

## MINUTES OF THE MEETINGS OF CABINET

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 the Democratic Services Lead Manager by 12 noon on Monday 16 March 2015.

**MINUTES OF THE MEETING OF THE CABINET  
HELD ON 3 FEBRUARY 2015 AT 2.00 PM  
AT ASHCOMBE SUITE, COUNTY HALL, KINGSTON UPON THAMES,  
SURREY KT1 2DN.**

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

Members:

*Mr David Hodge (Chairman)	*Mr John Furey
*Mr Peter Martin (Vice-Chairman)	*Mr Mike Goodman
*Mrs Mary Angell	*Mr Michael Gosling
*Mrs Helyn Clack	*Mrs Linda Kemeny
*Mr Mel Few	*Ms Denise Le Gal

Cabinet Associates:

Mr Steve Cosser	*Mrs Kay Hammond
*Mrs Clare Curran	*Mr Tony Samuels

\* = Present

**PART ONE  
IN PUBLIC**

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

Apologies were received from Mr Cosser.

**2/15 MINUTES OF PREVIOUS MEETING: 16 DECEMBER 2014 [Item 2]**

The minutes of the meeting held on 16 December 2014 were confirmed and signed by the Chairman.

**3/15 DECLARATIONS OF INTEREST [Item 3]**

There were none.

**4/15 PROCEDURAL MATTERS [Item 4]**

**(a) MEMBERS' QUESTIONS [Item 4a]**

A question from Mrs Watson was received. The question and response is attached as **Appendix 1**.

Mrs Watson said that the National Audit Office had reported last week that the superfast broadband roll out in rural areas would cost £92 million less than BT originally said it would and the Government had responded by stating that the cash saved would be ploughed back into providing superfast broadband in more remote areas. So, given this underspend nationally, she asked the Deputy Leader to advise how Members of the County Council could make a judgment on whether the County Council has effectively used the £20 million that it had put into this project and if necessary, hold the Cabinet to account if information on how this money had been spent and which properties would

not be able to receive superfast broadband could not be provided to Members?

She also asked, the Deputy Leader to join her in welcoming the report on Rural Broadband Services published by the Environment, Food and Rural Affairs Committee at Westminster earlier today and asked if he would commit to meeting the targets set in this report in Surrey?

The Deputy Leader responded by stating that Cabinet decisions were subject to scrutiny and that he expected that all contractual commitments in the original contract to be met and that Surrey was the best connected county in the country. Also, as he had not seen the report that Mrs Watson referred to, he asked her to provide him with a copy.

**5/15 PUBLIC QUESTIONS [Item 4b]**

No questions were received from members of the public.

**6/15 PETITIONS [Item 4c]**

No petitions were received.

**7/15 REPRESENTATIONS RECEIVED ON REPORTS TO BE CONSIDERED IN PRIVATE [Item 4d]**

No representations were received.

**8/15 REPORTS FROM SELECT COMMITTEES, TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL [Item 5]**

There were none.

**9/15 CONFIDENT IN SURREY'S FUTURE: CORPORATE STRATEGY 2015 - 2020 [Item 6]**

The Cabinet were asked to endorse a refreshed version of the Council's Corporate Strategy. This Strategy would then be presented to the County Council meeting on 10 February 2015 for approval, alongside the Revenue and Capital Budget.

The Leader of the Council said that the refreshed version of the Council's Corporate Strategy focussed on working on the long term interests of Surrey's residents and businesses and that the Council would also concentrate on improving Surrey's road networks, providing lasting support to those who need it and supporting economic growth.

He said that the strategy set out the Council's strategic goals of:

- Wellbeing
- Economic Prosperity
- Residents Experiences

The Cabinet Team agreed that this Plan was very focussed and would be embedded within Cabinet Members' portfolios. Members were invited to highlight key points within the document.

**RESOLVED:**

That the refreshed version of *Confident in Surrey's future*, Corporate Strategy 2015-2020 be endorsed and that it be presented to the County Council meeting on 10 February 2015 for approval alongside the Revenue and Capital Budget 2015-20.

**Reasons for Decisions:**

By reconfirming a long term vision for the county and setting goals and key actions for the next financial year the refreshed Corporate Strategy provides a clear sense of direction for Council staff, residents, businesses and partner organisations. As part of the Council's Policy Framework (as set out in the Constitution), the Corporate Strategy must be approved by the County Council.

**10/15 REVENUE AND CAPITAL BUDGET 2015/16 TO 2019/20 AND TREASURY MANAGEMENT STRATEGY [Item 7]**

The Leader of the Council began by taking Members through the amendments that had been made to this report since the Cabinet agenda had been published. This amendment sheet, including a revised Appendix 5 to the Budget report, was tabled at the meeting and is attached as Appendix 2 to these minutes.

Recommendations from the Council Overview and Scrutiny Committee's Performance and Finance sub-group were also tabled at the meeting and are attached as Appendix 3 to these minutes.

The Leader of the Council thanked this group for their recommendations and said that he had discussed them with the Chairman of the Council Overview and Scrutiny Committee (who had sent his apologies because he was unable to attend this meeting to present them).

He said that the Cabinet would normally have provided a written response. However, due to the details contained within the recommendations, there had been insufficient time to provide a written response and therefore, he would note them and ask officers to consider them, either as part of the report on the Medium Term Financial Plan (MTFP) 2015 – 20, due to be submitted to Cabinet on 24 March 2015 or as part of its refresh, which would be considered by Cabinet in July 2015.

Turning to the Revenue and Capital Budget report for 2015/16, which included the Treasury Management Strategy, he said that the only recommendations that Cabinet would be approving today were recommendations (12) and (13), the others would be recommendations from Cabinet to the full County Council meeting on 10 February 2015, for their decision.

He said that the Administration would be proposing a council tax increase of 1.99% so that the Council could continue to provide the services that residents expected. He stressed the importance of budget planning which had been on-going throughout the year, which had contributed to the significant savings that had been achieved on the overall budget.

He also urged some caution, due to the General Election in May 2015, the uncertainty of the outcome and that there had been no Comprehensive Spending Review beyond 2015/16.

He also acknowledged the work of the Director of Finance and her officers, in compiling this Budget report and also the level of scrutiny that had taken place to ensure it was the right Budget for Surrey.

Finally, he said that he considered that the key messages concerning the Budget were:

- The County Council was still facing huge challenges and responding to them well and was making significant savings each year
- The ability to keep investing in what matters to residents
- To provide full information about the Budget for the next five years in a transparent way

He asked the Cabinet Team to comment on these points. Their key points were:

- Adult Social Care – the problem of estimating the number of older, vulnerable people that would require help in the future, the increased number of high cost packages, the importance of safeguarding, the full impact of the Care Act from 2016, delivery of savings with these Budget pressures.
- Schools and Learning - the pressure of providing and funding an additional 13,000 school places over the next five years, lobbying Government to ensure that Surrey's needs are understood, Special Education Needs – it was now the responsibility of the Local Authority to provide education and training upto 25 years old, budget pressures relating to these issues.
- Public Health – whether there would be sufficient funding for the additional responsibilities now required of the Local Authority, relating to health visiting for 0-5 year olds, public health prevention and how it would be resourced and carried out.
- Savings, pressures and funding from 2010/11 to 2015/16 – that the Council had reduced the annual value of expenditure by £329m since 2010 and had also driven down unit costs, with examples being set out in Appendix 1 of the submitted report.
- Highways – that the Council had continued to maintain and improve transport infrastructure to support Surrey businesses, that roads were gritted quickly during adverse weather and key routes remained open.

- Youth Service – the importance of providing support for young people to enable them to have a good start in life, that the re-provisioned model had achieved excellent outcomes, with a reduction in NEETS and young people entering the youth justice system, and significant savings had been achieved, continued investment in the apprentice scheme.
- School Improvement – Education Performance was the subject of a separate report which would be discussed later in the agenda, including Ofsted’s view that the support that the local authority provided to schools was strong and effective.
- Hubs – investment in the setting up of Information Hubs, in advance of the new Care Act and also Wellbeing Centres with Boroughs and Districts plus the possibility of using libraries as information points.
- Fire and Rescue - £1m Fire Transformation Grant – to be used for developing the partnership working between Surrey Fire and Rescue and the Police and Ambulance Services.
- Fraud – the Council, in partnership with Boroughs and Districts, was making significant progress in reducing fraud and had recently be awarded a Government grant to assist in their area of work.
- Council Tax – Surrey was one of the most dependant of all Councils on council tax receipts and a detailed explanation of the Council’s strategy was provided.

The recommendations were then put to the vote and it was:

**RESOLVED:**

That the following recommendations be made to the Full County Council on 10 February 2015:

**On the revenue and capital budget:**

1. Note 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 of the submitted report).
2. Set the County Council precept for band D council tax at £1,219.68 which represents a 1.99% up-lift.
3. Agree to maintain the council tax rate set above and delegate powers to the Leader and the Director of Finance to finalise detailed budget proposals following receipt of the Final Local Government Financial Settlement.
4. Transfer £4.6m from the surplus on the Council Tax Collection Fund to the Economic Downturn Reserve.
5. Approve the County Council budget for 2015/16.
6. Agree the capital programme proposals specifically to:
  - fund essential schemes over the five year period (schools and non-schools) to the value of £695m including ring-fenced grants;

- make adequate provision in the revenue budget to fund the revenue costs of the capital programme; and
  - enhance provision for Local Growth Deal and flood schemes, as set out in paragraph 114 of the submitted report, including making a £0.5m pa contribution to the River Thames Scheme.
7. Agree for Cabinet to refresh the Medium Term Financial Plan for the financial years 2015-20 (MTFP 2015-20) revenue and capital budgets in summer 2015.
  8. Require the Chief Executive and Director of Finance to continue regularly to track and monitor progress on the further development and implementation of robust plans for achieving the efficiencies across the whole MTFP period.
  9. Require Strategic Directors, Heads of Service and Senior Officers to maintain robust in year (i.e. 2015/16) budget monitoring procedures that 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.
  10. Require a robust business case to be prepared (and taken to the Investment Panel for review) for each revenue 'invest to save' proposals and capital schemes before committing expenditure.

**On treasury management and borrowing:**

11. Approve the Treasury Management Strategy for 2015-20 and approve that their provisions have immediate effect. 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 (Appendix 8 of the submitted report);
  - the prudential indicators (Appendix 9 of the submitted report);
  - the schedule of delegation (Appendix 11 of the submitted report);
  - the minimum revenue provision policy (Appendix 14 of the submitted report).
12. That the Medium Term Financial Plan for the financial years 2015-20 be approved, which includes:
  - approval of the Total Schools Budget of £560.7m (paragraphs 53 to 59 of the submitted report);
  - supporting the 2015/16 budget by using £4.3m from earmarked reserves as set out in paragraph 99 of the submitted report;
13. That it be noted that the Cabinet will receive the final detailed Medium Term Financial Plan 2015-20 on 24 March 2015 for approval following scrutiny by Select Committees.

