

MINUTES of the meeting of the **RESOURCES AND PERFORMANCE SELECT COMMITTEE** held at 10.00 am on 18 December 2020 as a REMOTE MEETING.

These minutes are subject to confirmation by the Committee at its meeting on Thursday, 21 January 2021.

Elected Members:

- * Nick Harrison (Chairman)
- * Will Forster (Vice-Chairman)
- Graham Knight
- Ayesha Azad
- * Mark Brett-Warburton
- * Tim Hall
- Naz Islam
- * Rachael I. Lake
- * Peter Szanto
- * Chris Townsend
- * Hazel Watson
- * Wyatt Ramsdale

(* =present at the meeting)

31/20 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

Apologies were received from Ayesha Azad, Graham Knight and Naz Islam.

32/20 MINUTES OF THE PREVIOUS MEETINGS: 8 OCTOBER 2020 [Item 2]

The minutes were agreed as a true record of the meeting.

33/20 DECLARATIONS OF INTEREST [Item 3]

Rachael Lake declared a personal interest as a family member is an employee of Surrey County Council.

34/20 QUESTIONS AND PETITIONS [Item 4]

None received.

35/20 SCRUTINY OF 2021/22 DRAFT BUDGET AND MEDIUM-TERM FINANCIAL STRATEGY TO 2025/26 [Item 5]

Witnesses:

Anna D'Alessandro, Director of Corporate Finance
Mel Few, Cabinet Member for Resources
Zully Grant Duff, Cabinet Member for Corporate Support
Nicola O'Connor, Strategic Finance Business Partner (Resources and Transformation, Partnerships and Prosperity)
Leigh Whitehouse, Executive Director of Resources
Rachel Wigley, Director of Financial Insight

Key points raised during the discussion:

1. The Cabinet Member for Resources informed the Select Committee that the provisional settlement announced by central government had closed the budget gap, which had stood at £18.3m pre-settlement, without the need for the Council to make any further efficiencies. The Executive Director of Resources added that the settlement indicated around £20m Covid-19 funding at the beginning of 2021. These were the initial headlines; some news was still awaited at this stage.
2. The Director of Financial Insight explained that the Medium-Term Financial Strategy (MTFS) would be updated every year. The provisional settlement only covered one year (2021/22), so the Council could not plan definitively beyond that. The Director of Corporate Finance added that there would be an increase in the tax base over the course of the MTFS due to a 1.99% increase in core council tax, while it was assumed that grant funding and business rates would steadily decrease. Due to the economic impact of the pandemic, central government was trying to reduce the Council's reliance on income from business rates and grant funding, in favour of locally raised income (i.e. from council tax). The Finance service was in the process of reviewing the Council's collection fund deficit in light of the provisional settlement; it was expecting to hear more about the government underwriting of 75% of the business rates deficit soon. The Director of Corporate Finance expressed confidence about the Council's prudence in Covid-19 recovery assumptions over the medium term, and added that the Council was in a healthy position on contingencies and reserves.
3. A Member noted that there had been a recent tightening of Public Works Loan Board (PWLB) lending criteria, and asked what impact this would have on Surrey County Council. The Director of Corporate Finance responded that the new criteria (from 26 November 2020) meant that Surrey County Council was not allowed to use PWLB money for commercial yield. It could, however, use this money for investment in the county as a result of the greater economic benefit to the county. The new criteria would not have any impact on Surrey, as the Council had no plans to invest outside of county. Also, the new rules did not apply retrospectively.
4. A Member enquired about the preliminary results and emerging themes from the consultation on the budget, who had been consulted, and whether there were further engagement activities planned. The Cabinet Member for Resources stated that the consultation had been presented to approximately 2,000 residents and approximately 200 responses had been received so far. The main themes and priorities were education, Adult Social Care (ASC) and children's care. The results were still being looked at, but the response would be available in due course once analysis was completed.
5. Referring to the fact that the Leader had announced that the Cabinet had recommended not to increase council tax by the maximum amount (5% including the ASC precept), a Member asked why that decision had been taken and why there had not been consultation with Select Committees on this. The Cabinet Member for Resources replied that this decision had been made taking into account the economic hardship caused by the pandemic: the Leader of the Council

had decided that 5% would not be realistic given that the economic situation was likely to continue for some time. The decision had been taken to increase council tax by 1.99% but not to increase the precept beyond that.

