3) above, regulations under that subsection may contain provision applying, with or without modifications, any provision made by or under section 15 or 16 above, subsections (1) and (2) above or Schedule 1 to this Act.

LG Act 1999

16 Power of Secretary of State to modify enactments and confer new powers.

(1) If the Secretary of State thinks that an enactment prevents or obstructs compliance by best value authorities with the requirements of this Part he may by order make provision modifying or excluding the application of the enactment in relation to—

- (a) all best value authorities,
- (b) particular best value authorities, or
- (c) particular descriptions of best value authority.

(2) The Secretary of State may by order make provision conferring on—

- (a) all best value authorities,
- (b) particular best value authorities, or
- (c) particular descriptions of best value authority which he considers necessary or expedient to permit or facilitate compliance with the requirements of this Part.

(3) An order under this section may—

- (a) impose conditions on the exercise of any power conferred by the order (including conditions about consultation or approval);
- (b) amend an enactment;
- (c) include consequential, incidental and transitional provision;
- (d) make different provision for different cases.

(3A) The power under subsection (3)(d) includes, in particular, power to make different provision in relation to different authorities or descriptions of authority.

(3B) In exercising a power under this section, the Secretary of State must not make provision which has effect in relation to Wales unless he has consulted the Welsh Ministers.

(3C) In exercising a power under this section, the Secretary of State—

(a) must not make provision amending, or modifying or excluding the application of, Measures or Acts of the National Assembly for Wales without the consent of the National Assembly for Wales;

(b) must not make provision amending, or modifying or excluding the application of, subordinate legislation made by the Welsh Ministers (or the National Assembly for Wales established under the Government of Wales Act 1998) without the consent of the Welsh Ministers.

(3D) Subsection (3C) does not apply to the extent that the Secretary of State is making incidental or consequential provision.

(4) Subject to subsection (4A), no order shall be made under this section unless a draft has been laid before, and approved by resolution of, each House of Parliament.

(4A) An order under this section which is made only for the purpose of amending an earlier order under this section—

(a) so as to extend the earlier order, or any provision of the earlier order, to a particular authority or to authorities of a particular description, or

(b) so that the earlier order, or any provision of the earlier order, ceases to apply to a particular authority or to authorities of a particular description, shall be subject to annulment in pursuance of a resolution of either House of Parliament.

(5) In exercising a power conferred under subsection (2) a best value authority shall have regard to any guidance issued by the Secretary of State.

(6) In this section—

(a) “enactment” includes subordinate legislation (within the meaning of section 21 of the Interpretation Act 1978);

(b).....

Localism Act 2011

1. Local authority’s general power of competence

(1) A local authority has power to do anything that individuals generally may do.

(2) Subsection (1) applies to things that an individual may do even though they are in nature, extent or otherwise—

(a) unlike anything the authority may do apart from subsection (1), or

(b) unlike anything that other public bodies may do.

(3) In this section “individual” means an individual with full capacity.

(4) Where subsection (1) confers power on the authority to do something, it confers power (subject to sections 2 to 4) to do it in any way whatever, including—

(a) power to do it anywhere in the United Kingdom or elsewhere,

(b) power to do it for a commercial purpose or otherwise for a charge, or without charge, and

(c) power to do it for, or otherwise than for, the benefit of the authority, its area or persons resident or present in its area.

(5) The generality of the power conferred by subsection (1) (“the general power”) is not limited by the existence of any other power of the authority which (to any extent) overlaps the general power.

(6) Any such other power is not limited by the existence of the general power (but see section 5(2)).

(7) Schedule 1 (consequential amendments) has effect.

2 Boundaries of the general power

(1) If exercise of a pre-commencement power of a local authority is subject to restrictions, those restrictions apply also to exercise of the general power so far as it is overlapped by the pre-commencement power.

(2) The general power does not enable a local authority to do—

(a) anything which the authority is unable to do by virtue of a pre-commencement limitation, or

(b) anything which the authority is unable to do by virtue of a post-commencement limitation which is expressed to apply—

(i) to the general power,

(ii) to all of the authority’s powers, or

(iii) to all of the authority’s powers but with exceptions that do not include the general power.

(3) The general power does not confer power to—

(a) make or alter arrangements of a kind which may be made under Part 6 of the Local Government Act 1972 (arrangements for discharge of authority’s functions by committees, joint committees, officers etc);

(b) make or alter arrangements of a kind which are made, or may be made, by or under Part 1A of the Local Government Act 2000 (arrangements for local authority governance in England);

(c) make or alter any contracting-out arrangements, or other arrangements within neither of paragraphs (a) and (b), that authorise a person to exercise a function of a local authority.

(4) In this section—

“post-commencement limitation” means a prohibition, restriction or other limitation expressly imposed by a statutory provision that—

(a) is contained in an Act passed after the end of the Session in which this Act is passed, or

(b) is contained in an instrument made under an Act and comes into force on or after the commencement of section 1;

“pre-commencement limitation” means a prohibition, restriction or other limitation expressly imposed by a statutory provision that—

(a) is contained in this Act, or in any other Act passed no later than the end of the Session in which this Act is passed, or

(b) is contained in an instrument made under an Act and comes into force before the commencement of section 1;

“pre-commencement power” means power conferred by a statutory provision that—

(a) is contained in this Act, or in any other Act passed no later than the end of the Session in which this Act is passed, or

(b) is contained in an instrument made under an Act and comes into force before the commencement of section 1.

Sch 2

9B Permitted forms of governance for local authorities in England

(1) A local authority must operate—

(a) executive arrangements,

(b) a committee system, or

(c) prescribed arrangements.

(2) Executive arrangements must conform with any provisions made by or under this Part which relate to such arrangements (see, in particular, Chapter 2).

(3) A committee system must conform with any provisions made by or under this Part which relate to such a system (see, in particular, Chapter 3).

(4) In this Part—

“a committee system” means the arrangements made by a local authority, which does not operate executive arrangements or prescribed arrangements, for or in connection with the discharge of its functions in accordance with—

(a) Part 6 of the Local Government Act 1972, and

(b) this Part;

“executive arrangements” means arrangements by a local authority—

(a) for and in connection with the creation and operation of an executive of the authority, and

(b) under which certain functions of the authority are the responsibility of the executive;

“prescribed arrangements” means such arrangements as may be prescribed in regulations made by the Secretary of State under section 9BA.

9BA Power of Secretary of State to prescribe additional permitted governance arrangements

(1) The Secretary of State may by regulations make provision prescribing arrangements that local authorities may operate for and in connection with the discharge of their functions.

(2) In particular, the regulations—

(a) must include provision about how, and by whom, the functions of a local authority are to be discharged, and

(b) may include provision enabling functions to be delegated.

(3) Regulations under this section may, in particular, include provision which applies or reproduces (with or without modifications) any provisions of, or any provision made under, Chapters 2 to 4 of this Part.

(4) In considering whether or how to exercise the power in this section, the Secretary of State must have regard to any proposals made under subsection (5).

(5) A local authority may propose to the Secretary of State that the Secretary of State make regulations prescribing arrangements specified in the proposal if the authority considers that the conditions in subsection (6) are met.

(6) The conditions are—

(a) that the operation by the authority of the proposed arrangements would be an improvement on the arrangements which the authority has in place for the discharge of its functions at the time that the proposal is made to the Secretary of State,

(b) that the operation by the authority of the proposed arrangements would be likely to ensure that the decisions of the authority are taken in an efficient, transparent and accountable way, and

(c) that the arrangements, if prescribed under this section, would be appropriate for all local authorities, or for any particular description of local authority, to consider.

(7) A proposal under subsection (5)—

(a) must describe the provision which the authority considers should be made under subsection (2) in relation to the proposed arrangements, and

(b) explain why the conditions in subsection (6) are met in relation to the proposed arrangements.

Power to create a Combined Authority or Combined County Authority

2009 Act

103 Combined authorities and their areas

- (1) The Secretary of State may by order establish as a body corporate a combined authority for an area that meets the following conditions.
- (2) Condition A is that the area consists of the whole of two or more local government areas in England.
- (5) Condition D is that no part of the area forms part of—
 - (a) the area of another combined authority,
 - (aa) the area of a combined county authority,][rogue square bracket?]
 - (b) the area of an EPB, or
 - (c) an integrated transport area.
- (7) An order under this section must specify the name by which the combined authority is to be known.

2023 Act

9 Combined county authorities and their areas

- (1) The Secretary of State may by regulations establish as a body corporate a combined county authority (a “CCA”) for an area that meets the following conditions.
- (2) Condition A is that the area is wholly within England and consists of—
 - (a) the whole of the area of a two-tier county council, and
 - (b) the whole of one or more of—
 - (i) the area of a two-tier county council,

(ii) the area of a unitary county council, or

(iii) the area of a unitary district council.

(3) Condition B is that no part of the area forms part of—

(a) the area of another CCA,

(b) the area of a combined authority, or

(c) the integrated transport area of an Integrated Transport Authority.

(4) Regulations under subsection (1) must specify the name by which the CCA is to be known.

Power to transfer functions assets and liabilities to CAs or CCAs

2009 Act

105A Other public authority functions

(1) The Secretary of State may by order—

(a) make provision for a function of a public authority that is exercisable in relation to a combined authority's area to be a function of the combined authority;

(b) make provision for conferring on a combined authority in relation to its area a function corresponding to a function that a public authority has in relation to another area.

115 Transfer of property, rights and liabilities

(1) The Secretary of State may by order make provision for the transfer of property, rights and liabilities [F1(including criminal liabilities)] for the purposes of, or in consequence of, an order under this Part or for giving full effect to such an order.

(2) Property, rights and liabilities may be transferred by—

- (a) the order,
- (b) a scheme made by the Secretary of State under the order, or
- (c) a scheme required to be made under the order by a person other than the Secretary of State.

2023 Act

19 Other public authority functions

(1) The Secretary of State may by regulations—

- (a) make provision for a function of a public authority that is exercisable in relation to a CCA's area to be a function of the CCA;
- (b) make provision for conferring on a CCA in relation to its area a function corresponding to a function that a public authority has in relation to another area.

54 Transfer of property, rights and liabilities

(1) The Secretary of State may by regulations make provision for the transfer of property, rights and liabilities (including criminal liabilities) for the purposes of, or in consequence of, regulations under this Chapter or for giving full effect to such regulations.

(2) Property, rights and liabilities may be transferred by—

- (a) the regulations,
- (b) scheme made by the Secretary of State under the regulations, or
- (c) a scheme required to be made under the regulations by a person other than the Secretary of State.

Internal Audit Report

Surrey Pension Fund Governance Arrangements

Final Report

Assignment Lead: Elaine Laycock, Principal Auditor
Assignment Manager: David John, Audit Manager
Prepared for: Surrey County Council
Date: April 2023

Report Distribution List

Draft Report Distribution List

Neil Mason - Assistant Director & LGPS Senior Officer.

