

CABINET – 28 APRIL 2020

PROCEDURAL MATTERS

Members Questions**Question (1) Chris Botten (Caterham Hill):**

"Could the Leader please offer to members of Council a summary report capturing the changes in the financial position of the Council covering:

- Loss of income as a result of lockdown
- Costs unbudgeted for in managing the COVID-19 response
- Government grants so far pledged
- Risks to the balanced budget presented at the Budget Meeting

A projected overspend/underspend position is essential for members."

Reply:Financial Implications of COVID-19 for SCC - 24 April 2020

Officers have been capturing the forecasted financial implications of the COVID-19 pandemic since the government introduced lockdown measures on the 23 March 2020. They have been reported weekly to the Corporate Leadership Team; and to Cabinet for the first time on the 31 March 2020. Since then forecasted costs and loss of income have been reported to the Ministry of Housing, Communities and Local Government (MHCLG) on the 15 April 2020, as part of a data capture exercise in order for the government to assess the adequacy of the first tranche of funding to Local Government (£1.6bn), of which SCC received £25.2m. The grant will cover the actual costs and loss of income in 2019/20 as well as 2020/21.

A summary of the data capture for MHCLG, which forms part of the financial position to be reported to Cabinet on 28 April 2020 is detailed below:

Loss of income as a result of lockdown

In the MHCLG submission, we estimated a reduction in budgeted income of **£18.9m**. This reduction will be in sales, fees and charges; and commercial income. This could change depending on how long the restrictions continue and the severity of measures. Our projections are currently based on an assumed 3 month lockdown, followed by 3 months of partial unlocking. This is in line with the Office for Budget Responsibility's assumption.

Costs unbudgeted for in managing the COVID-19 response

We are estimating additional costs of **£30.9m**. These costs are across all services but predominantly in adult and children's social care services. As with the loss of income, we have assumed a 3 month lockdown, followed by 3 months of partial unlocking, when developing our forecast.

Government grants pledged

At this stage we haven't allocated any of the funding (£25.2m) we have received (this is in line with what other local authorities are doing), but for the purpose of the MHCLG return we have assumed 75% of all costs and income will be proportioned to Adult Social Care (as the bulk of the costs reside in these services). In reality we will fund the costs as they are incurred across all services as part of the response effort.

Risks to the balanced budget presented at the Budget Meeting

The balanced budget position was predicated on the delivery of £38m of efficiency proposals, of which £24m was to be delivered through the Transformation Programme. Due to the public health measures, and reprioritising our activities towards the response effort, our initial estimate is that **£18m** of efficiency proposals will not be deliverable. However, these estimates are currently being refined. We are also looking at opportunities in the budget that may present themselves as a result of lockdown measures. For example, a slowdown in non-essential revenue maintenance (property and highways) work could result in a budgeted underspend. Opportunities are being quantified, but could offset any shortfall in the delivery of efficiency proposals.

Summary of Financial Implications

In summary, when taking into consideration the £18.9m in loss of income, with forecasted COVID-19 costs of £30.9m, alongside the non-delivery of £18m of efficiency proposals, the total financial impact of COVID-19 is estimated to be £67.8m. When this is offset with the funding of £25.2m, Surrey County Council has a projected overspend pressure of **£42.6m**, as reported to MHCLG.

However, this is before the second tranche of funding has been received, which will reduce that pressure. MHCLG are currently working on the allocation of the second tranche of funding announced.

Estimates continue to be revised on a weekly basis, so are likely to change as new information becomes available.

Mr Mel Few (on behalf of the Leader)
Cabinet Member for Finance
28 April 2020

Question (2) Jonathan Essex (Redhill East):
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Please can the council confirm what efforts have been made and what responses to secure sufficient PPE and testing for NHS and social care workers, including those employed by Surrey County Council in Surrey. In particular, please confirm:

i). Testing

- the locations in Surrey that NHS staff and social care workers can be tested for coronavirus and how accessible this is for care workers (and others) who do not drive. [Noting that some care workers work very locally and do not have a car so a 'drive-through' testing would require them to un-self-isolate before being testing which would seem to defeat the purpose.]
- please confirm the number of NHS and social care staff testing in Surrey in the last week/recent days.

ii) PPE

- the current amount of PPE available for NHS staff working at locations in Surrey (whether all NHS staff have sufficient PPE or not) and how the different NHS Trusts are collaborating with Surrey County Council and others to secure what is required going forward.
- the current amount of PPE available for social care workers (both those working in care homes and those carrying out home visits) in Surrey.

