

**COUNTY COUNCIL****COUNCIL MEETING - 10 FEBRUARY 2015**

**MINUTES** of the meeting of the Council held at the Council Chamber, County Hall, Kingston upon Thames, Surrey KT1 2DN on 10 February 2015 commencing at 10.00 am, the Council being constituted as follows:

Mr D Munro (Chairman)  
Sally Marks (Vice-Chairman)

	Mary Angell		David Ivison
	W D Barker OBE		Daniel Jenkins
*	Mrs N Barton		George Johnson
	Ian Beardsmore		Linda Kemeny
	John Beckett		Colin Kemp
	Mike Bennison		Eber Kington
	Liz Bowes		Rachael I Lake
	Natalie Bramhall	*	Stella Lallement
	Mark Brett-Warburton		Yvonna Lay
	Ben Carasco		Ms D Le Gal
	Bill Chapman		Mary Lewis
	Helyn Clack		Christian Mahne
*	Carol Coleman		Ernest Mallett MBE
	Stephen Cooksey		Mr P J Martin
	Mr S Cosser		Jan Mason
	Clare Curran		Marsha Moseley
	Graham Ellwood		Tina Mountain
	Jonathan Essex		Christopher Norman
	Robert Evans		John Orrick
	Tim Evans	*	Adrian Page
	Mel Few	*	Chris Pitt
	Will Forster		Dorothy Ross-Tomlin
	Mrs P Frost		Denise Saliagopoulos
	Denis Fuller		Tony Samuels
	John Furey		Pauline Searle
	Bob Gardner		Stuart Selleck
	Mike Goodman		Nick Skellett CBE
	David Goodwin	*	Michael Sydney
	Michael Gosling		Keith Taylor
	Zully Grant-Duff	*	Barbara Thomson
	Ken Gulati		Chris Townsend
	Tim Hall		Richard Walsh
*	Kay Hammond		Hazel Watson
	Mr D Harmer		Fiona White
	Nick Harrison		Richard Wilson
	Marisa Heath		Helena Windsor
	Peter Hickman	*	Keith Witham
	Margaret Hicks		Mr A Young
	David Hodge		Mrs V Young
	Saj Hussain		

\*absent

#### **1/15 APOLOGIES FOR ABSENCE [Item 1]**

Apologies for absence were received from Mrs Barton, Mrs Coleman, Mrs Hammond, Mrs Lallement, Mr Page, Mr Pitt, Mr Sydney, Mrs Thomson and Mr Witham.

#### **2/15 MINUTES [Item 2]**

The minutes of the meeting of the County Council held on 9 December 2014 were submitted, confirmed and signed.

#### **3/15 CHAIRMAN'S ANNOUNCEMENTS [Item 3]**

The Chairman made the following announcements:

- (i) Her Majesty the Queen's New Year Honours List:  
A list was included within the agenda. He informed Members that he had written letters of congratulations to those who had received awards for services to Surrey communities.
- (ii) Related Party Disclosures – he reminded Members, that it was a legal requirement to complete their forms and return them to Finance by the deadline in March.
- (iii) That he was sponsoring the Charity Concert on 18 March 2015 for Keepout and the Yehudi Menuhin School and he urged Members to support this event.
- (iv) He presented the Quality Mark plaque from the National Youth Agency to Gemma Rutter and Leigh Middleton from the Services for Young People, Schools and Families. This had been awarded at 'Ambitious' level, which is equivalent to the Ofsted grading of 'outstanding' for their work in Addlestone. Mr Furey, the local Member was invited to say a few words in support of this achievement.
- (v) He also presented Dominic Forbes, Planning and Development Group Manager with the 'See Further, Go Further Award 2015' which Surrey County Council had achieved in the Building Partnerships category, for recognition of the partnership approach to the school expansion programme. Ms Le Gal, Cabinet Member for Business Services was invited to say a few words in support of this achievement.

#### **4/15 DECLARATIONS OF INTEREST [Item 4]**

There were none.

#### **5/15 REVENUE AND CAPITAL BUDGET 2015/16 TO 2019/20 AND TREASURY MANAGEMENT STRATEGY [Item 5]**

The Chairman said that the papers for this item were included in the agenda and the supplementary report of the Cabinet circulated last week, which included details of the final Local Government Finance settlement. He asked Members to note that the recommendations before them today, numbered (1) to (16) were set out in the Council agenda papers.

He said that the debate on the Budget would be conducted, in accordance with the County Council's Standing Orders.