### **Reasons for Decisions:**

The County Council will meet on 10 February 2015 to agree the summary budget and set the council tax precept for 2015/16. The Cabinet advises the County Council how best to meet the challenges it faces and these proposals will aim to ensure the Council continues to maintain its financial resilience and protect its long term financial position.

#### **11/15 FINANCE AND BUDGET MONITORING REPORT FOR DECEMBER 2014 [Item 8]**

The Leader of the Council presented the budget monitoring report for month nine of 2014/15, the period up to 31 December 2014 and said that the forecast revenue position was an underspend of £3.5m at year end, an improvement on November's forecast outturn of £2.7m underspend.

He also said that the forecast for achieving efficiencies for the Council was £69.0m and this was the fifth consecutive year that more than £60m of savings had been delivered for Surrey residents. The overall level of risk for efficiencies' projects had improved again during December, with only 2% of the efficiencies' projects now facing severe challenges to implementation.

He reminded Members that the financial strategy had four key drivers which ensured sound governance in managing finances and providing value for money for the Council.

These were:

##### **(1) To keep any additional call on the council taxpayer to a minimum**

- Currently, the end of year revenue forecast was for services to underspend by £3.5m. Also, that the Chief Executive and Director of Finance would continue to hold support sessions with Heads of Service to help maintain the rigour of services' savings plans and they would continue to report progress at the Council's all Member briefings.

##### **(2) To continuously drive the efficiency agenda**

- He reported that at the end of November, services forecast delivering efficiencies of £69.0m against a target of £72.3m and this was a £1.0m reduction on the position last month. Of these £69.0m forecast efficiencies, 85% have either already been achieved or are on track, 12% have some issues and less than 3% were considered to be at risk.

##### **(3) To develop a funding strategy to reduce the council's reliance on council tax and government grant income.**

- He said that reducing reliance on government grants and council tax was key to balancing the Council's budgets over the longer term and the Revolving Infrastructure and Investment Fund had already invested £6.0m this year and forecast delivering £0.5m net income.

##### **(4) To continue to maximise our investment in Surrey**

- The council's capital programme not only improved and maintained services, it was also a way of investing in Surrey and generating income for the council and the reprofiled capital programme planned £780m investment for 2014-19 including £205m in 2014/15. The current



forecast was to invest £195m in the mainstream capital programme and £7.5m in long term investments.

Finally, he drew attention to the details in relation to the balance sheet and earmarked reserves, as set out in the Annex to this report because it was the end of quarter 3.

Other Cabinet Members were invited to highlight the key points and issues from their portfolios, as set out in the Annex to the report.

#### **RESOLVED:**

That the report be noted, including the following:

1. The Council forecasts an improved revenue position for 2014/15 of £3.5m underspend, up from £2.7m at 30 November 2014, as set out in Annex 1, paragraph 3 of the submitted report. (This forecast includes the need to fund planned commitments that will continue beyond 2014/15).
2. Services forecast achieving efficiencies and service reductions by year end of £69.0m, as set out in Annex 1, paragraph 67 of the submitted report.
3. The Council forecasts investing £202m through its capital programme in 2014/15, as set out in Annex 1, paragraphs 71 and 72 of the submitted report.
4. The quarter end balance sheet, as at 31 December 2014, and movements in earmarked reserves and debt outstanding, as set out in Annex 1 paragraphs 74 to 78 of the submitted report, be noted.
5. Services' management actions to mitigate overspends, as set out in Annex 1 of the submitted report, be noted.

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

This report is presented to comply with the agreed policy of providing a monthly budget monitoring report to Cabinet for approval and action as necessary.

### **12/15 2014 EDUCATION PERFORMANCE OUTCOMES [Item 9]**

The Cabinet Member for Schools and Learning said that she was pleased to present this report, which was an overview of the educational attainment of children and young people in early years, primary, secondary, post 16 and special school phases for the academic year ending in the summer of 2014.

She highlighted that Surrey was ranked 17<sup>th</sup> out of 150 local authorities for the proportion of pupils that achieved 5 or more good GCSEs with English and Mathematics and that the achievement of disadvantaged pupils also continued to improve. She also said that as at the end of January 2015, the proportion of schools that were good or better is now 85%.

She drew attention to the strengths of each key stage, their key priorities and also that trend graphs had been included within the report, illustrating a good trajectory for Surrey at all levels. A key to those graphs was set out in paragraph 14 of the report.

In relation to Key Stage 4, she said that two major reforms had been implemented by the Department of Education, which had affected the calculation of this data in 2014, and in addition, there had been three further changes which applied in 2013/14 so caution should be taken when comparing this key stage with previous years.

She also highlighted the 'No child left behind project' and confirmed that the performance of disadvantaged pupils in Surrey had improved across the primary key stages this year and that this work continued to be a priority for the County.

Finally, she publically thanked Maria Dawes, Head of School Effectiveness at Babcock 4S, and her team, for their work in supporting the School Improvement Strategy across Surrey's statefunded schools, and in particular those schools who were supported through the Focused Support Schools Strategy.

Both the Leader of the Council and the Cabinet Member for Schools and Learning also thanked Headteachers, Governors and teachers in Surrey state funded schools for their work in ensuring that the young people of Surrey had the best start in life.

Other Members made the following points:

- The report was commended and members of the public should be encouraged to read it because the improvements made against a background of savings were impressive
- The challenge of providing thousands of additional school places
- In Surrey, schools work together well with the Local Authority
- The importance of being aspirational for Looked After Children who are among the most disadvantaged children in the County

**RESOLVED:**

That the 2014 Education Outcomes, as set out in the submitted report, be noted.

**Reasons for Decision:**

To ensure that Cabinet is fully informed of the latest education outcomes.

**13/15 EXPANDING THE SURREY FAMILY SUPPORT PROGRAMME [Item 10]**

Prior to asking the Cabinet Member for Children and Families to present the report, the Leader of the Council requested a small change to recommendation (3) – inserting 'number of' before families so that this recommendation now read:

'To increase the number of families eligible.....'

The Cabinet Member for Children and Families said that Cabinet was being asked to agree to an Outcomes Plan that would enable the Surrey Family Support Programme to begin its expansion, pending the conclusion of consultations over the new ways of working with partner agencies. The Outcomes Plan (attached as Annex 1 to the submitted report) would mark the transition from the current Troubled Families Programme (Phase 1) to the new expanded Programme (Phase 2).

She informed Members that the current programme had been very successful and that the Council was on track to meet its target to turnaround 1050 families by May 2015. She said that Surrey would be an 'Early-Starter' for the expanded programme, due to being identified by the Department of Communities and Local Government as one of the highest performing Councils in the current Troubled Families Programme.

She highlighted the eligibility criteria for the expanded national programme, as set out in paragraph 11 of the submitted report, and also the new model of working with partners, which was currently being developed – this local partnership work had been named as 'Working Together'.

Finally, she drew attention to Annex 1, the Expanded Family Support Programme Outcomes Plan and commended the recommendations to Cabinet.

#### **RESOLVED:**

1. That the expansion of the Surrey Family Support Programme, to include around 1000 families each year between 2015 and 2020, be approved.
2. To agree to work towards the Government's expanded Troubled Families programme target, with immediate effect.
3. To increase the number of families eligible to join the programme through the criteria set out in the Families Outcomes Plan, attached at Annex 1 to the submitted report.

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

In light of the very good local performance on the first phase of the national Troubled Families Programme, the Council was invited by the Government to be an Early Starter for the new expanded Programme. As part of this, the Council has received additional funding of £651,000 this year with a requirement that an additional 549 families are brought into the local Programme by April 2015. This new funding is to be invested in the staff providing intensive support services to the targeted families. Key to beginning the new Programme is implementing new eligibility criteria on which we are required to consult on with local partners.

In agreeing to the above recommendations, Cabinet will replace the eligibility criteria it agreed for the original Programme in March 2013 with a new set of criteria that will expand the Programme to cover a wider set of families.

Further work is underway to develop agreements with partners over the delivery model of the new service arrangements and these will form part of Surrey participation in the Public Services Transformation Network. The

details of these arrangements will be reported to Cabinet in May, once they are concluded. However, in order to begin the new Programme now, a decision is required over the new Outcomes Plan to bring new families into the Programme.

**14/15 PROVISION OF TARGETED CHILDREN AND ADOLESCENT MENTAL HEALTH SERVICES AND THE HOPE SERVICE: SECTION 75 AGREEMENT WITH SURREY CLINICAL COMMISSIONING GROUPS AND CONTRACT EXTENSION WITH SURREY AND BORDERS PARTNERSHIP NHS FOUNDATION TRUST [Item 11]**

The Cabinet Member for Children and Families tabled a revised report, which she said would provide greater clarity in relation to the financial implications of this contract.

She said that Surrey County Council (SCC) and Surrey Clinical Commissioning Groups (CCGs) had a statutory responsibility to provide children and young people in Surrey with safe, needs-based Children and Adolescent Mental Health Services (CAMHS) and that the County Council and the CCGs had agreed to a partnership approach to meet this responsibility under Section 75 of the NHS Act 2006. This approach was vital in addressing the increased demand and budgetary pressures in providing a service that put the needs of children and young people first.

She said that the existing agreement approved by the Cabinet in September 2013 required variations to committed resources, in order to facilitate the joint commissioning and procurement of targeted and specialist CAMHS services scheduled for 2015 and confirmed that this would be led by Guildford and Waverly CCG on behalf of the Council and the 6 CCGs in Surrey.

She also requested that Cabinet approved an extension to the existing contract with the incumbent provider Surrey and Borders NHS Foundation Trust (SaBP) which expires on 31 March 2015, in order to ensure the continued safe provision of targeted CAMHS and the specialist HOPE service (Integrated service including Education, Social Care & Health, working with children and young people with complex mental health needs).

Finally, she confirmed that the new contract would provide a better single pathway for this service.

**RESOLVED:**

1. That the Council enter into a new Section 75 agreement with Surrey Clinical Commissioning Groups. This pooled budget agreement is currently valued at £3,842,000 per annum and a proportion of this pooled budget will provide funding for recommendation (3).
2. That authority to make amendments to the Section 75 agreement be delegated, to the Director of Legal and Democratic Services, in consultation with the Strategic Director for Children, Schools and Families and the Cabinet Member for Children and Families, in accordance with public sector legislation and advice from the Section 151 Officer.

3. That the existing contract with Surrey and Borders Partnership NHS Foundation Trust (SaBP) which expires on 31 March 2015 be extended, for a minimum period of one year, from 1 April 2015 to 31 March 2016 and a maximum period of up to two years. The extension has a forecasted value of £2,619,543 per annum and will be partially funded from the S75 agreement.

**Reasons for Decisions:**

The existing contract with SaBP will end on 31 March 2015. The Council is the host partner for the pooled budget used to commission targeted CAMHS and the HOPE Service. The Council is responsible for ensuring services are commissioned and procured in line with best practice, compliant and secures the best value for Surrey residents.

