

**MINUTES OF THE MEETING OF THE CABINET
HELD ON 27 FEBRUARY 2018 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 CBE (Chairman)	*Mr Mike Goodman
*Mr John Furey (Vice-Chairman)	*Mrs Mary Lewis
*Mrs Helyn Clack	*Mr Colin Kemp
*Mrs Clare Curran	*Mr Tim Oliver
*Mr Mel Few	*Ms Denise Turner-Stewart

Associate Member:

* Ms Charlotte Morley

* = Present

Members in attendance:

Mr Jonathan Essex

PART ONE
IN PUBLIC

255/18 APOLOGIES FOR ABSENCE [Item 1]

There were no apologies.

256/18 MINUTES OF PREVIOUS MEETING: [Item 2]

The minutes of the meeting held on 30 January 2018 were agreed.

Further to Minute 246/18 – Pay and Conserve Car Parking – the Cabinet Member for Children stated that she had reported that residents were unable to pay by cash on the M36 relief road; this was incorrect and she apologised for the mistake.

257/18 DECLARATIONS OF INTEREST [Item 3]

None received.

258/18 PROCEDURAL MATTERS [Item 4]

1 MEMBERS' QUESTIONS [Item 4a]

There were three questions received from one Member. The questions and responses were published as a supplement to the agenda.

Question 1 – Mr Essex requested confirmation that there would not be any closures of children’s centres and the number of places to be approved by Ofsted.

The Cabinet Member for Children responded that the council, with partners, were seeking to work in a more integrated and joined up way and that she could not say that no children centre would ever close. She also recognised the valuable service provided by children’s centres but the capacity of resources was unable to meet the demand.

Question 2 – Mr Essex asked when the results of the staff consultation would be made public as well as the full impact of those results.

The Cabinet Member for Children responded that the results would definitely be made public but would have to let him know when following the meeting.

259/18 PUBLIC QUESTIONS [Item 4b]

There were no questions from members of the public.

260/18 PETITIONS [Item 4c]

No petitions were submitted.

261/18 REPRESENTATIONS RECEIVED ON REPORTS TO BE CONSIDERED IN PRIVATE [Item 4d]

There were none.

262/18 REPORTS FROM SCRUTINY BOARDS, TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL [Item 5]

There were none.

263/18 EARLY HELP STRATEGY [Item 6]

The Cabinet Member for Children introduced the report which described the vision of partners in Surrey being: Children First and that they should be ‘Seen, Safe and Heard’. There was a need to achieve this at a time when Surrey County Council was facing unprecedented funding pressures from rising demand and reductions in central government funding. Early Help, which means providing support as soon as a problem emerges to prevent issues escalating, at any point in a child’s life from early years through to teenage years, had a pivotal role to play in this.

She explained that given the challenging context, to achieve that vision there was a need to work with partners to transform Surrey’s Early Help system, through new integrated approaches to delivering and commissioning services. The Early Help Strategy 2018-22 was a clear call to action for all Surrey partners to work together to ensure Surrey’s children received the right help at the right time, increasing their resilience and ensuring they had safe, nurturing relationships that enabled them to thrive and build the skills they needed for adulthood.

Although Surrey was an affluent county and many children achieved good outcomes, there remained some children who faced significant disadvantage and did less well. The Council's financial challenge, which demanded £9.7 million savings from Early Help by 2020, presented a real opportunity to re-focus resources on these children who were in greatest need. Through this bold, joint-approach, set out in our Early Help Strategy, the Council could turn-around rising demand for statutory services across public agencies and achieve a sustainable future for Surrey.

Members were informed that this was a draft strategy which would be final once signed off by the Early Help Transformation Programme Board and District/Borough Early Help Advisory Boards.

It was noted that Table 1 under paragraph 33 of the report should indicate the figures as thousands of pounds (£000's).

RESOLVED:

1. That the proposed Early Help Strategy and development of the place-based Local Family Partnership model across Surrey be agreed.
2. To delegate to the Assistant Director, Commissioning and Prevention, in consultation with the Cabinet Member for Children, decision making on any minor changes to the Early Help Strategy arising from discussions at the Early Help Transformation Board and Children and Young People's Partnership.
3. That the specific high-level Early Help commitments for Surrey County Council set out below, be endorsed:
 - Transform SCC services through integration with others at a local level;
 - Coordinate partners at county and local levels to implement the Early Help Strategy;
 - Identify children who need Early Help through the Multi-Agency Safeguarding Hub and provide case management and coordination (with others) for children and families with multiple needs;
 - Commission local, place-based preventative services with our partners; and
 - Maintain a robust joint-understanding with partners of the needs of children and families in Surrey and the impact of Early Help.

Reasons for Decisions

The proposed new Early Help Strategy and system model, with Local Family Partnerships at its heart, will put children first, ensuring they receive the integrated Early Help they need, as soon as it is required. In this model, as partner and Council services are increasingly having to focus on families with higher levels of need, an integrated offer will be developed with other community partners taking an increasing role in meeting the more common and less acute needs. The new strategy will enable us to respond to the challenges of reduced public funding and increased demand by more effectively aligning Council resources with

those of partners. This will support the longer-term financial sustainability of the Council and partners, as well as improving outcomes for children.