Adele Seex - Governance Manager (LGPS).

Final Report Distribution List

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This audit report is written for the officers named in the distribution list. If you would like to share it with anyone else, please consult the Chief Internal Auditor.

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1. Introduction

- 1.1. Surrey County Council (the Council) is the designated statutory administering authority for the Surrey Pension Fund (the Fund). As of 31 March 2022, the fund comprised of 327 scheme employers with circa 114k members of which circa 41k are active, and 43k deferred. The remaining 30k members are comprised of pensioners and dependants. The fund annually collects circa £194m in contributions from members and their employers and makes pension payments of circa £171m per annum to scheme members.
- 1.2. Responsibility for the Fund's governance is currently shared between the Surrey Local Pension Board, Surrey Local Pension Committee, the People Performance and Development Committee and the Audit and Governance Committee with the latter two holding responsibility for approving the Fund's discretions and annual accounts respectively.
- 1.3. The Local Government Pension Scheme (LGPS) Scheme Advisory Board appointed Hymans Robertson in January 2019 to examine the effectiveness of current LGPS governance models and to consider alternatives or enhancements to existing models which can strengthen LGPS governance going forward. Known as the 'Good Governance Project' the latest report was published in February 2021 detailing a number of areas where practices could be improved including; service delivery, representation, skills, and training. Whilst, at the time of this review, the findings included in the February 2021 report have not yet been written into legislation they do represent opportunities for Funds to proactively assess and improve on local governance arrangements.
- 1.4. The purpose of this review was to determine the extent and effectiveness of the Fund's current governance arrangements.
- 1.5. This review formed part of the agreed Surrey Pension Fund Internal Audit Plan for 2022/23.
- 1.6. This report has been issued on an exception basis whereby only weaknesses in the control environment have been highlighted within the detailed findings section of the report.

2. Scope

- 2.1. The purpose of the audit was to provide assurance that controls are in place to meet the following objectives:
 - The Fund act in compliance with the governance requirements of the LGPS Regulations.
 - Fund management monitor the effectiveness of governance arrangements and take action where standards fall below those expected.
 - Fund management undertake regular horizon scanning exercises identifying and actioning opportunities for governance improvements.

3. Audit Opinion

- 3.1. **Reasonable Assurance is provided in respect of Surrey Pension Fund Governance Arrangements.** This opinion means that most controls are in place and are operating as expected to manage key risks to the achievement of system or service objectives.
Appendix A provides a summary of the opinions and what they mean and sets out management responsibilities.

4. Basis of Opinion

- 4.1. We have been able to provide Reasonable Assurance as:
- 4.2. The Pension Team have been able to demonstrate compliance with Local Government Pension Scheme (LGPS) Regulations in respect of both governance arrangements and the protocols for the operating of the Surrey Pension Board and Surrey Pension Fund Committee.
- 4.3. In addition to this the Pension Team have embraced the opportunities for implementing best practice as detailed in the LGPS Scheme Advisory Board (England and Wales) Good Governance report. This represents a willingness and keenness to horizon scan and work towards best practice opportunities. For example proposal A.2 is "*Each administering authority must have a single named officer who is responsible for the delivery of all LGPS related activity for that fund. ("the LGPS senior officer")*". The Pension team actioned this during their recent restructure and now have a designated LGPS Senior Officer.
- 4.4. The Pension Team have also recognised the importance of good governance practices and created a new Governance Manager post within the new Pension Team structure.
- 4.5. The Pension Team also have a Training Policy and Member Induction Handbook which set out the training requirements of Board and Committee members. A register is also maintained detailing the mandatory training requirements for Board and Committee members and dates of completion.
- 4.6. However, our review of this record established that only one of the Pension Board members had completed all mandatory training whilst none of the Pension Committee Members had completed all of these mandatory elements. A lack of completion of mandatory training inhibits the Board and Committee's knowledge and ability to provide effective challenge.
- 4.7. Finally, one of the key objectives of the Good Governance Review was to consider how potential conflicts of interest manifest themselves within current LGPS set up, including recognition of the dual role of the Council as the Administering Authority and a scheme employer in the Fund, and to suggest how those potential conflicts can be managed to ensure that they do not become actual conflicts.
- 4.8. An example of this is the Council's People, Performance and Development Committee, which currently has the authority to determine the policy statement in respect of administering authority discretions. The consequences of these policy decisions have the potential to place a financial burden on all employers in the Fund

and therefore the appropriateness of this autonomy requires further clarification as part of a wider review to provide clarity regarding Committee roles.

5. Action Summary

5.1. The table below summarises the actions that have been agreed together with the risk:

Risk	Definition	No	Ref
High	This is a major control weakness requiring attention.	-	-
Medium	Existing procedures have a negative impact on internal control or the efficient use of resources.	2	1-2
Low	This represents good practice; implementation is not fundamental to internal control.	-	-
Total number of agreed actions		2	

5.2. Full details of the audit findings and agreed actions are contained in the detailed findings section below.

5.3. As part of our quarterly progress reports to Audit Committee we seek written confirmation from the service that all high priority actions due for implementation are complete. The progress of all (low, medium and high priority) agreed actions will be re-assessed by Internal Audit at the next audit review. Periodically we may also carry out random sample checks of all priority actions.

6. Acknowledgement

6.1. We would like to thank all staff that provided assistance during the course of this audit.

Internal Audit Report – Surrey Pension Fund Governance Arrangements
Detailed Findings

Ref	Finding	Potential Risk Implication	Risk	Agreed Action
1	<p>Mandatory Training Completion</p> <p>The Pension Fund have a Training Policy and Member Induction Handbook which sets out the training requirements of Board and Committee members.</p> <p>The Pension Fund also maintain a register of the mandatory training completed by Board and Committee members. Through review of tis register we identified that, in relation to the Pension Board:</p> <ul style="list-style-type: none"> • Only one of the eight Pension Board Members had completed all the mandatory training. • The Chairperson is recorded as not having completed any of the mandatory training. • Training completed by one Pension Board Member was circa seven years ago, there is no record that refresher training has been completed. <p>A review of the training records for Pension Committee Members established that:</p> <ul style="list-style-type: none"> • Training completed by the Chairperson was circa seven years ago, there is no record that refresher training has been completed, and; • None of the current members have completed all the necessary training. 	<p>There is a risk that the lack of completion of mandatory training is inhibiting the Board and Committee's knowledge and ability to provide effective challenge.</p>	Medium	<p>All members of the Committee and Board have access to LOLA (LGPS Online Learning Academy) provided by Hymans Robertson.</p> <p>The Surrey Pension Fund Committee approved the Training Policy on 10 March 2023.</p> <p>National Knowledge Assessment has been undertaken by the Board and Committee. This data has been used to benchmark and implement a tailored training plan.</p> <p>Training has been organised before a meeting, whereby an additional understanding is required to approve a recommendation.</p>
Responsible Officer:		Nicole Russell, Head of Change Management	Target Implementation Date:	31 March 2024

Internal Audit Report – Surrey Pension Fund Governance Arrangements
Detailed Findings

Ref	Finding	Potential Risk Implication	Risk	Agreed Action
2	<p>Clarity Regarding Committee Roles</p> <p>The following four committees/boards have involvement in the governance of the Surrey Pension Fund:</p> <ul style="list-style-type: none"> • Surrey Local Pension Board, • Surrey Pension Fund Committee, • People, Performance and Development Committee; and • Audit and Governance Committee. <p>One of the key objectives of the Good Governance Review was to consider how potential conflicts of interest manifest themselves within current LGPS set up, including recognition of the dual role of the Council as the Administering Authority and a scheme employer in the Fund, and to suggest how those potential conflicts can be managed to ensure that they do not become actual conflicts.</p>	<p>A lack of clarity regarding the roles and responsibilities of committees/boards could lead to potential conflicts of interest, confusion or non-compliance with scheme regulations or best practice.</p>	Medium	<p>Develop a comprehensive matrix of roles and responsibilities.</p> <p>Undertake discovery work in the context of the relationships with the Council, Staff, IT, Cyber Security, Accommodation etc.</p> <p>The Governance matrix will clearly lay out the decision-making powers and delegations.</p> <p>Ensure the Scheme of delegations and constitution are amended and approved by full Council.</p> <p>Creation of a Conflict of Interest Policy.</p>
Responsible Officer:		Neil Mason - Assistant Director & LGPS Senior Officer.	Target Implementation Date:	31 March 2024

Appendix A

Audit Opinions and Definitions

Opinion	Definition
Substantial Assurance	Controls are in place and are operating as expected to manage key risks to the achievement of system or service objectives.
Reasonable Assurance	Most controls are in place and are operating as expected to manage key risks to the achievement of system or service objectives.
Partial Assurance	There are weaknesses in the system of control and/or the level of non-compliance is such as to put the achievement of the system or service objectives at risk.
Minimal Assurance	Controls are generally weak or non-existent, leaving the system open to the risk of significant error or fraud. There is a high risk to the ability of the system/service to meet its objectives.

Management Responsibilities

The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

This report, and our work, should not be taken as a substitute for management's responsibilities for the application of sound business practices. We emphasise that it is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal Audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

ANNEX 2

PROPOSED CHANGES TO THE COUNCIL CONSTITUTION IN RELATION TO PENSION GOVERNANCE

Part 3 Section 2 – Scheme of Delegation

Paragraph 6.22 – Surrey Pension Fund Committee

It is proposed to add to paragraph 6.22 as follows:

- j) To consider and approve an annual conflict of interest policy, which shall include how the potential conflict of Surrey County Council in its dual role as Administering Authority for and scheme employer of the Surrey Pension Fund is managed.