Reply:

i. Testing

There are a number of ways colleagues and the public meeting the criteria set the UK Government can be tested to see if they are currently carrying the COVID-19 Virus.

The NHS are developing Regional testing sites, these aim to establish a network of drive-through testing sites. The aim is to open up to 50 sites by the end of April. Currently the sites closest to Surrey are currently at Gatwick, Chessington and Twickenham. The LRF is currently supporting work the NHS is doing to open testing sites in Guildford. Mobile testing units are also being developed that will operate out of a regional testing site and travel to offer tests where they are needed to locations such as Care Homes and other critical settings.

The Government has also introduced home test kits can be delivered to someone's door so they can test themselves and their family without leaving the house. Home test kit availability has initially been limited with the expectation that more will become available in due course.

Centres are also being developed to increase the NHS capability for testing by increasing the testing at 'satellite' centres at places like hospitals that have a particularly urgent or significant need. Testing within an NHS facility such as a hospital is available for patients and some NHS workers and has been in place for some time.

ii. PPE

It is not possible to give an amount of PPE due to the nature of the supply and demand the Local Resilience Forum (LRF) is currently dealing with.

The LRF is either receiving or sourcing PPE from 4 main areas,

- Supplies provided by MHCLG to LRFs across the UK
- PPE supplies through the SCC procurement that is made available to all Surrey partners
- Donations received from local residents and businesses
- The new 'make' PPE strand where we are working with local businesses to produce PPE to the required specification for use

The LRF is working with all Surrey setting that would need PPE based on the Government guidance produced by Public Health England. The current provision of PPE through the four routes we are currently resourcing PPE does not meet the current demand in the NHS, Social Care (Adults and Children settings) and where other key staff should have PPE provided. However this is an improving situation and through the Logistic Cell the LRF has put in place to manage the sourcing and supply of PPE stocks at a local level we hope to ensure that supply for the Surrey partners demand will be met as soon as possible.

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Tim Oliver
Leader of the Council
28 April 2020

Question (3) Jonathan Essex (Redhill East):
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Targets in Climate Change Strategy

The cabinet report for Surrey's Climate Change Strategy notes that Surrey has a total carbon budget of 56 million tonnes CO₂e, which can be emitted from 2020, noted as being in line with a 66% chance of avoiding dangerous climate change. In light of this please confirm:

- i. In response the Surrey Climate Change Strategy adopts a carbon neutral pathway with reductions against 2005 levels of 46% by 2025, 67% by 2030, 80% by 2035, 87% by 2040, 92% by 2045 and 100% by 2050 (see page 60) of report and illustrated on the Figure 3 on page 61. Please confirm if this pathway is achieved what the total carbon emissions in Surrey between 2020 and 2050 would be (the area under the dotted line on the graph Figure 3).
- ii. The strategy has sectoral targets for 2035 (notably Transport 60% by 2035; Housing and Planning 66% by 2035; Buildings 61% for commercial by 2035 and 100% for municipal by 2030; Industry 56% by 2035. Please confirm how the strategy will ensure that these collectively will deliver the 80% reduction by 2035.
- iii. The strategy details a set of actions that it is understood will be refined following engagement with other key stakeholders, including boroughs and district councils. Please confirm that Surrey will carry out an analysis this year to show how the finalised action plan will meet or exceed the 2025, 2030 and 2035 targets in the pathway (noting that 2022 and 2035 are the deadlines for the current actions listed in the strategy).
- iv. The council notes the importance of behaviour change by residents and businesses to achieve its aims. However, the consumption emissions of Surrey residents amounts to around twice the production emissions in the report, due to the energy embedded in materials brought into Surrey from outside, and due to long-distance travel, including from Heathrow and Gatwick. (Noted in response to question to Professor Andy Gouldson of Leeds University at councillor briefing on climate change earlier this year). Please confirm how Surrey County Council proposes to ensure this strategy leads to a reduction of consumption emissions alongside the emissions that are the initial focus of Surrey's Climate Change Strategy.