Improved alignment and collaboration between the Council and the CCGs has necessitated variations to the Section 75 agreement signed by the CCGs in 2014. Upon review of the extent of the variations, a joint decision has been made to draft a new Section 75 agreement which would be more appropriate for the joint commissioning and procurement project scheduled to begin in 2015.

Extending the existing contract with SaBP and entering into a new Section 75 agreement with the CCGs will:

- Ensure the Council adheres to statutory requirements regarding the safeguarding of children and young people by securing the provision of targeted CAMHS and the HOPE service by a contractually bound provider.
- Enable the Council and the lead CCG to undertake integrated commissioning and procurement of a co-designed, outcomes focused, CAMHS model, whilst maintaining continuity of service and minimising risk to service delivery.

**15/15 SAYES COURT PRIMARY SCHOOL, ADDLESTONE [Item 12]**

This report, requesting the approval of the Business Case for the expansion of Sayes Court Primary School from a 1 Form of Entry Primary (210 places) to a 2 Form of Entry Primary (420 places) was presented by the Cabinet Member for Schools and Learning. She informed Cabinet that this school had converted to an Academy with the Bourne Education Trust (BET) in June 2014 and that since the school's 'inadequate' judgement by Ofsted in 2013, it had made good progress with BET and therefore, with limited alternative solutions in this area, it was considered appropriate to expand this school. She also referred to the consultation process which had taken place, as set out in the report.

**RESOLVED:**

That, subject to the agreement of the detailed financial information for the expansion as set out in the submitted Part 2 report, the business case for the provision of an additional 1 form of entry (210 places) primary places in Addlestone be approved.

**Reasons for Decisions:**

The proposal supports the Authority's statutory obligation to provide sufficient school places to meet the needs of the population in the Addlestone area.

**16/15 THE HYTHE PRIMARY SCHOOL, EGHAM [Item 13]**

The Cabinet Member for Schools and Learning said that the expansion of The Hythe Primary School from a 1 Form of Entry Primary (210 places) to a 2 Form of Entry Primary (420 places) would take place in two phases - Phase 1 to be completed by September 2015 and Phase 2 to be completed by August 2016.

Phase 1 would provide two classrooms in an extension to the main teaching block and phase 2 would provide a separate teaching block with six classrooms, a new staffroom and associated accommodation. She also informed Members that the school site was in Flood Zone 3 and was subject to new flood prevention requirements introduced by the Environment Agency following the severe flooding in winter 2013/14.

**RESOLVED:**

That, subject to the agreement of the detailed financial information for the expansion as set out in the submitted Part 2 report, the business case for the provision of an additional 1 Form of Entry (210 places) primary places in Egham be approved.

**Reasons for Decisions:**

The proposal supports the Authority's statutory obligation to provide sufficient school places to meet the needs of the population in the Egham and Hythe area.

**17/15 AWARD OF FRAMEWORK AGREEMENT FOR THE PROVISION OF GROUNDS MAINTENANCE SERVICES: NON-SCHOOLS [Item 14]**

The Cabinet Member for Business Services said that this report sought approval to award a framework agreement for the provision of grounds maintenance services – non-schools to commence on 1 April 2015 in two geographical lots to the recommended supplier.

Due to the commercial sensitivity involved in the framework agreement award process, the financial details and value for money implications of the potential suppliers were circulated as a Part 2 report (item 19). She confirmed that this new framework agreement would result in savings to the Council, together with an improvement in services levels being delivered.

**RESOLVED:**

That the single supplier framework agreement be awarded to G. Burley and Sons Limited for two years with an option to extend for two further years for

both lots, subject to considering the detailed financial information, as set out in part 2 of the agenda.

**Reasons for Decisions:**

A full tender process, in compliance with the requirements of Public Contracts Regulations 2006 and the Council's Procurement Standing Orders has been completed, and the recommendations provide best value for money for the Council following a thorough evaluation process.

**18/15 LEADER / DEPUTY LEADER / CABINET MEMBER DECISIONS TAKEN SINCE THE LAST CABINET MEETING [Item 15]**

**RESOLVED:**

That the decisions taken by Cabinet Members since the last meeting, as set out in Annex 1 of the submitted report, be noted.

**Reasons for Decisions:**

To inform the Cabinet of decisions taken by Cabinet Members under delegated authority.

**19/15 EXCLUSION OF THE PUBLIC [Item 16]**

**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 paragraph 3 of Part 1 of Schedule 12A of the Act.

PART TWO – IN PRIVATE

THE FOLLOWING ITEMS OF BUSINESS WERE CONSIDERED IN PRIVATE BY THE CABINET. SET OUT BELOW IS A PUBLIC SUMMARY OF THE DECISIONS TAKEN.

**20/15 SAYES COURT PRIMARY SCHOOL, ADDLESTONE [Item 17]**

The Cabinet Member for School and Learning commended this Part 2 report, which contained the financial and value for money information relating to item 12 to Cabinet. She drew their attention to the favourable cost per primary pupil place for this expansion.

**RESOLVED:**

1. That the business case for the project to expand Sayes Court Primary School by 210 places, at a total estimated cost, as set out in the submitted report, be approved.
2. That the arrangements by which a variation of up to 10% of the total value may be agreed by the Strategic Director for Business Services, in consultation with the Cabinet Member for Schools and Learning, the

Cabinet Member for Business Services and the Leader of the Council be approved.

**Reasons for Decisions:**

The proposal delivers and supports the Authority's statutory obligation to provide sufficient school places to meet the needs of the population in the Addlestone area.

**21/15 THE HYTHE PRIMARY SCHOOL, EGHAM [Item 18]**

The Cabinet Member for Schools and Learning said that this Part 2 report contained the financial and value for money implications relating to item 13. She also drew Cabinet's attention to the funding of this school expansion which would be part funded from the Targeted Basic Need Grant

**RESOLVED:**

1. That the business case for the project to expand The Hythe Primary School by 210 places, at a total estimated cost as set out in the submitted report, be approved.
2. That the arrangements by which a variation of up to 10% of the total value may be agreed by the Strategic Director for Business Services, in consultation with the Cabinet Member for Schools and Learning, the Cabinet Member for Business Services and the Leader of the Council be approved.

**Reasons for Decisions:**

The proposal delivers and supports the Authority's statutory obligation to provide sufficient school places to meet the needs of the population in the Egham area.

**22/15 AWARD OF FRAMEWORK AGREEMENT FOR THE PROVISION OF GROUNDS MAINTENANCE SERVICES: NON-SCHOOLS [Item 19]**

This report was the confidential annex relating to item 14 on the agenda and sets out the commercial and financial details of the competitive tendering process.

**RESOLVED:**

That a framework agreement be awarded to G. Burley and Sons Limited, at an estimated total value, as set out in the submitted report, over the four year framework agreement term, for the provision of Grounds Maintenance Services – Non Schools for both geographical lots being: Lot 1 – East Surrey and Lot 2 – West Surrey to commence on 1 April 2015.

**Reasons for Decisions:**

The existing agreements will expire on 31 March 2015. A full tendering process, in compliance with the requirements of Public Contracts Regulations



2006 and the Council's Procurement Standing Orders has been completed, and the recommendations provide best value for money for the Council following a thorough evaluation process.

### **23/15 PROPERTY TRANSACTIONS [Item 20]**

The Cabinet Member for Business Services asked the Cabinet Associate for Assets and Regeneration to introduce the report concerning the sale of the former Redwood Care Home in Guildford. The Cabinet agreed to approve the sale but strongly recommended that the Council tried to negotiate a ransom strip, as part of the deal.

#### **RESOLVED:**

1. That the sale of the land, as outlined in Annex 1 of the submitted report, extending to c1ha (2.4 acres) be approved to the developer, named in the submitted report, on an unconditional basis for a residential development, for the figure set out in the submitted report.
2. That delegation to the Strategic Director for Business Services, in consultation with the Cabinet Member for Business Services and the Leader of the Council, for a 5% variation in the agreed sale price to reflect possible changes and circumstances as a result of the due diligence process, be approved.

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

The sale of the property is required to contribute towards the County Council's Investment Strategy and to dispose of a property no longer considered suited to ongoing service delivery, nor capable of generating significant income.

### **24/15 PUBLICITY FOR PART 2 ITEMS [Item 21]**

That non-exempt information relating to items considered in Part 2 of the meeting may be made available to the press and public, if appropriate.

[Meeting closed at 3.45pm]

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**Chairman**

**PROCEDURAL MATTERS**

**Members' Questions**

**Question (1) from Mrs Hazel Watson (Dorking Hills) to ask:**

Information with regard to the 5,000 properties within the Superfast Surrey Intervention Area that will be unable to achieve 15Mbps or more at the conclusion of the deployment has not been provided to me on the grounds that it is commercially sensitive and that such disclosure is prevented under the terms of the Superfast Broadband contract.

As these properties are all within the Intervention Area where the rollout of Superfast Broadband is being funded by the County Council and not by the commercial operator, can the Cabinet Member responsible for the roll-out please explain how the disclosure of this information can be determined to be commercially sensitive, and thus not disclosed, when the information does not relate to any properties within the commercial roll-out of Superfast Broadband and thus cannot affect any of the contracts between Surrey County Council and the commercial operator?

**Reply:**

I would like to correct your understanding in regards to which organisations are funding the Superfast Surrey Broadband Programme.

The Superfast Surrey Broadband Programme is jointly funded by Surrey County Council, BT and Broadband Delivery UK. Following a competitive tender process, Surrey County Council signed a contract with BT which offers best value for a fibre-based-infrastructure solution for the desired coverage. Surrey County Council has allocated £20 million, Broadband Delivery UK has contributed £1.3 million and the overall contribution from BT for the programme is £14 million. Since the programme was classed as state aid it had to be approved by the UK Government's BDUK and by the EU Commission.

I would also remind you of the advice that you have already received from the Monitoring Officer. She confirmed to you that the particular information you requested is classified within the Superfast Broadband contract itself as commercially sensitive and there is a contractual obligation preventing its disclosure, unless there is an overriding legal requirement to do so.

**Mr Peter Martin  
Deputy Leader  
3 February 2015**

**Revenue and Capital Budget 2015/16 to 2019/20 and Treasury Management Strategy – Amendments Sheet – UPDATED**

Changes shown in **BOLD and underlined**

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Recommendation 10:

‘Require a robust business case to be prepared (and taken to the Investment Panel for review) for **each** revenue ‘invest to save’ proposals and capital schemes before committing expenditure.’

Recommendation 11:

Approve the Treasury Management Strategy for 2015-20 and approve that their provisions have immediate effect. 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 (Appendix 8);
- the prudential indicators (Appendix 9);
- the schedule of delegation (Appendix 11);
- the minimum revenue provision policy (Appendix 14).

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15. The financial strategy links directly to the three components of the *Confident in Surrey's Future: Corporate Strategy 2015-20* as summarised below.