Part 3 Section 3 Parts 3A and 3B – Specific Delegations to Officers and Specific Delegations to Officers - Orbis

Scheme of Delegation	Current Delegation/Action	Currently Delegated to	Proposed Amendment to Delegation wording	Proposed Delegation to
PEN1	Execute cash transfers to pension fund managers	Executive Director of Resources (S151 Officer) Director of Finance – Corporate & Commercial Director of Finance – Insight & Performance Assistant Director – LGPS Senior Officer	N/A	LGPS Senior Officer Head of Investment and Stewardship Head of Accounting and Governance

		Strategic Finance Business Partner (Corporate)		
PEN2	Borrowing, lending and investment of County Council Pension Fund moneys, in line with strategies agreed by the Pension Fund Board. Delegated authority to the Executive Director of Resources (S151 Officer) Part 3 Scheme of Delegation July 2024 24 S151 Finance Officer to take any urgent action between Board meetings but such action only to be taken in consultation with and by agreement with the Chairman and/or Vice Chairman of the Pension Fund Board and any relevant Consultant and/or Independent Advisor.	Executive Director of Resources (S151 Officer) Director of Finance – Corporate & Commercial Assistant Director – LGPS Senior Officer	Borrowing, lending and investment of County Council Pension Fund moneys, in line with strategies agreed by the Pension Fund Committee . Delegated authority to the LGPS Senior Officer to take any urgent action between Committee meetings but such action only to be taken in consultation with and by agreement with the Chairman and/or Vice Chairman of the Pension Fund Committee and any relevant Consultant and/or Independent Advisor.	LGPS Senior Officer Head of Investment and Stewardship Head of Accounting and Governance
PEN3	To exercise discretion in relation to the Local Government Pension Scheme except (1) where a policy on the matter has been agreed	Director of Finance – Corporate & Commercial Assistant Director – LGPS Senior Officer	To exercise discretion in relation to the Local Government Pension Scheme except (1) where a policy on the matter has been agreed	LGPS Senior Officer Head of Service Delivery

	<p>by the Pension Board and included in the Discretionary Pension Policy Statement published by the Council, (2) decisions relating to “admitted body status” and (3) decisions relating to individual cases as provided for in the separate delegation to the Strategic Finance Manager (Pensions). This delegation is subject to any limitations imposed and confirmed in writing from time to time by the Executive Director for Resources (S151 Officer).</p>		<p>by the Pension Fund Committee and included in the Discretionary Pension Policy Statement published by the Council, (2) decisions relating to “admitted body status” and (3) decisions relating to individual cases as provided for in the separate delegation to the Senior LGPS Officer.</p>	
<p>PEN4 (new PEN4A)</p>	<p>Hear stage one or stage two appeals relating to disputes involving the Local Government Pension Scheme, Compensation Benefits and Injury Allowances provided that an officer hearing an appeal will not have been involved at an earlier stage in the process.</p>	<p>Executive Director of Resources (S151 Officer) Director of Finance – Corporate & Commercial Director – Law & Governance Director of People & Change</p>	<p>Hear stage one or stage two appeals relating to disputes concerning Surrey County Council in regards to the Local Government Pension Scheme, Compensation Benefits and Injury Allowances provided that an officer hearing an appeal will not have been</p>	<p>Stage 1 disputes – any County Council Director Stage 2 disputes – any County Council Executive Director</p>

			involved at an earlier stage in the process.	
(new) PEN4B	NA	NA	Hear stage one or stage two appeals relating to the Surrey Pension Team disputes involving the Local Government Pension Scheme, Compensation Benefits and Injury Allowances provided that an officer hearing an appeal will not have been involved at an earlier stage in the process.	(Any of the following) LGPS Senior Officer Head of Investment and Stewardship Head of Accounting and Governance Head of Service Delivery or Head of Change Management
PEN5	To exercise discretion (excluding decisions on admitted body status) in relation to the Local Government Pension Scheme where no policy on the matter has been agreed by the Council and included in the Discretionary Pension Policy Statement published by the Council, subject to any limitations imposed and confirmed in writing from time to time by the S151 Finance Officer.	Assistant Director – LGPS Senior Officer	To exercise discretion (excluding decisions on admitted body status) in relation to the Local Government Pension Scheme where no policy on the matter has been agreed by the Council and included in the Discretionary Pension Policy Statement published by the Council.	NA

PEN6	To determine decisions conferring 'admitted body' status to the Pension Fund where such requests are submitted by external bodies.	Executive Director of Resources (S151 Officer) Director of Finance – Corporate & Commercial	NA	LGPS Senior Officer
ORB57 (new PEN7)	<p>To exercise discretion in relation to the Local Government Pension Scheme on the following matters in individual cases:</p> <ul style="list-style-type: none"> - allocation of death grants - determining co-habitation - determining whether a child meets criteria for a child's pension - allocation of pension for persons incapable of managing their own affairs - commutation, transfer in and forfeiture decisions 	Head of Pensions Administration	<p>To exercise discretion in relation to the Local Government Pension Scheme on the following matters in individual cases:</p> <ul style="list-style-type: none"> - allocation of death grants - determining co-habitation - determining whether a child meets criteria for a child's pension - allocation of pension for persons incapable of managing their own affairs - commutation, transfer in and forfeiture decisions - extension of time limits for decisions to be made by scheme members 	Head of Service Delivery

	<ul style="list-style-type: none"> - extension of time limits for decisions to be made by scheme members - minimum contribution levels for additional payments - determining reviews and effective dates of ill-health benefits -write offs up to £250. This delegation is subject to any limitations imposed and confirmed in writing from time to time by the Executive Director of Resources. 		<ul style="list-style-type: none"> - minimum contribution levels for additional payments - determining reviews and effective dates of ill-health benefits - write offs up to £250. 	
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Part 5(2) Financial Regulations

Part 5(2) Financial Regulation	Current Delegation	Proposed new Delegation/Amendment
27.5	The Section 151 Officer has delegated authority to take urgent action as required between Pension Fund Committee meetings, but such action can only be taken in consultation with and by agreement with the Chairman or Vice Chairman of the Pension Fund Committee and following consultation with any relevant Consultant or Independent Advisor.	Replace Section 151 Officer with Senior LGPS Officer

27.6	The Section 151 Officer will ensure that monitoring reports on the Pension Fund's investment performance and activities, and any other business, are considered by the Pension Fund Committee at least quarterly.	Replace Section 151 Officer with Senior LGPS Officer
27.7	The Section 151 Officer will ensure that a report on the triennial actuarial valuation of the Pension Fund is taken to the Pension Fund Committee.	Replace Section 151 Officer with Senior LGPS Officer
27.8	The Section 151 Officer will ensure that a report on the annual accounts and associated external audit of the pension fund is taken to the Pension Fund Committee.	Replace Section 151 Officer with Senior LGPS Officer

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ARRANGEMENTS FOR DEALING WITH ALLEGATIONS OF BREACHES OF THE MEMBER CODE OF CONDUCT

1 Context

- 1.1 Surrey County Council is committed to promoting and maintaining high standards of conduct amongst its 81 elected Councillors, known as Members, and has adopted a Member Code of Conduct setting out the conduct it expects of its Members and co-opted Members as they carry out that role.
- 1.2 These are the Council's arrangements for dealing with any complaint it receives alleging that an elected or co-opted Member of Surrey County Council has failed to comply with its Member Code of Conduct. These arrangements will form the basis for investigating and deciding any such complaints.
- 1.3 The Council will appoint at least one Independent Person, whose views must be sought by the Council before it takes a decision on any allegation which it has decided should be investigated. The Council may also seek the view of the Independent Person at any other stage it chooses and a Member against whom an allegation as been made can also consult the Independent Person.

2 The Code of Conduct

- 2.1 A copy of the Council's Member Code of Conduct is set out in the Constitution, which is available for inspection on the Council's website and upon request from Democratic Services.
- 2.2 The Member Code of Conduct applies to Members when they go about the work of the Council or their role as a Member. The Council will not investigate complaints relating to a Member's private life.

3 Making a complaint

- 3.1 Anyone wishing to make a complaint about the behaviour of a Surrey County Councillor ("Member"), should **complete the online form that can be accessed on the council's website ([County councillor complaints - Surrey County Council \(surreycc.gov.uk\)](https://www.surreycc.gov.uk) or by email to monitoringofficer@surreycc.gov.uk** write or email to—

The Monitoring Officer
Surrey County Council
Woodhatch Place

11 ~~Cockshot Hill~~
Reigate
Surrey
RH2 8EF
Or email monitoringofficer@surreycc.gov.uk

- 3.2 The Monitoring Officer is the member of the Council's staff who has statutory responsibility for maintaining the Register of Members' Interests and who is responsible for administering the system in respect of complaints of Member misconduct.
- 3.3 Only ~~written~~ **submitted** complaints **that meet the threshold** will be investigated and the Council will require a name and a contact address or email address to acknowledge receipt of the complaint and keep the complainant informed of its progress. The Council does not normally investigate anonymous complaints, unless there is a clear public interest in doing so. The Monitoring Officer will disclose the name of the complainant to the Member unless specifically asked to withhold it. Only in very exceptional cases will the Council be able to progress a complaint to an investigation without disclosing the identity of the complainant to the Member.
- 3.4 The Monitoring Officer will acknowledge receipt of the complaint within 5 working days of receiving it and will keep the complainant informed of the progress of the complaint. The Monitoring Officer will also inform the Member that a complaint has been received.

4 Will the complaint be investigated?

- 4.1 The Monitoring Officer will review every complaint received.
- 4.2 The complaint must be:
- **Regarding an incident that has taken place within 30 days;**
 - against one or more named Members of the authority;
 - in relation to a named Member who was in office within the authority at the time of the alleged conduct and the Member Code of Conduct was in force at the time; and
 - in relation to an alleged breach of the Member Code of Conduct.
- 4.3 If the complaint does not fall within 4.2 above, the matter will not be considered and the complainant will be informed that there will be no further action.
- 4.4 Where the complaint passes the above test, and in order to establish a preliminary view of the circumstances of the complaint and whether

there may be a course of action which could be taken to resolve the issues promptly without the need for formal action, the Monitoring Officer may consult or meet with any other relevant persons, which may include the Leader of the Council or Group Leaders, the Chief Executive or any other officers, the complainant and the Member against whom the complaint has been made.

- 4.5 The Monitoring Officer will then consult with the Independent Person and decide whether the complaint merits formal investigation. The Independent Person should be given the option to review and comment on allegations which the responsible officer is minded to dismiss as being without merit, vexatious, or trivial. This decision will normally be taken within 14 days of receipt of the complaint. The complainant and the Member against whom the complaint is made will be informed of the Monitoring Officer's decision and the reasons for that decision.
- 4.6 In assessing whether a complaint should be investigated the following factors will be taken into consideration:
- Public interest – the decision whether to investigate will be a proportionate response to the issues raised and expected outcomes will take into account the wider public interest and the costs of undertaking an investigation. Complaints will only be investigated where the allegations are reasonably considered to be serious matters.
 - Alternative course of action – a complaint will only be investigated where there is no other action which could be taken which would achieve an appropriate outcome in the circumstances of the case.
 - Member's democratic role – where a complaint relates to a matter more appropriately judged by the electorate at the local elections, the Monitoring Officer will not normally refer these matters for investigation.
 - Previous action - if the complaint has already been subject to a previous investigation or some other action relating to the code of conduct or other related process, the matter will ordinarily not be referred for further action.
 - Vexatious/repeated complaints – the Monitoring Officer will not refer for investigation a complaint that is the same or substantially the same as one previously made by the complainant.
 - Timing of the alleged conduct – if there **is a delay of over 30 days** ~~are significant delays~~ between the incident complained of and the

complaint the matter will not ordinarily be considered further unless there are very good reasons for the delay.

- Ulterior motive – no further action is likely to be taken if the complaint is considered to be motivated by malice, political motivation or retaliation.