6. A Member noted that efficiencies amounted to over £40m in 2021/22 and over £100m over the course of the MTFs to 2025/26, and asked how the Council could continue to make such efficiencies without reducing important services. The Cabinet Member for Resources explained that the projected shortfall over the period currently amounted to a £170m gap and this outcome did not include any further government financing such as the Fair Funding Review (FFR). Efficiencies were made through the transformation programme, and many aimed at saving money without reducing services for residents; agile working was an example. Efficiencies were about using resources more effectively.
7. A Member asked whether it was anticipated that the £4.6m of Covid-19 budget pressures would be reversed as Covid-19 was overcome. The Executive Director of Resources responded that the anticipated Covid-19 pressures for 2021/22 were a combination of assumptions around when tiers or lockdown restrictions would end, the impact on service budgets (such as increased cleaning and social distancing), and service impact, particularly in ASC and Children's services. It was anticipated these impacts would lessen in future years, as the pandemic eased. An exception would be corporate parenting, as there had been an increase in the number of looked after children over the course of the pandemic, and longer term costs in ASC. However, the government had provided the Council with adequate funding to cover the pressures so far.
8. A Member questioned whether it was realistic to look for alternatives to the £10.8m of red RAG (red, amber, green) rated efficiencies. The Director of Corporate Finance stated that when an efficiency was rated red, this did not mean it was undeliverable, but rather that it would be difficult to deliver. If red rated efficiencies were undeliverable in-year, then services would always try to find compensating savings as part of the business-as-usual budgets. The Member enquired whether that would work for 2021/22, in light of Covid-19. The Director of Corporate Finance said that central government had been rather generous so far in terms of Covid-19 funding and it looked like this would continue into next year. No doubt, delivering red rated efficiencies would be difficult, but the Council had delivered surpluses in the last few years and even had some Covid-19 funding in reserve, so it was in a relatively stable position.
9. A Member asked what the basis was for growth over the MTFs period and where identified efficiencies over the MTFs came from, and requested that officers give Members more detail on the budget envelope, which was forecast to shrink over the MTFs period. The Director of Financial Insight replied that, having worked closely with services and developed fully costed budget principles, growth was anticipated in terms of inflation, demand and economic factors. At the same time, the Council had looked at efficiencies and taken some of those forward into the medium term. Programmes such as Digital

Business and Insights were anticipated to lead to efficiencies in the medium term. The Director of Corporate Finance added that the Council was awaiting the FFR, including the Business rates reset, for more guidance around business rates; it was anticipated that the FFR would result in a reduction in business rates, but the Council would have transitional arrangements in place, so the level of funding would not suddenly plummet. The Director of Financial Insight stated that the message to convey was that things would get tougher over the medium term, as indicated in the provisional settlement.