...

3. **Resident experience:**

*Residents in Surrey experience public services that are easy to use, responsive and value for money.*

The council will: deliver £62m savings **in 2015/16**, collaborate with partners to transform services for residents, use digital technology to improve services for residents, invest in flood and maintenance schemes, work with partners to tackle issues that make residents feel less safe.

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44. DCLG permits geographically linked authorities to apply **to** pool their business rates. By combining tariffs and top ups among pooled authorities this can reduce the composite levy rate paid by the pool. This further incentivises business rates growth through collaborative effort and smooths the impact of volatility in business rates income across a wider economic area.

The council began building its annual budget in June 2014. This involved reviewing the council's financial position and outlook at the end of the first quarter of 2014/15, revisiting the assumptions, pressures and savings included in the MTFP (2014-19) and projecting forward a further year to 2019/20. Table 5 shows the key cost, pressure and savings assumptions used to prepare the illustrative budgets.

Table 5: Budgetary cost, pressure and savings assumptions 2015-20

Descriptor	2015/16	2016/17	2017/18	2018/19	2019/20
Pay inflation – Surrey pay	£300 +£500 (subject to head room)	up to 1.6%	up to 1.6%	up to 1.6%	up to 1.6%
Pay inflation – National pay	1.0%	1.0%	1.0%	1.0%	1.0%
General, non-pay inflation	1.3%	1.8%	2.0%	2.0%	2.0%
<b>Additional funding and savings required in MTFP</b>	<b>-£62m</b>	<b>-£72m</b>	<b>-£57m</b>	<b>-£71m</b>	<b>£0m</b>
Allowances for central pressures: Revenue impact (borrowing) of the capital programme 2015-20	£5m	£6m	£3m	£1m	£4m

Note:

- differing percentages apply to contractual inflation

101. This strategy is working and protecting the long term future of services for Surrey residents. However, if its effectiveness falls, the council would need to make reductions to the services residents receive or reassess the up-lift in **council** tax required.
106. The forecast in-year variance on the 2014/15 capital budget as at 31 December 2014 is an **underspending** of £2.5m against the approved revised budget of **£205m**. The main reasons for the **underspend** are +£7.5m invested in long term capital investment assets through the Revolving Infrastructure & Investment Fund, offset by -£10.0m revised spending profile on the service capital programme. These are explained in another report on this agenda, Item 8 (Finance and budget monitoring report for December 2014).

126. Amend £261m to **£266m** to balance the capital programme.

Table 9: Capital funding 2015/16 to 2019/20

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
Grants		86	88	74	72	52	372
Reserves		3	1	3	3	4	<u>14</u>
Third party contributions		5	8	10	10	10	<u>43</u>
Borrowing		91	83	39	29	24	266
<b>Total</b>	<b>0.0</b>	<b>185</b>	<b>180</b>	<b>126</b>	<b>114</b>	<b>90</b>	<b>695</b>

## Annex 1: Local Government Act 2003: Section 25 Report by the Director of Finance

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- 1.6 The Council has successfully delivered significant efficiency savings & service reductions in each of the last four financial years (2010/11 £68m, 2011/12 £61m, 2012/13 £66m, 2013/14 £62m), and is forecast to deliver further savings for 2014/15 of £69m. Adding this to the [additional funding and savings](#) included in the budget assumptions for the next MTFP (2015-20) makes a total of **£588m** over the decade. Throughout this period the Council has continued to drive for increased improvement, added value and reduced unit costs (and the latest unit cost booklet is attached in Appendix 1).
- 

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- 1.24 Delete 'A' so that it is **Appendix 7** and not A7.
- 1.26 Amend £50m in two tranches to **£70m in three tranches.**
- 

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Appendix 4

The changes are:

1. Income and expenditure category summary / Expenditure / Service non-staffing - the figure for 2015/16 is **£897.2m** (not £896.9m) and the Total expenditure is **£1,667.9m** (not £1,667.6m) and the Funded by Reserves figure is **£4.3m** (not £4.0m)
  2. Proposed gross expenditure revenue budget 2015 -20 / Central Income and Expenditure - the figure for 2015/16 is **£60.9m** (not £60.6m) and the Total Expenditure is **£1,667.9m** (not £1,667.5m)
  3. Central Income & Expenditure / Expenditure / Non employment expenditure for 2015/16 - the figure is **£55.6m** (not £55.3m) and Total Expenditure is **£60.9m** (not £60.6m) and the net budget is **£-818.2m** (not £-818.6m)
- 

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Revised Appendix 5 tabled – the amendments **relate to Local Committee Allocations** in Customers & Communities

For 2017/18, 2018/19 and 2019/20 – 385 should be inserted making a total of 1155

Then the total for Customers and Communities for those years should be:

2393, 2505, 1885, 16,515 respectively

And the final total at the end of Appendix 5 from 2017/18 onwards, should be:

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125,884, 113,013, 89,952, 694,393

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Projected Earmarked Reserves and Balances – Child Protection Reserve – **delete** last sentence re: 'This reserve is to fund the costs under 2015/16, when the base budge will be increased to cover these costs.'

**COUNCIL OVERVIEW & SCRUTINY COMMITTEE**

**Item under consideration: BUDGET REVIEW 2015/16**

**Date Considered: 29 January 2015**

- 1 In September 2014 each of the Council's Select Committees established a time-limited performance & finance sub-group to undertake scrutiny of current services and costs and make recommendations to help the Council meet its savings targets.
- 2 On 29 January 2015 the COSC Performance & Finance Sub Group considered the findings and conclusions of the Select Committee Sub-Groups and **recommends:**
  - a. That consideration be given to the Decision Making Accountability Model of Organisational Redesign process, promoted by the LGA.

Adult Social Care

- b. That a Resource Allocation Rate of 75% be applied to the Friends, Family & Community Support programme in order to maximise the chances of exceeding the required full-year savings of 20%.
- c. That consideration be given to securing more Continuing Healthcare support for affected clients to reduce social care costs.

Business Services

- d. That consideration be given to further reducing the assumption regarding utilities inflation.
- e. That a further reassessment be carried out regarding the contribution to the self insurance fund to determine whether a further reduction could be made.

Children, Schools & Families

- f. That the investigation into Special Educational Needs and Disabilities (SEND) transport costs be accelerated so that some of the benefit (for example through the use of personal budgets) can be achieved within the latter part of 2015/16.
- g. That the Cabinet review current policy and practice to ensure that the School Expansion Programme maximises its use of funds available through Section 106 agreements, Community Infrastructure Levies (CIL) and other related planning and development means.
- h. That any reduction in the number of Children's Centres required to achieve the Early Years Service savings be not in an area of significant deprivation or where necessary support is provided.



- i. That the Cabinet examine whether further savings can be obtained by 'effective commissioning' so that there is some scope for reconsidering the savings in Early Years and Services for Young People.
- j. That the Council should continue to hold a ring-fenced reserve in 2015/16 to meet possible further pressures in Children's Services such as increases in Child Protection referrals.

Environment & Infrastructure

- k. That any savings proposed for highway winter maintenance be reconsidered on the grounds of public safety.
- l. That any significant reduction in the Local Highway Revenue budget be reconsidered, as this will affect our ability locally to respond to ongoing residents' concerns over the state of local roads, drainage and environmental problems.

**Nick Skellett**  
**Chairman of the Council Overview & Scrutiny Committee**

**MINUTES OF THE MEETING OF THE CABINET  
HELD ON 24 FEBRUARY 2015 AT 2.00 PM  
AT ASHCOMBE SUITE, COUNTY HALL, KINGSTON UPON THAMES,  
SURREY KT1 2DN.**

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

Members:

*Mr David Hodge (Chairman)	*Mr John Furey
*Mr Peter Martin (Vice-Chairman)	Mr Mike Goodman
*Mrs Mary Angell	*Mr Michael Gosling
*Mrs Helyn Clack	*Mrs Linda Kemeny
*Mr Mel Few	*Ms Denise Le Gal

Cabinet Associates:

Mr Steve Cosser	*Mrs Kay Hammond
*Mrs Clare Curran	*Mr Tony Samuels

\* = Present

**PART ONE**  
**IN PUBLIC**

**25/15 APOLOGIES FOR ABSENCE [Item 1]**

Apologies were received from Mr Goodman and Mr Cosser.

**26/15 MINUTES OF PREVIOUS MEETING: [Item 2]**

The minutes of the meeting held on 3 February 2015 were confirmed and signed by the Chairman.

**27/15 DECLARATIONS OF INTEREST [Item 3]**

There were none.

**28/15 PROCEDURAL MATTERS [Item 4]**

**MEMBERS' QUESTIONS [Item 4a]**

There were none.

**29/15 PUBLIC QUESTIONS [Item 4b]**

Three questions have been received from members of the public. The questions and responses are attached as Appendix 1.

Both Mr Crews and Mr Catt asked detailed supplementary questions, which the Leader of the Council said would receive a response outside the meeting.

### **30/15 PETITIONS [Item 4c]**

No petitions were received.

### **31/15 REPRESENTATIONS RECEIVED ON REPORTS TO BE CONSIDERED IN PRIVATE [Item 4d]**

No representations were received.

### **32/15 REPORTS FROM SELECT COMMITTEES, TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL [Item 5]**

#### **Children and Education Select Committee:**

- (i) Recommendations relating to Surrey County Council Safeguarding Unit Report – the response from the Cabinet Member for Children and Families is attached as Appendix 2.
- (ii) Recommendations relating to the School Governance Task Group report – the response from the Cabinet Member for Schools and Learning is attached as Appendix 3.

### **33/15 SURREY WASTE STRATEGY [Item 6]**

In the absence of the Cabinet Member for Environment and Planning, the Cabinet Member for Highways, Transport and Flooding explained the background to the Joint Municipal Waste Management Strategy Revision 2(2015) and said that authorities in two-tier counties such as Surrey worked together to manage their waste in a coherent way and the law required these authorities to produce a joint strategy for the management of municipal waste, and also to keep it under review. The Surrey Waste Partnership prepared the revised strategy which is now recommended for adoption by partner authorities, including Surrey County Council and the Cabinet would be recommending its adoption at the next County Council meeting on 17 March 2015.

He was also pleased to report that Surrey's recycling rate had increased from 31% to 52% in 2013/14 and waste to landfill had decreased from 67% to 11 % during the same period. He highlighted the aims and targets of the waste management strategy, as set out in paragraph 13 and in Annex 1 to the submitted report.

Referring to the Eco Park, he explained that, due to delays associated with planning beyond the control of the County Council and other issues, a further report including an updated value for money analysis would be brought back to Cabinet in April 2015.

He also updated Cabinet on the progress of the initiatives for cost savings at the Community Recycling Centres.

Finally, he referred to the Equalities Impact Assessment (EIA), of which a summary of the key impacts and actions were set out within the main report, with the full EIA attached as Annex 2 to the submitted report.

