

## Notice of Meeting

# Resources and Performance Select Committee



**Date & time**  
Friday, 17  
December 2021 at  
10.00 am

**Place**  
REMOTE &  
INFORMAL MEETING

**Contact**  
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**Chief Executive**  
Joanna Killian

We're on Twitter:  
[@SCCdemocracy](https://twitter.com/SCCdemocracy)



**Please note:** that due to the COVID-19 situation the Chairman has decided that this meeting will take place remotely and will therefore be an informal meeting of the Select Committee.

Please be aware that a link to view a live recording of the meeting will be available on the Committee's webcasting library page on the Surrey County Council website. This page can be accessed by following the link below: <https://surreycc.public-i.tv/core/portal/webcasts>

If you would like a copy of this agenda or the attached papers in another format, e.g. large print or braille, or another language please either call 020 8541 9122, or email [kunwar.khan@surreycc.gov.uk](mailto:kunwar.khan@surreycc.gov.uk)

### Elected Members

Nick Darby (Chairman), Will Forster (Vice-Chairman), David Harmer, Robert Hughes (Shere), Rebecca Jennings-Evans (Lightwater, West End and Bisley), Robert King (Egham), Steven McCormick (Epsom Town and Downs), John Robini (Waverley Borough Council), Tony Samuels, Lesley Steeds, Hazel Watson and Jeremy Webster

### TERMS OF REFERENCE

The Committee is responsible for the following areas:

- Finance
- Orbis Partnership Functions
- HR&OD
- IT and Digital
- Business Ops
- Property
- Procurement
- Equalities and Diversity
- Internal/External Communications
- Legal and Democratic Services

- Customer Services

## **AGENDA**

### **1 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS**

#### **Purpose of the item:**

To receive any apologies for absence and substitutions.

### **2 MINUTES OF THE PREVIOUS MEETINGS: 17 SEPTEMBER 2021**

(Pages 5  
- 16)

#### **Purpose of the item:**

To review the minutes of the Resources and Performance Select Committee held on 17 September 2021 as a true and accurate record of proceedings. These minutes will be agreed at the 20 January 2022 meeting of the Committee.

### **3 DECLARATIONS OF INTEREST**

#### **Purpose of the item:**

All Members present are required to declare, at this point in the meeting or as soon as possible thereafter:

- I. Any disclosable pecuniary interests and/or
- II. Other interests arising under the Code of Conduct in respect of any item(s) of business being considered at this meeting.

#### **NOTES:**

- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest.
- As well as an interest of the Member, this includes any interest, of which the Member is aware, that relates to the Member's spouse or civil partner (or any person with whom the Member is living as a spouse or civil partner).
- Members with a significant personal interest may participate in the discussion and vote on that matter unless that interest could be reasonably regarded as prejudicial.

### **4 QUESTIONS AND PETITIONS**

#### **Purpose of the item:**

To receive any questions or petitions.

#### **NOTES:**

1. The deadline for Members' questions is 12:00pm four working days before the meeting (13 December 2021).
2. The deadline for public questions is seven days before the meeting (10 December 2021).

3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

**5 2022/23 DRAFT BUDGET REPORT AND MEDIUM-TERM FINANCIAL STRATEGY TO 2026/27** (Pages 17 - 66)

**Purpose of the item:**

Scrutiny of 2022/23 Draft Budget and Medium-Term Financial Strategy to 2026/27.

**6 PROPERTY PROGRAMME UPDATE (FACILITIES MANAGEMENT-FORWARD MAINTENANCE, SURPLUS ASSETS AND DISPOSALS WORKSTREAM)** (Pages 67 - 98)

6a. FACILITIES MANAGEMENT- FORWARD MAINTENANCE

6b. SURPLUS ASSETS AND DISPOSALS WORKSTREAM

**Purpose of the report:**

The purpose of the two strands of this report is to:

- a. To provide insight on how Forward Maintenance Works (Life-cycle Replacement Works) are identified and prioritised (not day-to-day compliance, planned or reactive maintenance).
- b. To outline the process and progress to date of the Surplus Assets and Disposals workstream as well as providing information on how the workstream generates and takes forward housing development opportunities.

**7 CABINET MEMBER UPDATE - CABINET MEMBER FOR PROPERTY (NATALIE BRAMHALL)** (Pages 99 - 102)

**Purpose of the report:**

To update Resources and Performance Select Committee on the next year's priorities in this portfolio.

**8 FORWARD WORK PROGRAMME AND RECOMMENDATION TRACKER** (Pages 103 - 132)

**Purpose of the item:**

For the Select Committee to review the attached Forward Work Programme and Recommendation Tracker, making suggestions for additions or amendments as appropriate.

**9 DATE OF THE NEXT MEETING**

The next meeting of the Resources and Performance Select Committee will be held on 20 January at 10:00am.

**Joanna Killian**  
**Chief Executive**

Published: Thursday, 9 December 2021

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**MINUTES** of the meeting of the **RESOURCES AND PERFORMANCE SELECT COMMITTEE** held at 10.00 am on 17 September 2021 at Council Chamber, Woodhatch Place.

These minutes are subject to confirmation by the Committee at its meeting on Friday, 17 December 2021.

**Elected Members:**

- \* Nick Darby (Chairman)
- \* Will Forster (Vice-Chairman)
- \* David Harmer
- \* Robert Hughes
- \* Rebecca Jennings-Evans
- \* Robert King
- \* Steven McCormick
- \* Rebecca Paul (Vice-Chairman)
- John Robini
- \* Tony Samuels
- \* Lesley Steeds
- \* Hazel Watson
- \* Jeremy Webster

(\* = present at the meeting)

**26/21 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]**

None received.

John Robini was absent.

**27/21 MINUTES OF THE PREVIOUS MEETINGS: 18 MARCH 2021 [Item 2]**

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

**28/21 DECLARATIONS OF INTEREST [Item 3]**

None received.

**29/21 QUESTIONS AND PETITIONS [Item 4]**

None received.

**30/21 CABINET MEMBER PRIORITIES UPDATE - TIM OLIVER [Item 5]**

**Witnesses:**

Steve Bax, Deputy Cabinet Member to the Leader  
Leigh Whitehouse, Executive Director of Resources

*Steve Bax deputised for Tim Oliver, the Leader of the Council, for this item, as the Leader was not available to attend this meeting.*

The aspects of the Leader's portfolio that came under the Select Committee's remit were equality, diversity and inclusion, and communications.

**Key points raised during the discussion:**

1. The Deputy Cabinet Member to the Leader introduced the report, mentioning the Equality, Diversity and Inclusion (EDI) strategy that had been approved by Cabinet in February 2021. A Trans at Work policy was being developed by the Human Resources (HR) team, which included processes to prevent and tackle discrimination in the workplace. As part of the development of this policy, the Council was working with Stonewall, an LGBT (lesbian, gay, bisexual and transgender) rights organisation, and was hoping to become a more attractive employer to LGBT people.
2. The Deputy Cabinet Member continued to explain that the Council was looking to improve accessibility for disabled staff and residents, including making adjustments for disabled staff and changing the Surrey County Council website to make it more accessible for people whose first language was not English.
3. The Deputy Cabinet Member outlined the statistics for representation of groups with protected characteristics within the Council's workforce, as follows:
  - a. The proportion of Black, Asian and minority ethnic (BAME) staff in the Council was roughly equal to the proportion of BAME people in the Surrey population as a whole (10% and 9% respectively), which was in line with the Council's notion that the workforce should broadly be representative of the communities it represented.
  - b. Despite this, less than 1% of employees in senior management roles were BAME, and, according to staff surveys, BAME staff were less likely to have a good experience working for Surrey than non-BAME staff.
  - c. The proportion of women in the Council's workforce exceeded the proportion of women in the Surrey population as a whole.
  - d. A high proportion of the Council's staff were aged 50-59. Younger employees were likely to have a better experience of working for the Council, while those over 60 were likely to have a worse experience.
4. High levels of non-disclosure of protected characteristic information amongst the Council's workforce affected the accuracy of data, representing a challenge for the Council, particularly with regards to data on disabilities, religion, and sexual orientation. The communications team was trying to encourage staff to declare protected characteristics, and the HR team was also exploring data around recruitment and whether the Council was attracting staff with protected characteristics.
5. Moving onto communications, the other aspect of the Leader's portfolio that came under the Select Committee's remit, the Deputy Cabinet Member stated that the communications team consisted of 25 full-time posts, and the budget for the team, excluding staff salaries, was approximately £250,000.
6. A Member highlighted the statistic that the Deputy Cabinet Member had given, that only 1% of senior management roles were occupied by

BAME staff, saying that this figure stood out for being particularly low. How would the Council tackle this issue? The Deputy Cabinet Member replied that there was indeed work to be done on ensuring there was a higher proportion of BAME staff in senior management roles. It was important that the HR team looked at the recruitment process to ascertain why there were not more BAME staff in senior management roles currently.

7. A Member asked whether there were any particular demographic groups that the Council struggled to reach or engage. The Deputy Cabinet Member responded that the Council's experience of struggling to reach certain groups had largely come from the Covid-19 vaccine programme. Certain communities in Surrey, including Black, Afro-Caribbean and Muslim communities, were statistically more likely to show vaccine hesitancy; this was a trend reflected nationwide. Eastern European people were another community more likely to show vaccine hesitancy. To tackle vaccine hesitancy for all these groups, social media was being used in order to encourage vaccine uptake, roving vaccination vans went to particular community sites, videos were recorded by community leaders, and posters were translated into various languages and placed in community hubs.
8. Welcoming the Council's prioritisation to attract more LGBT staff, a Member highlighted the fact that Stonewall was an active lobbying organisation and asked what the best practice was when evaluating the suitability of partners for the Council. Was Stonewall an appropriate service provider in light of best practice? The Deputy Cabinet Member said that the Council's membership of Stonewall was not for the purpose of lobbying; rather, membership provided the Council with tailored support and advice, and access to useful materials such as webinars. Stonewall's support supplemented the expertise within the Council's HR department. Ultimately, the Council would devise its own policy; Stonewall would only offer advice. The Council was balancing competing rights and priorities to ensure that the needs of one protected characteristic were not prioritised at a detriment to others.
9. A Member enquired what key changes were expected to arise from the Trans at Work policy, and whether an impact assessment would be conducted to identify the implications of the new policy for other protected characteristic groups. She also requested that the policy be shared with the Select Committee before it was put into action. The Deputy Cabinet Member said it was currently too early in the process to know the key changes that the policy would bring about. However, the Council would take a pragmatic view to balance competing needs, and take legal advice before implementation. In line with existing protocol, an equality impact assessment would be produced. There was not yet a draft to share with the Select Committee, and the Deputy Cabinet Member stated that the Select Committee might not be able to sign off the policy, as it was an operational matter for staff. The executive and the scrutiny team would work together to decide how to proceed. The Member responded that it was not a case of the Select Committee wanting to have sign-off of the policy, but rather having visibility of the policy.