10. A Member enquired how closely the Council was working with districts and boroughs. The Director of Corporate Finance responded that there was a strong dialogue with district and borough councils. Officers in the Surrey County Council finance team had close working relationships with their counterparts in districts and boroughs, and collected a detailed spreadsheet on district and borough collection fund positions on a bi-monthly basis. The Director of Corporate Finance and the Director of Financial Insight both sat on the Surrey Treasurers' Group, where they had ongoing and honest conversations with districts and boroughs about levels of prudence.
11. A Member asked whether it was anticipated that the £9.9m Covid-19 emergency funding reserve would be used in 2021/22. The Director of Corporate Finance stated that the £9.9m was money from Covid-19 funding from central government that had been unspent so far in 2020/21 and been put into an earmarked Covid-19 reserve for use in-year or to be carried forward into 2021/22. The Cabinet Member for Resources added that due to the increase in use of Children's services due to Covid-19, that £9.9m might be spent quite soon.
12. A Member enquired whether efficiencies included reductions of services to Surrey residents. The Director of Financial Insight said that the efficiencies came from proposals across the Council and delivering services better at lower cost, not cuts to services. The Cabinet Member for Resources added that the objectives, outcomes and financial benefits of all efficiencies were shown in the transformation programme.
13. Noting that earmarked reserves had increased, a Member asked how the level of earmarked reserves were arrived at and whether there were plans to use them over time. The Director of Corporate Finance replied that, as aforementioned, the Covid-19 Emergency Funding reserve of £9.9m was the balance of Covid-19 funding not yet used. The general contingency had increased by £21.7m, which was composed of a £20.3m base and a £1.4m repayment from the Environment, Transport and Infrastructure directorate. These were the only two movements in the use of earmarked reserves for 2020/21 or planned for 2021/22. It was agreed that the Director of Corporate Finance would provide written information to the Select Committee on the proposed purpose and use of earmarked reserves.
14. A Member remarked that the money in the reserves could be put to good use improving services for residents, and that sitting on the money might not be beneficial. The Executive Director of Resources clarified that there was a distinction between whether reserves were

earmarked and whether the Council was planning to spend them. These reserves were not set aside to be spent on a specific plan, but rather were earmarked for potential future emergency need.

15. The Cabinet Member for Corporate Support introduced the Resources and Transformation, Partnership and Prosperity (TPP) service-specific section of the budget, referring to the enabling of the Council's key priorities through efficiencies and digitalisation.
16. A Member enquired what activities were contained within the £3m planned efficiencies in the Land and Property service. The Strategic Finance Business Partner responded that detailed proposals were being worked up, but the areas of focus were reducing the leased portfolio and rationalising the wider property estate. The service was also doing a review of energy costs to identify buildings with high energy costs in order to focus attention on reducing these costs. The Member asked whether the Land and Property service could involve councillors by using the knowledge of long-standing councillors prior to the election in May 2021 to identify which buildings were not being used effectively. He referred to a list of leased properties that had been circulated in the past, and the Cabinet Member for Resources agreed to follow this up. A Member requested that the appropriate divisional Member was kept informed of property proposals before a leasehold property changed hands.
17. A Member was pleased to see a substantial capital budget going forward. How could it be ensured that the appropriate Select Committees were involved in scrutiny of business cases? The Director of Corporate Finance outlined scrutiny arrangements surrounding the capital programme, including the Capital Programme Panel, which she chaired. Any project or business case that affected the pipeline of the capital programme was presented to the Capital Programme Panel and reviewed by all panel members using the HM Treasury green book model. Furthermore, all business cases valued over a certain amount had to go through and be approved by Cabinet before progressing.
18. A Member enquired whether Your Fund Surrey (YFS) had gone through the business case assessment process as a whole, or whether individual bids within YFS would be assessed case-by-case. The Director of Corporate Finance informed the Select Committee that each bid would undergo a financial or business case assessment, the extent to which was dependent on size.
19. A Member asked what the budgeted headcount for the Resources and TPP directorates were for each department, how this changed year-on-year, and how many posts were vacant or filled by temporary contractors at present. The Strategic Finance Business Partner stated that she could not give specific headcount numbers at present, as this level of detail was still being worked on. A vacancy factor was incorporated into staffing budgets. It was agreed that the Strategic Finance Business Partner would provide more detailed information to the Select Committee on headcount and vacancies.

20. A Member requested more information on what was behind the £3.2m pressures under central income and expenditure. The Director of Corporate Finance explained that this area included corporate budgets, such as the portion of the transformation programme funded from revenue, the feasibility fund, Minimum Revenue Provision (MRP), and the budget contingency, as well as redundancy provision. The pressures were relatively large because of the size of the Council's overall budget. The Executive Director of Resources added that the central income and expenditure section of the budget did not comprise the Council's corporate services; rather, it was a series of statutory costs and provisions. More information on Central Income and Expenditure would be provided to the Select Committee at its meeting in January 2021.

Recommendation:

The Select Committee recommends that the Cabinet Member for Resources works with each district and borough to agree the assumptions about receipts for council tax and business rates to ensure the 2021/22 Surrey County Council budget is based on robust figures.

