

County Council Meeting – 11 October 2016

REPORT OF THE CABINET

The Cabinet met on 14 July and 20 September 2016.

In accordance with the Constitution, Members can ask questions of the appropriate Cabinet Member, seek clarification or make a statement on any of these issues without giving notice.

The minutes containing the individual decisions for 14 July and 20 September 2016 meetings are included within the agenda. Cabinet responses to Committee reports are included in or appended to the minutes. If any Member wishes to raise a question or make a statement on any of the matters in the minutes, notice must be given to Democratic Services by 12 noon on the last working day before the County Council meeting (Monday 10 October 2016).

For members of the public all non-confidential reports are available on the web site (www.surreycc.gov.uk) or on request from Democratic Services.

RECOMMENDATION ON POLICY FRAMEWORK DOCUMENT

A FORMATION OF SPELTHORNE JOINT COMMITTEE

1. The Cabinet at its meeting on 20 September 2016 considered the report on the formation of Spelthorne Joint Committee. Building on the positive partnership working between Surrey County Council (SCC) and Spelthorne Borough Council (SBC), it is proposed to create a Joint Committee in place of the current SCC Spelthorne Local Committee. This new partnership arrangement will speed up decision making, improve outcomes for residents and strengthen local democracy, enabling for the first time, all functions and budgets delegated to it by both authorities to be jointly decided upon.
2. The full report is available as part of the 20 September 2016 Cabinet agenda on the County Council's website.
3. The Joint Committee will have an extended remit over and above that of the current local committee with decision making functions in relation to the Community Infrastructure Levy (CIL) and youth provision and advisory functions such as older people's services and making the best use of public assets in the Borough. These changes will support more integrated approaches to service delivery and planning.
4. This approach has already proved successful in Woking where a joint committee, has been operating since June 2014 and was recently reviewed and showed to have improved partnership working between both authorities. Joint Committees are an innovative two tier response to Central Government policy initiatives including devolution. Positive conversations are being held with other Surrey Borough and District Councils on the formation of further joint committees with Surrey County Council (SCC).

5. SCC Cabinet (and Full Council) approval is now sought to establish the Joint Committee, following Spelthorne Borough Council agreement at their Cabinet meeting on 20 July 2016 and Council on 21 July 2016.
6. ***The Cabinet RECOMMENDS that the County Council agrees:***
 1. To recommend that Full Council agrees to establish the Spelthorne Joint Committee to deal with both executive and non-executive functions from 1 December 2016 in place of the current Local Committee in Spelthorne which will cease to function from that date.
 2. That the following changes to the scheme of delegation be approved:
 - to delegate the executive functions to the Spelthorne Joint Committee as set out in Appendix A
 - to recommend to Council to delegate the non-executive functions to the Spelthorne Joint Committee as set out in Appendix A
 - the advisory functions that will come under the remit of the Spelthorne Joint Committee as set out in Appendix A.
 3. That the functions that Spelthorne Borough Council has agreed to delegate to the Spelthorne Joint Committee, as set out in Appendix A, be noted.
 4. That the Spelthorne Joint Committee Terms of Reference, including the Standing Orders under which it will operate, as set out in Appendix A be agreed, and authority be delegated to the Director of Legal and Democratic and Cultural Services to agree to any minor amendments to the Terms of Reference which may be required.
 5. To recommend to Council to appoint a Chairman of the newly formed Spelthorne Joint Committee from 1 December 2016 (item 12).

REPORTS FOR INFORMATION / DISCUSSION

B FINANCIAL SUSTAINABILITY AND BUDGET PLANNING 2017 TO 2022

1. The Cabinet at its meeting on 20 September 2016 considered the report on Financial Sustainability and Budget Planning 2017 to 2022. The Cabinet report and Annex 1 are attached as Appendix B to this report. Annexes 2 and 3, from the Cabinet report, are available as part of the 20 September 2016 Cabinet agenda on the County Council's website.
2. Since 2010, local authorities in England have been faced with year on year reduction in funding from Central Government as a part of the deficit reduction policy. This reduction has included Surrey County Council, which has traditionally been one of the lowest funded local authorities from Government grants. At the same time, the demand for Surrey County Council's services has been increasing, especially in looking after an increasingly aged population, a high level of people with learning disabilities and providing school places for a record number of children. The County Council has met this challenge through a

financial strategy that includes: managing demand, efficiency savings and increases in the level of council tax.