**RESOLVED:**

1. That the Surrey Waste Partnership's Joint Municipal Waste Management Strategy Revision 2 (2015) be endorsed and recommended to County Council for adoption.
2. That a further report on the Eco Park be brought back to the Cabinet in April 2015 with an updated value for money and affordability assessment.
3. That the consultation process for potential changes at Community Recycling Centres be approved and that the proposals for consultation be finalised and agreed by the Strategic Director Environment and Infrastructure, in consultation with the Cabinet Member for Environment and Planning.
4. That a report outlining the results of the consultation and recommendations for implementation of cost saving measures at Community Recycling Centres be brought back to Cabinet by July 2015.

**Reasons for Decisions:**

Adopting the Joint Municipal Waste Management Strategy will enable Surrey County Council (SCC) to work closely with Surrey districts and boroughs to improve performance and manage waste in a way that offers best value to the Surrey taxpayer.

Revisions to pricing for the Eco Park have arisen due to delays, associated with planning beyond the control of the Council. This has led to further time being required to complete the assessment process. To allow this to happen it is proposed that a further report including an updated value for money analysis should be brought to the Cabinet in April 2015.

Given the current financial climate, it has been necessary to investigate opportunities for making savings through optimising and rationalising the way in which Community Recycling Centres are managed. This will help address a funding gap that arises from increasing costs and reducing funding, in addition to contributing to other savings that will be required across SCC in the coming years.

**34/15 ADMISSION ARRANGEMENTS FOR SEPTEMBER 2016 FOR SURREY'S COMMUNITY AND VOLUNTARY CONTROLLED SCHOOLS, COORDINATED SCHEMES AND RELEVANT AREA [Item 7]**

Following statutory consultation on the proposed changes to Surrey's admission arrangements for September 2016 and Surrey's Relevant Area, Cabinet was asked to consider the responses set out in Enclosure 5 of the report and to make recommendations to the County Council on admission arrangements for community and voluntary controlled schools, Surrey's coordinated schemes for September 2016 and its Relevant Area.

The report covered the following areas in relation to school admissions:

- Bagshot Infant School (Bagshot) – Recommendation 1
- Hammond Community Junior School (Lightwater) - Recommendation 2
- Meath Green Junior School (Horley) – Recommendation 3
- Wallace Fields Junior School (Ewell) – Recommendation 4
- Worplesdon Primary School (Worplesdon, Guildford) – Recommendation 5
- Cranleigh Primary School (Cranleigh) – Recommendation 6
- Own admission authority schools to be included in assessment of nearest school – Recommendation 7
- Start date to primary admissions round – Recommendation 8
- Surrey's Relevant Area - Recommendation 9
- Published Admission Numbers for other community and voluntary controlled schools – Recommendation 10
- Admission arrangements for other community and voluntary controlled schools – Recommendation 11
- Coordinated Admissions Schemes – Recommendation 12

The Cabinet Member for Schools and Learning presented the report and said that it was a complex and lengthy report, which following the eight week statutory consultation period, had twelve recommendations.

She drew attention to:

- Recommendation (1) – the reciprocal sibling link between Bagshot Infant School and Connaught Junior School and said that this recommendation was subject to agreement of the Connaught Junior School Governing Body who were meeting today (24 February)
- Recommendation (8) – the start date to the primary admissions round. She said that, due to the low response rate and the reluctance to introduce such a process change without broad support from primary schools, this proposal would be deferred until 2017 at the earliest to enable more targeted consultation to be carried out.

As Chairman of the Admissions Forum, the Cabinet Associate for Children, Schools and Families confirmed that all the recommendations had been discussed by all representatives of this forum and had been supported.

Cabinet Members were given an opportunity to comment on the proposals for individual schools and the Cabinet Member for Community Services confirmed that there was a comprehensive and upto date Equalities Impact Assessment that had addressed issues of concern.

Members were reminded that these recommendations would be considered by the County Council at its next meeting on 17 March 2015.

Finally, the Cabinet Team thanked the Principal Manager Admissions and Transport (Strategy) and her team for the excellent report.

## **RESOLVED TO RECOMMEND TO COUNTY COUNCIL:**

### **Recommendation 1**

That, subject to Connaught Junior School also agreeing to introduce a reciprocal sibling link with Bagshot Infant School, a reciprocal sibling link for Bagshot Infant School is introduced with Connaught Junior School so that Bagshot Infant School would be described as operating shared sibling priority with Connaught Junior School for 2016 admission.

### **Reasons for Recommendation**

- It would support families with more than one child as families with a sibling at Connaught Junior School would benefit from sibling priority at Bagshot Infant School
- This proposal is in line with a separate proposal by Connaught Junior School to introduce a reciprocal sibling link with Bagshot Infant School. This recommendation is therefore conditional on Connaught Junior School implementing this change before this recommendation is ratified by Full Council
- It would provide continuity and a clearer transition for parents, children and schools and would reduce anxiety for parents
- If Connaught also introduce a feeder link from Bagshot as they have proposed, it would enable families to benefit from a sibling link for Reception even if they had a child who was due to leave the infant school before the younger child was admitted
- It would maximise the opportunity for families to keep children together or at schools with agreed links
- It is supported by Connaught Junior School and by the Headteacher and Chair of Governors of Bagshot Infant School

### **Recommendation 2**

That a new criterion for Hammond Community Junior School is introduced for September 2016 to provide priority for children attending either Valley End or Windlesham Village infant schools as follows:

- a. Looked After and previously Looked After Children
- b. Exceptional social/medical need
- c. Children attending Lightwater Village School
- d. Siblings not admitted under c) above
- e. Children attending either Valley End CofE Infant School or Windlesham Village Infant School
- f. Any other children

### **Reasons for Recommendation**

- It would introduce a feeder link for infant schools where currently none exists and in doing so would provide continuity and a clearer transition for parents, children and schools and would reduce anxiety for parents
- It would help ensure that a school within a reasonable distance could be offered to all children within the area
- It would maximise the opportunity for families to keep children at schools with agreed links
- It would support viability of Valley End and Windlesham Village infant schools
- It is supported by the Headteacher and Governing Body of Hammond Community Junior School and by Valley End and Windlesham Village infant schools

- Eligibility to transport is not linked to the admission criteria of a school and as such attendance at Valley End or Windlesham Village infant schools would not confer an automatic right to transport to Hammond Community Junior School

### **Recommendation 3**

That a feeder link from Meath Green Infant to Meath Green Junior School is introduced for September 2016 as follows:

- a. Looked After and previously Looked After Children
- b. Exceptional social/medical need
- c. Children attending Meath Green Infant School
- d. Siblings not admitted under c) above
- e. Any other children

### **Reasons for Recommendation**

- It would provide continuity and a clearer transition for parents, children and schools and would reduce anxiety for parents
- It would enable families to benefit from a sibling link for Reception even if they had a child who was due to leave the infant school before the younger child was admitted
- It would maximise the opportunity for families to keep children together or at schools with agreed links
- It would be in line with the criteria that exist for most other community and voluntary controlled schools which have feeder and reciprocal sibling links
- It is consistent with Surrey's planning principles set out in the School Organisation Plan
- It is supported by the Governing Body of the school
- Eligibility to transport is not linked to the admission criteria of a school and as such attendance at Meath Green Infant School would not confer an automatic right to transport to Meath Green Junior School

### **Recommendation 4**

That, in line with the tiered arrangements that currently exist at both schools, a tiered feeder link is introduced from Wallace Fields Infant School to Wallace Fields Junior School for September 2016 as follows:

- a. Looked after and previously looked after children
- b. Exceptional social/medical need
- c. Siblings for whom the school is the nearest school to their home address
- d. Children attending Wallace Fields Infant School for whom the school is the nearest school to their home address
- e. Other children for whom the school is the nearest school to their home address
- f. Other siblings for whom the school is not the nearest school to their home address
- g. Other children attending Wallace Fields Infant School for whom the school is not the nearest school to their home address
- h. Any other children

### **Reasons for Recommendation**

- It would provide continuity and a clearer transition for parents, children and schools and would reduce anxiety for parents

- It would enable families to benefit from a sibling link for Reception even if they had a child who was due to leave the infant school before the younger child was admitted
- It would maximise the opportunity for families to keep children together or at schools with agreed links
- It would help ensure that a school within a reasonable distance could be offered to all children within the area
- It is consistent with Surrey's planning principles set out in the School Organisation Plan
- It is supported by the Headteacher and Chair of Governors of both schools
- There was overall support for this proposal
- Eligibility to transport is not linked to the admission criteria of a school and as such attendance at Wallace Fields Infant School would not confer an automatic right to transport to Wallace Fields Junior School

### **Recommendation 5**

That admission criteria are introduced for Year 3 entry to Worplesdon Primary School for September 2016 as follows:

- a. Looked after and previously looked after children
- b. Exceptional social/medical need
- c. Siblings
- d. Children attending Wood Street Infant School
- e. Children for whom the school is the nearest to their home address
- f. Any other children

### **Reasons for Recommendation**

- As this school now has a Year 3 Published Admission Number (PAN) the local authority has a duty to determine criteria which confirm how children will be admitted
- Other than the feeder link for children attending Wood Street Infant School, it would introduce criteria that are in line with those that exist for the reception intake to the school
- It would provide continuity and reduce anxiety for parents and children of Wood Street Infant School
- It would maximise the opportunity for families to keep children at schools with agreed links
- It is supported by the Governing Bodies of both schools
- Eligibility to transport is not linked to the admission criteria of a school and as such attendance at Wood Street Infant School would not confer an automatic right to transport to Worplesdon Primary School

### **Recommendation 6**

That the Year 3 Published Admission Number for Cranleigh Primary School is removed for September 2016.

### **Reasons for Recommendation**

- It is supported by the Headteacher and Governing Body of the school
- There will still be sufficient junior places for local children if the PAN is removed
- It will help support other local schools in maintaining pupil numbers
- It will alleviate funding, accommodation and staffing issues in the school
- It will have no impact on children who are currently on roll at the school



### **Recommendation 7**

That the own admission authority schools to be included in the assessment of nearest school are decided each year according to the policy set out in Section 12 of Enclosure 1, to the submitted report.

#### **Reasons for Recommendation**

- It ensures that there will be a consistent approach in selecting schools to be taken in to account when assessing 'nearest school' when applying the admission arrangements of community and voluntary controlled schools
- It ensures that there is equity in the application of admission arrangements for community and voluntary controlled schools county wide
- It ensures a transparent and open policy that parents can understand
- It does not deliver a significant difference to current practice
- It ensures historical pattern of admission is taken in to account
- It prevents schools from being included due to the admission of a bulge class or a non-standard admission year
- It allows for exceptions to apply where admission authorities change their admission arrangements

### **Recommendation 8**

That following consultation, the start date to the primary admissions round remains as 1 September for 2016 admission rather than 1 November as proposed.