10. A Member enquired whether the Gypsy, Roma and Traveller communities were included within the protected characteristics groups. The Deputy Cabinet Member confirmed that these communities were included as a protected characteristic as set out by the act and in the view of Surrey County Council. The Council was keen to ensure good relationships with this community.
11. A Member asked how the Council trained and monitored officers carrying out recruitment interviews to ensure they had EDI awareness and were adhering to best practice. Interviewers may need to make adjustments for people with disabilities, for example. The Deputy Cabinet Member responded that he would seek more information on this and provide an answer to the Select Committee after the meeting. He also emphasised that staff disclosure of protected characteristics was important to ensure that adaptations could be made where necessary.
12. In relation to the point above, the Executive Director of Resources added that over the last 18 months, there had been widespread training for staff, including senior managers, on unconscious bias, which was important to tackle ignorance or a lack of empathy when it came to minority groups. The Council also had several staff networks (for example, a Deaf Staff Network and an LGBTQ+ Staff Network), each of which had a corporate leadership team sponsor and a Cabinet Member sponsor. These networks could help raise awareness of protected characteristics groups.
13. A Member questioned whether the communications department's budget was sufficient to provide a good service to residents. The Deputy Cabinet Member highlighted new forms of communication (such as social media) which were significantly cheaper than older methods (such as leaflets and posters) and also had a much more effective reach that could be targeted using free analytics technology. The Member stated that some residents were digitally excluded and did not have access to social media or a mobile phone. The Deputy Cabinet Member replied that digital methods could reach the majority of people, and that there were also other methods the Council used in order to reach people who did not use digital technology.
14. The Select Committee agreed that, since HR had been discussed numerous times during this item, it would be useful if the Director of HR attended the Select Committee in future to present an item on the HR service.
15. A Member requested more information on the Member task group on councillor diversity, as mentioned in the report. The Deputy Cabinet Member stated that the Member Development Steering Group was due to consider the scope of the councillor diversity and inclusion review at their meeting in November 2021. Membership of the task group was not yet decided. Analysis of councillor diversity had been conducted after the May 2021 election; this analysis could be shared with the Select Committee after the meeting. Members agreed to look at potentially reviewing the topic of councillor diversity, pending discussions at the Member Development Steering Group.

16. A Member queried how the Council's EDI policy fed into its HR policies to ensure equality, diversity and inclusion were reflected in pay promotion and flexible working policies, for example. The Executive Director replied that the Director of HR and OD had been a member of the EDI steering group within the Council, so she was a direct link between HR and EDI policies. At the moment, the Council was also taking views on workforce strategy from a range of sources. There was a strong link between EDI and HR.
17. A Member asked how the Council was addressing resource concerns and how it was taking this into account for the future. The Executive Director agreed to provide a response on this after the meeting.
18. A Member expressed his satisfaction with the daily update briefings and weekly parliamentary briefings that all Surrey Members received. However, some of these briefings contained articles with a paywall (meaning access to these articles was restricted to users who had paid to subscribe to the site or media publication). What could be done to ensure no councillors were left behind, without councillors having to take out their own subscriptions? The Deputy Cabinet Member suggested that Members could buy a physical copy of the newspaper or publication in which the article in question was published; newspapers were also often available for free in local libraries. Bulk buying subscriptions for Members was not a good value use of the Council's budget. The Member responded that this was a problem as it was important that all Members were kept up-to-date. Having a subscription for each Member was probably not necessary, but nor should Members have to buy a physical copy of the publication. The Council should look at how to keep Members up-to-date in a cost-effective way. The Deputy Cabinet Member clarified that it was not the case that some Members had access to paywall articles and others did not; if any Members had access to paywall articles, this would only be because they had personally taken out their own subscription. He agreed to follow this issue up after the meeting and see if more could be done, such as a digest or summary of articles.
19. A Member enquired what the Council was doing to tackle digital exclusion. Some digitally excluded people were particularly vulnerable and in need of information or advice. The Deputy Cabinet Member stated that while the bulk of the Council's communications were conducted online, some publications were still sent out in physical form. Perhaps certain communications could be sent out with the physical copies of council tax bills that all district and borough councils in Surrey (apart from Elmbridge) sent out to residents every April, in order to reach residents who did not use digital pathways. Surrey County Council was also open to suggestions from Members on how best to tackle digital inclusion. The Member asked whether the Council could target certain communities that intelligence suggested were less likely to be online. The Deputy Cabinet Member said that this was potentially possible; data from the census could also be used. However, very precise data would be required in order to effectively target digitally excluded residents without wasting resources, and it could be difficult to find data specific enough to do this.

20. A Member suggested that the Council could use existing data on whether a resident had opted to have their council tax bill delivered digitally or in paper form in order to identify whether they were likely to be receptive to digital communications or not. Perhaps a more coordinated approach on digital exclusion was needed. It was also important to ensure that communications were available in a variety of languages to ensure that residents who had a first language other than English were not excluded.
21. A Member stated that it could be useful for Members to be provided with a set of standard, prepared emails on common topics, such as programmes being promoted by the communications department, to ensure consistency in Members' communications with residents. The Deputy Cabinet Member agreed that brand consistency was helpful, while also acknowledging and respecting that all 81 Members had their own individual ways of communicating. One suggestion that had been made to the communications team was to put together an A-Z directory on a range of common issues, such as potholes. This could be a useful resource for Members and would encourage consistency. There was also lots of information on the Member portal, to which all Members had access through Microsoft Teams. He suggested that Members contact officers for specific services if they were struggling to access information on any particular topic.
22. A Member noted that the report mentioned four high-level strategic communications initiatives (these were: An Unstoppable Force, Make it Happen, One Surrey Story, and What does SCC do for you?). What were the financial costs and costs in officer time in conducting those initiatives? The Deputy Cabinet Member responded that there were no individual budgets for each scheme; rather, there was the central £250,000 budget to cover the whole of communications, once staffing costs had been taken out.
23. A Member expressed concern that the councillors' communications briefings tended to focus on good news and Council-controlled stories; however, it was useful for Members to see the bad news as well as the good news stories in order to be aware of these. The Local Democracy Reporter for Surrey regularly published stories that it might be useful for Members to see.

**Recommendations:**

The Select Committee recommends that:

1. Cabinet is to consider how Surrey County Council engages with organisations that undertake political lobbying and/or are involved in matters that some might consider controversial;
2. Surrey County Council should ensure that any impact on other protected characteristic groups are identified and carefully taken into consideration before finalising the Trans at Work policy;
3. The Trans at Work policy is to be presented to the Select Committee prior to being finalised;
4. More focus is to be given to the range of topics covered in internal communications in the daily media email update to Members. In particular, all references articles in the daily media briefing to be made accessible to all Members;

5. A report on digital exclusion is to be provided to this Select Committee at a future meeting.

**Actions/further information to be provided:**

1. Deputy Cabinet Member to the Leader to provide more information on how the Council trains and monitors officers carrying out recruitment interviews to ensure they have EDI awareness and adhere to best practice;
2. Democratic Services officers to share councillor diversity analysis conducted after the May 2021 election with the Select Committee;
3. Executive Director of Resources to provide information on how the Council is addressing resource concerns and how it is taking this into account for the future.

**31/21 CABINET MEMBER PRIORITIES UPDATE - BECKY RUSH [Item 6]**

**Witnesses:**

Becky Rush, Cabinet Member for Finance and Resources and Deputy Leader  
Leigh Whitehouse, Executive Director of Resources

The aspects of the Cabinet Member for Finance and Resources' portfolio that came under the Select Committee's remit were finance, the Orbis partnership, HR&OD, IT and digital, procurement, and legal and democratic services.

**Key points raised during the discussion:**

1. A Member asked what the main challenges were regarding the setting of the 2022/23 budget, and how confident the Cabinet Member for Finance and Resources was that these challenges could be addressed. The Cabinet Member replied that at the moment the Council was in the early stages of putting together the first view of the budget, which currently estimated a budget gap of £47.1m; however, this figure was prone to change on a daily basis. This figure represented part of the £200m gap in the Council's finances forecast over the medium term in the Medium-Term Financial Strategy (MTFS).
2. The Cabinet Member continued to explain that the main areas of challenge were adult social care (ASC) and children's social care, in particular, special educational needs and disabilities (SEND). Regarding ASC, there had been an increase in the number of people requiring care following the Covid-19 pandemic, as well as an increase in provider costs, and therefore ASC generated 60% of the budget gap for the 2022/23 financial year. Regarding children's social care, there was significant pent-up demand for these services following the pandemic, including an increase in the number of looked after children and looked after children assessments, leading to an increase in the cost of placements and an increase in the number of external placements. The Council was looking to address the overspend in the field of SEND, which represented 22% of the 2022/23 budget gap. Directorates were currently working to address budget pressures by identifying efficiencies, and had expressed confidence that they would be able to address the gap. The Council would be using a new 'twin-track' approach, working across directorates, to tackle the £200m gap.
3. The Executive Director of Resources added that another challenge was that the government would usually give local councils a multi-year

indication of resources, but for the last few years, including the current year, indications from government had been shorter term and had not been released until December (soon before the final setting of the budget). The Council was expecting a spending review to be released at the end of October, but in the meantime the Council was basing its budgeting on its best estimate of the results of the government's spending review; it was expected that the review would result in negative changes to the Council's funding from central government.

