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## 1. PURPOSE

- 1.1 The Government has recently announced its intention to publish a Recovery and Devolution White Paper in the autumn, setting out its plans for the devolution of powers, freedoms and flexibilities alongside intentions to increase the number of unitary and combined authorities and elected Mayors. Given the new and growing challenges faced by Surrey, even before Covid-19, this presents a significant opportunity to better organise local government and local accountability and engagement with residents in Surrey, in a more effective and financially sustainable manner.
- 1.2 Doing so will support the achievement of the 2030 Community Vision for Surrey as a uniquely special place, where enabling long term inclusive growth and tackling the inequalities that continue to exist in the county ensures everyone has a great start to life, people live healthy and fulfilling lives, are enabled to achieve their full potential and no one is left behind.
- 1.3 The Leader of the County Council has [written to the Secretary of State](#) for Housing, Communities and Local Government, Robert Jenrick MP, on Friday 10 July to ask him to invite Surrey to submit a business case to set out proposals for a county unitary authority for Surrey.
- 1.4 Surrey County Council (SCC) is awaiting an invitation from the Secretary of State to submit a business case setting out proposals to create a county unitary authority in Surrey.
- 1.5 SCC requires business consultancy support with developing a robust business case setting out the case for change, analysis showing the benefits of a single unitary authority, and detailed implementation plans for the new authority including transition arrangements from the existing local government structures.
- 1.6 The business case must meet the requirements that Government will be looking for in terms of criteria used to assess local government reorganisation proposals. These criteria are currently that across the area as a whole, the proposal is likely to:
  - improve the area's local government
  - command a good deal of local support across the area; and
  - cover an area that provides a credible geography for the proposed new structures.

## 2. BACKGROUND TO THE AUTHORITY

- 2.1 Surrey is located in the South East of England and is the twelfth most populated county in England with a population of approximately 1.2 million.
- 2.2 A [Community Vision for 2030](#) has been created in partnership with stakeholders, with clear ambitions for the people and places of Surrey, and an aspiration that Surrey is a uniquely special place where everyone has a great start to life, people live healthy and fulfilling lives, are enabled to achieve their full potential and contribute to their community, and no one is left behind. The council has [clear strategies and plans in place](#) to help deliver the vision.

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- 2.3 SCC provides a wide range of services, including education (schools, libraries and youth services), social services, highway maintenance, waste disposal, emergency planning, consumer protection and town and country planning for matters to do with minerals, waste, highways and education.
- 2.4 The Council is composed of 81 councillors elected every four years. The Cabinet is the county council's main decision-making body, consisting of the Leader, Deputy Leader and eight Cabinet Members.
- 2.5 SCC has been on a significant transformation journey over the past two years. Since 2018, when the Council's finances were in a precarious position and key services were under-performing, the Council has taken 10% out of its budget each year to deliver £188 million of efficiencies, building financial resilience. Innovative solutions have delivered rapid service improvements, such as a new Family Resilience Model and partnership models based on prevention in Children's Services, and introducing a new strengths based approach in Adult Social Care focused on supporting independence.
- 2.6 Surrey is a significant contributor to the Exchequer, contributing £43.4bn to the UK economy every year. The local economy benefits from natural advantages, including its proximity to London and access to transport links. Our residents are highly skilled, with over half of the population qualified to degree level. However we face growing challenges, with the economy already starting to decline before Covid-19 and significant and widening economic inequalities between East and West Surrey. Serious and persistent road and rail congestion harms both the economy and the environment. Public services in Surrey face growing demands due to an ageing population, and vulnerable residents are being hit hardest by Covid-19.

### **3. OVERVIEW OF REQUIREMENT**

- 3.1 SCC requires a detailed business case setting out a new county unitary model of local government for Surrey accompanied by a detailed and deliverable implementation plan. In developing the business case consideration should be given to potential devolution opportunities. A first draft of these documents is required by Monday 10 August and a final draft by Friday 21 August 2020.
- 3.2 The Supplier will be given access to initial research that has been undertaken by SCC including a high level options appraisal and contextual information outlining the case for change.
- 3.3 The Supplier will be required to work collaboratively with SCC and other Suppliers to produce the business case and implementation plan..
- 3.4 Services currently provided by 12 local authorities in Surrey will be in scope for this business case:
- Surrey County Council
  - Elmbridge Borough Council
  - Epsom and Ewell Borough Council
  - Guildford Borough Council
  - Mole Valley District Council
  - Reigate and Banstead Borough Council

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- Runnymede Borough Council
- Spelthorne Borough Council
- Surrey Heath Borough Council
- Tandridge District Council
- Waverley Borough Council
- Woking Borough Council

3.5 There are 84 Parish Councils in Surrey who although will not be in scope of any proposed reorganisation, will play an important role in ensuring local communities are at the heart of the new model of local government.

3.6 The business case is not expected to extend beyond this geographical area and, as such, will not include any local authorities from outside of Surrey.

#### **4. THE REQUIREMENT**

4.1 The business case and implementation plan should reflect, as a minimum, the requirements set out in the Local Government and Public Involvement in Health Act 2007 for a Type A proposal “that there should be a single tier of local government for the area which is the county concerned”.