Actions/further information to be provided:

1. The Cabinet Member for Resources to provide a briefing and details about the budget consultation;
2. The Director of Corporate Finance to provide, at the 21 January 2021 Select Committee meeting, information on the overall level of reserves, the purpose of each earmarked reserve and the anticipated usage in 2021/22;
3. The Cabinet Member for Resources to provide a list of vacant Council properties in each division to support discussions on their ongoing use and disposition;
4. The Strategic Finance Business Partner to request that local divisional Members are in future advised of property proposals in advance of changes;
5. The Strategic Finance Business Partner to provide a high-level departmental breakdown of headcount vacancy on an FTE basis;
6. The Director of Corporate Finance to provide, at the 21 January 2021 Select Committee meeting, an analysis of Central Income and Expenditure.

36/20 PERFORMANCE REPORT [Item 6]

Witnesses:

Sarah Bogunovic, Head of Customer Strategy and Futures

Anna D'Alessandro, Director of Corporate Finance

Mel Few, Cabinet Member for Resources

Jacqueline Foglietta, Director of Human Resources and Organisation Development

Susan Grizzelle, Head of Customer Services

Nicola O'Connor, Strategic Finance Business Partner (Resources and Transformation, Partnerships and Prosperity)

Marie Snelling, Executive Director of Communities and Transformation

Adrian Stockbridge, Head of Portfolios

Gary Strudwick, Head of Business Intelligence

Leigh Whitehouse, Executive Director of Resources
Rachel Wigley, Director of Financial Insight

Key points raised during the discussion:

1. The Head of Business Intelligence mentioned that some changes had been made to the report formatting based on recommendations made at the previous meeting of the Select Committee, in October 2020.
2. A Member asked why the Council was so far off-target on Land and Property capital receipts (the end of year target was £20.5m, and the latest result was only £2.5m). The Cabinet Member for Resources explained that the Council expected to receive a significant part of this target figure when the Kingston County Hall was sold.
3. A Member asked what the forecast value of unpaid rent and service charges was for the Council's properties. The Cabinet Member for Resources stated that on average in 2020/21, the Council had been receiving a gross percentage of approximately 80% of rental income budgeted for. The Executive Director of Resources explained that this was what had been collected to date, not what was collectible – it was expected that the further 20% would be collected. In real terms, the figure stood at about £1.5m uncollected funds for properties held directly by Surrey County Council and just in excess of £1.5m for properties held by the Halsey Garton Investment subsidiary.
4. A Member noted that the Council was a long way off its target for spending the apprenticeship levy (the target was 100%; the latest result was 76.56%) and wondered whether that target was actually feasible. The Director of HR&OD explained that the Council was required by law to spend a certain amount on apprenticeships, and therefore it could not reduce the target spend. Moreover, it was likely that the number of apprentices employed by the Council would soon increase due to additional government funding, the Kickstart programme, which committed the Council to taking on 30 young people on placement programmes, offering a pathway into apprenticeships, and a new strategy to increase employment more broadly across Surrey.
5. A Member asked whether there was a measure of the number of vacant positions in the Council. The Director of HR&OD replied that at present, overall vacancies amounted to 1,715 posts, which equated to 19% of the workforce. However, it was important to note that this figure included bank workers and the Council did not plan to convert bank workers' contracts into permanent or fixed-term contracts.
6. Commending the performance of the Council's transformation programme, a Member requested that the Select Committee be provided with a written response on how the results recorded under the transformation indicators section (TRN 01 and TRN 02) matched up with the transformation programme updates section of the annex.
7. A Member enquired how many apprentices employed by the Council finished their apprenticeship and how many stayed on as employees post-apprenticeships; it would be useful to see these figures going back a couple of years. The Director of HR&OD agreed to provide this

information after the meeting, and emphasised the Council's desire to keep apprentices on after their apprenticeships had ended.