#### **Reasons for Recommendation**

- Response rate from schools was insufficient to gauge whether or not there would be general support for this proposal
- This proposal will be deferred until 2017 when a more targeted consultation will be carried out with schools

### **Recommendation 9**

That Surrey's Relevant Area is agreed as set out in Enclosure 2, to the submitted report.

#### **Reasons for Recommendation**

- The local authority is required by law to define the Relevant Area for admissions
- The Relevant Area must be consulted upon and agreed every two years even if no changes are proposed
- Setting a Relevant Area ensures that any schools who might be affected by changes to the admission arrangements for other local schools will be made aware of those changes
- No significant change has been made to Surrey's Relevant Area but clarity has been provided for faith schools that they should consider the advice issued by their Diocese when considering which other deanery schools to consult with

### **Recommendation 10**

That the Published Admission Numbers (PAN) for September 2016 for all other community and voluntary controlled schools are determined as they are

set out in Appendix 1 of Enclosure 1, of the submitted report, which include the following changes:

- i. Ashford Park Primary - increase in Reception PAN from 60 to 90
- ii. Bishop David Brown Secondary – increase in Year 7 PAN from 150 to 180
- iii. Cranmere Primary – increase in Reception PAN from 60 to 90
- iv. Farncombe CofE Infant School - increase in Reception PAN from 40 to 50
- v. The Greville Primary – increase in Reception PAN from 30 to 60
- vi. Hinchley Wood Primary - increase in Reception PAN from 60 to 90
- vii. Hurst Park Primary - increase in Reception PAN from 30 to 60
- viii. Manby Lodge Infant - increase in Reception PAN from 60 to 90
- ix. Milford School – increase Reception PAN from 50 to 60
- x. North Downs Primary School – introduction of Year 3 PAN of 4
- xi. South Camberley Primary – increase in PAN from 110 to 120
- xii. Stoughton Infant - increase in Reception PAN from 60 to 90
- xiii. West Byfleet Infant - increase in Reception PAN from 60 to 90
- xiv. Worplesdon Primary – introduction of a junior PAN of 30

#### **Reasons for Recommendation**

- Where an increase in PAN is proposed the schools are increasing their intake to respond to the need to create more school places and will help meet parental preference
- The School Commissioning team and the schools support these changes
- All other PANs remain as determined for 2015 which enables parents to have some historical benchmark by which to make informed decisions about their school preferences

#### **Recommendation 11**

That the remaining aspects of Surrey's admission arrangements for community and voluntary controlled schools for September 2016, for which no consultation was required, are agreed as set out in Enclosure 1 and its Appendices, to the submitted report.

#### **Reasons for Recommendation**

- This will ensure stability and consistency for the majority of Surrey's parents, pupils and schools
- The arrangements enable parents to have some historical benchmark by which to make informed decisions about their school preferences
- The existing arrangements are working reasonably well
- The arrangements enable the majority of pupils to attend their nearest schools and in doing so reduces travel and supports Surrey's sustainability policies
- Changes highlighted in bold in sections 10, 13, 14, 19 and 20 of Enclosure 1 have been made to add clarity to the admission arrangements but do not constitute a policy change
- Changes highlighted in bold in sections 17 and 18 of Enclosure 1 have been made to comply with statutory requirements of the School Admissions Code 2014
- The change highlighted in bold in section 21 of Enclosure 1 has been made to reflect a change to Surrey's Home to School Transport policy
- Changes to PAN that are highlighted in bold in Appendix 1 of Enclosure 1 are referenced in Recommendation 10

## **Recommendation 12**

That the Coordinated Admission Schemes for 2016/17 are agreed as set out in Appendix 4 of Enclosure 1, to the submitted report.

### **Reasons for Recommendation**

- The coordinated schemes for 2016 are the same as 2015
- The coordinated schemes will enable the County Council to meet its statutory duties regarding school admissions
- The coordinated schemes are working well

**[Note: The report on Surrey County Council and East Sussex County Council Partnership (item 10 on the agenda) was taken next]**

## **35/15 SURREY COUNTY COUNCIL AND EAST SUSSEX COUNTY COUNCIL PARTNERSHIP [Item 10]**

The Cabinet Member for Business Services said that she was pleased to present this new partnership venture with East Sussex County Council to Cabinet.

She said that since November 2011, this Council had been working in partnership to build resilience, deliver efficiencies and strengthen its service provision for the residents of Surrey. The Council's business support services had developed effective collaboration with East Sussex County Council through its shared procurement team, and transactional service provision, led by Laura Langstaff, and this had been in operation since April 2013.

The proposed partnership would deliver resilient and sustainable services whilst providing savings to both authorities and the bringing together of services from Surrey County Council and East Sussex County Council would create sufficient scale to allow the recruitment and retention of the best staff, drive shared efficiencies and invest in new technology that might otherwise be prohibitively expensive for each organisation alone.

The partnership was expected to develop and grow over time, attracting further public sector partners (as members of a Joint Committee).

Finally, she said that a more detailed business plan for the partnership, including confirmation of the investment requires would be brought back to Cabinet for consideration in July 2015.

The Leader of the Council invited Mr Kevin Foster, from East Sussex County Council to address the meeting. He began by thanking Members for allowing him to speak and said that he thought this was an exciting opportunity for both Councils. He considered that a strong sense of trust and common values was key to the development of the partnership and said that it was the preferred choice for both Councils as a way of meeting future financial challenges.

Key points made by other Cabinet Members were:

- To date, the partnership work with East Sussex County Council had been very successful
- Key words were: digital transformation, staff, trust and value for money
- The proposed savings achievable from the partnership were estimated at £6-8m per annum, by the end of year 4
- The proposed transformative public service partnership would build upon existing arrangements, providing resilient and affordable services

to both councils. It would also deliver significant savings by taking advantage of economies of scale, streamlining processes and reducing duplication

- It was also expected to develop and grow over time, attracting further public sector partners
- Reference to the recent arrangements agreed for the Trading Standards Service, with a joint committee being set up with Buckinghamshire County Council
- It was One Team, working together
- Finally the Leader of the Council, paid tribute to the Leader and Chief Executive of East Sussex County Council for working together with Surrey to achieve this partnership

#### **RESOLVED:**

1. That the proposal to create a new business services partnership arrangement with East Sussex County Council, with effect from 15 April 2015, be approved and pursuant to that arrangement to place those of its staff employed in the delivery of those functions at the disposal of East Sussex County Council.
2. That the functions of the Council, which are within the remit of the services in scope be discharged by a newly constituted Joint Committee, to be established with East Sussex County Council with effect from 15 April 2015.
3. That the Joint Committee will comprise up to three Cabinet Members from Surrey County Council and up to three Members from East Sussex County Council.
4. That the responsibility for agreeing the detail of an Inter Authority Agreement with East Sussex County Council, and other related issues including establishing the Standing Orders of the Joint Committee, be delegated to the Leader of the Council and the Cabinet Member for Business Services, in consultation with the Chief Executive, the Strategic Director for Business Services, the Director of Finance and the Director of Legal and Democratic Services.
5. That the Director of Legal and Democratic Services be requested to prepare amendments to the Scheme of Delegation and to the Constitution to reflect the changes arising from this report and the Inter-Authority Agreement, once it is concluded, and submits them for approval by the Leader of the Council.

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

The proposed transformative public service partnership will build upon the strength of the existing arrangements, delivering resilient and affordable services to both Surrey County Council and East Sussex County Council. The partnership will deliver significant savings by taking advantage of economies of scale, streamlining processes and reducing duplication. Investment required for transformative change and continuous improvement will become a more affordable proposition than if undertaken by one council alone. In the longer term, the partnership will benefit from growth, delivering further economies of scale for the benefit of each council and their residents.

The recommendations satisfy the legal requirements to enable the formation of a Joint Committee, appoint Members to it and to enable staff to be shared with East Sussex County Council. East Sussex County Council will pass similar resolutions and taken together these form the foundations of the governance arrangements for the partnership.

**36/15 SURREY BETTER CARE FUND IMPLEMENTATION - SECTION 75 AGREEMENTS WITH CLINICAL COMMISSIONING GROUPS [Item 8]**

The Cabinet Member for Public Health and Health and Wellbeing Board said that this report was a legal document which allowed officers to proceed with the necessary integration for the Council to enter into partnership arrangements under section 75 of the National Health Act 2006 ('section 75 agreements') with each of the seven Clinical Commissioning Groups (CCGs) covering the population of Surrey, enabling pooled budgets to be established to support the delivery of the Surrey Better Care Fund (BCF) plan for 2015/16.

**RESOLVED:**

That it be agreed to enter into section 75 agreements with seven Clinical Commissioning Groups (CCGs), in accordance with the principles set out in the submitted report, to enable pooled funds to be established and to govern the delivery of the Surrey Better Care Fund Plan 2015/16 and for an agreed period thereafter (by the Cabinet and relevant CCG Governing Body).

**Reasons for Decisions:**

The Care Act 2014 requires that funds allocated to local areas for the Better Care Fund must be put into pooled budgets established under section 75 agreements. Authority is required from the County Council's Cabinet and each CCG Governing Body to enable each organisation to enter into the section 75 agreements.

These agreements need to be in place by 1 April 2015 to allow the funds to be pooled and invested in line with the Surrey Better Care Fund plan – this will support the joint working with the Surrey CCGs and other partners to achieve better outcomes and high quality coordinated care for Surrey residents through greater integration and alignment of health and social care services.

There are six CCGs in Surrey: East Surrey CCG; Guildford & Waverley CCG; North West Surrey CCG; North East Hampshire & Farnham CCG; Surrey Downs CCG; and Surrey Heath CCG. The seventh, Windsor and Maidenhead CCG, is also included because its population crosses Surrey in a small area of North West Surrey. Windsor, Ascot and Maidenhead CCG is consequently making a small contribution to the Surrey Better Care Fund but does not form part of the Surrey planning area.

### **37/15 IMPLEMENTING THE CARE ACT - CHARGING POLICY [Item 9]**

From 1 April 2015, local authorities must implement part 1 of the Care Act 2014. Under part 1 of the Act, new rules for charging will apply when a local authority arranges care and support to meet a person's support needs. These rules include discretionary powers to be determined by local policy.

At the Cabinet meeting on 25 November 2014, it was agreed that the Council would consult on the proposals to revise the charging policy for adult social care services and the Cabinet Member for Adult Social Care said that the consultation process had covered five main areas:

- The power to make a change for putting arrangements in place
- The percentage of available income taken in charges
- Treatment of capital
- Charging Carers
- Universal Deferred Payment Scheme

The report had summarised the responses to the consultation and set out a new charging policy for adult social care services (Annex 2 to the submitted report) and a new deferred payment policy and schedule of charges (Annex 4 to the submitted report).

The Cabinet Member for Adult Social Care drew Members attention to the summary of comments from the consultation, as set out in Annex 1.