4.2 It is SCC’s intention for the transition to the new unitary authority to be under a continuing authority arrangement so the business case and implementation plan should be reflective of this (unless, during the contract period, advice is received from government that an alternative approach is needed).

4.3 The Supplier must have a detailed understanding of local government structures and processes as well as significant knowledge of the transformation needed to move from a two tier arrangement to a single tier model. The Supplier must also have expert knowledge of central government policy around local government reorganisation and devolution, and experience of writing business cases to meet central government’s requirements.

4.4 The Supplier must ensure that any components of the business case the Supplier is responsible for delivering takes account of the need for any statutory requirements, such as the requirement for public consultation on any proposed changes to local government structures in Surrey.

4.5 The business case must clearly demonstrate how the proposal meets the criteria used by the Secretary of State to assess local government reorganisation proposals. These are currently that across the area as a whole, the proposal is likely to:

- improve the area’s local government
- command a good deal of local support across the area; and
- cover an area that provides a credible geography for the proposed new structures.

4.6 If the Supplier or SCC become aware of any changes to these criteria during the contract period then the Supplier should amend the components of the business case the Supplier is responsible for to reflect the new criteria.

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- 4.7 Throughout the work the Supplier will need to evidence potential equality impacts on Surrey residents and staff at the county council and 11 district and borough councils, and how to mitigate these to make sure no-one is left behind. This includes paying due regard to the Public Sector Equality Duty when developing the business case. SCC will provide the necessary guidance and templates for this process.
- 4.8 The Supplier should ensure their work considers wider impacts from a community and organisational perspective, including an assessment of the associated risks and how to best manage these.
- 4.9 SCC will make available all the required data it has, however for the district and boroughs it may only be publicly available data that is available for the Supplier to work with. The Supplier may be asked to engage with all 11 district and borough councils to understand their data and services, but SCC cannot provide any guarantees regarding the degree of access that will be afforded.
- 4.10 The Supplier must use the data from all existing Surrey councils including:
- Financial information (both income and expenditure)
  - Service performance (e.g. social care, housing, leisure and planning)
  - Projected demands
  - Population and demographic changes
  - Housing, infrastructure and growth requirements
- This is not an exhaustive list.
- 4.11 Of critical importance regarding source data is all 12 authorities' visions and strategic plans to ensure that the business case not only meets current needs but also future needs in considering the approach to a single authority. Regard should also be given to existing or emerging partnership plans such as the Health and Wellbeing Strategy and the 2050 Place Ambition, and partnership activity, such as that of the Integrated Care System.
- 4.12 The Supplier must be able to forecast service demand and how this can continue to be met during a transition stage and subsequently through the new approach to a new unitary council for Surrey. As such, the Supplier will need to pay due regard to policy changes on the horizon to ensure that the solution not only meets current requirements but is also future proof, as far is practical to do so.
- 4.13 The business case must set out in detail how the new authority will be able to deliver more effective, efficient and financially sustainable services than if the current two tier arrangement was to continue.
- 4.14 The Supplier must work collaboratively with the SCC team to ensure the content of the business case for a unitary authority in Surrey includes the following (SCC will provide existing research and work to date to inform the content):
- The challenges and opportunities faced by Surrey as a community and place
  - The case for change and the opportunities and challenges for local government in Surrey

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- An appraisal of the options for local government reform and recommended approach to deliver the priority outcomes for Surrey in the most efficient and effective way (initial content for the options appraisal will be provided by SCC and the Supplier is asked to review and add to this where required)
  - The structure of the proposed new authority and outline operating model
  - The strategic impact and efficiencies that will be delivered through the new model
  - How the new model will better meet the needs of residents and stakeholders, including how it will better support inclusive growth in Surrey and the wider community and economic recovery
  - The proposed model of enhanced local accountability to place local communities, including Parish and Town Councils, at the heart of local government
  - Local support for the proposal (the Supplier is not required to undertake engagement work to build support but will need to ensure the business case incorporates evidence of support)
  - Potential opportunities for devolution and how these will further the ambitions of the new authority for residents and businesses.
- 4.15 The Supplier should develop a detailed implementation plan to accompany the business case, setting out the process for transitioning from 12 authorities to one using the implementation timeframe as directed by SCC. The implementation plan should include the following core elements:
- Vision for the new authority
  - Communications and engagement plan to support the implementation process
  - Step by step transition plan
  - Communication and engagement plan
  - Transition/implementation costs and payback period
  - Financial sustainability and viability of the new authority
  - Risk management to minimise any negative impact on business as usual service delivery while transitioning to the new arrangements.
- 4.16 The business case and implementation plan must be supplied in an editable version to enable SCC to use the content in a professionally designed publication.
- 4.17 The Supplier must not share the business case and implementation plan without SCC's prior approval.
- 4.18 The business case will be developed through a blended team approach with SCC and the Supplier working together to ensure subject matter expertise from both SCC and the Supplier feeds into the products. As such the Supplier will need to engage in governance structures as directed by SCC including, but not limited to:
- Short daily catch ups

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- Sharing the products as they are developed to enable the SCC programme team to feed in in real time (for example, using software such as Microsoft Teams)
- More formal updates on progress to support key meetings during the contract period.