4.7 In appropriate cases the Monitoring Officer in consultation with the Independent Person may consider resolution of the complaint without the need for a formal investigation. This may involve:

- The Member accepting that his/her conduct was unacceptable and offering an apology or other remedial action by the authority.
- Referring the matter to group leaders or officers.
- The Member being required to attend training.
- The Member being required to meet with the Monitoring Officer and/or other relevant officers.
- Such other action as is considered appropriate by the Monitoring Officer and Independent Person.

4.8 Matters which might appropriately be dealt with as described in 4.7 above may include:

- Misunderstanding of procedures or protocols.
- Misleading, unclear or misunderstood advice from officers.
- Lack of experience or training.
- A general deterioration of relationships, including those between Members and officers, as evidenced by a pattern of allegations of minor disrespect.
- Allegations and retaliatory allegations from the same individuals.

4.9 If this action does not resolve the complaint, the Monitoring Officer, in consultation with the Independent Person, will reconsider whether the complaint merits formal investigation. An investigation will only be conducted where the Monitoring Officer and Independent Person agree that this is the appropriate course of action. The Monitoring Officer reserves the right, in exceptional circumstances, to refer a complaint to the Member Conduct Panel to determine if an investigation is the appropriate course of action.

- 4.10 If the complaint identifies criminal conduct or breach of other regulation by any person, the Monitoring Officer has the power to refer the matter to the Police and other regulatory agencies.
- 4.11 If the Monitoring Officer or the Independent Person in considering any complaint, at any time, become aware that they have an actual or potential conflict of interest, they will record and declare this to the complainant and councillor concerned. They will withdraw from consideration of the complaint and ensure the complaint is considered independently by an alternative Deputy Monitoring Officer, or an alternative Monitoring Officer appointed from another Local Authority as appropriate, and an alternative Independent Person.

5 How is the investigation conducted?

- 5.1 If the Monitoring Officer decides that a complaint merits formal investigation, he/she will appoint an Investigating Officer. This may be a member of the Council's staff or an external investigator. The Investigating Officer will decide whether to speak to the complainant and to any other witnesses and may collect written evidence, such as correspondence, or minutes of meetings.
- 5.2 The Investigating Officer will contact the Member and provide them with a copy of the complaint and ask the Member to provide his/her explanation of events, and to identify what documents the Investigating Officer needs to see and anyone they should interview. In very exceptional cases, where the Monitoring Officer, after consulting the Independent Person, considers that disclosing details of the complaint to the Member might prejudice the investigation, these will be withheld from the Member until the investigation has progressed sufficiently.
- 5.3 At the end of their investigation, the Investigating Officer will produce a draft report and will send copies of that draft report, in confidence, to the complainant and to the member concerned, to give them both an opportunity to identify any inaccuracies in the report and to comment on their findings. Having received and taken account of any comments that you may make on the draft report, the Investigating Officer will send his/her final report to the Monitoring Officer.
- 5.4 The investigation and the Investigating Officer's report will be kept confidential at this stage.

6 What happens if the Investigating Officer concludes that there is no evidence of a failure to comply with the Member Code of Conduct?

The Monitoring Officer will send a copy of the Investigating Officer's report to the Chairman of the Member Conduct Panel and to the Independent Person

and seek their views on whether to convene a Member Conduct Panel hearing. Where a hearing is inappropriate the Monitoring Officer will write to the parties, notifying them that they are satisfied that no further action is required. The Monitoring Officer will send them both a copy of the Investigating Officer's final report, which will no longer be confidential at this point.

7 What happens if the Investigating Officer concludes that there is evidence of a failure to comply with the Member Code of Conduct?

Where the Investigating Officer concludes that there is evidence of a failure to comply with the Member Code of Conduct the Monitoring Officer will arrange for the Member Conduct Panel to hold a meeting, within three months of the Investigator's final report being issued, so that it can take a decision on the complaint.

- 7.1 The Monitoring Officer will invite the Member to reply in writing to the Investigation Officer's report, in particular to identify what is likely to be agreed and what is likely to be in contention at the hearing. The Member will be invited to give a view on whether the Panel should meet in public or in private. The Chairman of the Member Conduct Panel will set a date for the hearing and may issue directions as to the manner in which the hearing will be conducted, including whether or not the Member Conduct Panel will meet in public or private.
- 7.2 At the hearing, the Investigating Officer will present their report, call such witnesses as they consider necessary and make representations to substantiate their conclusion that the Member has failed to comply with the Member Code of Conduct.
- 7.3 The Member will also have an opportunity to give evidence, to call witnesses and to make representations to the Member Conduct Panel as to why they consider that they did not fail to comply with the Member Code of Conduct.
- 7.4 After hearing from all the parties the Member Conduct Panel may conclude either:
 - that the Member did not fail to comply with the Member Code of Conduct; or
 - that the Member did fail to comply with the Member Code of Conduct, in which case it will also decide what action to recommend or to take.

The Member Conduct Panel will not announce its decision at the Hearing. Before reaching a final decision on the complaint and any sanction, the Chairman of the Member Conduct Panel will report its

finding to the Independent Person, whose views will be sought and taken into account by the Panel before a final decision is made.

8 What action can the Member Conduct Panel take where a Member has failed to comply with the Member Code of Conduct?

The Council has delegated to the Member Conduct Panel the power to take such action in respect of individual Members as may be necessary to promote and maintain high standards of conduct. Accordingly, the Member Conduct Panel may –

8.1 Decide that no action is needed.

8.2 Issue a statement of censure.

8.3 Recommend to the Member's Group Leader (or in the case of ungrouped members, recommend to Council or to Committees) that he/she consider all or any of the following sanctions:

- the Member be removed from any or all Committees or Sub-Committees of the Council;
- the Member be removed from the Cabinet, or removed from particular Portfolio responsibilities;
- the Member be removed from all outside appointments to which he/she has been appointed or nominated by the authority.

8.4 Report its findings and recommendations to the next available meeting of the County Council.

The Member Conduct Panel has no power to suspend or disqualify the Member or to withdraw members' or special responsibility allowances.

9 How are the Panel's findings communicated to a Member?

As soon as reasonably practicable after the Panel has made its final decision, the Monitoring Officer will prepare a formal decision notice in consultation with the Chairman of the Member Conduct Panel, and send a copy to the complainant and to the Member and will make that decision notice available for public inspection.

10 Who is on the Member Conduct Panel?

The Member Conduct Panel is a cross-party Panel of Members of the Council. The pool consists of 10 Members, including the Chair and Vice-Chair of Council. Any hearing will be conducted by three Panel Members, and the election of one of their number to chair the hearing will be the first item of business at the meeting.

11 Who is the Independent Person?

The Independent Person is a person who has applied for the post following advertisement of a vacancy for the post and is appointed by a positive vote from a majority of all the Members of Council.

A person cannot be “independent” if he/she –

- is, or has been within the past 5 years, a member, co-opted member or officer of the Council; or
- is a relative, partner or close friend, of a member, co-opted member or officer of the Council; or
- is an active member of a political party.

12 Revision of these arrangements

The Council may by resolution agree to amend these arrangements, and has delegated to the Chairman of the Member Conduct Panel the right to depart from these arrangements where they consider that it is expedient to do so in order to secure the effective and fair consideration of any matter.

13 Appeals

A Member is expected to comply with the decisions taken through the process and has no right of appeal against a finding of breach of the Member Code of Conduct. However, a Member may require that a further Member Conduct Panel meeting reviews any sanction imposed at a hearing.

14 Local Government Ombudsman

Where a complainant concludes that the authority has failed to deal properly with a complaint, they may make a complaint to the Local Government Ombudsman.



OFFICER REPORT TO COUNCIL

FEEDBACK FROM THE COMMUNITIES, ENVIRONMENT AND HIGHWAYS SELECT COMMITTEE ON A REFERRED MOTION: 'PLANT BASED MEALS'

KEY ISSUE / DECISION:

1. Under Standing Order 12.6 for Council to note the feedback from the Communities, Environment and Highways Select Committee on the referred Council motion title 'Plant based meals'
2. This report sets out the conclusions of the Select Committee and invites Council to note the work underway to address the issues raised in the motion through finalisation and implementation of A Surrey Whole System Food Strategy and the [Surrey Healthy Schools](#) approach which this strategy supports.

BACKGROUND:

3. Cllr Lance Spencer submitted a motion to a meeting of the County Council held on 11 July 2023 on the topic of plant based meals, *food choices and their impact on the environment, health and animal welfare*. It was resolved that this Motion be referred to the Communities, Environment and Highways Select Committee for the purpose of consideration and making recommendations to the Cabinet or the Council for decision.

4. The motion asked the Council to:

- *Ensure that food provided at all council catered events and meetings is predominantly plant-based, preferably using ingredients sourced from local food surplus organisations.*
- *Ensure that school meals service have a totally plant based menu one day per week, ideally Mondays.*
- *Continue to outreach to schools and young people to actively influence and inform on climate change and in particular on food choices and their impact on the environment, health and animal welfare.*
- *To further encourage and empower students to make informed decisions about the food available in their school.*
- *Inspire, promote and support initiatives surrounding climate change and in particular food growing, preparation and waste avoidance, especially as part of school and community projects.*

Full text of the motion presented to the Council meeting is at Annex 1.

THE PROCESS:

5. According to the Surrey County Council constitution, Part 1 of the Standing Orders states that:

- When an original motion is referred to the Cabinet or appropriate committee under Standing Order 12.3, the Member of the Council who has moved the original motion and his/her seconder shall be notified of the meeting at which the Cabinet or committee will consider it. They shall have the right to attend the meeting and speak to the motion.
- Where an original motion is referred to the Cabinet or a committee, it will report upon the motion to the following ordinary meeting of the Council and Standing Order 8.8(b) shall not apply to such report.

6. The motion was referred to the Communities, Environment and Highways Select Committee at the Council meeting on 11 July 2023 and considered formally by the Select Committee at its meeting on 29 April 2024.

KEY ACTIVITIES AND ANALYSIS:

7. Following the referral, the Communities, Environment and Highways Select Committee scheduled the item for scrutiny at a public session to hear the views of key stakeholders and requested a service briefing report on the Motion. Officers were invited to attend the April Committee session to speak to their report. The Cabinet Member for Environment and the Cabinet Member for Health and Wellbeing, and Public Health were also present.

8. In considering the Motion the Select Committee noted the following key points:

- I. The terminology 'plant-based' should not be used as this could imply processed food which may not be healthy. The aim should be reduction of meat consumption and consumption of more fruit and vegetables in a healthy manner.
- II. The importance of an inclusive approach which supported *meat free Mondays* but allowed flexibility for special dietary needs or medical conditions to be accommodated. It was important not to restrict choice. The focus should be on embedding principles of healthy and sustainable eating and empowering choice.