4. A Member noted that the government had recently announced an increase in national insurance contributions, the money raised from which would be used to fund the NHS and social care systems nationally, and asked for witnesses' thoughts on this and how this would affect the Council's budget generally. The Executive Director responded that the potential impacts were that there would be an increased cost of national insurance for the Council as an employer (this could also have an impact on the supply chain as providers that were also employers would have to account for this increased cost) and, conversely, increased funding for the Council as a provider of ASC. There was not yet enough clarity to know the exact impact on the Council and the wider supply chain. The Member highlighted that this was a potentially serious issue.
5. A Member enquired how Surrey County Council would be consulting effectively with district and borough councils on the effects of the increase in national insurance and the ASC precept increase. According to the Member, there had been concerns about a lack of consultation with district and borough councils in the past. The Executive Director, who was also the section 151 officer for Surrey County Council, explained that he would meet with the section 151 officers for Surrey district and borough councils. Dialogue and consultation with district and borough councils would continue throughout the year.
6. A Member enquired whether the Orbis partnership provided good value for money for the Council and residents. The Executive Director of Resources explained that the Orbis partnership, between Surrey County Council, East Sussex County Council and Brighton and Hove City Council, had delivered significant savings since its inception. He emphasised the benefits that came from sharing resources and expertise. Since 2018, the Orbis partnership had been refined; Surrey County Council had drawn its finance, HR and land and property services back in-house, showing that Surrey County Council would adapt its role in the partnership based on what represented good value for residents.
7. A Member asked what plans there were for consultation with residents on the 2022/23 budget. The Cabinet Member stated that the Select Committee's comments on budget consultation had been taken on board and the Council planned to run a more in-depth programme of resident budget engagement this year than it had done in the last few years. The Cabinet Member expressed the hope that the feedback gained in this round of budget consultation could be applicable for a number of years to come. The consultation programme on the 2022/23 budget would begin in September or October 2021 and would include

online workshops and telephone surveys. A sample group of approximately 1,100 residents would be consulted, who would be demographically representative of the wider Surrey population. The aims of the consultation were to raise awareness among residents on the context of the Council's budget, explore various topics, such as transformation programmes, understand residents' spending preferences, and test residents' spontaneous attitudes towards service changes. The resident consultation would be just one piece of information amongst many that would be factored into the formulation of the budget; others included benchmarking and service views.

8. A Member requested an update on the Digital Business and Insights (DB&I) programme, in particular, the implementation of a new enterprise resource planning (ERP) system. The Executive Director replied that significant progress had been made since the last discussion on the DB&I programme at the Select Committee. Phase one, involving the procurement system, was now live. The next milestone was for the finance, HR and payroll elements to go live; this was planned for December 2021. User acceptance testing was currently being conducted, and the status of the programme would be reviewed following this testing.
9. Another Member emphasised that the implementation of the new ERP system carried risk and asked whether the programme was still on track. The Cabinet Member responded that, as September 2021 was a critical month in the programme, the Council would have to wait until the end of September to be able to say whether it was on track; however, when this information was available, the Select Committee could be informed. A decision would be made in September 2021 on whether to withdraw from the current ERP subscription before the end of 2021 or not.
10. The Select Committee discussed the Council's risk register, overall responsibility for which sat with the Audit and Governance Committee. The Select Committee agreed that if its Members wanted more information about the risk register and how this related to the budget, they could informally approach the Chairman of the Audit and Governance Committee for a discussion.

**Recommendations:**

1. The Select Committee recommends that Surrey County Council actively involves residents in the budget setting process and carefully takes into account relevant feedback, observing the ethos of participatory budgeting.

**32/21 CABINET MEMBER PRIORITIES UPDATE - MARK NUTI [Item 7]**

**Witnesses:**

Mark Nuti, Cabinet Member for Communities

Marie Snelling, Executive Director of Customer and Communities

The aspect of the Cabinet Member for Communities' portfolio that came under the Select Committee's remit was customer services.

**Key points raised during the discussion:**

1. The Cabinet Member praised the work of the customer services team throughout the Covid-19 pandemic, during which they had acted as the first point of contact for residents.
2. A Member asked what the key issues were in customer services at the moment. The Cabinet Member responded that a key priority was to keep response times as short as possible. Pre-pandemic, the average response time was 20 seconds, but this had not been possible in the last few months due to the pressures of Covid-19 and, more recently, the pressures of school admissions. The service was trying to recruit more staff to tackle this issue. At the height of the pandemic, the average response time increased to 20 minutes, which had now been reduced to four minutes. However, the 20-second response time was still the target, and the Cabinet Member expressed the belief that this would be reached once new staff were in-post by October 2021.
3. The Cabinet Member stated that the service's aim was to ensure customers always received the best quality interaction at the point of contact, and in order to achieve this the service was being streamlined, one aspect of which was making online systems available wherever possible. The majority of queries and problems reported could be addressed quickly through automated online systems, which were now in place for a number of services.
4. The Cabinet Member continued to explain that the Dakota building, from which the customer services team was now based, was a bright, airy and calm workspace. Approximately 40% of the team were working from the office and 60% were choosing to work from home; internal surveys had suggested that staff were happy with this working arrangement. The service had not suffered from the fact that more staff were working at home; if anything, the service had improved recently.
5. The Executive Director of Customer and Communities praised the attitude and efficiency of staff throughout the pandemic. The team had recently been nominated for two national awards. In fact, the four-minute response time was good when compared to some other local authorities. Also, it could be advantageous at times for teams to work together in person, particularly when handling complex or potentially traumatic calls, as support from colleagues was important in these situations.
6. The Executive Director welcomed Members to come to visit the customer services offices in the Dakota building in person.
7. A Member noted that only 40% of the customer services team were currently working in the office, even though, as the Executive Director had just highlighted, it could be advantageous for the team to work in the office together. How did the service balance that? The Executive Director responded that sub-teams were coordinated to try to ensure that who was in the office was based on need within the service. The service aspired to increase the number of staff in the office, but numbers were currently restricted due to social distancing. Whether staff worked from home or in the office also depended on the type of work they did. The service would continue to work to ensure that

business need came first but that working styles also worked well for staff.

8. A Member asked whether it would be possible for data to be collected on enquiries raised by customers relating to specific divisions, and for high-level information on this to be passed onto the divisional Member, allowing members to stay up to date on the pertinent issues within their division. The Cabinet Member replied that the service was looking at putting together a list of frequently asked questions on the top 20 or so types of enquiries. A flow chart was also being produced to show the pathways for enquiries and where delays could arise. The Cabinet Member hoped that this would be provided to Members within the next few weeks.
9. A Member asked what level of traffic the Council experienced on the Esendex service it used to send out text messages. The Executive Director agreed to provide this information after the meeting.
10. A Member enquired how the Council was communicating to elderly or vulnerable residents that BT would be switching off its landline service in 2025. Some residents may not be aware of this, and it may be the only method they used for contacting the Council. The Cabinet Member agreed that it was important to think ahead so that residents were not left stranded without a landline. There were many different ways to contact the Council available. The Executive Director expressed the opinion that the Council would probably always have some form of telephony presence. The need to continue to provide choice had to be balanced with the cost and administration of these contact pathways. The Council's strategy, informed in part by previous discussions with the Resources and Performance Select Committee, was therefore to utilise new technologies and to support residents to be able to use them. The Council recognised that some more traditional methods may be needed, particularly for more vulnerable residents, but that newer technologies should be introduced in line with their use in wider society. For example, a chatbot had been brought in, through which residents could contact the Council, aligned with the use of chatbots on banks' and other services' websites.
11. Regarding the Council's chatbot, a Member agreed that these had an important place but that sometimes they did not work well. The Cabinet Member stated that the chatbot system had worked well since it was started, with a satisfaction rate of approximately 95%. The chatbot was suitable for residents with simpler questions that could be answered quickly, and having it freed up staff time. The Executive Director added that 40% of the traffic to the chatbot so far was outside of business hours, showing its particular use when other contact methods would not be available. The chatbot was not intended to fully replace more traditional methods of contact, but rather to enable customer services to reduce a large proportion of their contact in order to focus on those who had complex queries and needed telephone-based interaction the most.
12. A Member asked what the customer services budget was and what the £200,000 in efficiencies planned actually meant. What progress had been made so far on achieving efficiencies? The Executive

Director explained that the customer services budget was £2.7m for 2021/22 and the service was on track to deliver £200,000 of efficiencies. Most of the budget was spent on staff. It was important to rationalise the efficiencies made through the use of chatbots by slightly reducing the number of staff. The Member remarked that witnesses had mentioned that new staff would be joining the service in October. How did this impact the efficiencies? The Executive Director responded that the new staff joining in October were funded by NHS England through Test and Trace, so this did not have a negative impact on the customer services budget or efficiencies.

**Recommendations:**

The Select Committee recommends that:

1. Consideration be given to the customer services team providing relevant information and data, based on the calls received by them, to the respective elected representatives about their wards/divisions;
2. Careful consideration be given to ensuring that the roll-out of chatbots does not result in a negative impact on digitally excluded and elderly residents;
3. An opportunity to visit the customer services contact centre be offered to Members by the service at an appropriate time.

**Actions/further information to be provided:**

1. Executive Director of Customer and Communities to provide information on the level of traffic on the Esendex system.

**33/21 BUDGET TASK GROUP MEMBERSHIP [Item 8]**

The new membership of the Budget Task Group was agreed.

**34/21 RECOMMENDATIONS TRACKER AND FORWARD WORK PROGRAMME [Item 9]**

The Select Committee noted the recommendation tracker and forward work programme.

**35/21 DATE OF THE NEXT MEETING [Item 10]**

The next meeting of the Resources and Performance Select Committee would be held on 17 December 2021.