## 5. KEY MILESTONES

5.1 The Potential Provider should note the following project milestones that the Authority will measure the quality of delivery against. Surrey County Council reserves the right to amend the timeframe for each milestone if business requirements change. All reasonable efforts will be made to communicate this to the Supplier at the earliest opportunity.

Milestone	Description	Timeframe
1	Agree with SCC a project plan for completing the work.	By 28 July 2020
2	Produce a first draft of the business case and implementation plan for review.	By 10 August 2020
3	Produce an updated version of the business case and implementation plan incorporating feedback from SCC.	By 21 August 2020
4	Produce a final version of the business case and implementation plan, incorporating comments and feedback from Council sign-off processes.	By 1 September 2020

## 6. SUSTAINABILITY

6.1 The Supplier is expected to comply with all current legislation regarding sustainability and legislation introduced or amended during the period of the contract.

## 7. ACCREDITATION

7.1 The Supplier should have a proven track record of providing detailed advice and guidance to Local Authorities in delivering successful approaches for local government reorganisation and extensive experience of producing robust business cases in demanding timeframes.

7.2 The Supplier must also have expert knowledge of central government policy around local government reorganisation and devolution, and experience of writing business cases to meet central government's requirements.

## 8. STAFF AND CUSTOMER SERVICE

8.1 The Supplier should provide a sufficient level of resource throughout the duration of the Contract in order to consistently deliver a quality service, with the capacity and capability to deliver the business case and implementation plan requirements within the required timescales. The Supplier's Project Lead will be of sufficient seniority to be able to engage effectively with senior officers and members at the council.

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- 8.2 The Supplier’s staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract to the required standard, reflecting that the development of the business case requires a range of skills including data analysis, financial analysis and modelling, in depth knowledge of Government policy and legislation, knowledge of local government finance, structures and services, business case and implementation plan development capability and effective stakeholder engagement.
- 8.3 The Supplier shall ensure that staff understand SCC’s vision and objectives.
- 8.4 SCC expects to be provided in advance with details of the Supplier’s staff skills set and how this will be applied to the Contract. Any changes to this will need to be agreed in advanced.
- 8.5 The Supplier will provide excellent customer service throughout the duration of the Contract.

**9. SERVICE LEVELS AND PERFORMANCE**

- 9.1 SCC will measure the quality of the Supplier’s delivery by:
- The ability of the business case and implementation plan to meet the Government’s criteria for approving proposals for local government reorganisation, as set out in section 1.
  - The robustness of the business case and extent to which it has drawn on evidence based proposals.
  - The robustness and deliverability of the implementation plan.
  - Engagement and interaction with the SCC programme team and other stakeholders.

KPI/SL A	Service Area	KPI/SLA description	Target
1	Delivery timescales	Completion of all works commissioned by 1 September 2020.	On time
2	Business case	Production of a business case in collaboration with SCC, taking a lead on some components and acting as a critical friend on others. The business case should contain sufficient detail, supporting evidence, analysis and modelling, covering: <ul style="list-style-type: none"> <li>• The challenges and opportunities faced by Surrey as a community and place</li> <li>• The case for change and the opportunities and challenges for local government in Surrey</li> </ul>	Complete by deadline



Statement of Requirements - Appendix B  
 Development of a business case and implementation plan to support the creation of a single county unitary in Surrey

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		<ul style="list-style-type: none"> <li>• An appraisal of the options for local government reform and recommended approach to deliver the priority outcomes for Surrey in the most efficient and effective way (initial content for the options appraisal will be provided by SCC and the Supplier is asked to review and add to this where required)</li> <li>• The structure of the proposed new authority and outline operating model</li> <li>• The strategic impact and efficiencies that will be delivered through the new model</li> <li>• The proposed model of enhanced local accountability to place local communities, including Parish and Town Councils, at the heart of local government</li> <li>• Local support for the proposal (the Supplier is not required to undertake engagement work to build support but will need to ensure the business case incorporates evidence of support)</li> <li>• Potential opportunities for devolution and how these will further the ambitions of the new authority for residents and businesses.</li> </ul>	
3	Implementation plan	Production of a detailed, realistic implementation plan that covers all the key stages from business case to single unitary authority.	Complete by deadline
4	Ability to meet the Secretary of State's requirements for local government reorganisation	That the business case and associated implementation plan demonstrate how the proposal meets the criteria used by the Secretary of State to assess local government reorganisation proposals.	Complete by deadline

Statement of Requirements - Appendix B  
Development of a business case and implementation plan to support the creation of a single county unitary in Surrey

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5	Adherence to statutory requirements	Identification of all relevant statutory requirements considered as part of the development of the business case and implementation plan, and how best these can be met	Complete by deadline
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**10. PAYMENT**

- 10.1 Payment can only be made following satisfactory delivery of pre-agreed certified deliverables – final drafts of the business case and implementation plan - as set out above.
- 10.2 Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.