RESOLVED

9. After detailed discussion and noting the responses to its key lines of enquiry, the Communities, Environment and Highways Select Committee:

- Noted the comprehensive work to develop the Surrey's Whole System Food Strategy and the Surrey County Council Climate Change Strategy

and the key ambition they set to make our local food system more sustainable, empower local people to make healthier food choices and reduce the impact of food system on climate change, and that these ambitions align closely with those set out in the Motion.

10. The Select Committee endorsed the majority of the Service responses to the Motion and the approach described to addressing its aims as set out in the table below:

Motion Resolution	Service recommendation
Ensure that food provided at all council catered events and meetings is predominantly plant-based, preferably using ingredients sourced from local food surplus organisations	Create guidelines for local authority procurement of food to be sustainable by default based on Government Buying Standard for food and catering services - GOV.UK (www.gov.uk) and to encourage using ingredients sourced from local food surplus organisations
Ensure that school meals service have a totally plant based menu one day per week, ideally Mondays.	<p>Eating a balanced diet is essential for children’s growth and development. Increasing access to nutritious and affordable food is one of the key ambitions of the Surrey whole system food strategy. Additionally, the strategy aims to mitigate the climate impacts of the food system by fostering education, community empowerment, and engagement. Currently, some schools in Surrey, predominantly primary with a few secondary schools, observe Meat-Free Mondays as part of the 12-15 contract for school meals. Some schools in Surrey observe Meat-Free Mondays. Further promotion of Meat-Free Mondays could be achieved by the implementation of the Surrey whole system food strategy and engaging schools. While existing initiatives like Surrey Healthy Schools could help embed a culture of healthy and sustainable eating among Surrey families, implementing a Meat-Free Mondays in select schools may require careful consideration and expert guidance. This is especially important for children with special dietary needs or medical conditions that restrict them from eating certain types of foods.</p> <p>To address this, we suggest that schools define Meat-Free Mondays through discussions and collaboration with families and students, focusing on principles of healthy and sustainable eating. This approach ensures inclusivity and fairness in the Meat-Free Monday initiative, while providing an opportunity for children, particularly those with limited access at home, to consume more fruits and vegetables.</p>
Continue to outreach to schools and young people to actively influence and inform on climate change and in particular on food choices and their impact on the environment, health and	Provide schools with support in order to increase the number of schools engaging with the development of a Surrey Healthy Schools approach, in particular re Theme 3 – Healthy Eating. Increase the emphasis on food choices and their impact on the environment, health and animal welfare in the exiting initiatives such Eco Schools

animal welfare.	
To further encourage and empower students to make informed decisions about the food available in their school	Support schools to develop school nutrition action group (SNAG) as part of a Surrey Healthy Schools approach and widen student participation in through initiatives such as “peer champions” based in schools to make informed decisions about the food available in their school.
Inspire, promote and support initiatives surrounding climate change and in particular food growing, preparation and waste avoidance, especially as part of school and community projects.	Facilitate a robust public involvement to raise the importance of food choices on the climate change and animal welfare and enable the community to make an informed decision about food choices

11. The Committee also encouraged development of KPIs to measure change on the ground including around sourcing of local food, and the quality of food supplied.

RECOMMENDATIONS:

12. Based on its consideration of the issues as set out in this report, the Communities, Environment and Highways Select Committee recommends that Council:

- I. Note the key points from their discussion of the Motion as described in this report and the work underway to address the issues raised in the motion through finalisation and implementation of A Surrey Whole System Food Strategy.
- II. Note that the strategy supports the [Surrey Healthy Schools](#) approach and has a focus on three key strands: addressing food insecurity, reducing climate impact of the local food system and supporting the local population to keep a healthy weight by enhancing the accessibility and affordability of nutritious food.

Lead/Contact Officer:

Clare Madden

Scrutiny Officer, Democratic Services

clare.madden@surreycc.gov.uk

Sources/background papers:

Communities, Environment and Highways Select Committee Agenda – 29 April 2024 ([Public Pack](#))[Agenda Document for Communities, Environment and Highways Select Committee, 29/04/2024 10:00 \(surreycc.gov.uk\)](#)

Council Agenda – 11 July 2023:

[\(Public Pack\) Agenda Document for Council, 11/07/2023 10:00 \(surreycc.gov.uk\)](#)

Lance Spencer (Goldsworth East and Horsell Village) to move under standing order 11 as follows:

This Council notes that:

- *At the Council meeting on 9 July 2019 an original motion resolved that the Council:*
 - 4. *declares a ‘Climate Emergency’, and commits actions to support businesses and all local authorities in their work to tackle climate change by providing a strong unified voice for councils in lobbying for support to address this emergency, and sharing best practice across all councils.*
- *At the Council meeting on 21 March 2023 an original motion resolved that the Council noted that:*
 - *Food production has a high impact on climate and the environment. The International Panel on Climate Change (IPCC) report on climate change and land estimates that 21-27% of total greenhouse gas emissions (GHG) are attributable to the food system ([Special Report on Climate Change and Land, IPCC, 2019](#)). Local, organic and animal friendly food production systems reduce these emissions.*
 - *What we eat has a significant impact on our climate impact in the UK. This is explored by the Centre for Alternative Technology ([Zero Carbon: Rethinking the Future - Centre for Alternative Technology](#))*
 - *What we eat has a strong role to play in our public health, including through Surrey’s Health and Wellbeing Strategy.*
- *At the Council meeting on 21 March 2023 the aforementioned original motion resolved that the Council believed that:*
 - *Surrey County Council has a significant role to play in leadership in this area - including through our procurement of food, addressing food waste and through our farm ownership.*
 - *Implementing Surrey’s Climate Change Strategy will have a positive impact on our land-use in Surrey.*
 - *Surrey County Councillors can play an active role in advocating for what is needed in this area.*

This Council further notes that:

- *The Government’s independent Climate Change Committee advises that meat consumption should be reduced by a fifth, and that public bodies should lead the way by promoting plant-based food options. Leading by example on this, and food waste, should be fundamental components of our commitment to cutting carbon emissions.*

- *Furthermore, in the UK, only 18% of children consume the recommended five portions of fruit and vegetables per day, and most young people's diets lack fibre. Providing appealing plant-based school meals along with education on healthy, climate-positive food choices are excellent ways to address these problems.*
- *Currently school meals services have plant-based menus available as part of their regular offer.*

This Council calls on the Cabinet to:

- I. Ensure that food provided at all council catered events and meetings is predominantly plant-based, preferably using ingredients sourced from local food surplus organisations.*
- II. Ensure that school meals service have a totally plant based menu one day per week, ideally Mondays.*
- III. Continue to outreach to schools and young people to actively influence and inform on climate change and in particular on food choices and their impact on the environment, health and animal welfare.*
- IV. To further encourage and empower students to make informed decisions about the food available in their school.*
- V. Inspire, promote and support initiatives surrounding climate change and in particular food growing, preparation and waste avoidance, especially as part of school and community projects.*

County Council Meeting – 8 October 2024

REPORT OF THE CABINET

The Cabinet met on 23 July 2024 and 24 September 2024.

In accordance with the Constitution, Members can ask questions of the appropriate Cabinet Member, seek clarification or make a statement on any of these issues without giving notice.

The minutes containing the individual decisions for the meetings above have been included within the original agenda at Item 16. If any Member wishes to raise a question or make a statement on any of the matters in the minutes, notice must be given to Democratic Services by 12 noon on the last working day before the County Council meeting (Monday 7 October 2024).

For members of the public all non-confidential reports are available on the web site (www.surreycc.gov.uk) or on request from Democratic Services.

RECOMMENDATIONS ON POLICY FRAMEWORK DOCUMENTS

There were none.

REPORTS FOR INFORMATION / DISCUSSION

At its meeting on 23 July 2024 Cabinet considered:

A. CUSTOMER TRANSFORMATION

The report set out the ambition and business case for the transformation of customer experiences and outcomes, to support the Council's guiding ambition that 'No one is left behind'. This programme will enable the needs of Surrey County Council's residents and wider customers to be better met, with a focus on understanding and supporting those with the greatest need.

It was AGREED:

1. That Cabinet approves the customer transformation ambition and approach, and the in principle £11.3m investment requirement over four years.
2. That Cabinet approves the use of financial revenue reserves of £3.5m (included in the £11.3m request) to support the 2024/25 activity. Further draw down of funding will be released in phases from 2025/26 onwards, following appropriate evidence of benefit realisation in the updated business case and approval of the Executive Director, Customer, Digital and Change in consultation with the Lead Cabinet Member.
3. That Cabinet approves the Dynamic Customer Operating model (D-COM) and its delivery as an essential countywide priority to ensure customer outcomes and experiences are improved.

4. That Cabinet notes the inter-relationships of the transformation programme with cultural and digital change, the data strategy, service specific improvements, Core Function Redesign and the Towns and Villages/Team Around the Community programme.
5. That Cabinet delegates authority to the Executive Director, Customer, Digital and Change, in consultation with the Lead Cabinet Member to refine the Dynamic Operating Model as it evolves over time, responding to changing needs.

Reasons for decisions:

The Council is determined to improve the customer experience in line with our mission and organisational priorities. This will be achieved through the design and implementation of a new Customer Service Operating Model, supported by systems, processes and ways of working that will provide a seamless customer journey, build customer trust, confidence, and satisfaction; reduce cost and maximise efficiency and effectiveness.

B. A NEW DRAFT VISION ZERO ROAD SAFETY STRATEGY AND 20 MPH SPEED LIMIT POLICY

Cabinet was presented with an updated version of the Surrey RoadSafe Vision Zero Road Safety Strategy and 20 mph speed limit policy.

It was AGREED:

1. That Cabinet approves the Vision Zero Road Safety Strategy that has been amended following feedback from public consultation, and with reference to updated guidance from central government as part of their “Plan for Drivers”.
2. That Cabinet approves the County Council’s more flexible approach to implementing new 20 mph Speed Limits.

Reasons for decisions:

A new Surrey RoadSafe Partnership Vision Zero Road Safety Strategy, incorporating a new 20mph policy, based on best practice is crucial to reducing road death and injury throughout Surrey.

C. CONSORT HOSE, REDHILL

Consort House, Redhill is a former administrative office of Surrey County Council. Cabinet was asked to approve a letting for the whole building which supports its retention as an investment holding.

It was AGREED:

1. Approves the details of the letting of the building as outlined in this Part 2 report.

2. Delegates authority to the S151 Officer in consultation with the Director of Land and Property to conclude best value terms and complete all associated legal documentation.
3. Notes the Financial implications recorded in this report.
4. Formally declares the asset surplus to operational service requirements, and upon completion of the letting, to hold the asset for Investment purposes pending any future Cabinet or Strategic Investment Board decisions on its future.

Reasons for decisions:

A letting of the entire building now provides an opportunity for the Council to not only mitigate its void holding costs, but to secure a long-term rental income stream enabling the asset to be held as an investment property, pending any future decisions of the Council.

