

County Council Meeting – 9 February 2021

REPORT OF THE CABINET

The Cabinet met on 15 December 2020 and 26 January 2021.

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 the meetings above have been included within the original agenda at Item 12. Any 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 8 February 2021).

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.

RECOMMENDATIONS ON POLICY FRAMEWORK DOCUMENTS

A. 2021/22 FINAL BUDGET AND MEDIUM-TERM FINANCIAL STRATEGY TO 2025/26 [Agenda Item 5 on this agenda]

The production of the 2021/22 budget has been developed through an integrated approach across Strategy, Transformation and Finance, based around a set of Core Planning Assumptions which set out likely changes to the environment in which we deliver our priorities. The integrated approach ensures that revenue budgets, capital investment and transformation plans are all aligned with each Directorate's service plans and the new Corporate Priorities of the organisation. Ensuring that each aspect of planning for 2021/22 and the medium-term are completely aligned provides a stable foundation for delivering services to Surrey residents in the face of challenges presented by the Covid-19 pandemic and wider pressures.

Cabinet AGREED:

That Cabinet makes the following recommendations to Council on 9 February 2021.

Cabinet recommends that Council:

Notes the following important features of the revenue and capital budget, and in line with Section 25 of the Local Government Act 2003:

1. The Executive Director of Resources' (Section 151 Officer) conclusion that estimates included in the Final Budget Report and Medium-Term Financial Strategy are sufficiently robust in setting the budget for 2021/22; and
2. That it is the view of the Executive Director of Resources (Section 151 Officer), that the level of reserves is adequate to meet the Council's needs for 2021/22. These reserves include the following amounts, (totalling £91.9m) set aside specifically to provide financial resilience:

- a General Fund Balance of £24.2m;
- a budget contingency of £20.4m with an estimated £33.4m brought forward;
- a specific contingency for the impact of Covid-19 of £4.9m; and
- a provision of £9m to meet risks in delivering the Dedicated Schools Grant – High Needs Block cost containment plan.

Proposed budget: Cabinet recommends that County Council approve the following Revenue and Capital budget decisions:

3. Approves the net revenue budget requirement be set at **£1,003.6 million** (net cost of services after service specific government grants) for 2021/22 (Annex B), subject to confirmation of the Final Local Government Financial Settlement;
4. Approves the total Council Tax funding requirement be set at **£777.6 million** for 2021/22. This is an increase of 2.49%, made up of an increase in the level of core Council Tax of 1.99% to cover core Council services and an increase of 0.5% in the precept proposed by Central Government to cover the growing cost of Adult Social Care (Annex E);
5. Notes that for the purpose of section 52ZB of the Local Government Finance Act 1992, the Council formally determines that the increase in core Council Tax is not such as to trigger a referendum (i.e. not greater than 2%);
6. Sets the Surrey County Council precept for Band D Council Tax at £1,549.08, which represents a 2.49% uplift. This is a rise of £0.72 a week from the 2020/21 precept of £1,511.46. This includes £139.01 for the Adult Social Care precept, which has increased by £7.55.
7. Agree to maintain the Council Tax rate set after the Final Local Government Finance Settlement;
8. The Council Tax for each category of dwelling as set out in the table below:

Valuation band	Core precept	ASC precept	Overall precept
A	£940.05	£92.67	£1,032.72
B	£1,096.72	£108.12	£1,204.84
C	£1,253.40	£123.56	£1,376.96
D	£1,410.07	£139.01	£1,549.08
E	£1,723.42	£169.90	£1,893.32
F	£2,036.77	£200.79	£2,237.56
G	£2,350.12	£231.68	£2,581.80
H	£2,820.14	£278.02	£3,098.16

9. The payment for each billing authority, including any balances on the Collection Fund, as set out in Annex E;
10. Delegate powers to the Leader and Executive Director of Resources (Section 151 Officer) to finalise budget proposals and recommendations to County Council, updated to take into account new information in the Final Local Government Finance Settlement;

11. The Flexible Use of Capital Receipts Strategy for 2021/22 to meet the statutory guidelines for the use of such receipts to fund transformation and the move back into the County (Annex F);
12. The Total Schools Budget of £537.3 million to meet the Council's statutory requirement on schools funding;
13. The overall indicative Budget Envelopes for Executive Directorates and individual services for the 2021/22 budget (Annex B); and
14. The total £1.905 billion proposed five-year Capital Programme (comprising £1,026.2m of budget and £879.2m pipeline) and approves the £184.9 million capital budget in 2021/22 (Annex C).