Reply:

- i. The graph illustrated on Figure 3 on page 61, assumes an average of 9.6% year on year reduction, and thus produces a smooth linearly extrapolated curve. This assumption will bring us within the 56 million tonnes of GHG emissions we have available to admit between now and 2050. The reduction targets given should read 'against 2019 levels' rather than 2005 levels (aligning with this 9.6% year on year reduction)– this is now updated on the Climate Change Strategy, and can be seen on the agenda planning for Cabinet next week.
- ii. These are minimum targets that we have adopted based on what current technical potential options are available. Leeds University identified that the final additional reductions will come from stretch options which in most cases will require government action or further technological developments, we will continue to lobby

National Government on these issues e.g. retrofitting of existing homes, but where we are not meeting our county-wide targets we may be required to offset these emissions. Furthermore, the emissions reductions are unlikely to be achieved evenly across all sectors, therefore any shortfall in one sector can be made up in another.

- iii. Officers in conjunction with support from members, councillors and SEP have begun developing the Monitoring and Evaluation process, this will be a combination of a top down and bottom up approach. The approaches taken to determine the impact of individual actions will vary and may require a mixture of modelling, in-person surveying of pilot projects and post-evaluative approaches. Although we can report our emissions year on year, we will have to look more widely at trends in emissions reductions and behaviour.
- iv. We are working closely with the Comms team to first inform and communicate with residents the impact of their carbon footprint from consumption rather than just production emissions – looking to launch an interactive graphic on this in the coming months. Many of the actions you can see in the Strategy are aimed at businesses and residents to encourage behaviour shift both in their activities within the county but also the goods and services they consume – we have sought to focus on circular economy principles which promote reuse and repair of products rather than throwing away and buying new products. The success of this approach will come from us all taking action, and therefore we are looking to further develop engagement processes centred on co-development. The Greener Futures Programme showed the impact of supporting and facilitating community projects and we hope to further develop this type of concept in the following year.

Mr Mike Goodman
Cabinet Member for Environment & Waste
28 April 2020

Question (4) Jonathan Essex (Redhill East):
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Stakeholders for Surrey's Climate Change Strategy

Please confirm the following with regard to endorsement and strengthening of this strategy by other partners:

i. Partners.

The cabinet report outlines the plan for the strategy to receive endorsement by all partners, including borough and district councils. Please provide a list of public and private sector partners that have and will be approached.

ii. Government:

Please can the responses to Surrey writing to and/or meeting with government to make the 'government asks' in the strategy (report pages 65-67) will be shared publically.

iii. Schools.

Whether the organisation emissions for Surrey County Council include schools, and are all schools, regardless of ownership, be treated as key partners and asked to sign up to this strategy and match the council's 2030 deadline for decarbonisation of organisational emissions.

Reply:

- i. Current partners that have endorsed the strategy are Surrey Police and Local Enterprise Partnership EM3.

We are seeking endorsement from borough and district councils, as we had intended to do in March prior to the COVID-19 breakout. They have been crucial in the development of the Strategy, with the Joint Leaders and Chief Executive's working group providing many months of direction on the strategy content.

Other partners at this stage that we would seek to engage with for further input into the delivery plan or for endorsement includes:

- LEP Coast to Capital
- Surrey Environment Partnership
- Surrey Climate Commission

However, we would be happy to see endorsement from other organisations working in this sphere who are committed to the targets and priorities as outlined in the Strategy.

- ii. These responses and outcomes of meetings with any government ministers will be made available on the SCC website, under the Climate Change section in order to share with the public the ongoing progress which we are making in our requests being met and action from Government on climate change issues.
- iii. At the time schools are not being asked to sign up to the strategy, however, as key partners in the delivery of many actions to reduce our organisation emissions we will be engaging with them regularly. Voluntary endorsement of the strategy by schools i.e. they similarly commit to being a zero carbon school by 2030 is definitely an approach that should be explored, and many of Surrey's schools are already undertaking their own work to bring them emissions down. We need to set out clearly for schools the methodology of how they may measure their emissions to ensure a consistent approach.