The proposed tenant is a significant provider of services supporting Surrey communities.

Consort House has remained largely vacant since late 2022, other than the current temporary occupation by library services for storage and a short term click and collect service. The Council has incurred void holding costs on the building and has a rental liability for some related car parking. Marketing of the building, on either a freehold or leasehold basis, has been pursued against the background of a very depressed office market over the past 2 years.

There have been no recent commercial proposals received for the freehold interest that would be recommended to Cabinet.

D. QUARTERLY REPORT ON DECISIONS TAKEN UNDER SPECIAL URGENCY ARRANGEMENTS: 3 July 2024 - 30 September 2024

The Cabinet is required under the Constitution to report to Council on a quarterly basis the details of decisions taken by the Cabinet and Cabinet Members under the special urgency arrangements set out in Standing Order 57 of the Constitution. This occurs where a decision is required on a matter that is not contained within the Leader's Forward Plan (Notice of Decisions), nor available 5 clear days before the meeting. Where a decision on such matters could not reasonably be delayed, the agreement of the Chairman of the appropriate Select Committee, or in his/her absence the Chairman of the Council, must be sought to enable the decision to be made.

The Cabinet RECOMMENDS that the County Council notes that there have been no urgent decisions since the last Cabinet report to Council.

**Tim Oliver OBE, Leader of the Council
30 September 2024**

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**MINUTES OF THE MEETING OF THE CABINET
HELD ON 23 JULY 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
- *Steve Bax
- *Jonathan Hulley

Members in attendance:

Catherine Baart, Local Member for Earlswood and Reigate South
Jonathan Essex, The Green Party Group Leader
Fiona Davidson, Chairman of the Children, Families, Lifelong Learning and Culture Select Committee
Bob Hughes, Chairman of the Resources and Performance Select Committee
Steven McCormick, Vice Chairman of the Resources and Performance Select Committee
Keith Witham, Chairman of the Communities, Environment and Highways Select Committee
Trefor Hogg, Chairman of the Adults and Health Select Committee

**PART ONE
IN PUBLIC**

97/24 APOLOGIES FOR ABSENCE [Item 1]

Apologies were received from Paul Deach.

98/24 MINUTES OF PREVIOUS MEETING: 25 JUNE 2024 [Item 2]

These were agreed as a correct record of the meeting.

99/24 DECLARATIONS OF INTEREST [Item 3]

There were none.

100/241 PROCEDURAL MATTERS [Item 4]

The Leader made the following statement:

In February 2024, Cabinet considered a report on the provision of Primary School Places in the Planning Area of Reigate and agreed two actions:

- The creation of an education working group to explore school reorganisation possibilities in the Reigate area.
- To pursue the determination of the live planning application to re-locate Reigate Priory Junior School to Woodhatch Place to establish if this is a viable option.

The working group includes school leaders and education professionals and also a small reference group for parents and carers to ensure their views are also factored into plans. The group has met on a number of occasions, and we now expect the group to continue its work through into the start of the Autumn Term.

It was also recommended by Cabinet to pursue the determination of the planning application for a new school building for Reigate Priory Junior School on the Woodhatch site. Officers have now submitted additional planning documentation to address the issues raised by the planning committee.

That application will be subject to public consultation and details can be found on the Surrey County Council website. Once this work is fully completed, findings from both the education working group and the decision of the planning committee will be brought back to Cabinet, to consider all conclusions and decide next steps and that is likely to be in the Autumn.

100/24 MEMBERS' QUESTIONS [Item 4a]

There were eight member questions. A response to the questions were published in a supplementary agenda.

Catherine Baart had a supplementary question in relation to collision data provided by Surrey Police but would contact the Cabinet Member by email for a response.

Jonathan Essex asked for assurances that the new temporary library in Redhill would be larger than the current temporary library which was quite small. The Deputy Leader and Cabinet Member for Customer and Communities assured the member that both the land and property team and libraries team would be ensuring continuity in library provision.

101/24 PUBLIC QUESTIONS [Item 4b]

There were none.

102/24 PETITIONS [Item 4c]

There were none.

103/24 REPRESENTATIONS RECEIVED ON REPORTS TO BE CONSIDERED IN PRIVATE [Item 4d]

There were none.

104/24 REPORTS FROM SELECT COMMITTEES, TASK GROUPS AND OTHER COMMITTEES OF THE COUNCIL [Item 5]

The DB&I task group report was introduced by the Vice Chairman of the Resources and Performance Select Committee, Steven McCormick who explained that the task group had been set up to consider the SAP Enterprise Resource Planning (ERP) replacement project, why the programme had overrun, what had gone wrong, and what lessons could be learned from the project. The Vice-Chairman thanked officers, witnesses and members for their support with the work of the task group. The task group was not looking for someone to blame but looking at lessons that could be learnt and taken on board going forward. The complexity of the programme was understood and the work of the teams supporting the delivery of the programme was recognised. The Leader thanked the task group for the comprehensive report. The Cabinet Member for Finance and Resources thanked the task group for the report stating that the report was very balanced and recognised the challenges associated with delivering a programme of this scale. The Cabinet accepted the recommendations of the task group and had responded to each of these in detail. The Chairman of the Resources and Performance Select Committee thanked the Vice Chairman of the Select Committee for leading the task group and welcomed Cabinet's endorsement of the recommendations. He explained that the report focused on what could be learnt from the past when major projects were agreed and thanked officers for their support and advice.

The report regarding Mindworks and the Neurodevelopmental Pathway was introduced by the Chairman of the Adults and Health Select Committee, Trefor Hogg who explained that neurodivergent traits were much more frequent than generally appreciated, and that children,

young people, families and adults can all be affected, often without it being identified. This had resulted in higher volumes than anticipated for Mindworks which was now also a national issue. The recommendations relate to transformation of the service to a more community based model where parents can be supported locally and where help, support and treatment can happen in advance of a formal diagnosis. The Chairman asked the Cabinet to use every opportunity it had to lobby government for resources in this area. The Cabinet Member for Children, Families and Lifelong Learning stated that at the meeting where this item was being discussed there seemed to be a great deal of frustration from families and schools regarding the neurodevelopment pathway and although the service wasn't delivered by the council there was a recognition of the impacts delays had on families and children. The Chairman of the Children, Families, Lifelong Learning and Culture Select Committee also spoke on the item. The Chairman explained that parents and schools felt abandoned by Mindworks who seemed to have given up on providing frontline neurodevelopmental screening and assessment and had effectively handed over this responsibility to schools. There was a recognition that Mindworks had been overwhelmed by requests for assessments, diagnosis and treatment but that their response to this had been unacceptable. Mindworks were promising a transformation strategy and plan in the autumn. The Chairman requested that the Leader and Cabinet Member for Children, Families and Lifelong Learning ensured that the two Integrated Care Boards and Mindworks are reminded of their responsibilities as laid out by NHS England as they were appearing to ignore them. Despite a requirement that ICBs do not restrict or withhold access to an autism diagnosis, today in Surrey, access is being rationed. The Cabinet Member for Children, Families and Lifelong Learning explained that Mindworks was producing a transformation plan on how they will improve their performance and the council would be ensuring this plan was published. The Cabinet Member and Leader had been in constant dialogue with Mindworks Leadership about this issue. The Leader stated that as Chairman of the Surrey Heartlands ICP he would be raising this issue with the Health and Wellbeing board in September and that a number of conversations had already taken place with Mindworks and Surrey and Borders partnership.

The remaining two Select Committee reports would be considered when the relevant item was introduced on the agenda.

RESOLVED:

That the Select Committee reports be noted and the recommendations considered.

105/24 DECISIONS TAKEN SINCE THE LAST CABINET MEETING [Item 6]

There were two decisions for noting.

RESOLVED:

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

106/24 CABINET MEMBER OF THE MONTH [Item 7]

The report was introduced by the Cabinet Member for Health and Wellbeing, and Public Health. The following key points were made:

- The Mental Health Improvement Fund was coming into its final phase and the council would be partnering up with the Community Foundation for Surrey to maximise the council's investment with some match funding to support innovative projects helping mental health well-being across children's and adults.
- In recent months there had been a focus on measles following the request by UK Health Security Agency (UKHSA) to prepare for outbreaks and widespread community transmission as the number of measles cases rises across the country. Together with partners, public health was working to encourage people to take up the offer of the Measles, Mumps, Rubella (MMR) vaccine, particularly in children and those aged 19-25 years, although anyone of any age is eligible for the free vaccines.
- Work was being undertaken to reduce the number of smokers in Surrey and work was ongoing with various universities in Surrey around the importance of sexual health. It was important that we did not see a rise in the number of sexually transmitted diseases. The Cabinet Member explained that free contraception was available in pharmacies and doctors surgeries.
- A suicide prevention policy for Surrey had just been launched and work was ongoing with partners to reduce the number of suicides in the county.
- The Surrey Academic Health and Care Partnerships had been launched to look at prevention and integration of care across Surrey. The Partnership would be looking at innovation, technology and new ways of helping residents.
- The Cabinet Member stated the importance of changing our direction to more prevention and early intervention. Communities and individuals needed to be empowered to live better, healthier and longer lives. Communities need to be more resilient and more aware of the benefits of eating well and being more active. This would result in less reliance on services and people receiving the right care when they need it. Councillors were asked to promote the public health services that were available in Surrey.

RESOLVED:

That the Cabinet Member of the Month report is noted.

107/24 CUSTOMER TRANSFORMATION [Item 8]

The item was introduced by the Deputy Leader and Cabinet Member for Customer and Communities who explained that the report sets out the ambition and business case for the transformation of customer experiences and outcomes, to support the Council's guiding ambition that 'No one is left behind'. The programme will enable the needs of Surrey County Council's residents and wider customers to be better met, with a focus on understanding and supporting those with the greatest need. The programme will enable consistently good customer experience across all council services, including customer 'contact points' (e.g. libraries, registry offices, social care interactions etc.). The programme will work closely with all services and teams within the Council to achieve this and will streamline current processes. Cabinet was asked to approve in principle £11.3m investment over four years for this work.

The Chairman of the Resources and Performance Select Committee spoke on the item recognising the enormity of the programme and the absolute need to ensure we properly engage with residents and customers. The Select Committee understood that this was an important matter for the Council. Some members of the Select Committee had reservations about the programme which was borne from concerns around IT issues which had occurred with the My Surrey acquisition and the potential cost of the programme. The Select Committee had therefore requested updates on the programme. The Deputy Leader welcomed the support from the Select Committee and the setting up a member reference group on the programme.

The Leader explained that progress of the programme and checks on value for money would be vigorously reviewed by the Cabinet. It was vital the council modernised the ways it engaged with residents especially those that were digitally excluded.