Capital and Investment Strategies: Cabinet recommends Council to approve the following:

15. The Capital and Investment Strategy (Annex G), which provides an overview of how risks associated with capital expenditure, financing, treasury and commercial investments will be managed as well as how they contribute towards the delivery of services; and
16. The policy for making a prudent level of revenue provision for the repayment of debt (the Minimum Revenue Provision (MRP) Policy) (Annex I)

Cabinet recommended that the Audit & Governance Committee approved the following:

17. Treasury Management Strategy and Prudential Indicators (Annex H) which set a framework for the Council's treasury function to manage risks, source borrowing and invest surplus cash.

Reasons for decisions:

Council will meet on 9 February 2021 to agree a budget and to set the Council Tax Precept for 2021/22. Cabinet is required to recommend a budget to Council for consideration at this meeting. The budget directs available resources to support the achievement of the Council's ambitions and priorities in the 2030 Vision and the Refreshed Organisation Strategy. The budget will also support the delivery of the continuing transformational changes that are required to ensure that the Council can improve priority outcomes for residents, while managing growing demand for services and ensuring future financial sustainability.

B. ADMISSION ARRANGEMENTS FOR SURREY'S COMMUNITY AND VOLUNTARY CONTROLLED SCHOOLS AND THE COORDINATED SCHEMES THAT WILL APPLY TO ALL SCHOOLS FOR SEPTEMBER 2022 AND SURREY'S RELEVANT AREA

Following statutory consultation on Surrey's admission arrangements for September 2022, Cabinet was asked to make recommendations to the County Council on admission arrangements for Surrey's community and voluntary controlled infant, junior, primary and secondary schools and for the coordinated schemes that will apply to all schools for September 2022.

Cabinet AGREED:

The Cabinet RECOMMENDS that the County Council approves the admission arrangements for community and voluntary controlled schools and co-ordinated schemes for September 2022 (as set out in the Cabinet paper from 26 January 2021).

Recommendation 1

That priority for children who have the school as their 'nearest school' is removed for the majority of community and voluntary controlled schools for 2022 admission, as indicated in Enclosure 5.

Reasons for Recommendation

- It will ensure the local authority complies with a decision of the Schools Adjudicator
- It will ensure that the admission arrangements for these schools comply with the School Admissions Code in regard to catchments
- It will simplify the admission arrangements
- It will enable parents to better understand how their application will be considered
- Analysis would indicate that this change will have no or minimal impact on the intake to each of these schools
- It will enable school specific criteria to remain where they already exist to accommodate feeder links
- The final distance criterion will still exist which will enable remaining applicants to be prioritised based on the distance they live from the school, ensuring children who live closer to the school are allocated ahead of children who live further away
- 55% of academies, foundation, trust and voluntary aided schools do not give priority on the basis of 'nearest school'

Recommendation 2

That a sibling link is introduced for Beauclerc Infant School with Chennestone Primary School for 2022 admission.

Reasons for Recommendation

- There was overall support for this change
- It is supported by the Headteacher and Governing Body of the school
- It would support families with more than one child as families with a sibling at Chennestone School would benefit from sibling priority for a place at Beauclerc Infant School
- It would maximise the opportunity for families to keep children together or at schools with agreed links

Recommendation 3

That a sibling link is introduced for Horley Infant School with Yattendon School for 2022 admission.

Reasons for Recommendation

- There was overall support for this change
- It is supported by the Headteacher and Governing Body of the school
- It would support families with more than one child as families with a sibling at Yattendon School would benefit from sibling priority for a place at Horley Infant School
- This proposal is in line with a separate proposal by the Governing Body of Yattendon School to introduce a reciprocal sibling link with Horley Infant School

- It would maximise the opportunity for families to keep children together or at schools with agreed links

Recommendation 4

That the Published Admission Number for Reception at Onslow Infant School is reduced from 90 to 60 for 2022 admission.