8. The Executive Director of Resources explained to the Select Committee that there had been some challenges in Land and Property over the last few years, but the Corporate Landlord model had helped the Council to pull together its estate and there had been progress on remedial works, meaning the remedial programme was now on target for the year ahead.
9. A Member noted that there was a £10m overspend on the Children, Families, Lifelong Learning and Culture directorate. He asked what the reason for this was, whether there was an action plan to address this, and whether the overspend had been taken into account for setting a realistic budget for 2021/22. The Cabinet Member for Resources responded that the overspend was caused by issues in spending on special educational needs and disabilities (SEND). There was a task force looking at this and a new lead for Children's services had recently started her post. The overspend on SEND had accrued over a number of years and, unfortunately, it showed no sign of decreasing and there were still issues forecast for 2021/22. However, the task force had a number of plans to bring the overspend under control. The overspend was driven in part by the cost of out of county specialist placements for children with SEND, which the Council was looking to address by constructing more places for children with SEND at school sites within county. The SEND overspend was a significant risk and continued to be watched carefully. It was anticipated, however, that there would be some improvements over the course of 2021/22. The Director of Financial Insight added that, to tackle the overspend, the Council was lobbying the government for increased funding, looking at reducing costs and also at contributing funds to the reserve, in order to ensure funding was sufficient in SEND going forward. A Member highlighted that constructing more sites in order to bring children in-county would take time, and surmised that the overspend might actually increase in 2021/22 and drift into 2022/23. The Director of Financial Insight replied that the Council was not only looking at the sufficiency of new places, as this would indeed take time, but also other initiatives within the system such as including children with SEND in mainstream schools and early intervention initiatives, working with schools. Furthermore, the Council was lobbying for increased funding within the high needs block.
10. A Member observed that as at month 6 of 2020/21, the amount of red RAG (red, amber, green) rated efficiencies (red indicating a high risk of not being achieved) stood at £5m, having decreased by only £3.5m since the original budget plan. Was it realistic to expect that the £5m red rated efficiencies were at all achievable? The Strategic Finance Business Partner stated that the RAG ratings of efficiencies were reviewed monthly as part of the budget monitoring process and the finance team worked closely with budget holders to determine whether red ratings were still appropriate for these efficiencies, or whether they should be changed to black (unachievable) efficiencies. The majority of the red rated savings related to SEND.

Actions/further information to be provided:

1. The Head of Portfolios to provide to the Select Committee a written response linking the transformation indicators TRN 01 and TRN 02 and the information presented in the annex to the report;
2. The Director of HR&OD to provide figures going back a couple of years on how many apprentices finished their apprenticeships and how many stayed on as employees post-apprenticeship.

37/20 COUNTY HALL MOVE AND AGILE PROGRAMME UPDATE [Item 7]

Witnesses:

Dominic Barlow, Assistant Director – Corporate Landlord
Brendon Kavanagh, Portfolio Lead – Corporate
Leigh Whitehouse, Executive Director of Resources

Key points raised during the discussion:

1. The Executive Director of Resources summarised that the closing of County Hall in Kingston upon Thames was on track to be completed by the end of December 2020; Woodhatch Place, the new civic heart, was on track to be open by the start of 2021. All staff had been written to about their new administrative bases. Approximately 20% of staff had been told their new base would be located at Ashley Park House in Walton; however, it had not been possible to use this space, so the decision had been made (and approved by Cabinet) to obtain space in an extra building in Weybridge in which these staff would be located instead. The uncertainty this had created amongst some staff was unfortunate, but the outcome of moving the base to Weybridge was a better outcome, as the commute was easier and cheaper for many staff. Finally, the sale of the Kingston County Hall was progressing as planned and the 'for sale' sign outside the building would be updated today (18 December 2020) to read 'under offer'.
2. A Member asked what the reaction was amongst staff to the alternative office bases they had been allocated. The Executive Director stated that there might be a sense of frustration among staff whose administrative base had been changed from Ashley Park House to Weybridge – while the outcome had been good, there had been a trade-off with uncertainty. A travel study had been commissioned for all office bases, which would provide guidance. Another main issue was the decant from County Hall, and communications would be sent to staff today about how to collect their belongings. Staff were being reasonable and showing fortitude towards the move.
3. A Member asked if officers were incorporating disabilities into the travel plans. She noted that, while Surrey's bus services worked well for people with disabilities, there were many train stations that were not disability compliant. The Portfolio Lead – Corporate replied that disabilities were indeed being incorporated into travel planning, and added that he had met with the Inclusion and Diversity Group the previous day to discuss this topic.
4. A Member requested that a detailed analysis of the complete results of the travel survey – including the results of the survey conducted with Members – be presented to the County Hall Move and Agile

Programme Task Group at its next meeting. The Portfolio Lead agreed to provide detailed analysis.