RESOLVED:

1. That Cabinet approves the customer transformation ambition and approach, and the in principle £11.3m investment requirement over four years.
2. That Cabinet approves the use of financial revenue reserves of £3.5m (included in the £11.3m request) to support the 2024/25 activity. Further draw down of funding will be released in phases from 2025/26 onwards, following appropriate evidence of benefit realisation in the updated business case and approval of the Executive Director, Customer, Digital and Change in consultation with the Lead Cabinet Member.

3. That Cabinet approves the Dynamic Customer Operating model (D-COM) and its delivery as an essential countywide priority to ensure customer outcomes and experiences are improved.
4. That Cabinet notes the inter-relationships of the transformation programme with cultural and digital change, the data strategy, service specific improvements, Core Function Redesign and the Towns and Villages/Team Around the Community programmes.
5. That Cabinet delegates authority to the Executive Director, Customer, Digital and Change, in consultation with the Lead Cabinet Member to refine the Dynamic Operating Model as it evolves over time, responding to changing needs.

Reasons for Decisions:

The Council is determined to improve the customer experience in line with our mission and organisational priorities. This will be achieved through the design and implementation of a new Customer Service Operating Model, supported by systems, processes and ways of working that will provide a seamless customer journey, build customer trust, confidence, and satisfaction; reduce cost and maximise efficiency and effectiveness.

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

108/24 A NEW DRAFT VISION ZERO ROAD SAFETY STRATEGY AND 20 MPH SPEED LIMIT POLICY [Item 9]

The item was introduced by the Cabinet Member for Highways, Transport and Economic Growth who explained that the report presented an updated version of the Surrey RoadSafe Vision Zero Road Safety Strategy and 20 mph speed limit policy for Cabinet approval. The strategy had been amended following an extensive ten-week public consultation and engagement period, and with reference to updated guidance published by central government as part of their “Plan for Drivers”. This latest version of the strategy had been approved by the Surrey RoadSafe Board and was subject to scrutiny by the Communities Environment and Highways Select Committee on 17 July. The Cabinet Member explained that the new 20 mph policy unequivocally does not advocate a blanket approach, proposing instead to adopt a localised approach to decision making. The aim of the strategy would be to reduce road death and injury throughout Surrey.

The Chairman of the Communities, Environment and Highways Select Committee explained that the Select Committee was in broad support of the strategy and would like to see progress on the strategy monitored including progress on the delivery plan. The Chairman highlighted that the Select Committee would like to see more resources channelled into

delivering the strategy. The current sum allocated over the next five years did not seem sufficient. Clarity was sought on the role of the divisional member and the consultation process when adopting a 20mph policy. The committee was broadly supportive of the strategy and looked forward to working with the Cabinet Member to implement the strategy. The Cabinet Member stated that resourcing was always a concern but Members could use their own member allocation to support this work and the central budget had also been increased by £500,000.

The Deputy Cabinet Member for Strategic Highways explained that the policy and strategy was about safer streets. The new 20mph policy did not advocate a new blanket approach, proposing instead a new localised approach to speed reduction decision making which would require local engagement and consultation. Councillor Jonathan Essex welcomed the new strategy and the additional resource being put into this area.

The Leader explained that the Local Member would be closely involved with the implementation of the strategy and the current levels of Member allowance and central funds should be sufficient to make sure that those areas that want a 20 mile per hour zone can have them.

RESOLVED:

1. That Cabinet approves the Vision Zero Road Safety Strategy that has been amended following feedback from public consultation, and with reference to updated guidance from central government as part of their “Plan for Drivers”.
2. That Cabinet approves the County Council’s more flexible approach to implementing new 20 mph Speed Limits.

Reasons for Decisions:

A new Surrey RoadSafe Partnership Vision Zero Road Safety Strategy, incorporating a new 20mph policy, based on best practice is crucial to reducing road death and injury throughout Surrey.

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

109/24 THE WINSTON CHURCHILL SCHOOL- REPLACEMENT CURTAIN WALLING & FIRE STOPPING WORKS [Item 10]

The report was introduced by the Cabinet Member for Property, Waste and Infrastructure who explained that Cabinet was being asked to approve capital expenditure to undertake the replacement of the existing non-fire rated infill panels with a fire rated curtain walling system and provide fire stopping to the 4-storey block and 2-storey main building to provide a safe building environment at the Winston Churchill School in

Woking. Surrey Fire and Rescue Service visited the building on 6 June and provided details of their findings in a fire safety matter letter. Since then Surrey Fire and Rescue Services Area Inspecting Officer had visited the building and advised that due to the high level of automatic fire detection and regular fire drills organised by the school, pupils would be able to exit the building within safe time scales. Work was due to start in August.

The Leader confirmed that there were no imminent fire safety risks with the school and if there were the school would have been closed immediately.

RESOLVED:

1. That Cabinet approves capital funding allocated within the School Capital Maintenance Budget for the Capital Maintenance Programme 2024/25 to provide a safe building which currently has no fire breaks between the floors and which the Fire Officer has requested to ensure no enforcement notice is issued deeming the buildings to be unsafe for occupation at The Winston Churchill School. 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 installation of the new structures in accordance with the Council's Procurement and Contract Standing Orders.
3. That Cabinet agrees to delegate to the Executive Director for Environment, Infrastructure and Growth in consultation with the Director of Land and Property to award such contracts, up to +/- 10% of the budgetary tolerance level and any other legal documentation required to facilitate the approvals within this report.
4. That Cabinet authorises Legal Services to seal any awarded contracts where required.

Reasons for Decisions:

The recommendations in this report:

- Provide a safe learning and working environment in keeping with the existing school design, ensuring the building has the required compartmentation to contain any fire risk.
- Reduce the risk to life of pupils, staff, and other stakeholders.

- Reduce the risk of extensive collateral damage in the event of a fire.
- Ensure that the Fire Officer does not issue an enforcement notice and the insurance broker is willing to provide cover for the building.
- Make an essential contribution towards the Council's strategic objective to empower communities, in line with the 2030 Community Vision to ensure everyone benefits from education, skills and employment that help them to succeed in life.

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

110/24 CONSORT HOUSE, REDHILL [Item 11]

The report was introduced by the Cabinet Member for Property, Waste and Infrastructure who explained that Consort House was a former administrative office of Surrey County which was vacated on the relocation of services to Woodhatch Place, Reigate. Following an extended period of marketing since September 2022, no acceptable commercial proposals for a freehold sale had been received. Cabinet was therefore asked to approve the letting of the building. The Leader added that letting the building would provide a steady income stream for the Council and that a tenant had already been found.

RESOLVED:

1. That Cabinet approves the details of the letting of Consort House as outlined in the Part 2 report.
2. That Cabinet delegates authority to the S151 Officer in consultation with the Director of Land and Property to conclude best value terms and complete all associated legal documentation.
3. That Cabinet notes the Financial and Value for Money implications recorded in this Part 2 report.
4. That Cabinet formally declares the asset surplus to operational service requirements, and upon completion of the letting, to hold the asset for Investment purposes pending any future Cabinet or Strategic Investment Board decisions on its future.

Reasons for Decisions:

A letting of the entire building now provides an opportunity for the Council to not only mitigate its void holding costs, but to secure a long-term rental income stream enabling the asset to be held as an investment property, pending any future decisions of the Council.

The proposed tenant is a significant provider of services supporting Surrey communities.

Consort House has remained largely vacant since late 2022, other than the current temporary occupation by library services for storage and a short term click and collect service. The Council has incurred void holding costs on the building and has a rental liability for some related car parking. Marketing of the building, on either a freehold or leasehold basis, has been pursued against the background of a very depressed office market over the past 2 years.

There have been no recent commercial proposals received for the freehold interest that would be recommended to Cabinet.

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

111/24 CHILDREN'S COMMUNITY HEALTH SERVICES RECOMMISSIONING PROGRAMME [Item 12]

The Cabinet Member for Children, Families and Lifelong Learning introduced the report explaining the report provided details on the procurement phase of the Children's Community Health Services recommissioning programme. The procurement phase had now been completed and the report required a Council decision on the contract negotiation, which will lead to the final award of the contract. Once the award of the contract was approved by all parties the programme would move into the mobilisation phase so that the new service model for children's community health services can be delivered from the 1st of April 2025. The contract for the Children's Community Health Services is jointly commissioned by the Council and also by Surrey Heartland's ICB, Frimley ICB and NHS England Southeast. Each of these four commissioning parties would be taking a similar decision to the one being taken today through their own governance processes. The Leader explained that the report would come back to Cabinet subject to detailed contract discussions in September.

RESOLVED:

Decisions and Reasons for Decisions taken in Part 2 of the meeting.

112/24 2024/25 MONTH 2 (MAY) FINANCIAL REPORT [Item 13]

The report was introduced by the Cabinet Member for Finance and Resources who explained that at Month 2, the Council was forecasting an overspend of £15.3m against the 2024/25 revenue budget. Directorates were working on developing mitigating actions to offset forecast overspends and deliver services within available budgets. The Cabinet Member explained where these overspends were and stated that a member and officer oversight group had been set up to tackle the forecast spend increases in Home to School Travel Assistance. The

2024/25 Capital Budget was approved by Council on 6th February 2024 at £404.9m. The Capital Programme Panel, alongside Strategic Capital Groups, had undertaken an assurance review of the capital programme to ensure deliverability. This has resulted in a re-phased budget being recommended for 2024/25. At Month 2, capital expenditure of £313.4m is forecast for 2024/25, in line with the re-phased budget.

RESOLVED:

1. That Cabinet notes the Council's forecast revenue budget and capital budget positions for the year.
2. That Cabinet notes the additional grant funding secured by Public Health and Communities & Prevention services in the Adults, Wellbeing & Health Partnerships Directorate as set out in paragraphs 6, which will be allocated to the AWHP Directorate to spend in line with the grant conditions.
3. That Cabinet approves the re-phased capital budget of £313.4m for 2024/25.

Reasons for Decisions:

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

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

113/24 EXCLUSION OF THE PUBLIC [Item 14]

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.

114/24 THE WINSTON CHURCHILL SCHOOL- REPLACEMENT CURTAIN WALLING & FIRE STOPPING WORKS [Item 15]

The Cabinet Member for Property, Waste and Infrastructure asked Cabinet to approve the capital funding for the project which was agreed.

A separate part 2 minute was done for this item.

RESOLVED:

1. That Cabinet approves capital funding of [E-11-24] allocated within the School Capital Maintenance Budget for the Capital Maintenance Programme 2024/25 to provide a safe building which currently has no fire breaks between the floors and which

the Fire Officer has requested to ensure no enforcement notice is issued deeming the buildings to be unsafe for occupation at The Winston Churchill School.