Mr Mike Goodman
Cabinet Member for Environment & Waste
28 April 2020

Question (5) Jonathan Essex (Redhill East):
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Please could the following be clarified please with regard to the Tree Strategy:

- i. The strategy appears to set out that Surrey County Council itself is making no commitments to delivering this strategy, which are the only thing it has any actual control over. For example in the Leading By Example section [p318 of cabinet report] it states: "We will set ourselves targets to increase tree cover within our urban and rural landholdings by 2030 and performance manage our progress in meeting this target, quantifying specifically the CO2 reduction and biodiversity improvements achieved." and also that "We will ensure that ambitious targets for tree and woodland planting and maintenance on SCC's estate are included within the Council's emerging Land and Property Strategy3." In light of this please confirm the indicative targets for the Surrey County Council's own efforts in planting trees, including on highways land and other land that it owns.

- ii. Please confirm how much budget Surrey County Council plans to allocate to delivering this New Tree Strategy over the next five years, including in relation to planting as well as maintenance and management of existing trees in response to i) above?
- iii. Does the strategy also seek to increase the protections of existing trees (including those just planted) beyond what already exists in the NPPF and other national guidance). For example, is the Surrey County Council ensuring habitat TPOs are established for all trees planted under this strategy and producing guidance to increase powers to stop pre-emptive felling by developers and other landowners?
- iv. Please clarify how the details in Appendix 4 represent any change at all over their existing operational practices and embed the motion agreed at the July 2019 council meeting?
- v. The Tree Strategy talks (p314) about the importance of a variety of tree species serving a variety of purposes e.g. leisure, amenity, air quality, noise reduction, wildlife value, and/or economic value (e.g. timber production, biomass, job creation opportunities). Please confirm how this strategy relates to Surrey County Council's Countryside Estate Woodland Strategy (2015) and the provision of woodfuel through active woodland management of woodland. In particular, what proportion of the trees we aim to plant will have economic value and specifically timber production potential?

Reply:

- i. In order to meet our target of planting 1.2 million trees in Surrey by 2030, we will need to plant, on average, 120,000 trees per year, however this number may vary by year. The Council will not plant all of these, however we will be required to significantly increase the number of trees that we plant on our land. In order to set targets it is necessary to undertake work to assess the suitability of our land for tree planting, weighed up against other uses, demands on the land and/or restrictions which would prevent planting. This work will be undertaken as we develop the delivery plan and the Land Use Framework.
- ii. The necessary funding will be dictated by the number of trees which are planted on SCC land, as outlined above this work is currently being undertaken by officers. We will seek to minimise the financial impacts of planting and maintenance through grant funding, cost recovery models and/or fundraising initiatives. Currently £120,000 has been allocated from the Transformation Fund for 2020/21. Although the initial investment will cover the cost of some tree planting and maintenance activity, the purpose of this funding is to establish a more sustainable approach to attracting funding for tree planting and maintenance on an ongoing basis into the future.
- iii. The Council will seek to increase protections for existing trees, including those just planted, by working with our borough and district partners to develop planning policies that support appropriate retention of existing trees. It is not possible for SCC to issue habitat TPOs as there are restrictions on a County Council's ability to issue orders. Boroughs and Districts have more powers to issue TPOs, however they are required to meet certain specific factors which make reference to particular unique characteristics or species, or where the tree/s have to be under some general or perceived threat. It is unlikely that the new trees planted by the Council and partners under this Strategy would comply with the guidelines for issuing TPOs. The County Council will therefore work proactively with landowners where these trees are planted to keep them protected. We will also explore the issue of tree protection as part of our lobbying work with Government.

- iv. The Highway Tree guidance builds on the motion agreed in July 2019 and presents both a clear offer to residents and a direction for officers to work and facilitate.
- v. The New Tree Strategy clearly states the importance of woodland management, in alignment with SCC's Countryside Estate Woodland Strategy. Our 3rd strategic objective sets out how we will adopt and advocate best practice in terms of planting practice, aftercare and protection to ensure both planted trees and naturally regenerated woodland survive and thrive. We commit to proactive management of woodland in accordance with the Forestry Commission's Forestry Standard (2017). The Standard promotes the capability of forests to produce a range of wood and non-wood forest products and services on a sustainable basis, this includes woodfuel within scope. We will follow advice from experts as to the proportion of trees which will be thinned from woodland and used for economic purposes, this will vary in individual woodland in response to local circumstances and woodland management objectives.

Mr Mike Goodman
Cabinet Member for Environment & Waste
28 April 2020