Meeting ended at: 12.41 pm

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**Chairman**

## **Scrutiny of 2022/23 Draft Budget and Medium-Term Financial Strategy to 2026/27**

Purpose of report: Scrutiny of the Draft Budget and Medium-Term Financial Strategy

### **Introduction:**

1. Attached is a summary of the 2022/23 Draft Budget and Medium-Term Financial Strategy (MTFS), particularly focussing on the budgets for the Resources, Customer and Communities, People and Change, and Comms, Public Affairs and Engagement Directorates, including pressures and efficiencies for all Directorates.
2. [The 2022/23 Draft Budget and MTFS to 2026/27](#) was presented to Cabinet on 30<sup>th</sup> November 2021. The Final Budget for 2022/23 will be approved by Cabinet in January 2022 and full Council in February 2022. It is good practice to, as far as possible, set out in advance the draft budget to allow consultation on and scrutiny of the approach and the proposals included. There will be no movements in the Draft Budget position until the provisional Local Government Finance Settlement is published in mid-December and the implications are considered.
3. The production of the 2022/23 budget has been developed through an integrated approach across Directorates, Strategy, Transformation and Finance, ensuring that revenue budgets, capital investment and transformation plans are all aligned with each Directorate's service plans and all four corporate priorities of the organisation.

### **Context:**

4. Continuing a trend set over several previous financial years, Local Government funding remains highly uncertain, with a number of factors likely to result in significant changes to our funding position over the medium-term. The provisional Local Government Finance Settlement is expected to be released in mid-December, with a final settlement in January 2022. Until this is available, significant uncertainty on funding remains. Government spending to combat Covid-19 and mitigate its impact on business and individuals has led to record

levels of public sector borrowing and a damaging effect on the economy; this will influence the level of funding available for Local Authorities.

5. The overall outlook for 2022/23 is one of significant challenge, with budget envelopes remaining relatively static in the face of substantial increases in the cost of maintaining current service provision. Despite a small increase in projected funding, there remain challenges in managing growth in demand (particularly in Adult Social Care and Children's Services), inflationary pressures and the ongoing impact of Covid-19 within those envelopes.
6. Good progress has been made over the last few months however, at present, there remains a provisional gap for 2022/23 of £19.5m, driven by the need to maintain the delivery of priority services and meet the costs of the capital investment. The gap will require further actions to close. The Government announced in the recent Spending Review that Councils could levy in 2022/23 an Adult Social Care Precept of 1% in addition to a 1.99% Core Council Tax increase. There is also the option for the Council to use some or all of the balance of the 2.5% Adult Social Care Precept from last financial year but the extent to which this is necessary will depend on the allocation of funding from the Local Government Finance Settlement in December, and confirmation of District and Borough Council Tax Bases in January.
7. The gap over 2022/23 and the following four years is expected to continue grow. Tackling this gap will require a fundamentally different approach, and work has already begun on the budget for 2023/24 and beyond. The Council has adopted a 'Twin Track' approach with Track 1 focussing on the 2022/23 budget whilst Track 2 simultaneously begins to address the medium-term outlook, with cross-Directorate transformation opportunities that focus on delivering priority objectives within constrained funding.
8. The Draft Budget Assumes that £5m of Track 2 efficiencies (i.e. those that will predominately deliver benefits in the medium-term) will be accelerated into 2022/23. Proposals to accelerate efficiencies, including stretching the £5m target where possible to help close the gap, are being developed between now and the final budget. Select Committees will be consulted in 2022 before any changes arising from the proposals are implemented.

<b>Engagement:</b>
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9. Through September and October, we carried out research with residents to understand their priorities for how the Council should spend its money. We carried out an online and telephone survey with 1,087 residents who were statistically representative of Surrey's population aged 16 and over. These were complemented with online workshops with 73 residents to gather in-depth opinion on topics, such as how the Council should spend its money and make

efficiencies to balance the budget.

10. Residents indicated that they were willing to accept increases in Council Tax and the Adult Social Care Precept if it was for the purpose of protecting services that work with some of the most vulnerable people in Surrey. The engagement demonstrated that resident priorities align with those of the Council, with top priorities for residents including Social Care for people of all ages, Waste services and Fire and Rescue. There was also support for more investment in preventative services and for placing those residents most at risk of being left behind in Surrey at the heart of decision-making. Residents wanted a more active role in what happens in their localities.
11. In November to December 2021, engagement will continue with residents, businesses, District and Borough councils, other public service partners and voluntary, community and faith sector organisations to get their views on the draft budget, how resources are proposed to be spent and the impact on residents and communities. The results from this will be published in the final Budget paper for Cabinet in January and full Council in February.

#### **Budget Scrutiny**

12. Annex 1 sets out the budget proposals, including the latest calculated revenue budget requirement compared to the current budget envelopes based on the Council's estimated funding, the service budget strategy, information on revenue pressures and efficiencies and a summary of the Capital Programme. The Select Committee should review, exploring significant issues and offering constructive challenge to the relevant Cabinet Members and Executive Directors.
13. Members should consider how the 2022/23 Draft Budget supports the Council in being financially stable whilst achieving Directorate and Corporate priorities and the Council's Vision for 2030. The budget aims to balance a series of different priorities and risks with options on investment, efficiencies and increases in the rate of Council Tax. It is appropriate for the Committee to consider how successful the budget is in achieving this.

#### **Conclusions:**

14. The provisional Local Government Finance Settlement in mid-December, to be finalised in January 2022, will clarify the funding position for the Council. Once funding is clear, Directorate pressures, efficiency requirements, the level of ASC Precept and the Capital Programme will be finalised.

#### **Recommendations:**

15. That each Select Committee agrees a set of recommendations to the Cabinet, pertinent to their area, which will be reflected in the Final Budget Report to Cabinet in January 2022.

<b>Next steps:</b>
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16. The recommendations resulting from Select Committee scrutiny process will be compiled and reported to the Cabinet meeting on 25<sup>th</sup> January 2022.

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**Report contact**

Mark Hak-Sanders – Strategic Finance Business Partner (Corporate)

**Contact details**

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**Annexes:**

Annex 1: 2022/23 Draft Budget Report and Medium-Term Financial Strategy to 2026/27 – Scrutiny Report

**Sources/background papers**

- 2022/23 Draft budget and medium-term financial strategy report to Cabinet 30<sup>th</sup> November 2021

# **Resources and Performance Select Committee Draft Report**

## **2022/23 Draft Budget Report and Medium-Term Financial Strategy to 2026/27**

17<sup>th</sup> December 2021

# Introduction – 2022/23 Draft Budget and Medium-Term Financial Strategy

## Purpose and content

- Set out to Select Committee the 2022/23 Draft Budget and MTFs, setting out:
  - 2022/23 budget gap
  - 2022/23 – 2026/27 Council summary position
  - Detailed Directorate progress (pressures and efficiencies)

## The process to date

- Establish Core Planning Assumptions and funding projections
- Convert the assumptions into the Draft Budget position
- Identify efficiencies to contribute towards closing the gap for 2022/23 and the medium-term
- Draft budget presented to Cabinet 30<sup>th</sup> November with a gap to close before final budget is approved in January

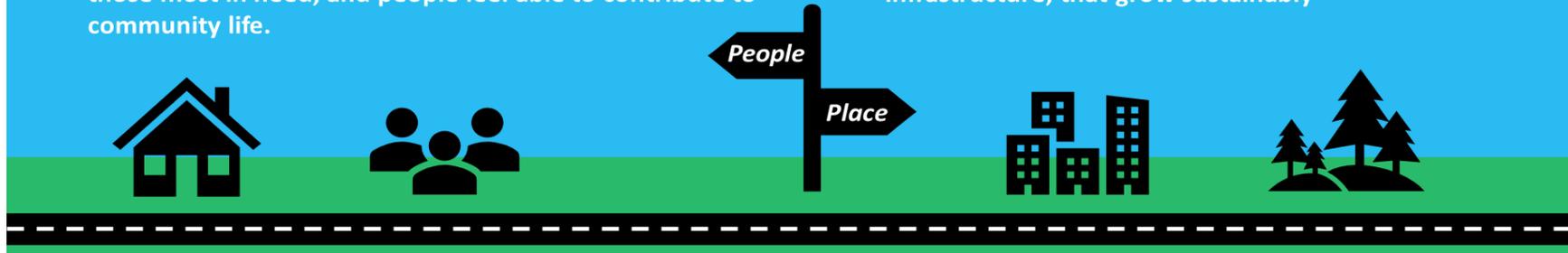
## Next Steps

- Closing the gap
  - Refine core planning assumptions, funding assumptions and Directorate gaps
  - Finalise efficiency and transformation proposals
- Finalise the 2022/23 – 2026/27 Capital Programme
- Consultation with residents on draft proposals and Equality Impact Assessments
- Final Budget to Cabinet in January 2022
- Final Budget to Council February 2022

# Our Focus for the Next 5 Years: 2022–27: Community Vision 2030 and Priority Objectives

We want Surrey to be 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.

- ★ Children and young people are safe and feel safe and confident.
- ★ Everyone benefits from education, skills and employment opportunities that help them succeed in life.
- ★ Everyone lives healthy, active and fulfilling lives, and makes good choices about their wellbeing.
- ★ Everyone gets the health and social care support and information they need at the right time and place
- ★ Communities are welcoming and supportive, especially of those most in need, and people feel able to contribute to community life.
- ★ Residents live in clean, safe and green communities, where people and organisations embrace their environmental responsibilities
- ★ Journeys across the county are easier, more predictable and safer
- ★ Everyone has a place they can call home, with appropriate housing for all
- ★ Businesses in Surrey thrive
- ★ Well connected communities, with effective infrastructure, that grow sustainably



Council, partners, citizens and businesses working together to design and deliver services at a community level.

Supporting local business grow and provide sustainable benefits to the communities that they serve.

## PRIORITY OBJECTIVES

**Growing a sustainable economy so everyone can benefit**

Support people and businesses across Surrey to grow during the economic recovery and re-prioritise infrastructure plans to adapt to the changing needs and demands of residents at a time of financial challenges.