Reasons for Recommendation

- It is supported by the Headteacher and Governing Body of the school, having been requested by them
- There will still be sufficient places for local children if the PAN is decreased
- It would help the school maintain financial viability
- It reflects what is currently being operated within the school
- It will have no impact on children who are currently on roll at the school

Recommendation 5

That the Published Admission Numbers (PANs) for September 2022 for all other community and voluntary controlled schools (excluding Onslow Infant School which is covered by Recommendation 4) are determined as they are set out in Appendix 1 to Enclosure 1.

Reasons for Recommendation

- Most other PANs remain as they were determined for 2021 which enables parents to have some historical benchmark by which to make informed decisions about their school preferences for 2022 admission
- The PAN for William Cobbett School has been increased from 50 to 60 to provide for consistent class sizes of 60 throughout KS2
- The Education Place Planning team supports the PANs

Recommendation 6

That the aspects of Surrey's admission arrangements for community and voluntary controlled schools for September 2022 for which no change has been consulted on, are agreed as set out in Enclosure 1 and its appendices.

Reasons for Recommendation

- The admission arrangements are working well
- Surrey has undertaken to review the admission arrangements for the remaining eight schools which will still use 'nearest school' ahead of any consultation on the arrangements for 2023
- The arrangements enable the majority of pupils to attend their nearest schools and in doing so reduce travel and support Surrey's sustainability policies - this is still anticipated to be the case for 2022 admission, even with the changes proposed in Recommendations 1 to 5
- The change highlighted in bold in Section 12 of Enclosure 1 has been made to add clarity to the arrangements and reflects existing practice

Recommendation 7

That the primary and secondary coordinated admission schemes that will apply to all schools for 2022 are agreed as set out in Enclosure 2.

Reasons for Recommendation

- The coordinated schemes for 2022 are essentially the same as 2021 with dates updated

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

Recommendation 8

That Surrey's Relevant Area is agreed as set out in Enclosure 3.

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 change has been made to Surrey's Relevant Area since it was last determined in February 2019

REPORTS FOR INFORMATION / DISCUSSION

At its meeting on 15 December 2020 Cabinet considered:

C. SURREY'S ECONOMIC FUTURE: OUR 2030 STRATEGY STATEMENT AND INVITATION TO ENGAGE

The 'Surrey's Future Economy: Our 2030 Strategy Statement' presents a categorisation of available economic evidence and research alongside Surrey County Council's economic priorities for the next 10 years. It not only sets out the work that the County Council will lead on and support directly to revive the Surrey economy, but also sets out a framework for partnership action and an invitation for key stakeholders to engage further to ensure that Surrey retains its position as a significant economic leader of the sub-regional and UK economy.

Cabinet AGREED:

1. That the Surrey's Future Economy: Our 2030 Strategy Statement and associated SCC-led delivery programmes be adopted and agreed.
2. That Cabinet receive an annual report on progress.
3. That the wider partnership programme of work being undertaken to deliver on the joint stakeholder ambitions be noted.

Reasons for decisions:

Cabinet is receiving 'Surrey's Economic Future' to set out how the Council will deliver against its corporate priority to 'Grow a sustainable economy so everyone can benefit' and to demonstrate the role that Surrey County Council will have in supporting a thriving Surrey economy for the next 10 years.

D. SURREY LOCAL RESILIENCE FORUM UPDATE ON THE END OF THE EU EXIT TRANSITION PERIOD

The report specifically provides an update in relation to the work that the Council is doing in collaboration with its LRF partners to plan for the imminent end of the EU exit

transition period. Surrey Local Resilience Forum (SLRF) partners and Surrey communities continue to face multiple and complex challenges during the winter of 2020/21. This includes delivering an effective response to the ongoing Coronavirus pandemic, whilst also maintaining the ability to respond to other known risks, including winter flu season and the imminent end of the EU exit transition period.