264/18 OAKWOOD SECONDARY SCHOOL, HORLEY - SCHOOLS BASIC NEED EXPANSION PROJECT [Item 7]

The Cabinet Member for Education introduced the report that set out the Business Case for the expansion of Oakwood School from an 8 Form of Entry secondary (1,200 places) to a 10 Form of Entry secondary (1,500 places), thereby creating 300 additional places, to support delivery of the basic need requirements in the Horley area. Members were reminded that it was the council's statutory duty to provide enough places in the county.

RESOLVED:

That, subject to the agreement of the detailed financial information for the expansion set out in Part 2 of this report, the business case for the provision of an additional 2 Forms of Entry worth of secondary places in Horley be approved.

Reason for Decision

The proposal supports the Authority's statutory obligation to provide sufficient school places, relative to demand.

265/18 MONTHLY BUDGET MONITORING REPORT [Item 8]

The Leader of the Council presented the budget monitoring report for period ten of 2017/18, up to 31 January 2018.

He stated that the report's headline was that persistent hard work by the council's staff, partners and members had once again reduced the forecast overspend. As at 31 January the forecast overspend was £6m. This was a £5m improvement on last month, £13m over two months and £18m since the end of June. The Leader was confident that with continued efforts, this could be brought down further by the year end. The action in reducing the Council's overall spending in 2017/18 was important because any overspends needed to be met from reserves. It was planned to use £24m reserves to balance 2018/19 budget, which the Director of Finance advised left reserves at the minimum safe level.

The Leader went on to say that last February the council set its budget for 2017/18 in the face of: significant rising demand pressures (particularly in social care); falling Government funding and continuing restraint on ability to raise funds locally. To balance 2017/18's budget the council had to make plans to deliver an unprecedented £104m of savings. This significant challenge for the council came on top of already having made over £450m savings since 2010. To add to this challenge, the council's 2017/18 budget included significant, additional demand and cost pressures, mostly in social care. For example, in Children's Services, demand continued to increase and was adding a £10m pressure by the end of the financial year. Partially offsetting these pressures, there were forecast underspends, including elsewhere in Children Schools & Families, Adult Social Care, Orbis, Highways & Transport, Waste and Central Income & Expenditure.

He went on to explain that services had continued to take action as part of the recovery plan to reduce costs and bring forecast overspend down. However, all services needed to keep up this work and take all appropriate action to manage spending within available resources by keeping costs down, managing vacancies, optimising income and being aware of the current financial position before committing to additional future expenditure. Lastly, he drew Members attention to the benefits accrued from long term investments, both within the investment fund and in the contribution to overall financial costs.

Other Cabinet Members were given the opportunity to highlight key points and issues from their portfolios.

RESOLVED:

That the Cabinet noted the following:

1. Forecast revenue budget outturn for 2017/18 is £6m overspend (Annex 1, paragraphs 1 and 7 to 42 of the submitted report). This included:
£9m savings to be identified,
£16m net savings considered unachievable in 2017/18,
£13m service demand and cost pressures
less
£32m net underspends, additional savings and income.
2. Forecast planned savings for 2017/18 total £79m against £95m agreed savings and £104m target (Annex 1, paragraph 43 of the submitted report).
3. All services continue to take all appropriate action to keep costs down and optimise income (e.g. minimising spending, managing vacancies wherever possible etc.).
4. The Section 151 Officer's commentary and the Monitoring Officer's Legal Implications commentary in paragraphs 16 to 19 of the submitted report state that the council has a duty to ensure its expenditure does not exceed resources available and move towards a sustainable budget for future years.

The Cabinet approved the following:

5. That the Waste underspend, currently estimated at £1.8m, be transferred to the Waste Sinking Fund at financial year end to meet future costs (Annex 1, paragraph 26 of the submitted report).
6. That £3.9m be transferred to the Budget Equalisation Reserve in respect of additional Business Rates income (Annex 1, paragraph 38 of the submitted report).
7. That £0.9m be drawn down to fund Place Development & Waste capital schemes (Annex 1, paragraph 58 of the submitted report).
8. That the Leader of the Council write to the Secretary of State for Health and the Secretary of State for Communities and Local Government to

request fairer funding for public health and to seek assurance that business rate retention would not affect the Government grant funding.

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.

266/18 PROVISION OF COMMERCIAL AND INDUSTRIAL PROPERTIES INSURANCE SERVICES [Item 9]

The Cabinet Member for Property and Business Services introduced the report that sought approval to award a contract for the provision of Commercial and Industrial Properties Insurance Cover for Surrey County Council. This provision was to commence on 1 April 2018, following the expiration of the current arrangement with Zurich Municipal on 31 March 2018. By awarding a new contract to the recommended provider, the Council would meet its obligations to provide insurance cover for the Council and ensure best value for money for this service. The report set out details of the procurement process, including the results of the evaluation process and why the recommended contract award delivered best value for money.

Due to the commercial sensitivity involved in the contract award process, all financial details had been circulated as a Part 2 report.