3. In February 2016 the Council's Section 151 officer highlighted that the 2016/17 budget was balanced through the use of substantial one-off funding and the Medium Term Financial Plan for 2016/17 to 2020/21 (MTFP 2016-21) required significant actions to become sustainable. The Council agreed to a Public Value Transformation programme to investigate whether sustainability could be achieved through further significant transformation. The Council's financial prospects and the key strategies to respond to the challenge presented in the next five year Medium Term Financial Plan (MTFP 2017-22) to ensure it is both balanced and sustainable were set out in the Cabinet report of 20 September 2016.
4. The Cabinet agreed that before the Leader took a decision on whether to accept or decline the Government's four year settlement, he would welcome the views of the wider Council. The Council's Constitution makes provision for this (under Standing Order 8.2c). If the Council accepts the officer then it must prepare and submit an efficiency plan to the Department for Communities and Local Government by 14 October 2016.
5. In July, the Government confirmed its intention to move to 100% Business Rates retention by local Government with the publication of two consultation papers on 100% business rates retention and fair funding review of needs and redistribution. These proposals would have a fundamental and strategic impact on the Council's financial sustainability. Responses were due back to Government by 26 September 2016.
6. **The Cabinet AGREED the following recommendations, as amended:**
 1. That the context and background to the County Council's financial prospects over the medium term, as set out in paragraphs 15 to 22 of the submitted Cabinet report, be noted.
 2. The achievement of £329m efficiency savings over the last five years and the further planned savings of £361m over the next five years be noted.
 3. The impact of additional funding on the Council's financial sustainability, as set out in paragraph 35 of the submitted Cabinet report, be noted.
 4. The revised cash limit budgets for each service in the absence of additional funding from government grants, council tax, or business rates; or further savings, as detailed in paragraph 33 and Annex 1 of the submitted Cabinet report be approved.
 5. That Cabinet Members and officers develop proposals on delivering services within the revised cash limits for a future Cabinet meeting, as set out in paragraph 33 of the submitted Cabinet report.
 6. The development of proposals to the Government for additional funding through the adult social care precept, business rates retention and for school places, as set out in paragraph 35 of the submitted Cabinet report, be approved.

7. That Cabinet would welcome a County Council view before a decision is taken on the Government's four year settlement offer, and that an item seeking that view be included (in accordance with Article 8.2(c) of the Constitution) in Cabinet's report to Council on 11 October 2016.
8. That the executive decision to accept or decline the Government's four year settlement offer, as set out in paragraph 41 of the submitted Cabinet report, be delegated to the Leader of the Council, for decision as soon as possible after the full Council meeting of 11 October 2016.
9. Subject to further minor adjustments agreed by the Chief Executive in consultation with the Leader of the Council, the Council's own response to the 100% Business Rates Retention consultation be approved, and the joint response from the 3SC local authorities, as detailed in paragraph 48 of the submitted Cabinet report, be endorsed.
10. That Scrutiny Boards examine the key budget proposals and report back to Cabinet, as detailed in paragraph 34 of the submitted Cabinet report.

C QUARTERLY REPORT ON DECISIONS TAKEN UNDER SPECIAL URGENCY ARRANGEMENTS: 1 JULY – 30 SEPTEMBER 2016

1. The Cabinet is required under the Constitution to report to Council on a quarterly basis the details of decisions taken by the Cabinet and Cabinet Members under the special urgency arrangements set out in Article 6.05(f) of the Constitution. This occurs where a decision is required on a matter that is not contained within the Leader's Forward Plan (Notice of Decisions), nor available 5 clear days before the meeting. Where a decision on such matters could not reasonably be delayed, the agreement of the Chairman of the appropriate Scrutiny Board, or in his/her absence the Chairman of the Council, must be sought to enable the decision to be made.

There have been no urgent items in this quarter.

**Peter Martin, Deputy Leader
on behalf of
Mr David Hodge, Leader of the Council
30 September 2016**