5. A Member asked whether any more detail on the sale of County Hall could be shared publicly, and whether the Council would be keeping an interest in the property after selling for long-term income or was selling the property as a capital item. The Executive Director replied that the site was under offer and the Council had a preferred bidder. The details would go to Cabinet in January 2021 and this information would be shared with the Task Group in due course. There was not much more that could be said publicly at the moment.
6. The Executive Director provided assurance to Members that everything mentioned in the Select Committee's recommendation (below) would be reviewed and overseen by the County Hall Move and Agile Programme Task Group early in 2021.
7. After some discussion on the recommendation, the Select Committee agreed the recommendation. Wyatt Ramsdale abstained on section 'c' of the recommendation as below.

Recommendation:

1. The Select Committee recommends that the County Hall Move and Agile Programme Task Group is to receive the following information:
 - a. The Agile Office Estate Strategy;
 - b. The results and analysis of the Woodhatch travel plan survey and agile workforce programme survey;
 - c. Details of the County Hall sale and bids – the Task Group should have an opportunity to review and comment on any bids to buy County Hall before any decision is made.

38/20 BROADBAND IN SURREY [Item 8]

Witnesses:

Katie Brennan, Engagement Manager

Amanda Richards, Network and Asset Management Group Manager

Key points raised during the discussion:

1. The Network and Asset Management Group Manager introduced the report by mentioning the Superfast Surrey programme, delivered in partnership with BT. The programme had resulted in more than 90,000 homes and businesses having faster download speeds, meaning that Surrey was in a good position regarding superfast broadband at the moment. Over the last eight or nine months, many people had been working from home in Surrey, and yet despite this, there had not been a large number of complaints about broadband speeds. However, it was important that Surrey continued to make progress in this area as technology was developing and there would be a need for faster technology in Surrey.
2. The Group Manager continued to detail what Surrey County Council was focusing on at the moment, which included improving broadband speeds in rural areas by accessing government funding to upgrade a few schools and promoting government gigabit vouchers to communities in rural areas. Network operators such as Openreach

had announced several areas in Surrey and were working on improving and expanding their gigabit-capable broadband, taking inspiration from other parts of the country. Surrey County Council was in the process of developing a Digital Infrastructure Strategy and this would be reported on in the coming months and brought to the Select Committee before being progressed.

3. A Member asked how big the broadband team was and where the two witnesses present fitted into the structure. The Group Manager explained that currently the superfast broadband team comprised the Engagement Manager only. The Group Manager worked in the highways department and the Engagement Manager reported to the Group Manager. Both witnesses worked together to look at how superfast broadband could tie in with and improve highways going forward, amongst other things.
4. A Member enquired how Surrey's gigabit broadband coverage compared with neighbouring authorities. The Engagement Manager responded that currently, Surrey had about 16% gigabit-capable coverage. Network operators such as Openreach or Virgin Media generally looked for areas that were commercially viable, which were usually more urban areas due to their denser population. Urban areas such as London had been more heavily covered by operators such as Virgin Media; also, Virgin Media had regularly upgraded broadband coverage in London, meaning London had a high rate of gigabit-capable coverage. Surrey, on the other hand, had a relatively high rate of Virgin Media coverage at 66%, but this technology was ultrafast and had not yet been upgraded to be gigabit-capable. Discrepancies between coverage related primarily to how urban or rural an area was, rather than varying county by county.
5. A Member asked whether the government's expectation that the private sector deliver gigabit-capable broadband to around 80% of premises in the UK was reasonable in the Surrey context. The Engagement Manager explained that this depended on operators upgrading their infrastructure, and Surrey was covered by few operators, including Virgin Media, Openreach and a few smaller companies. It was likely that Surrey would reach around 80% gigabit coverage, but this depended on factors such as decisions taken by operators and central government. In November 2020, the government had allocated £1.2bn to spend on increasing gigabit-capable coverage, focusing on the 20% of premises that it was forecast commercial operators would not reach in the next few years. The government would be looking to address these areas using a mixture of both demand side interventions (such as vouchers and top-ups) and supplier side interventions where they would work directly with operators to expand coverage. It was anticipated that these interventions would begin in 2021.
6. A Member asked how the Council was ensuring there were more than one or two infrastructure operators to ensure a competitive market in future. If coverage did not become more comprehensive, there could be an issue in future when people might continue to work from home much of the time, meaning demand might be less localised. The Engagement Manager emphasised the importance of small operators,