RESOLVED:

That a contract be awarded for the provision of Commercial and Industrial Properties Insurance Service to Protector Insurance, starting from 1 April 2018, for a period of three years with the option to extend for up to a further two years. The estimated annual value of the contract was £115,285, plus 12% insurance premium tax.

Reasons for Decision

The current contract for commercial properties was expiring on 31 March 2018 and putting a new contract in place ensures there is appropriate insurance cover for the commercial property portfolio owned by the Council and its subsidiary, Halsey Garton Property Ltd.

This recommendation provides best value for money for Commercial & Industrial Properties insurance for the Council following a thorough evaluation process.

267/18 REFURBISHMENT OF HOUSES [Item 10]

The Cabinet Member for Property and Business Services introduced this report that considered and made recommendations for the refurbishment of nine residential properties to either increase rental income and bring the property up to modern day standards or increase the capital valuation in preparation of disposal of the asset in the market.

RESOLVED:

That the business case for an initial investment in nine residential properties in order to bring the property up to modern day standards or increase the capital valuation in preparation of disposal of the asset in the market be approved. This was subject to a further review by the Cabinet Member for Property and Business Services, the Head of Property and the Local Member(s) to ascertain whether there was any more development potential to be had.

Reason for Decision

Property Services recommended the refurbishment of nine residential properties to either increase rental income and bring the property up to modern day standards or increase the capital valuation in preparation of disposal of the asset in the market.

**268/18 LEADER / DEPUTY LEADER / CABINET MEMBER DECISIONS/
INVESTMENT BOARD TAKEN SINCE THE LAST CABINET MEETING
[Item 11]**

There were none.

269/18 EXCLUSION OF THE PUBLIC [Item 12]

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

**270/18 OAKWOOD SECONDARY SCHOOL, HORLEY - SCHOOLS BASIC NEED
EXPANSION PROJECT [Item 13]**

This Part 2 report contained information which was exempt from Access to Information requirements by virtue of paragraph 3 – Information relating to the financial or business affairs of any particular person (including commercially sensitive information to the bidding companies).

The information contained in this report may not be published or circulated beyond this report and will remain sensitive until contract award in April 2018.

RESOLVED:

1. That the business case for the project to expand The Oakwood School by 300 additional places, at a total cost as set out in the submitted report, be approved.
2. That the arrangements by which a variation of up to a percentage of the total value, as set out in the report, may be agreed by the Deputy Chief Executive and Strategic Director for Children, Schools and Families in consultation with the Cabinet Member for Education, the Cabinet Member for Property and Business Services and the Leader of the Council be agreed.

3. That the authority to approve the award of contracts for works be delegated to the Chief Property Officer in consultation with the Leader of the Council, Cabinet Member for Education, Head of Procurement and Section 151 Officer when a competitive tender was procured through the new Orbis Construction Framework be agreed.
4. That the Cabinet Member for Education write a letter of thanks, from the Cabinet, to the Leader of Reigate and Banstead Council.

Reason for Decision

The proposal delivers and supports the Authority's statutory obligation to provide necessary school places to meet the needs of the population in Reigate and Banstead Borough.

271/18 PROVISION OF COMMERCIAL AND INDUSTRIAL PROPERTIES INSURANCE SERVICES [Item 14]

This Part 2 report contains information which is exempt from Access to Information requirements by virtue of paragraph 3 – Information relating to the financial or business affairs of any particular person (including commercially sensitive information to the bidding companies).

The information contained in this report may not be published or circulated beyond this report and will remain sensitive for the length of the contract.

RESOLVED:

That a contract be awarded for the provision of Commercial and Industrial Properties Insurance Service to Protector Insurance, starting from 1 April 2018, for a period of three years with the option to extend for up to a further two years. The estimated annual value of the contract was set out in the report.

Reason for Decision

The existing contract for Commercial Properties will expire on 31 March 2018 and putting a new contract in place ensures there is appropriate insurance cover for the commercial property portfolio owned by the Council and its subsidiary, Halsey Garton Property Ltd.

The recommendation provides best value for money for Commercial & Industrial Properties insurance for the Council following a thorough evaluation process and also supports Business Services ability to provide insurance cover for Surrey County Council.

272/18 REFURBISHMENT OF HOUSES [Item 15]

This Part 2 report contained information which is exempt from Access to Information requirements by virtue of paragraph 3 – Information relating to the financial or business affairs of any particular person (including commercially sensitive information to the bidding companies).

The nine properties under consideration were vacant. The proposal was in line with the Council's ambition to reduce the number of properties in vacant management to reduce costs and increase income.

RESOLVED:

That the business case for an initial investment, as set out in the report, in nine residential properties in order to bring the property up to modern day standards or increase the capital valuation in preparation of disposal of the asset in the market be agreed.

Reason for Decision

Property Services recommended the refurbishment of nine residential properties to either increase rental income and bring the property up to modern day standards or increase the capital valuation in preparation of disposal of the asset in the market.

273/18 PUBLICITY FOR PART 2 ITEMS [Item 16]

It was agreed that non-exempt information may be made available to the press and public, where appropriate.

Meeting closed at 3.20 pm

Chairman

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