

SURREY COUNTY COUNCIL

DEPUTY LEADER

DATE: 4 JUNE 2014

LEAD OFFICER: TREVOR PUGH, STRATEGIC DIRECTOR, ENVIRONMENT AND INFRASTRUCTURE

SUBJECT: ALLOCATION OF SURREY GROWTH FUND 2014/15



#### **SUMMARY OF ISSUE:**

The Deputy Leader is asked to approve the outline allocations for the use of the Surrey Growth Fund in 2014/15.

#### **RECOMMENDATIONS:**

That the Deputy Leader agrees the recommended programme of economic development activity in **Annex A** to be funded through the Surrey Growth Fund (SGF) in the financial year 2014-15.

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

The activities outlined support the aims and objectives of the SGF. The proposed programme of activity will also enable the Council to support the delivery of the Local Enterprise Partnerships (LEP)'s Strategic Economic Plans (SEPs) which will deliver local sustainable economic growth.

The approach will assist the council in achieving the One County, One Team Corporate Strategy 2012-17 (as endorsed by Cabinet on 31 January 2012 and by full Council on 7 February 2012), which includes a specific priority to make Surrey's economy strong and competitive.

#### **DETAILS:**

##### **Business Case**

1. The SGF was created to support activities that contribute to the council's corporate priority of making Surrey's economy strong and competitive.
2. The objectives for the use of the SGF are to:
  - increase the Gross Value Added (GVA) of Surrey through smart economic growth
  - support additional investment in Surrey
  - demonstrate visible leadership around economic development in Surrey and enhance the Council's reputation with the business community
  - support Surrey's business base .
3. A number of priority projects have been identified with initial outline funding requirements. These are set out at **Annex A**. The proposed activities have

been divided into a number of categories which together form a coordinated programme of activities for the coming year: These categories are:

- Supporting LEPs
  - Analytical work to support investment in strategic infrastructure
  - Developing delivery mechanisms for SEPs
  - Collaborative activity on strategic issues for Surrey
  - Supporting businesses and promoting Surrey
4. Projects that are strategic in nature, support delivery of the SEPs, enable collaborative working or support development of a proof of concept have been prioritised. Taken together these activities will contribute to each of the objectives identified above.

#### **CONSULTATION:**

5. The Deputy Leader, Strategic Director Environment and Infrastructure, Assistant Director, Environment, Senior Policy Manager, Chief Executives Office, Chief Executive of Surrey Connects have been consulted on the proposed programme of priority economic development activity.

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

6. Much of the activity proposed for funding is designed to improve the opportunity for Surrey to secure additional investment, enhance collaboration on issues that are strategic for the economy of the county or to develop new mechanisms that will enhance the support available for businesses. Consequently, without this funding, the likelihood that Surrey will miss out on investment, will not adequately be able to address strategic challenges or be able to develop mechanisms to support the future growth of the economy. Failure to carry out the proposed programme would also have a detrimental impact on the delivery of the SEPs.

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

7. The use of the Surrey Growth Fund (SGF) has been delegated to the Deputy Leader. In 2014-15 this revenue fund totals £750,000. In addition £30,000 has been carried forward from the 2013-14 allocation for use in promoting car clubs, an area of spend agreed in 2013. A further £33,000 carry forward has also been requested.
8. The indicative total cost of potential activities is estimated at £801,000. Expenditure will therefore need to be managed to ensure available funding is not exceeded.
9. Once the Deputy Leader has agreed a spending programme for the SGF, the monies should be delegated to the Environment and Infrastructure Directorate to spend in accordance with the approved programme. Progress on the use of the fund will be reported to the Deputy Leader by the Strategic Director, Environment and Infrastructure at their monthly Cabinet Member briefings.

### **Section 151 Officer Commentary**

10. The Financial implications are summarised in paragraphs 7-9, and in annex A. The proposed list of activities in Annex A exceeds the available budget and reassurance has been provided that the spend will be carefully managed and monitored to avoid overspending. Decisions on individual projects will be informed by an assessment of the likelihood of the envisaged benefits being achieved and confirmation of appropriate governance arrangements to secure value for money. The Council will retain oversight of the allocated funds to ensure achievement of objectives and, in relevant cases, the return of funds to the council.

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

11. The general power of competence created by the Localism Act 2011 enables the Council to develop economic growth in Surrey.
12. In exercising this power, the Cabinet Member must be mindful that the Council acts in accordance with any statutory limitations and restrictions and in this instance by ensuring that that it complies with its constitution.
13. The allocation of the SGF is delegated to the Deputy Leader under the Scheme of Delegation in the constitution.
14. Cabinet Member must ensure that when Council undertakes the activities listed in Annex A, it must comply with its' Procurement Standing Orders and the Financial Regulations under the constitution and must also consider the implications of EU Public Contracts Regulations where relevant.

### **Equalities and Diversity**

15. There are no identified negative equalities impacts. Where additional funding for infrastructure and transport schemes is secured, there will be positive impacts. Where applicable, equality impact assessments will be undertaken as a part of the delivery of individual projects.

### **WHAT HAPPENS NEXT:**

17. Subject to the agreement, the programme, as set out in Annex A, will commence in June 2014. Ongoing areas of work will continue.

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**Contact Officer:**

Judith Jenkins, Economy Manager, tel: 020 8541 9364

**Consulted:**

Deputy Leader,  
Strategic Director Environment and Infrastructure  
Assistant Director, Environment  
Senior Policy Manager, Chief Executive's Office  
Chief Executive, Surrey Connects.

**Annexes:**

Annex A – Surrey Growth Fund Spending proposals 14/15

**Sources/background papers:**

- Surrey County Council, 'One county, one team corporate strategy 2012 to 2017'
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