Referring to the percentage of available income taken in charges, he highlighted the fact that this Council's current charging policy was to take 80% of the net available income in charges, whilst many neighbouring local authorities took between 90% – 100% of net available income so the recommendation was to increase the percentage of available income taken in charges from the current 80% to 90%.

He confirmed that an Equalities Impact Assessment had been produced for this report and that it detailed the impact of these proposals on residents and service users with protected characteristics.

#### **RESOLVED:**

1. That the new charging policy for Adult Social Care, set out at Annex 2 of the submitted report, be approved..
2. That the Deferred Payment Policy and schedule of charges, set out at Annex 4 of the submitted report, be approved

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

The Council must revise its current Charging and Deferred Payment Policies to meet the requirements of the Care Act 2014. The proposed policies provide an open and transparent framework which will enable people to make informed decisions about how their care and support needs may be met.

The proposals do not significantly change charging for the majority of people currently receiving care and support.

## **38/15 FINANCE AND BUDGET MONITORING REPORT FOR JANUARY 2015 [Item 11]**

The Leader of the Council presented the budget monitoring report for month ten of 2014/15, the period up to 31 January 2015 and said that the forecast revenue position was currently an underspend of £7.9m at year end, an improvement on December's forecast outturn of £3.5m underspent.

He said that this was the fifth consecutive year the Council had delivered more than £60m of savings for the people of Surrey and that the Council continued to face demand growth and funding reductions. As such, the financial strategy had four key drivers to ensure sound governance in managing the finances and to provide value for money.

These were:

### **(1) To keep any additional call on the council taxpayer to a minimum**

Currently, the end of year revenue forecast was for services to underspend by £7.9m and that this was the fifth consecutive year that the Council had a small underspend or a balanced budget. He said that the Chief Executive and Director of Finance would continue to hold support sessions with Heads of Service to help maintain the rigour of services' savings plans and to continue to report their progress at the Council's all Member briefings.

### **(2) To continuously drive the efficiency agenda**

He reported that at the end of January, Services forecast delivering efficiencies of £72.7m against a target of £72.3m and of the £72.7m forecast efficiencies, 88% had either already been achieved or were on track.

### **(3) To develop a funding strategy to reduce the Council's reliance on council tax and government grant income.**

He said that reducing reliance on government grants and council tax was key to balancing the budgets over the longer term and the Revolving Infrastructure and Investment Fund had already invested £6.4m this year and forecast delivering £0.5m net income.

### **(4) To continue to maximise the Council's investment in Surrey**

Finally, he said that the Council's capital programme not only improved and maintained the Council's services, it was also a way of investing in Surrey and generating income for the Council and that the reprofiled capital programme planned £780m investment for 2014-19, including £206m in 2014/15. The current forecast was to invest £195m in the Council's mainstream capital programme, with £7.5m in long term investments.

He also confirmed that any carry forward requests from Services would be considered by Cabinet at their meeting in April.

Other Cabinet Members were invited to highlight the key points and issues from their portfolios, as set out in the Annex to the report.

The Cabinet Member for Schools and Learning was pleased to report that the Government had awarded Surrey County Council more than £41m in extra funding, as part of the Priority Schools Building Programme.

**RESOLVED:**

That the report be noted, including the following:

1. The council forecasts an improved revenue position for 2014/15 of £7.9m underspend, up from £3.5m at 31 December 2014, as set out in Annex1, paragraph 3 of the submitted report. (This position includes the need to fund planned commitments that will continue beyond 2014/15)
2. Services forecast achieving an improved position on efficiencies and service reductions by year end of £72.7m, as set out in Annex1, paragraph 70 of the submitted report.
3. The council forecasts investing £202.3m through its capital programme in 2014/15, as set out in Annex1, paragraphs 74 and 75 of the submitted report.
4. Services' management actions to mitigate overspends, as set out throughout Annex1 of the submitted report, be noted.

**Reasons for Decisions:**

This report is presented to comply with the agreed policy of providing a monthly budget monitoring report to Cabinet for approval and action as necessary.

**39/15 LEADERSHIP RISK REGISTER [Item 12]**

The Cabinet Member for Business Services said that the Leadership Risk Register was presented to Cabinet each quarter and this report set out the Council's key strategic risks, as at 31 January 2015. Since it was last presented to the Cabinet in November 2014, the Leadership Risk Register had been reviewed by the Audit and Governance Committee, the Strategic Risk Forum, the Statutory Responsibilities Network and the Directors reporting to the Chief Executive.

She also referred to the residual risk levels for each risk, as set out in the report, and said that there would be a workshop on 24 March 2015 to specifically review the Leadership Risk Register.

The Cabinet Member for Public Health and the Health and Wellbeing Board referred to risk L4 and said it should be noted that the Surrey Better Care Fund Plan had now been approved.

**RESOLVED:**

That the content of the Leadership risk register, as set out in Annex 1 of the submitted report be noted and the control actions put in place by the Statutory Responsibilities Network be endorsed.



**Reasons for Decisions:**

To enable the Cabinet to keep the Council's strategic risks under review and to ensure that appropriate action is being taken to mitigate risks to a tolerable level in the most effective way.

**40/15 AWARD OF CONTRACT FOR THE PROVISION OF INSURANCE SERVICES - EXCLUDING BROKER SERVICES [Item 13]**

The Cabinet Member for Business Services introduced this report which sought approval to award contracts for the provision of Insurance Services, excluding Broker Services for the benefit of the Council to commence on 1 April 2015.

Due to the commercial sensitivity involved in the contract awards process, the financial details of the potential suppliers were set out in a Part 2 report, to be considered later in the meeting.

**RESOLVED:**

1. That the contracts be awarded to the suppliers in the following lots:

Lot 1 Property – Zurich Municipal,  
Lot 2 Fidelity Guarantee – QBE Insurance (via Risk Management Partners),  
Lot 3 Commercial Properties – Zurich Municipal,  
Lot 4 Casualty – QBE Insurance (via Risk Management Partners),  
Lot 5 Motor Fleet – Travelers,  
Lot 6 Group Personal Accident and Travel – AIG (via Risk Management Partners),  
Lot 7 Terrorism - Pool Reinsurance

2. That the contracts be awarded for three years, with an option to extend for two further years for all lots.

**Reasons for Decisions:**

A full tender process, in compliance with the requirements of Public Contracts Regulations 2006 and the Council's Procurement Standing Orders has been completed. The recommendations provide best value for money for insurance cover in association with the lots as listed for the Council following a thorough evaluation process.

**41/15 LEADER / DEPUTY LEADER / CABINET MEMBER DECISIONS TAKEN SINCE THE LAST CABINET MEETING [Item 14]**

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

**RESOLVED:**

That the decisions taken by Cabinet Members since the last meeting, as set out in Annex 1 of the submitted report, be noted.

**Reasons for Decisions:**

To inform the Cabinet of decisions taken by Cabinet Members under delegated authority.

**42/15 EXCLUSION OF THE PUBLIC [Item 15]**

**RESOLVED** that under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information under paragraph 3 of Part 1 of Schedule 12A of the Act.

PART TWO – IN PRIVATE

THE FOLLOWING ITEMS OF BUSINESS WERE CONSIDERED IN PRIVATE BY THE CABINET. SET OUT BELOW IS A PUBLIC SUMMARY OF THE DECISIONS TAKEN.

**43/15 AWARD OF CONTRACT FOR THE PROVISION OF INSURANCE SERVICES - EXCLUDING BROKER SERVICES [Item 16]**

This report was the confidential annex relating to item 13 on the agenda, which set out the commercial and financial details of the competitive tendering process.

A revised recommendation (2) was tabled at the meeting.

**RESOLVED:**

1. That contracts be awarded to the suppliers by lot with an estimated total annual value and contract term, as set out in the submitted report, with an option to extend for two further years for the provision of Insurance Services excluding Broker Services for the benefit of the Council to commence on 1 April 2015:

Lot 1 Property – Zurich Municipal  
Lot 2 Fidelity Guarantee – QBE (via Risk Management Partners)  
Lot 3 Commercial Properties – Zurich Municipal  
Lot 4 Casualty – QBE (via Risk Management Partners)  
Lot 5 Motor Fleet – Travelers  
Lot 6 Group Personal Accident and Travel – AIG (via Risk Management Partners)

2. That for Lot 7 Terrorism, a quotation be obtained from Pool Reinsurance, and agreed with the Leader of the Council, for cover to take effect from 1 April 2015, as the proposal put forward by a sole bidder for the lot does not meet the requirements of the Council.

**Reasons for Decisions:**

The existing agreements will expire on 31 March 2015. A full tendering process, in compliance with the requirements of Public Contracts Regulations 2006 and the Council's Procurement Standing Orders has been completed,

and the recommendations provide best value for money for the Council following a thorough evaluation process.

**44/15 PUBLICITY FOR PART 2 ITEMS [Item 17]**

That non-exempt information relating to items considered in Part 2 of the meeting may be made available to the press and public, if appropriate.

[Meeting closed at 3.20pm]

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**Chairman**

**Public Questions**

**Question (1) from Peter Crews to ask:**

The original value for money assessment for Charlton Lane was reported to Cabinet in July 2013. The assessment considered four options. These were:

- Option 1: Amend the existing waste contract to deliver Waste Solutions
- Option 2: Terminate existing waste contract and re-procure to build and operate Waste Solutions
- Option 3: Terminate waste contract and achieve recycling and landfill diversion improvements without new infrastructure (i.e. secure alternative technology contracts)
- Option 4: Terminate waste contract and achieve recycling and landfill diversion improvements without new infrastructure (i.e. continue to landfill)

My question is to Mr Goodman and relates to the value for money assessment for Charlton Lane that will be reported to Cabinet on 24 February 2015.

1. Will the assessment for February 2015 consider the same four options?
2. Will the assessment for February 2015 consider additional options and, if so, please could I have a description for each additional option?
3. Am I correct in assuming the costs of each option will represent the whole life cost of running Charlton Lane (construction, operation, maintenance and decommissioning) calculated for the 25-year design life period of the Charlton Lane incinerator and, if not, what will the costs represent?
4. Will the base date for the costs be the same as for the July 2013 assessment and what is the base date?
5. Have prices gone up since the July 2013 assessment and, if so, by how much?
6. How will the costs be expressed; cash or net present value?
7. Will the costs include a contingency and, if so, what will be the level of confidence associated with the contingency, e.g. 50% or 95%?

**Reply:**

1. The value for money assessment will include options 1 & 3 which were the same two options that were considered in the October 2013 Cabinet report.
2. No other options are being considered.
3. The cost of each option will include the whole life cost of construction, operation and maintenance of any relevant infrastructure. Decommissioning costs have not been included in either option as these depend on the future use of the sites which are currently unknown. However, as these costs would be incurred after 25 years then they will have little effect on the costs in net present value terms.

4. All costs will be updated to current prices
5. The costs for all options may have risen. The quantum of costs will be the subject of the value for money analysis in April.
6. Costs will be expressed both as cash and as net present value.
7. The costs will include optimism bias adjustments in accordance with HM Treasury guidance.