which included Box Broadband, Broadband for Surrey Hills and Surrey Hills Internet. Unfortunately, there were few smaller scale operators in Surrey, due to the expense and difficulty of setting up these companies. However, the Engagement Manager was keen to encourage and promote them.

7. A Member enquired how Surrey County councillors could get involved and help improve broadband coverage, perhaps through promotion on social media. The Engagement Manager welcomed Members' help and detailed engagement that had already taken place, such as a postcard that had been sent to more than 40,000 premises, and a flyer that had been sent to residents who were keen to set up a community fibre partnership. She agreed to liaise with the corporate communications team to develop a template that Members could post on their Facebook page or other social media, or include in a newsletter or email signature.
8. Noting that, as part of the Superfast Surrey programme, the Council had received one 'clawback' pay-out from BT and reinvested this in phase 2 of the programme, a Member asked whether another pay-out was expected and whether this had been built into the contract. Currently, Surrey County Council was investing millions of pounds in outside organisations; in line with the Surrey Vision for 2030, investment should come back into the county, so contracts should entail a profit on residents' investments. The Engagement Manager responded that financial assumptions included a clawback mechanism for the duration of the contract, which was due to expire on 2 April 2023. Contracts had been developed in conjunction with Building Digital UK, which was part of the government's Department for Digital, Culture, Media and Sport. The financial assumptions included in the contract had been made in 2012, and since then technology had changed significantly; the smart technology used in the present day, for instance, could not have been anticipated in 2012. The Group Manager added that return on investment would be looked at closely in future.
9. A Member remarked that there had been mention in the press of a report from consultancy firm EY on satellite technology and the urgency of fibre rollout and requested witnesses' comments on this. The Engagement Manager stated that, in the past, satellite technology had not been practical to use – it had been very slow. However, SpaceX and other companies had developed satellite technology to show that it could be used to provide faster broadband. Other examples of new technology being developed included 5G coverage using drones, but 5G required a lot of fibre to be installed. The Council was in a good position for now but it could not sit on its laurels; it had to take advantage of any government funding available. Community fibre partnerships worked best if there was a large number of residents involved, thereby reducing or covering the overall cost to the residents.

Recommendation:

The Select Committee recommends that it receives the Digital Infrastructure Strategy, before the strategy is finalised, for scrutiny at a future meeting.

Action/further information to be provided:

The Engagement Manager to work in partnership with the communications team to provide materials that Members can use on their social media, newsletters or email signatures to promote the broadband programme and community fibre partnerships.

39/20 TASK GROUP UPDATES [Item 9]

The materials of the County Hall Move and Agile Programme Task Group and the Budget Sub-Group were noted. Discussion of the Customer Experience Task Group report was deferred until the next meeting of the Select Committee, due to time constraints.

40/20 FORWARD WORK PROGRAMME AND RECOMMENDATION TRACKER [Item 10]

The Select Committee noted the Forward Work Programme and Recommendation Tracker.

41/20 DATE OF THE NEXT MEETING [Item 11]

The next meeting of the Resources and Performance Select Committee would be held on 21 January 2021.

Meeting ended at: 1.01 pm

Chairman