Cabinet AGREED:

1. That the Surrey Local Resilience Forum's planning for the imminent end of the EU exit transition period, and the work being done to minimise risks to business continuity be noted.

Reasons for decisions:

Surrey County Council, partners and communities across Surrey continue to face a challenging period over winter 2020/21, requiring robust contingency planning to mitigate potential disruption. As a local authority providing critical services to communities, and in our capacity as a Category 1 responder under the Civil Contingencies Act 2004, we have a responsibility to prepare for threats to business continuity, such as the end of the EU exit transition period, and contribute to multi-agency planning and response.

E. LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN REPORT REGARDING CONCERNS ABOUT THE DELIVERY OF HOME TO SCHOOL TRANSPORT

This report was considered by Cabinet on 15 December 2020 and concerns the findings of the Local Government and Social Care Ombudsman in response to a complaint concerning the service provided to a Surrey family. The Council was found at fault for the handling of Y's post 16 school transport arrangements in 2019 causing Mrs X and her son Y injustice. The Council has accepted the recommendations of the Ombudsman. It was explained that the Ombudsman welcomed the Council's willingness to reflect on these findings and to inform future improvement. It is a statutory duty for the Monitoring Officer to bring a report of the Ombudsman to members attention. The Cabinet Member for All-Age Learning highlighted that the case in question was historic and briefly updated the Cabinet on the key points of the case in question. The family had received an apology and financial redress. An end to end review of the home to school transport process was being undertaken.

Cabinet AGREED:

1. That the Ombudsman's report and the steps taken by the Service to address the findings be noted.
2. That any other actions to be taken be noted.
3. It be noted that the Monitoring Officer will bring this report to the attention of all councillors.

At its meeting on 26 January 2021 Cabinet considered:

F. YOUR FUND SURREY UPDATE

On 21 July 2020, Cabinet approved the development of Your Fund Surrey (at that point known as the Community Projects Fund) – a unique and potentially transformative capital fund of £100m over five years designed to deliver place-making and place-changing projects led by residents and communities on a significant scale. On 29 September, Cabinet agreed to the launch of the Fund in November 2020 and the Your Fund Surrey Commonplace site for residents and groups to begin to generate ideas, and garner community backing and support.

Cabinet AGREED:

1. That the progress of the Fund since its launch in November 2020 be noted.
2. That a VCFS representative from Surrey Community Foundation sit on the network of experts that assess and score bids.
3. That the establishment of the YFS Advisory Panel be noted.
4. That the suggested timescales for the next steps for the Fund and the opening of the first funding window be agreed.

Reasons for decisions:

Your Fund Surrey (YFS) continues to represent a significant and exciting opportunity for Surrey County Council (SCC) to invest in a meaningful and lasting way in communities, and for communities to drive projects that will make a real difference. The Fund fills a unique gap in the market for investment in truly resident and community-led projects to have a positive impact on the places in which they live.

YFS is a key part of the Council's wider Empowering Communities programme of work that is seeking to stimulate local engagement and involvement. By providing the financial backing for community-led projects, the Fund will help to ensure the benefits of the funding match local need and builds local resilience and sustainability by helping people help themselves.

This report highlights the innovative ways in which communities have been involved and engaged in the development of the Fund and the significant interest so far from groups in wanting to use YFS to design and deliver projects that will benefit the areas in which they live.

The recommendations set out the continued work and planned next steps to ensure the Fund is accessible to all and can start to support successful projects once the funding window opens in spring 2021. As set out in the proposed timescales, this timeline is subject to review and monitoring of the ongoing impact of the Covid-19 pandemic.

G. DISPOSAL OF COUNTY HALL CAMPUS, PENRHYN ROAD, ROYAL BOROUGH OF KINGSTON UPON THAMES

The Cabinet was asked to authorise the sale of the County Hall Campus site at Penrhyn Road, Royal Borough of Kingston upon Thames, following the decision to close County Hall for corporate operational use on the 31 December 2020.