**Tackling health inequality**

Drive work across the system to reduce widening health inequalities, increasing our focus on addressing mental health and accelerating health and social care integration to reduce demand on services while improving health outcomes for residents



**Enabling a greener future**

Build on behaviour changes and lessons learnt during lockdown to further progress work to tackle environmental challenges, improve air quality and focus on green energy to make sure we achieve our net zero targets



**Empowering communities**

Reinvigorate our relationship with residents, empowering communities to tackle local issues and support one another, while making it easier for everyone to play an active role in the decisions that will shape Surrey's future



# 2022/23 Draft Budget

- The table shows the overall picture for the Council for 2022/23 against estimated funding
- Pressures, efficiencies and funding will continue to iterate over December
- In particular, funding estimates are subject to clarification as our understanding of Government Funding, Council Tax and Business Rates estimates continue to develop
- Local Government Finance Settlement (**inc detail on SCC share of £1.6bn new funding**) expected mid-December
- Draft budget includes net pressures of £71.7m offset by an assumed funding increase of £2.4m and efficiencies of £49.8m, leaving a net gap of £19.5m. Detailed pressures and efficiencies are set out in subsequent slides

Directorate	Base Budget £m	Pay and Contract Inflation £m	Demand and other pressures £m	Efficiencies £m	Total Budget Require- ment £m	Budget Envelope (initial allocation of funding) £m	Gap £m
Adult Social Care	377.2	15.5	22.6	(19.4)	395.8	369.6	26.2
Public Service Reform and Public Health	34.0	0.2	0.2	(0.3)	34.0	34.0	0.0
Children, Families and Lifelong Learning	219.7	11.3	5.0	(13.8)	222.3	220.1	2.2
CFL - DSG High Needs Block	23.8	0.0	3.4	0.0	27.2	18.5	8.6
Environment, Transport and Infrastructure	140.3	3.5	2.5	(6.5)	139.8	137.5	2.3
Community Protection Group	37.3	1.5	0.8	(0.2)	39.4	36.6	2.9
Customer and Communities	11.0	0.6	0.1	(0.8)	10.9	10.8	0.2
Prosperity, Partnerships and Growth	1.3	0.0	0.2	0.0	1.5	1.3	0.3
Communications, Public Affairs and Engagement	1.7	0.0	0.2	0.0	1.9	1.7	0.2
People and Change	6.6	0.1	0.0	(0.2)	6.6	6.4	0.1
Resources	69.2	1.9	1.4	(3.6)	69.0	68.4	0.6
Central Income and Expenditure	82.6	6.0	(5.4)	(5.0)	78.2	86.3	(8.1)
<b>Directorate Total</b>	<b>1,004.7</b>	<b>40.7</b>	<b>31.0</b>	<b>(49.8)</b>	<b>1,026.6</b>	<b>991.1</b>	<b>35.5</b>
Central Funding	(1,004.7)		(2.4)		(1,007.1)	(991.1)	(16.0)
<b>Council Total</b>	<b>0.0</b>	<b>40.7</b>	<b>28.6</b>	<b>(49.8)</b>	<b>19.5</b>	<b>0.0</b>	<b>19.5</b>

# 2022/23 Draft Council Efficiency Programme

- Efficiencies are rated on risk of acceptability/achievability – £11.1m is currently categorised as red. Efficiencies categorised as red are not unachievable, but complex and challenging to deliver
- Stretch targets for efficiencies are consciously included to ensure full ambition is quantified – corporate contingencies are in place to manage the risk of delivery
- The categorisation is similar to the equivalent point in the 2021/22 budget process, which rated £2.0m green, £28.1m amber and £10.8m as red
- Detail and business cases for the acceleration of Track 2 efficiencies (see slides 10 and 11) will be developed prior to inclusion in the final budget report

	Green £m	Amber £m	Red £m	Total £m
Adult Social Care	3.1	13.8	2.5	19.4
Public Service Reform & Public Health		0.3		0.3
Children, Families & Lifelong Learning	1.4	4.6	7.8	13.8
CFL - DSG High Needs Block				0.0
Environment, Transport & Infrastructure	1.1	4.6	0.8	6.5
Community Protection Group		0.2		0.2
Customer & Communities	0.3	0.5		0.8
Prosperity Partnerships & Growth				0.0
Comms, Public Affairs & Engagement				0.0
People & Change		0.2		0.2
Resources	0.1	3.5		3.6
Acceleration of Track 2 Efficiencies		5.0		5.0
<b>Total Efficiencies</b>	<b>6.0</b>	<b>32.7</b>	<b>11.1</b>	<b>49.8</b>

# 2022-2027 Medium Term Financial Plan

- Directorates were tasked with costing the core planning assumptions and scenarios to arrive at a **pressures and efficiencies** for the MTFS from 2022/23 to 2026/27 to include alongside the Draft Budget
- **Draft estimates of likely funding over the medium-term** from Council Tax, Business Rates and Government Grants have been developed – these will need to be updated for funding announcements expected in December
- Track 2 of the Twin Track programme will lead to a fundamentally different approach to identifying and managing efficiencies in a cross-cutting way, so the Directorate gaps for 2023/24 onwards, presented here, are intended to be indicative rather than definitive
- The Capital Programme will continue to be refined to present the final programme to Cabinet in January, recommended to full Council in February

# 2022-2027 Council Summary Position

- The table shows the overall picture for the Council against estimated funding
- The estimates in some cases are indicative at this early stage and will require review
- 2022/23 shows a gap of £19.5m, growing to £157.4m over the 5-year MTFs
- Funding estimates are based on the most likely outcome but will be kept under review
- Indicative funding in the table, below, will be updated as a result of Spending Review analysis

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m
Brought forward budget	1,004.7	1,026.6	1,040.7	1,056.1	1,088.3	
Directorate Pressures	63.5	38.3	37.4	37.2	33.9	<b>210.3</b>
Increased borrowing costs of Capital Programme	8.4	7.2	8.8	10.9	9.4	<b>44.7</b>
Identified Efficiencies	(50.0)	(31.4)	(30.7)	(16.0)	(9.3)	<b>(137.3)</b>
<b>Total Budget Requirement (after other measures)</b>	<b>1,026.6</b>	<b>1,040.7</b>	<b>1,056.1</b>	<b>1,088.3</b>	<b>1,122.3</b>	
Change in net budget requirement	21.9	14.1	15.5	32.1	34.0	<b>117.6</b>

<b>Opening funding</b>	<b>1,004.7</b>	<b>1,007.1</b>	<b>996.0</b>	<b>986.5</b>	<b>974.3</b>	
Funding (reduction) / increase	2.4	(11.1)	(9.6)	(12.2)	(9.3)	<b>(39.8)</b>
<b>Funding for Year</b>	<b>1,007.1</b>	<b>996.0</b>	<b>986.5</b>	<b>974.3</b>	<b>964.9</b>	

<b>Overall Reductions still to find</b>	<b>19.5</b>	<b>44.6</b>	<b>69.7</b>	<b>114.0</b>	<b>157.4</b>	
Year on Year - Reductions still to find	19.5	25.1	25.0	44.4	43.4	<b>157.4</b>

# 2022-2027 Capital Programme

- The Draft Capital Programme stands at £1.9bn
- The programme assumes £1.2bn of borrowing
- £0.3bn of borrowing relates to schemes that cover their borrowing costs (e.g. Extra Care Housing, Independent Living). Schemes such as this will continue to be prioritised
- The Twin Track approach will continue to explore maximisation of external funding to suppress the amount of borrowing needed
- The annual cost of borrowing is generally 4% of the amount borrowed; a combination of interest and repayment of the amount borrowed
- The budget for borrowing costs is £37.7m in 2021/22 and grows by £44.8m over the course of the MTFS to £82.5m (c8% of the revenue budget)

	2022/23 (£m)	2023/24 (£m)	2024/25 (£m)	2025/26 (£m)	2026/27 (£m)	MTFS Total (£m)
<b>Property</b>						
Budget	91.4	103.4	89.9	78.3	54.5	417.5
Pipeline	78.7	127.6	94.0	50.4	9.0	359.6
<b>Total</b>	<b>170.1</b>	<b>230.9</b>	<b>183.9</b>	<b>128.7</b>	<b>63.5</b>	<b>777.1</b>
<b>Infrastructure</b>						
Budget	114.4	118.0	83.7	104.8	122.3	543.2
Pipeline	41.4	92.4	111.8	94.4	58.1	398.0
<b>Total</b>	<b>155.8</b>	<b>210.4</b>	<b>195.5</b>	<b>199.1</b>	<b>180.4</b>	<b>941.2</b>
<b>IT</b>						
Budget	3.3	5.0	7.9	2.4	2.4	21.1
Pipeline	6.9	10.5	3.0	3.0	2.0	25.4
<b>Total</b>	<b>10.2</b>	<b>15.5</b>	<b>10.9</b>	<b>5.4</b>	<b>4.4</b>	<b>46.5</b>
<b>Your Fund Surrey</b>						
Budget	20.0	20.0	20.0	20.0	10.0	90.0
Pipeline						
<b>Total</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>	<b>20.0</b>	<b>10.0</b>	<b>90.0</b>
<b>Total</b>	<b>356.1</b>	<b>476.9</b>	<b>410.3</b>	<b>353.2</b>	<b>258.3</b>	<b>1,854.7</b>

	2022/23 (£m)	2023/24 (£m)	2024/25 (£m)	2025/26 (£m)	2026/27 (£m)	MTFS Total (£m)
<b>Financing</b>						
Grant / Contribution	115.8	147.5	125.4	127.8	78.3	594.8
Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Revenue	6.8	6.9	6.4	5.9	5.9	31.9
Funded Borrowing	65.7	98.9	70.5	43.1	29.2	307.3
Unfunded Borrowing	167.8	223.7	208.0	176.3	144.9	920.7
<b>Total</b>	<b>356.1</b>	<b>476.9</b>	<b>410.3</b>	<b>353.2</b>	<b>258.3</b>	<b>1,854.7</b>