The Leader presented the Report of the Cabinet on the Revenue and Capital Budget 2015/16 to 2019/20, the Council Tax Requirement for 2015/16 and the Treasury Management Strategy and made a statement in support of the proposed budget. A copy of the Leader's statement is attached as Appendix A.

The Director of Finance presented her report to Council. A copy of her statement is attached as Appendix B.

Each of the Minority Group Leaders (Mrs Watson, Mr Harrison and Mr Johnson) were invited to speak on the budget proposals.

Key points made by Mrs Watson were:

- Support for the level of Council Tax increase proposed but opposition to the Budget as a whole
- Referred to specific budget pressures including the additional school places required and also pressures within the Adult Social Care budget
- Proposed that some budget savings could be made by deleting Cabinet Associate posts, stopping the publication and circulation of Surrey Matters, removing unused office space from the County's property portfolio and using the untouched earmarked reserves
- Considered that the cuts to the youth service budget was a short sighted approach and that this reduction could have been funded from the additional funding received as part of the final Local Government Finance Settlement
- Proposed other alternatives, such as funding front line services by reducing back office support
- Considered that this budget lacked detail.
- Finally, she requested a separate vote on recommendations (8) – (10)

Key points made by Mr Harrison were:

- Highlighted the budget pressures and the need to request a council tax uplift of 1.99% for 2015/16
- Agreed it was not the year to accept the council tax freeze grant
- Considered that there was not sufficient information in the Budget report, in relation to the savings required
- Highlighted Appendix 1 of the report, which set out details of the steps taken by the County Council to reduce unit costs
- Referred to the savings target for 2015/16 and the budget proposal to eliminate the risk contingency
- Expressed disappointment that a list of savings proposals, and how they would be achieved, had not been presented to all Members
- That there was a need to look at the overall headcount because there had been an increase over the last 12 months
- That by agreeing to the overall budget today, the detail of it would have to be taken on trust

Mr Kington moved an amendment, to the Budget recommendations, which was formally seconded by Mr Harrison. This was the addition of this following recommendation:

'Requests that as a priority the Leader and Cabinet engage with the LGA and Stanton Marris with the view to undertaking a management organisational review using the Decision Making Accountability (DMA) process with the aim of cutting costs, clarifying role responsibilities and developing a more productive and agile workforce.'

In support of his amendment, Mr Kington made the following points:

- That this was not an open and transparent budget because the detail of this budget would not be available until either the Medium Term Financial Plan (MTFP) was agreed in March 2015 or its refresh in July 2015
- The County Council could not continue to provide the same level of services – there would be cuts i.e. Sure Start Centres
- Could not vote for a Budget that does not provide the detailed Services Budgets
- This amendment requested a review of the staffing structure before making any service cuts
- Council Overview and Scrutiny Committee had been unable to obtain Directorate staffing figures
- Decision Making Accountability (DMA) was a proven way of creating an effective and efficient organisation and this process was undertaken with LGA guidance – it had also been used successfully in other organisations

Seven Members spoke on the amendment, making the following points:

- The BDR (Business Delivery Review) had been a similar exercise to DMA – this had taken place 10 years ago and had a negative impact on the County Council
- Significant efforts had been made to achieve greater accountability within the Council
- The objective of this meeting was to set the Budget envelope and the detail would follow in the MTFP, as it always has done
- Following changes to top management, this Council had been improving since 2009 and had made savings of nearly £300m since 2010
- Unit costs had also been driven downwards
- This organisation did not need expensive consultants' advice because there were already competent staff running its services
- Members had a responsibility to scrutinise the Budget in their respective select committees before the MTFP was considered by the Cabinet on 24 March 2015
- A increase in headcount could be due to Public Health staff transferring from the NHS into Surrey County Council
- Also, management structures in several services had been reviewed and were leaner so it was not considered that using consultants would be of significant benefit to the Council
- Praise for the current senior staff within the Council
- That the Council was actively looking at new ways of delivery to reduce costs, including partnership working – the example of joint working with East Sussex County Council was cited
- Administration costs should be reduced and front line services protected
- That this amendment had been discussed at the Council Overview and Scrutiny Committee (COSC), where there had been a general consensus of agreement by all Members of that committee
- This amendment was a **Page 4** suggestion which should be taken seriously

- That using DMA was a tried and tested method which had been used successfully in other Councils.

The amendment was put to the vote, with 12 Members voting for and 55 Members voting against it. There were 5 abstentions.