Cabinet AGREED:

1. That the sale of land and buildings as outlined on the attached plan within Annex 1 (Marketing pack) on a unconditional basis - further details included within the Part 2 Paper be authorised.
2. That the separate marketing and subsequent disposal of the freehold and long underlease from the Royal Borough of Kingston upon Thames of the Bittoms car park on an existing use basis be approved.
3. That delegated authority be granted to the Leader and Cabinet Member for Resources, in consultation with the Executive Director of Resources and the Director of Land & Property to authorise a future disposal of the Bittoms Car park based upon Best Consideration being obtained following a Marketing exercise or Special Purchaser interest.

Reasons for decisions:

By approving these recommendations Surrey County Council (SCC) will be able to fulfil the long-term commitment to move its Civic Heart to within the County of Surrey

The disposal will deliver a significant capital receipt for SCC whilst delivering revenue savings from ongoing running costs and maintenance liabilities associated with a Grade II listed building.

H. AGILE OFFICE ESTATE STRATEGY

The report sets out the need for urgent restructuring of the corporate office estate and outlines the proposed solution via a new Agile Office Estate Strategy for Surrey County Council.

Cabinet AGREED:

1. That the outline Agile Office Estate Strategy, overall direction of travel and its proposal to develop an associated Agile Office Estate Programme be agreed.
2. That an allocation of £300k programme budget funding for dedicated external resources required to develop programme detail including a full Programme Business Case be agreed.
3. That a finalised Strategy and Programme Business Case seeking approval of required resources to deliver the full programme be produced by Q2 2021.

Reasons for decisions:

The County Council's office estate has evolved over time with some but not a completely coordinated approach. This has brought about a situation where the current corporate office estate is no longer fit for purpose and subject to several

weaknesses. The most striking example of many of these characteristics is County Hall, which has been outside of the County boundaries since 1965.

Specifically, the current corporate office estate is:

- of generally low quality, that does not efficiently support the adoption of Agile modern working practices.
- expensive compared to industry benchmarks and expensive to maintain.
- high in its carbon output with poor energy efficiency.
- relatively poorly located and under-utilised.

This Agile Office Estate strategy proposes to address these issues by adopting a strategically led approach to transforming the County Council's corporate office estate.

Using the move out of County Hall as a catalyst and embracing the principles of the One Public Estate, while recognising that the impact of Covid has created a major step change in the way the organisation operates. The following benefits will be targeted through the work of the strategy:

- Reduce overall spend on the office estate by c£3m per annum.
- Reduce overall space from c50,000m² to c20,000m².
- All offices to be within County.
- Carbon emissions to fall from 2,600 tonnes per annum to net zero by 2030.

Key strategic public sector partners will be engaged to identify collaborative opportunities to enable closer and more effective working across organisations as well as delivering financial efficiencies across the public sector in Surrey.

I. QUARTERLY REPORT ON DECISIONS TAKEN UNDER SPECIAL URGENCY ARRANGEMENTS: 09 December 2020 - 09 February 2021

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 Standing Order 57 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 Select Committee, or in his/her absence the Chairman of the Council, must be sought to enable the decision to be made.

At its meeting on 15 December 2020 Cabinet considered:

a) SURREY LOCAL RESILIENCE FORUM UPDATE ON THE END OF THE EU EXIT TRANSITION PERIOD

This paper was presented under the General Exception Standing Order as it had not been possible to give 28 days' notice of the decisions to be taken.

Cabinet were asked to note the Surrey Local Resilience Forums planning for the imminent end of the EU exit transition period, and the work being done to minimise risks to business continuity.

Cabinet AGREED:

1. That the Surrey Local Resilience Forum's planning for the imminent end of the EU exit transition period, and the work being done to minimise risks to business continuity be noted.

Reasons for Decisions:

Surrey County Council, partners and communities across Surrey continue to face a challenging period over winter 2020/21, requiring robust contingency planning to mitigate potential disruption. As a local authority providing critical services to communities, and in our capacity as a Category 1 responder under the Civil Contingencies Act 2004, we have a responsibility to prepare for threats to business continuity, such as the end of the EU exit transition period, and contribute to multi-agency planning and response.

The Cabinet RECOMMENDS that the County Council notes that there has been ONE urgent decision in the last two months.

**Mr Tim Oliver, Leader of the Council
9 February 2021**

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