# Reserves

- The table below shows the current reserves balance of £196.7m and movement over the course of 2020/21
- No significant movements are planned for 2021/22; however unused contingency at outturn will be added to reserve
- **When added to amounts in reserve, total contingency available for 2022/23 is c£58m, plus any unused from 2021/22**
- In addition to earmarked reserves, the Council holds a General Fund balance of £28.0m

	Balance at 31/03/20 £m	Movement in 2020/21 £m	Balance at 31/03/21 £m
Investment Renewals	5.2	(0.1)	5.1
Equipment Replacement	3.9	(0.5)	3.3
Budget Equalisation	44.4	40.0	84.4
Streetlighting PFI Fund	2.5	(0.6)	1.8
Insurance	10.7	(0.1)	10.6
Eco Park Sinking Fund	27.7	(4.6)	23.1
Capital Investment	5.0	2.4	7.4
Interest Rate	1.0	0.6	1.6
Economic Prosperity	11.7	0.0	11.7
Revolving Investment & Infrastructure Fund	11.1	0.0	11.1
Business Rate Appeals	28.6	0.0	28.6
Transformation	1.8	(0.7)	1.1
COVID-19 Emergency Fund	24.2	(18.1)	6.1
CFLC Inspection and System Improvements	1.3	(0.6)	0.7
<b>Subtotal before DSG High Needs Block Deficit</b>	<b>179.0</b>	<b>17.7</b>	<b>196.7</b>
DSG High Needs Block	48.6	34.5	83.1
DSG High Needs Block Offset Reserve	(48.6)	(34.5)	(83.1)
<b>Total General Fund Reserves</b>	<b>179.0</b>	<b>17.7</b>	<b>196.7</b>

# Consultation and engagement - next steps

## Resident budget priorities research – headlines

From September to October, we worked with Lake market research to better understand residents' priorities for how we spend our budget

Headlines:

- Residents want **funding for services that support vulnerable residents protected**, and are more likely to agree with a rise in council tax and ASC precept to achieve this.
- They support **shifting investment to early intervention and prevention**.
- They want **council services to join up more effectively** to improve broader outcomes.
- Residents most at risk of being left behind in Surrey **should be at the heart of the decision-making process**.
- There is significant demand for residents **to be more involved in decision-making and delivery** affecting local places.
- More guidance wanted from the council and partners to **help residents make practical changes** to make a difference in their local place and communities.
- Residents want the Council to lobby Central Government to provide more support for Surrey to transition to a greener future.

An Executive Summary was published with the Draft Budget giving more detailed feedback (Annex C).

## Draft 2022/23 budget – proposed approach to consultation

We propose moving to a new phase of engagement to test the draft 2022/23 budget with residents and other stakeholders.

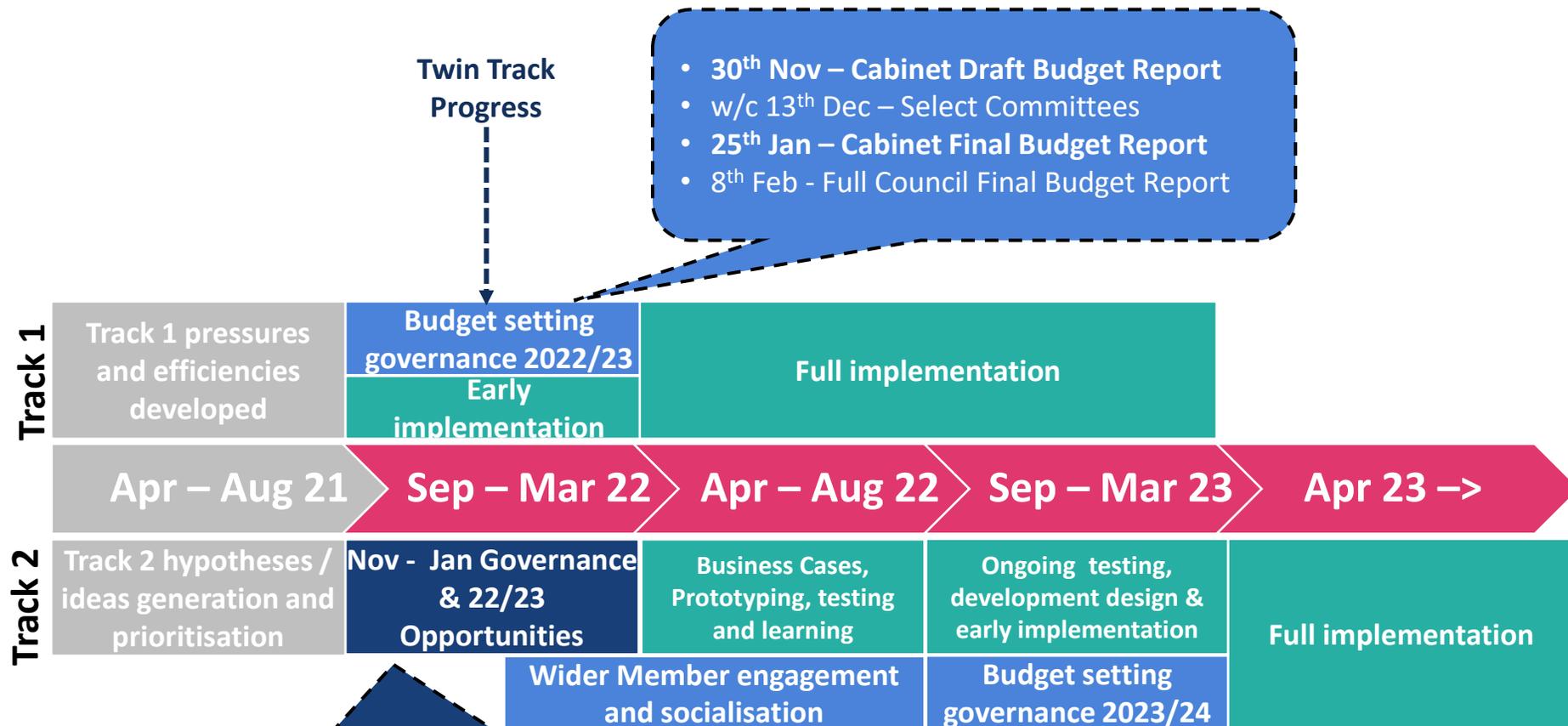
This will include:

- A **call for evidence** setting out key draft budget proposals such as any proposed increase to council tax, planned efficiencies and headline investments from our capital programme.
- It will be **open to all stakeholders** to respond including residents, partners, elected Members and staff. Proposed engagement period is 30 November to 28 December.
- This will help us to **anticipate support and resistance to the draft budget's proposals** from stakeholders and prepare to respond to this.
- This will be complemented **with face-to-face/virtual engagement with key stakeholders**, using existing meetings where possible.

## What are the benefits of this approach?

- Responds to Select Committees' concerns about the need for an open engagement process on the budget for residents;
- Gauges feedback on actual proposals (Lake work dealt in hypotheticals)
- Helps services mitigate against any adverse impacts on residents as efficiencies delivered
- Highlights risks and/or tensions that may affect delivery of track 2 of the Twin Track, e.g., opportunities requiring significant partnership working
- Helps shape messaging for the final budget

# Overall Twin-Track Timeline

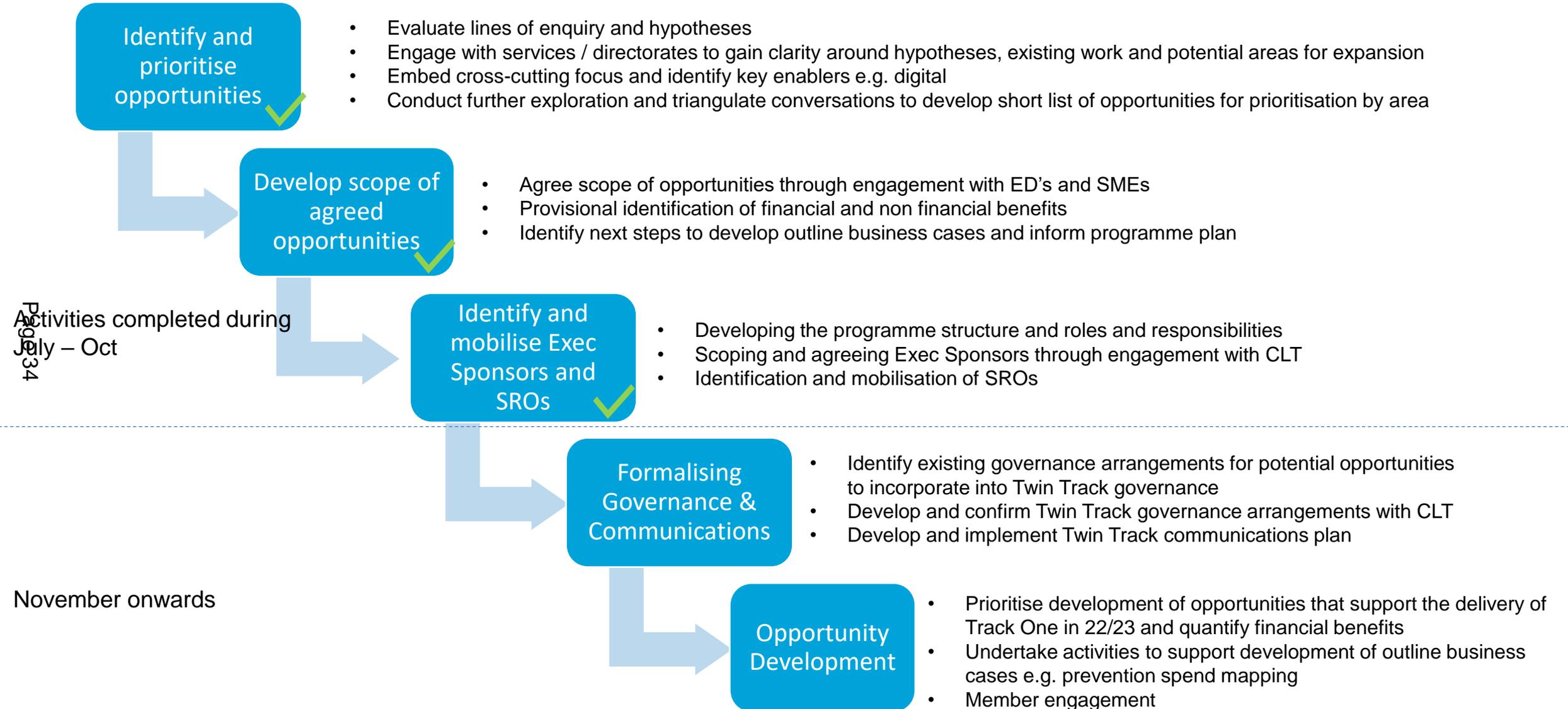


Twin Track Progress

- 30<sup>th</sup> Nov – Cabinet Draft Budget Report
- w/c 13<sup>th</sup> Dec – Select Committees
- 25<sup>th</sup> Jan – Cabinet Final Budget Report
- 8<sup>th</sup> Feb - Full Council Final Budget Report