Therefore the amendment was lost.

Returning to the original motion, 10 Members spoke on it.

Key points made in the debate were:

- That pages 30/31 of the Budget report set out the savings, pressures and funding 2010/11 – 2015/16
- The Council Property portfolio was under constant review and there were several examples of effective use of Council buildings and also energy efficiency within them – property costs had been reduced by over 20% in the last four years
- The efficiency savings achieved to date were impressive
- That the additional funding allocated to Surrey County Council from Government in the final Local Government Settlement was welcomed
- This Council had been given a significant number of extra responsibilities over the last few years, including Public Health and was still managing to deliver services whilst making substantial efficiency savings
- Concern about the effect of demographic pressures on the Council's services, including the shortfall of funding for the additional school places required
- That the need to raise council tax by 1.99% was generally supported
- The Budget process was flawed and that Members needed the detail on how the proposed savings would be achieved in order to balance the Budget in 2015/16
- Concern whether the Adult Social Care budget was adequate to meet the needs required
- Members had been given more information about the Budget proposals this year, than in previous years because there had been workshops and the opportunity for all Members to comment and make suggestions on the proposals
- Today was about setting the Council tax increase and the overall cash envelopes for each Directorate
- There was significant support for Surrey Matters
- That the County Council had no alternative but to use agency staff for some Social Services provision
- That the County Council would continue to lobby Government for sufficient funding so that the best service possible could be provided for Surrey residents

The Chairman agreed to the request from Mrs Watson to have a separate vote for recommendations (8) – (10).

Recommendations (1) – (7) were agreed, with no Member asking for their vote to be recorded against and there were no abstentions.

For recommendations (8) to (10), the following Members voted for it:

The following Members voted for it:

Mrs Angell, Mr Barker, Mr Bennison, Ms Bowes, Mrs Bramhall, Mr Brett-Warburton, Mr Carasco, Mr Chapman, Mrs Clack, Mr Cosser, Mrs Curran, Mr Ellwood, Mr T Evans, Mr Few, Mrs Frost, Mr Fuller, Mr Furey, Mr Gardner, Mr Goodman, Mr Gosling, Dr Grant-Duff, Mr Gulati, Mr Hall, Mr Harmer, Miss Heath, Mrs Hicks, Mr Hodge, Mr Hussain, Mr Ivison, Mr Jenkins, Mr Johnson, Mrs Kemeny, Mr Kemp, Mrs Lake, Mrs Lay, Ms Le Gal, Mrs Lewis, Mr Mahne, Mrs Marks, Mr Martin, Mrs Moseley, Mrs Mountain, Mr Munro, Mr Norman, Mrs Ross-Tomlin, Mrs Saliagopoulos, Mr Samuels, Mr Selleck, Mr Skellett, Mr Taylor, Mr Walsh, Mr Wilson, Mrs Windsor, Mr Young and Mrs Young

And the following Members voted against it:

Mr Beardsmore, Mr Cooksey, Mr Essex, Mr Forster, Mr Goodwin, Mr Hickman, Mr Kington, Mr Orrick, Mrs Searle, Mrs Watson and Mrs White

There were six abstentions:

Mr Beckett, Mr R Evans, Mr Harrison, Mr Mallett, Mrs Mason and Mr Townsend

Therefore, recommendations (8) to (10) were agreed.

Recommendations (11) to (16) were agreed, with no Member asking for their vote to be recorded against and there were no abstentions.

Therefore, these recommendations were agreed.

Recommendations (11) to (16) were agreed

Therefore, it was:

**RESOLVED:**

- (1) That the Director of Finance's statutory report on the robustness and sustainability of the budget and the adequacy of the proposed financial reserves (Annex 1 to the submitted report) be noted.
- (2) That the council tax requirement for 2015/16 be set at £587.0m (Annex 3, paragraph 3.4 in the submitted report).
- (3) That the 2015/16 council tax up-lift be fixed at 1.99%.
- (4) That the basic amount for 2015/16 council tax at Band D be set at £1,219.68 (Annex 3, paragraph 3.6 in the submitted report).
- (5) That the council tax for each category of dwelling in its area will be as follows:

Valuation band	£
A	813.12
B	948.64

C	1,084.16
D	1,219.68
E	1,490.72
F	1,761.76
G	2,032.80
H	2,439.36

- (6) That the payment for each billing authority, including any balances on the collection fund will be as follows:

<b>Billing authority</b>	<b>£</b>
Elmbridge	77,182,111.80
Epsom & Ewell	39,005,966.32
Guildford	68,642,880.96
Mole Valley	469,846,761.76
Reigate & Banstead	70,288,938.72
Runnymede	40,145,137.60
Spelthorne	48,092,591.25
Surrey Heath	45,390,885.64
Tandridge	44,959,506.56
Waverley	65,915,986.02
Woking	48,453,355.22
<b>TOTAL</b>	<b>597,924,101.85</b>

That the payment for each billing authority, including any balances on the collection fund to be made in ten equal instalments on the dates, already agreed with billing authorities as follows:

17 April 2015	16 October 2015
22 May 2015	20 November 2015
26 June 2015	6 January 2016
31 July 2015	12 February 2016
11 September 2015	16 March 2016

- (7) That the council tax rate set above be maintained and powers be delegated to the Leader and the Director of Finance to finalise detailed budget proposals following receipt of the Final Local Government Financial Settlement.
- (8) That the £4.6m additional council tax surplus on the Council Tax Collection Fund be transferred to the Economic Downturn Reserve.
- (9) That the County Council budget for 2015/16, be approved.
- (10) That the following capital programme proposals be agreed:
  - To fund essential schemes over the five year period (schools and non-schools) to the value of £695m including ring-fenced grants
  - To make adequate provision in the revenue budget to fund the revenue costs of the capital programme
  - To enhance provision for Local Growth Deal and flood schemes, as stated in paragraph 114 of the submitted report, including making a £0.5m contribution to the River Thames scheme.
- (11) That the Cabinet agrees to refresh the Medium Term Financial Plan (MTFP) for the financial years 2015 – 20 (MTFP 2015 – 20) revenue and capital budgets in summer 2015.
- (12) That the Chief Executive and Director of Finance be required to continue regularly to track and monitor progress on the further development and implementation of robust plans for achieving the efficiencies across the whole Medium Term Financial Plan (MTFP) period.
- (13) That Strategic Directors and Senior Officers be required to maintain robust in year (i.e. 2015/16) budget monitoring procedures to enable Cabinet to monitor the achievement of efficiencies and service reductions through the monthly budget monitoring Cabinet reports, the quarterly Cabinet Member accountability meetings and the monthly scrutiny at the Council's Overview & Scrutiny Committee.
- (14) That a robust business case be required to be prepared (and taken to the Investment Panel) for each revenue invest to save proposal and capital scheme before committing expenditure.
- (15) That the final detailed MTFP (2015-20) be considered and approved by Cabinet on 24 March 2015, following scrutiny by Select Committees.

**Treasury management and borrowing:**

- (16) That the Treasury Management Strategy for 2015/20 be approved and that the provisions have immediate effect (Annex 2 to the submitted report).

This strategy includes:

- the investment strategy for short term cash balances
- increasing the number of AAA-rated money market funds from five to seven (with the individual amount to a single fund increased from £20m to £25m).



- the treasury management policy (Annex 2, Appendix 8 to the submitted report)
- the prudential indicators (Annex 2, Appendix 9 to the submitted report)
- the scheme of delegation (Annex 2, Appendix 11 to the submitted report)
- the minimum revenue provision policy (Annex 2, Appendix 14 to the submitted report).

## 6/15 MEMBERS' QUESTION TIME [Item 6]

Notice of four questions had been received. The questions and replies are attached as Appendix C.

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

**(Q1) Mr Robert Evans** asked the Cabinet Member for Community Services to clarify both what the extenuating circumstances at the proposed site were and also the level of success of the recruitment campaign for 'on-call fire-fighters'.

**Mr Jenkins** referred to a letter from one of his residents relating to their application for employment as an 'on-call fire-fighter' and asked for confirmation on whether both the scheme and Option 5 had been suspended. He also asked for confirmation about the suitability of the site.

The Cabinet Member for Community Services said that at this stage, she was unable to add anything further beyond what she had said in her written reply and said that a report on Spelthorne Fire Station was expected to be submitted to Cabinet in late spring 2015.

**(Q3) Mr Essex** referred to the second point in his question and asked the Cabinet Member for Schools and Learning for confirmation on whether the Education Secretary had been consulted on the proposed change of status for Oxted School. The Cabinet Member said that the County Council would be a consultee if the Governing Body of the school decided to proceed with an application to the Department for Education for change of status and that the Local Authority would respond at that point.