Reasons for Decisions:

The recommendations in this report:

- Provide a safe learning and working environment in keeping with the existing school design, ensuring the building has the required compartmentation to contain any fire risk.
- Reduce the risk to life of pupils, staff, and other stakeholders.
- Reduce the risk of extensive collateral damage in the event of a fire.
- Ensure that the Fire Officer does not issue an enforcement notice and the insurance broker is willing to provide cover for the building.
- Make an essential contribution towards the Council's strategic objective to empower communities, in line with the 2030 Community Vision to ensure everyone benefits from education, skills and employment that help them to succeed in life.

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

115/24 CONSORT HOUSE, REDHILL [Item 16]

The Cabinet Member for Property, Waste and Infrastructure gave details of the terms of the lease including the new tenant and rental costs.

A separate part 2 minute was done for this item.

RESOLVED:

1. Approves the details of the letting of the building to [E-12-24] as outlined in this Part 2 report.
2. Delegates authority to the S151 Officer in consultation with the Director of Land and Property to conclude best value terms and complete all associated legal documentation.
3. Notes the Financial implications recorded in this report.
4. Formally declares the asset surplus to operational service requirements, and upon completion of the letting, to hold the asset for Investment purposes pending any future Cabinet or Strategic Investment Board decisions on its future.

Reasons for Decisions:

A letting of the entire building now provides an opportunity for the Council to not only mitigate its void holding costs, but to secure a long-term rental income stream enabling the asset to be held as an investment property, pending any future decisions of the Council.

The proposed tenant is a significant provider of services supporting Surrey communities.

Consort House has remained largely vacant since late 2022, other than the current temporary occupation by library services for storage and a short term click and collect service. The Council has incurred void holding costs on the building and has a rental liability for some related car parking. Marketing of the building, on either a freehold or leasehold basis, has been pursued against the background of a very depressed office market over the past 2 years.

There have been no recent commercial proposals received for the freehold interest that would be recommended to Cabinet.

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

116/24 CHILDREN'S COMMUNITY HEALTH SERVICES RECOMMISSIONING PROGRAMME [Item 17]

The Leader asked for the following additional recommendation to be agreed by the Cabinet,

1. That Cabinet delegate authority to the Executive Director of Children, Families & Lifelong Learning in consultation with the Leader and the Lead Member for Children, Families and Lifelong Learning to enter into the contract following the detailed contract discussions.

The Cabinet Member for Children, Families and Lifelong Learning introduced the report and gave details on the compliant bid. The Chairman of the Children, Families, Lifelong Learning & Culture Select Committee also spoke on the item. The recommendations were agreed. A separate part 2 minute was done for this item.

RESOLVED:

1. That Cabinet ratify the completion and outcome of the procurement process (Procurement Report attached as Appendix 1).
2. See Exempt Minute E-13-24.
3. See Exempt Minute E-13-24.

4. See Exempt Minute E-13-24.
5. That Cabinet delegate authority to the Executive Director of Children, Families & Lifelong Learning in consultation with the Leader and the Lead Member for Children, Families and Lifelong Learning to enter into the contract following the detailed contract discussions.

Reasons for Decisions:

See Exempt Minute E-13-24

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

117/24 PUBLICITY FOR PART 2 ITEMS [Item 18]

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

Meeting closed at 3.32 pm

Chairman

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**MINUTES OF THE MEETING OF THE CABINET
HELD ON 24 SEPTEMBER 2024 AT 2.00 PM
IN THE COUNCIL CHAMBER, SURREY COUNTY COUNCIL,
WOODHATCH PLACE, 11 COCKSHOT HILL, REIGATE, SURREY ,RH2
8EF.**

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

*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
*Steve Bax
*Jonathan Hulley

Members in attendance:

Bob Hughes, Chairman of the Resources and Performance Select Committee
Catherine Powell, Residents' Association and Independent Group Leader

**PART ONE
IN PUBLIC**

118/24 APOLOGIES FOR ABSENCE [Item 1]

There were none.

119/24 MINUTES OF PREVIOUS MEETING: 23 JULY 2024 [Item 2]

These were agreed as a correct record of the meeting.

120/24 DECLARATIONS OF INTEREST [Item 3]

There were none.

121/241 PROCEDURAL MATTERS [Item 4]

121/24 MEMBERS' QUESTIONS [Item 4a]

There were none.

122/24 PUBLIC QUESTIONS [Item 4b]

There were none.

123/24 PETITIONS [Item 4c]

There were none.

124/24 REPRESENTATIONS RECEIVED ON REPORTS TO BE CONSIDERED IN PRIVATE [Item 4d]

There were none.

125/24 REPORTS FROM SELECT COMMITTEES, TASK GROUPS AND OTHER COMMITTEES OF THE COUNCIL [Item 5]

The Cabinet Member for Children, Families and Lifelong Learning explained that the Select Committee had received a report in relation to home to school travel assistance. The Committee invited witnesses from the service to present their report on the progress made and the actions that they had taken to improve services for families, children and young people. The Committee had made some recommendations in relation to communications with families and travel allowances which had been well received by the service. A second report had been received from the Select Committee on the additional needs and disabilities parent and carer experience task group. There were a range of broad and quite far reaching recommendations made on the basis of the findings of that task group. These had only been received by the service last week and given that they are such broad recommendations and that there are so many repercussions in potential actions the service would take a little longer in responding to these. A written response to the recommendations would be sent to the Select Committee ahead of the next Cabinet with a finalised response being presented at the next Cabinet meeting. The Leader thanked the Task Group for their report.

RESOLVED:

That the Select Committee reports be noted and the recommendations considered.

126/24 LEADER / CABINET MEMBER/ STRATEGIC INVESTMENT BOARD DECISIONS TAKEN SINCE THE LAST CABINET MEETING [Item 6]

There were three decisions for noting. The Deputy Leader and Cabinet Member for Customer and Communities drew attention to the Farncombe Community Garden Hub which was a great example of Surrey County Council being able to fund and support a wonderful community garden project. This would be providing an all-weather facility which would be supporting our health and well-being agenda.

RESOLVED:

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

127/24 CABINET MEMBER OF THE MONTH [Item 7]

An update was provided by the Cabinet Member for Environment. The following key points were made:

- The Cabinet Member stated that Surrey County Council had shown leadership on the environment. For the second consecutive year, Surrey had the highest number of green flag schools in England which now totalled 98 schools. The ECO schools programme is the largest education initiative of its kind in the world and 170 schools in Surrey worked towards achieving the green flag.
- The Council has a number of statutory duties towards adults and young people but had always found a way to deliver across the environment portfolio, often weaving it into the no one is left behind agenda, ensuring countryside access, social prescribing, reducing energy bills and enhancing nature. The Council now has 5 ecologists working for it and had created forums and community volunteering that has been absolutely fundamental to the environment portfolio.
- The Council had been successful in receiving £273,323.08 in the fourth round of grant funding for the tree planting programme. Consequently, the programme had now successfully achieved £1,234,694.77 of grant funding contributions since 2021.
- Since 2021 the council had received £14m of government funding to decarbonise council buildings and help residents who needed support. Surrey was one of the most successful local authorities in delivering Government funded fuel poverty schemes in the country. Surrey had also been the leading authority in delivering solar together, whereby residents are supported by the council to install solar power and reduce energy bills.
- The Nature recovery strategy was being developed and sets out a plan for the whole county on how we protect and enhance nature and wildlife and ensure we leave a beautiful county for the future. Work was also being undertaken around rights of way. A consultation was held earlier this year, which had more responses to any other consultation we've held as an authority. The Council would be working with resident groups and parish councils to improve our rights of way, empowering them more locally as well as seeking opportunities to connect them to the local walking and cycling infrastructure plans and our sustainable travel plans.

The Leader stated that the Council had signed a civic agreement with the University of Surrey, Royal Holloway University and the University of Creative Arts to progress the four key themes in the 2030 Community Vision. The Leader encouraged residents to recycle as much as they possibly can. Surrey had always been in the top 5 authorities for the best recycling rates but this was only at 55% and the government was pushing a target of 65% by 2035. The Deputy Cabinet Member to the Leader explained that a consultation had started on the future of the Basingstoke Canal Centre, everyone was encouraged to participate in this consultation to shape the future of the centre.

RESOLVED:

That the Cabinet Member of the Month report is noted.

128/24 2024/25 MONTH 4 (JULY) FINANCIAL REPORT [Item 8]

The Cabinet Member for Finance and Resources introduced the report which provided details of the Council's 2024/25 financial position, for revenue and capital budgets, as at 31st July 2024 (M4) and the expected outlook for the

remainder of the financial year. At M4, the Council was forecasting an overspend of £15.5m against the 2024/25 revenue budget. Directorates were working on developing mitigating actions to offset forecast overspends, to deliver services within available budgets. In order to ensure ongoing financial resilience, the Council holds a corporate contingency budget and over recent years has re-established an appropriate level of reserves. It was explained that one of the largest overspends £7.4m related to the Home to School Travel Assistance pressure. A Member and officer oversight group has been set up to review, monitor and target proposed mitigations.

With regards to capital, at M4, capital expenditure of £318.1m was forecast for 2024/25. This was £3.3m more than the re-phased budget. There were a number of reasons for the variances including additional infrastructure costs. There was a £0.8m variance under budget, caused by a further reprofile of the WAN / Wi-Fi refresh programme that had reprofiled spend into future years. The report also included a proposal to increase the maximum value of an individual capital project funded via the Your Fund Surrey Small Projects Fund from £50,000 to £100,000.

The Leader encouraged members to use their member allocations in supporting local community projects. The Council would be going out to consult the public on the budget for next year and welcomed residents views on where priorities should lie. There were a number of pots of money that the Council had received from central government that expire in March 2025, which include the Household Support Fund. The Council would be lobbying the Government heavily to keep those funds available longer term. There was also a national campaign from Local Government to seek a long term financial settlement rather than on an annual basis.

RESOLVED:

1. That Cabinet notes the Council's forecast revenue budget and capital budget positions for the year.
2. That Cabinet approves the changes to the Your Fund Surrey small project fund allocation to increase the maximum value of a single capital project from £50,000 to £100,000.
3. That Cabinet approves the proposed amendments to the current delegated authority levels for Your Fund Surrey large project fund to include Director level, in consultation with Cabinet Member for Customer and Communities, for projects up to £100k.

Reasons for Decisions:

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

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

129/24 EXCLUSION OF THE PUBLIC [Item 9]

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.

130/24 PROJECT LIBRA [Item 10]

A part 2 report was presented by the Cabinet Member for Finance and Resources around the discontinuation of two discretionary services. The Chairman of the Finance and Resources Select Committee presented a report from the Select Committee stating that a number of briefings had taken place with officers on the issue. The recommendations in the report were agreed by the Cabinet. A separate part 2 minute would be done for this item.

RESOLVED:

See Exempt Minute E-17-24

Reasons for Decisions:

See Exempt Minute E-17-24

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

131/24 PUBLICITY FOR PART 2 ITEMS [Item 11]

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

Meeting closed at 2.50 pm

Chairman

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