- Formalising Twin Track Governance and roadmap
- Finalise scope for ambition and benefits of TT opportunities, building a more accurate financial / outcomes picture
- Prioritise development of opportunities with potential to support Track One to deliver in 22/23
- Develop and implement TT communications plan

# Track 2 Update



**Directorate Pack – Note the  
Pressures and Efficiencies are  
provided for all Directorates**

# Directorate Pack – Resources

# Summary of Services Provided by Directorate

 Land & Property

 IT&D

 Finance

 Performance Management

 Legal

 Democratic Services

 Leadership Office

 Strategy & Policy

 Transformation & Strategic Commissioning

 Twleve15

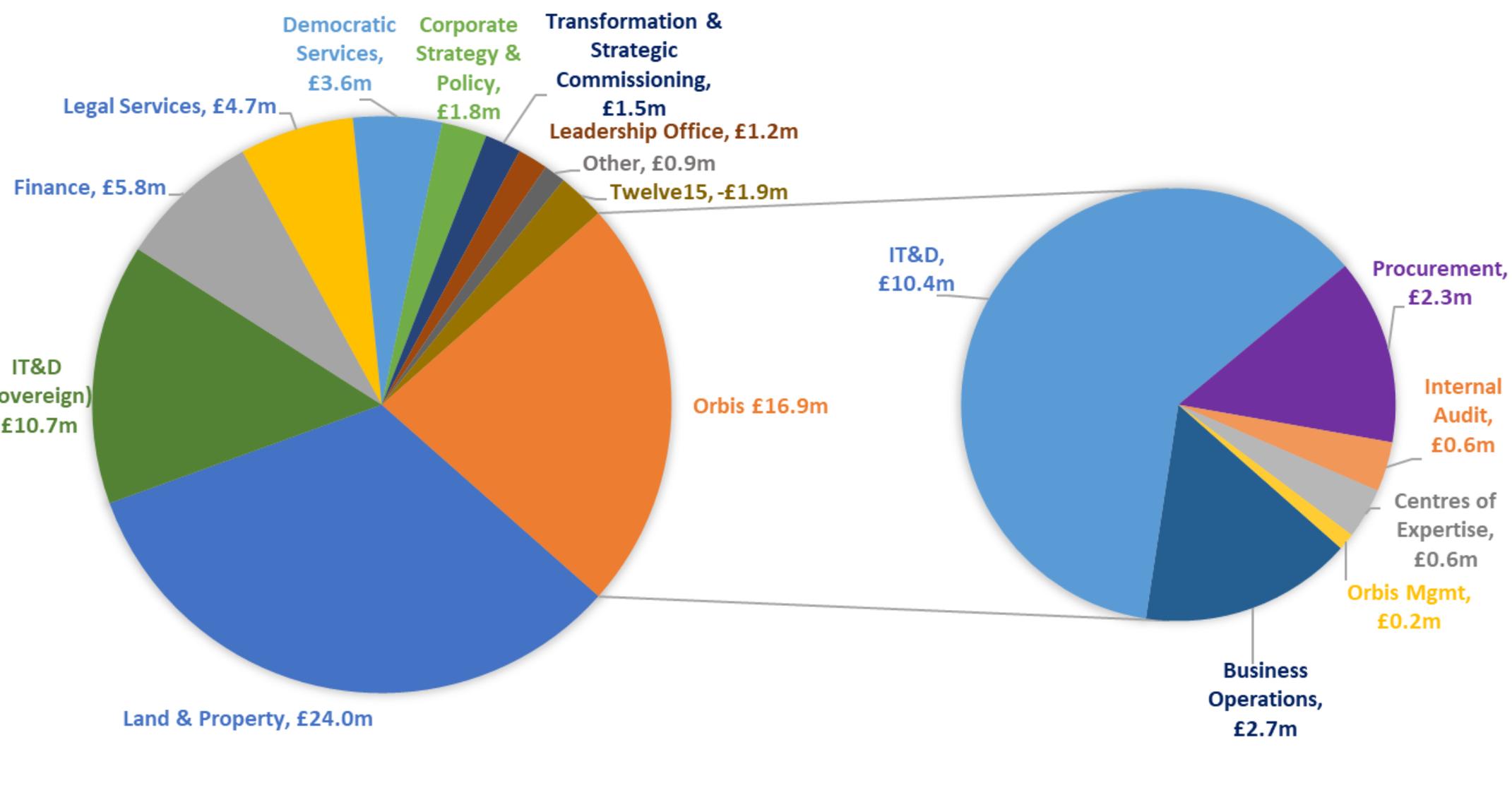
 Orbis Partnership

 Procurement

 Business Operations

# How is the service budget spent – breakdown of major services

Page 38



The chart shows the split of the Resources budget by service. Showing the largest areas of spend as Land & Property, SCCs contribution to the Orbis Joint Operating Budget and the IT&D sovereign budgets. The Finance Service budget includes contributions to the Self Insurance Fund.



# How is the service budget spent – subjective analysis

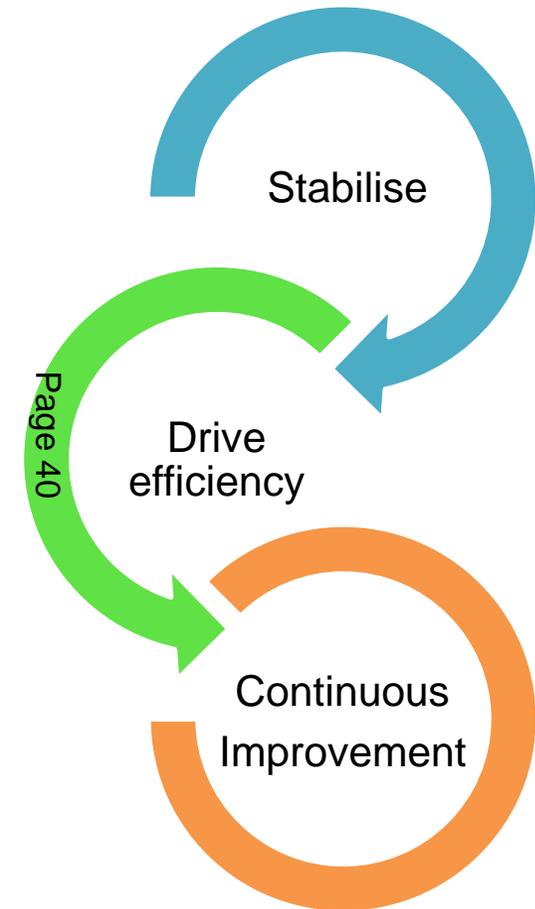
Type of expenditure/ income	2021/22 net budget £m
Staffing	40.9
Orbis Contribution *	16.9
IT costs	10.7
Property Repairs & Maint	9.0
Purchase of food	7.3
Property Rates	5.9
Property rents	4.5
Utilities	3.4
Other Expenditure	9.8
Schools meals income	-20.0
Property Income	-6.6
Other Income	-12.5
<b>Net expenditure</b>	<b>69.2</b>

The majority of the Resources budget is spent on staffing, as can be seen in the table. The Orbis contribution is also primarily spend on staffing costs. Other significant areas of spend relate to the purchase of food within Twelve15, premises costs in Land & Property (both running costs & repairs and maintenance) and IT costs.



# Service strategy headlines for 2022-27 MTFS

The Resources Directorate improvement programme aims to ensure the consistent delivery of high quality, trusted advice and services, performing to their full potential and in a collaborative way, as a key enabler for the County Council to achieve the best outcomes for local residents.



Initially the Directorate focused on stabilising and raising the quality of services provided

2022/23 begins the process of identifying efficiencies - through the improvement programme the Directorate are looking to provide efficient services without reducing the service offer.

Looking into the medium term the Directorate will embed an ethos of driving continuous improvement and driving out efficiencies, without impacting service quality. Programmes enabling this approach include:

Implementation of My Surrey

Agile Office Estate Strategy

Renewed focus for estate rationalisation

Review of the Orbis partnership,

Transformation projects in Pensions Admin, Twelve15 and Land & Property.

Adopting a Business Partnering Approach

# 2021-26 MTFS Budget Summary for Resources

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m	£m
Brought forward budget	69.2	69.2	69.0	68.5	68.8	69.0	
Directorate Pressures		3.3	1.9	1.7	1.8	1.6	<b>10.3</b>
Identified Efficiencies		(3.6)	(2.3)	(1.5)	(1.5)	0.0	<b>(8.9)</b>
<b>Total Budget Requirement</b>		<b>69.0</b>	<b>68.5</b>	<b>68.8</b>	<b>69.0</b>	<b>70.6</b>	
Change in net budget requirement		(0.3)	(0.4)	0.2	0.3	1.6	<b>1.4</b>

<b>Opening Directorate budget envelope</b>	<b>69.2</b>	<b>68.3</b>	<b>67.0</b>	<b>65.6</b>	<b>63.9</b>	
Share of funding reductions and borrowing costs	(0.9)	(1.4)	(1.4)	(1.7)	(1.4)	<b>(6.8)</b>
<b>Budget envelope for the year</b>	<b>68.3</b>	<b>67.0</b>	<b>65.6</b>	<b>63.9</b>	<b>62.5</b>	

<b>Overall Reductions still to find</b>	<b>0.6</b>	<b>1.6</b>	<b>3.2</b>	<b>5.2</b>	<b>8.1</b>	
<b>Year on Year - Reductions still to find</b>	<b>0.6</b>	<b>1.0</b>	<b>1.6</b>	<b>2.0</b>	<b>3.0</b>	<b>8.1</b>

Table may not sum due to rounding

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Pressures within the Directorate are linked to inflation (pay, non-pay and additional NI contributions), increases in Microsoft licence costs and the need to strengthen a number of the teams in order to meet growing corporate ambitions and growing demand (Strategy, EDI, Leadership Office).