**Mr John Furey on behalf of:  
Mr Mike Goodman  
Cabinet Member for Environment and Planning  
24 February 2015**

**Question (2) from Malcolm Robertson to ask:**

"The World Class Waste Solution was proposed by Surrey Waste Partnership and became the current Joint Municipal Waste Management Strategy. It was to achieve a recycling rate of 70% by 2013. It also endorsed a 60,000 tonne gasifier (incinerator) at Charlton Lane, Shepperton.

On 2 February 2010, Surrey officers told Cabinet that the Surrey reference plant gasifier, sited at Dargavel in Scotland was "successfully in operation", when, in reality, after just a few months trial, and a sample of Surrey waste, its boiler had terminally broken, and the plant was not working. It was not therefore "successfully in operation" as the Cabinet had been told. It was completely out of action.

When it eventually restarted it suffered 88 emergencies, each allowing extremely hot unfiltered gases to be emitted across the Scottish countryside, a steam line explosion, massive breaches of UK Dioxin limits, and was temporarily shut down by its Regulators, before suffering a total loss fire.

Several million pounds of Surrey Taxpayers money have been spent chasing that nightmare, and all that has resulted is a severe dent in Surrey's reputation. This has been compounded by Surrey's dismal failure to achieve, even now, its avowed rate of 70% recycling.

Surrey Waste Partnership is now promoting a new lower target 'Waste Strategy', but before it does so, it must explain this last fiasco, and both now, and in the future, it must publish its Reports and Minutes, which are so far secret, and demonstrate only the lack of transparency of this Surrey quango. Will you undertake to ensure that this action is taken immediately, a full explanation is provided for these monumental failures and deceit, and all reports are made public, before any new 'strategy' is agreed?"

**Reply:**

The Surrey Waste Partnership includes representatives from all of Surrey's authorities and is the main forum through which waste management matters are discussed. Decision making and reporting on progress towards achieving our shared objectives is done by individual councils, and was last reported to Surrey County Council's Cabinet in November. In that report, we set out the significant progress that had been made to reduce the amount of waste produced by householders and increase recycling. We also set out a range of challenges that we currently face and believe that the revised joint strategy being considered by Cabinet today will facilitate and support performance improvement across all Surrey authorities.

**Mr John Furey on behalf of:  
Mr Mike Goodman  
Cabinet Member for Environment and Planning  
24 February 2015**

**Question (3) from Brian Catt to ask:**

**Background Information to his question concerning the delayed Eco Park Value Assessment.**

PROXIMITY: Best value can be realised anywhere in the EC per DEFRA, EC and SCC waste policies. Proximal disposal of dry waste is not a requirement.

DEFRA PFI Support: DEFRA's c.£200M waste PFI support is not dependent upon the Eco Park, **and will not be lost** because it is varied. DEFRA only requires significant "eco" waste infra structure projects to be created in County.

ROCs: It is unlikely OFGEM will award the proposed incinerator double ROCs as a gasifier at 2 x c.£40/MWh by OFGEM. Its physical design does not comply with OFGEM's fundamental definition of a gasifier - that will output an energetic fuel gas for combustion in a subsequent process.

RISK: Most municipal waste gasifiers globally and at Dargavel have failed, unless repurposed as direct EfW combustion - which can be better delivered elsewhere as recovery in cheaper more efficient full sized plants ten times the capacity. Failure to work as advertised is a very high probability for this experiment. For independent research - Ref: Google: "global WTERT council history of Gasification"

PRICE: At the core of the logic for all three waste policies is the lowest price consistent with the adequate R1 compliant energy recovery from our waste fuel, to raise waste affordably up the hierarchy. UK prices are well documented by the "WRAP Gate Fees Report" at down to £60/tonne for modern EfW. They are as low as £8/tonne plus freight for R1 EfW in Sweden. Google "1-3\_Prognos\_Tolvik" for ref. data, see slide 6.

We are not told the gate fee proposed for the Charlton Lane "gasifier", so cannot begin to compare. We do know it will be CHP-less disposal of our waste in an inadequately sized, hence inherently inefficient and overpriced, facility.

**QUESTION:** Will the Eco Park value for money determination, now delayed to April cabinet, transparently apply all the crucial considerations listed above to compare the full range of options, in particular the lower gate fees for better R1 qualifying energy recovery widely available elsewhere, and fully justify its results to Councillors, exclusive of any contract cancellation penalties TBD?

**Reply:**

I note that you have made a number of statements which reflect your personal opinion. However, I would not agree with the conclusions that you have drawn. I am not aware, for example, that any communication has been received from Defra along the lines that you have indicated or that OFGEM have stated that the gasifier will not satisfy their technical requirements for the payment of Renewables Obligation Certificates (ROCS).

Yes, I confirm that the proposed Value for Money analysis will deal with the points that you have raised.

**Mr John Furey on behalf of:  
Mr Mike Goodman  
Cabinet Member for Environment and Planning  
24 February 2015**



**CABINET RESPONSE TO CHILDREN AND EDUCATION SELECT COMMITTEE**

**SURREY SAFEGUARDING CHILDREN BOARD ANNUAL REPORT 2013-2014**

**SURREY COUNTY COUNCIL SAFEGUARDING UNIT REPORT**

**(considered by C&ESC on 26 January 2015)**

**COMMITTEE RECOMMENDATIONS:**

1. That Surrey County Council actively engages with District and Borough Councils and Surrey Police to consider how the risk of Child Sexual Exploitation can be reduced through regulatory licensing, in particular taxi licensing and in respect of activities described as "Licensable Activities" by the Licensing Act 2003.
2. That, given the crucial work of the Youth Support Service and Children's Services in supporting young people and children at risk of CSE and in reducing the risk of CSE, any future strategy and financial planning by Cabinet ensures that both services are suitably resourced to address CSE and safeguarding in Surrey.

**RESPONSE:**

**RESPONSE TO RECOMMENDATION 1:**

In line with the National CSE Work Plan and Strategy: Surrey's CSE sub-group will be reviewing its own Action Plan. As part of that, it will ensure that there is Borough and District representation on the CSE Strategic Group. That it will agree a set of standards with the Boroughs and Districts on the vetting and assessment procedures for granting licences to a range of activities - including Licensed Premises, Taxi firms, Voluntary organisations offering leisure activities to children and young people, entertainment groups - both professional and amateur.

It will work with them to develop local leadership within each Borough and District on CSE, which will ensure awareness and appropriate skills amongst all staff. This is so that CSE becomes integrated into all the work they carry out.

Through the Section 11 audit processes, the Council will work with the Boroughs and Districts to identify if there are areas of weakness and help each them to develop an action plan to combat these.

The Council will also provide training and development for all staff that need it through the SSCB's and SCC's programmes on CSE and integrate this into the Learning and Development Framework for staff.

## **RESPONSE TO RECOMMENDATION 2:**

As public sector funding for local authorities reduces, it is necessary for the County Council to reduce costs and make savings on its budget. The CSF Directorate has therefore had to make savings and will probably need to make further savings in the short to medium term. In deciding where these savings are planned to be realised, consideration is given to key priority services. Supporting young people and children at risk of CSE and reducing the risk of CSE is seen as one of the most important priorities for the CSF Directorate and savings are carefully considered to ensure there will not be an impact. Investment of funding has been made into child protection and Children in Need, with £3.1m being invested in 2013/14 and a further £2m being invested over the next two years.

**Mary Angell**  
**Cabinet Member for Children and Families**  
**24 February 2015**

**CABINET RESPONSE TO CHILDREN AND EDUCATION SELECT COMMITTEE**

**SCHOOL GOVERNANCE TASK GROUP – FINAL REPORT  
(considered by C&ESC on 26 January 2015)**

**COMMITTEE RECOMMENDATIONS:**

1. That the Cabinet Member for Schools and Learning engages with local economic and enterprise partners, Phase Council representatives and SGOSS to consider how the Council can best encourage individuals in the business sector to serve as school governors.
2. That the Cabinet Member and Assistant Director for Schools and Learning use the Council's internal communication network to actively promote the school governor role to all local government staff.
3. That the Directorate for Children, Schools and Families work with its professional governance partners to develop and strengthen peer to peer support between school governing bodies, and relevant professional associations.
4. That the Internal Audit Team update the Committee on any themes emerging from the financial audits in schools following the conclusion of the 2015/16 audit plan.
5. That the Council's Education Finance Team and Internal Audit Team are invited to attend a future meeting of all Surrey governors in order to highlight the skills and expertise of the Internal Audit Team and discuss the role of governing bodies in financial and risk management.
6. That the Assistant Director for Schools and Learning considers how to involve the Internal Audit Team in future governor training on financial and risk management.

**RESPONSE:**

1. I am happy to engage as widely as possible to promote and encourage serving as a school governor in Surrey. Our Education partner, Babcock 4S, already works with SGOSS (a Department for Education funded charity) recruiting school governors from FTSE 100 companies and has some links with large Surrey employers, including BP and Proctor & Gamble, which it is continuing to develop as far as funding allows. Babcock 4S also engages on behalf of Surrey County Council with the Voluntary Service organisations across the 11 Surrey boroughs and districts and gets a steady flow of potential governors in this way who are matched to schools.
2. I am happy to agree to this proposal although it should be noted that LA "association" rules apply in that only 1 LA governor per school is permitted who can work for Surrey County Council. However if it could

be explored as a strategy for nominating hard-to-fill LA governor roles in certain schools, it could be really helpful.

3. Babcock 4S does this extensively already through the National College for Teaching and Leadership Chairs; Governors programme, using National Leaders of Governance to conduct Reviews of Governance, mentoring of Chairs, mentoring of Clerks, etc. We are continually looking at opportunities to extend good practice. All training and development events also provide opportunities for networking and peer-to-peer support.
4. Refer to (5) below.
5. The Internal Audit Team is happy to remind governing bodies of the role of Internal Audit in schools and where any issues should be directed, although to date this has not been identified as an area of concern. Babcock 4S routinely works with Education Finance/Audit teams to address concerns where they have arisen, and additional training is arranged if necessary. The Schools Financial Value Standard (SFVS) is an annual return completed by every governing body which requires governors to discuss annually with their Headteacher and senior staff 23 specific areas of financial responsibility. These returns are collated by Education Finance and, where expertise is perceived to be weak, additional training or briefings are arranged. Governors are also obliged to monitor the progress of any remedial actions. I am therefore confident that governors are aware of their responsibilities in this area, but if the Select Committee has identified specific weaknesses, I would be willing to ask Education Finance and Internal Audit to review their advice. I will also be happy to ask Education Finance/Internal Audit to update the Select Committee on their findings following collation of the 2015/16 SFVS annual returns, as referred to in 4 above.
6. Babcock 4S already runs several courses on this subject, one of which is sponsored by the National College for Teaching and Leadership.

**Linda Kemeny**  
**Cabinet Member for Schools and Learning**  
**24 February 2015**