**(Q4) Mr Beckett** considered that the written response provided had not answered his questions and requested that Members be kept informed of any proposals affecting Sure Start Centres in their divisions.

**Mr Townsend, Mr Robert Evans and Mr Kington** all expressed concern about the uncertainty surrounding the future of some Sure Start Centres and the consultation process currently in place.

The Cabinet Member for Schools and Learning said that there would be some difficult decisions to be made but she was committed to providing a first class Children's Services. She confirmed that divisional Members would be advised of any changes to provision in their areas before any decisions were made public and confirmed that the criteria for selecting any centres for closure had now been circulated to all Members. She said that any decision on change of provision would be made at a future Cabinet meeting. Finally, she said that she would discuss with Mr Kington, his concerns about the consultation process at his local Sure Start Centre, outside the meeting.

**Cabinet Member briefings on their portfolios are attached as Appendix D.**

Mr Mallett asked the Cabinet Member for Highways, Transport and Flooding for details of the schemes being submitted for the Challenge Fund. The Cabinet Member said that, as the date for submission had only been the day before (9 February), he would advise Mr Mallett outside the meeting.

**7/15 STATEMENTS BY MEMBERS [Item 7]**

There were three local Member statements:

- (i) Mr Robert Evans concerning a road fatality in his division.
- (ii) Mr Nick Skellett concerning Oxted School
- (iii) Mrs Helena Windsor concerning Oxted School

**8/15 REPORT OF THE CABINET [Item 8]**

The Leader presented the reports of the Cabinet meetings held on 16 December 2014 and 3 February 2015.

**(1) Statements / Updates from Cabinet Members**

The Cabinet Member for Schools and Learning referred to her statement relating to the Youth Collective, Surrey County Council's newly formed Youth Parliament, which had been included in the agenda papers.

**(2) Recommendations on Policy Framework Documents**

**A *Confident in Surrey's Future*, Corporate Strategy 2015 – 2020**

The Leader of the Council said that the Corporate Strategy clearly set out the Council's priorities for 2015/20.

Members made the following points:

- That the Corporate Strategy was an important document that underpinned everything that the Council did
- This one page document had captured the Council's clear sense of purpose and direction
- It set out the Surrey Values of: Listen, Responsibility, Trust and Respect
- It was a five year plan which only set out goals for 2015/16 (However, this was due to funding uncertainty in future years)
- That the Plan should be shared widely – with Borough / District / Parish Councils and Residents Associations

**RESOLVED:**

That *Confident in Surrey's Future*, the Corporate Strategy 2015 - 2020, as set out in Appendix 1 to the submitted report, be agreed.

## **B Revised Minerals and Waste Development Scheme**

Mr Mallett asked that paper copies of all relevant documents be made available in the Members' Resources Room – the Cabinet Member for Environment and Planning agreed to this request.

Mr Beardsmore highlighted his concerns relating to minerals extraction in Spelthorne and said that he would not support the revised Minerals and Waste Development Scheme. He requested that his vote against it was recorded.

The Chairman of the Planning and Regulatory Committee said that this document was about the process and not the Plan and stressed the importance of it to all Members.

Members were asked to vote – 63 Members voted for it, 3 Members voted against it (including Mr Beardsmore who had requested that his vote against the revised scheme was recorded) and there were 7 abstentions.

Therefore, it was:

### **RESOLVED:**

That the revised Minerals and Waste Development Scheme, as set out in Appendix 2 to the submitted report, be approved.

### **(3) Reports for Information / Discussion**

The following reports were received and noted:

- Surrey Local Flood Risk Management Strategy
- Agreement with Surrey Wildlife Trust for the management of the County Council's Countryside Estate
- Quarterly Report on Decisions taken under Special Urgency Arrangements: 1 October – 31 December 2014

### **RESOLVED:**

That the report of the meetings of the Cabinet held on 16 December 2014 and 3 February 2015 be adopted.

## **9/15 AMENDMENTS TO THE CONSTITUTION [Item 9]**

This report set out changes to executive functions set out in the Scheme of Delegation relating to the roundabout sponsorship scheme, Trading Standards cross border investigations and prosecutions and the Basingstoke Canal Joint Management Committee.

### **RESOLVED:**

That the amendments agreed by the Leader of the Council to the Scheme of Delegations be noted.

**10/15 MINUTES OF THE MEETINGS OF CABINET [Item 10]**

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

[Meeting ended at:12.35pm]

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**Chairman**