In a number of services, the challenge to mitigate emerging pressures within existing budgets has resulted in the reduction of pressures overall, but there is a risk associated with this approach and a need for detailed budget reviews to be undertaken to ensure this is achievable.

Efficiencies relate to the realisation of benefits from the implementation of a new ERP system, reflecting changes brought about from a review of contribution rates from services within the Orbis partnership and the disaggregation of Business Operations. In addition, there are improvement programmes in place in a number services across the Directorate, resulting in efficiencies within Land and Property and Twelve15.

# Summary of budgeted pressures

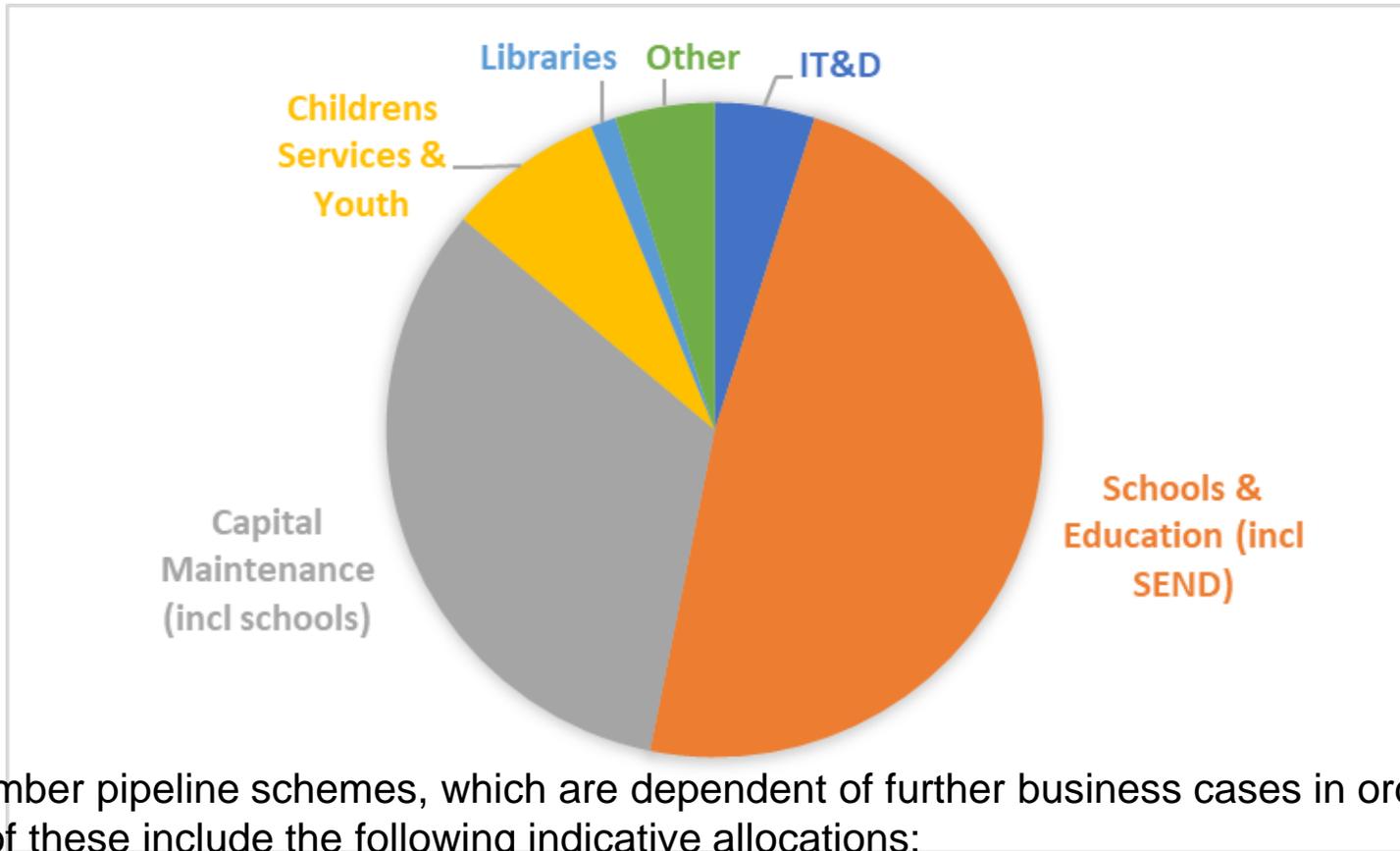
Pressure	2022/23 £m	Total MTFS £m
IT&D - Microsoft Contract price increase - Contract due to be renegotiated via Crown Commercial Services - indicative level of contract increase and inclusion of Business Analytics tool.	0.5	0.5
Twelve15 - Loss of contracts with schools for the provision of school meals	0.5	0.5
IT&D - Loss of income from Data Centre contract as key clients migrate to SaaS solutions.	0.0	0.1
IT&D - Ongoing costs of Technical Advocates. New posts established to help embed new digital and agile ways of working	0.0	0.2
Resources Leadership - Increased capacity in relation to change management and business support	0.2	0.2
Strategy Team - Additional capacity to support Council-wide strategy and enhance ability to support people, place and organisational portfolios	0.1	0.1
Changes to staffing structure of Leadership Office	0.1	0.1
Pay inflation – expected inflationary increase in salary costs	0.8	4.1
Non-Pay Inflation – expected inflationary increase in contract costs	0.8	4.3
Additional NI contributions – expected impact of increase in Employers National Insurance Contributions	0.3	0.3
<b>Total budgeted pressures</b>	<b>3.3</b>	<b>10.3</b>

# Planned efficiencies

Efficiency Proposal	2022/23 £m	Total MTFS £m	2022/23 RAG
IT&D - DBI programme implementation results in reduced running costs of new system	0.1	0.3	A
Orbis - efficiencies realised from a comprehensive review of the partner contribution rates, the disaggregation of business operations service, alongside the implementation of the new ERP system enabling more streamlined processes	1.0	2.0	A
L&P - Variety of measures including asset rationalisation, improved supply chain management and a review of income generation	1.5	5.5	A
IT&D - Reduction in ongoing licencing costs as a result of Hyperconvergence systems purchase	0.1	0.1	G
Cross Directorate – Review of Business Support	0.2	0.2	A
Twelve15 – actions to return income to pre-COVID levels	0.5	0.5	A
Twelve15 -Efficiencies relating to staffing restructure and measures to increase customer base/income generation	0.2	0.3	A
Strategy Team – Healthwatch contract efficiencies	0.0	0.0	G
<b>Total</b>	<b>3.6</b>	<b>8.9</b>	

# Draft Capital Programme

The Proposed Capital Programme for Resources totals £428m over 5 years. £21m for IT&D and a further £407m managed within Land & Property.



In addition, there are a number pipeline schemes, which are dependent of further business cases in order to be included in the capital programme. The largest of these include the following indicative allocations:

- £63m - Extra Care Housing – part of the strategic ambition to build 725 units of affordable accommodation across Surrey by 2030.
- £60m - SEND Phase 4 – increasing places for special education needs
- £44m - Independent Living – building new units of supported independent living accommodation as part of the broader strategic ambition to support the development of 500 units for people with a learning disability or autism across Surrey.
- £34m - Libraries Transformation Phase 1 (includes net zero activities) – investment in libraries across the County
- £28m - Corporate Asset Capital Programme Spend – estate rationalisation including building community hubs

# **Directorate Pack – Customer & Communities**

# Summary of Services Provided by Directorate

***A mix of statutory services, core functions, income generating services and key enablers for future ways of working:***

**Community Partnerships:** Over 50,000 residents reached through online community engagement; 1,215 comments/ideas for Your Fund Surrey (£100 million capital fund) posted on Commonplace map; increasing member involvement in local engagement; administering Member Communities Allocation Fund

**Customer Services:** Over 200,000 calls; 8 million web visits; 16,000 Blue Badge applications, 80,000 emails and 18,000 twitter mentions received in a year

**Libraries:** 52 libraries + History Centre; 4,631,871 items borrowed (in 2019/20); 2,905,618 visits (in 2019/20); 303,692 registered borrowers (2019/20); 1,000 events held each month; over 142,000 views of online events

**Registration:** circa 18,000 births, 11,000 deaths & 3,300 marriages and civil ceremonies per year; top 3 nationally for birth and top 5 for death registrations; over 90,000 new & copy certificates issued

**Heritage:** Public downloads of digitised images: 10,136,302-page impressions in 2020/21 - 34% increase from 19/20 (3<sup>rd</sup> in CIPFA ranking); 3,266 public enquiries; over 10,000 images added to online catalogue

**Surrey Arts:** 3,495 young people accessing instrumental and vocal tuition in 2020/21; music hub working with 356 schools; number of young people participating in ensembles: 894

# How is the Directorate Budget Spent

The Net budget for the Directorate for 2021/22 amounts to c£11m. This includes significant income budget in excess of c£10m across Cultural Services.

Income to the Directorate comes primarily from weddings (from providing registrars services at both registry offices and licenced venues), income from music lessons provided by Surrey Arts in schools and income from archaeology services, fines and reservation charges in libraries and blue badge fees in customer services.

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All areas have undergone significant improvements over the last 3 years and significant cost reduction. For example the Libraries Service net budget has reduced by 30% and the Customer Services budget by over £400k.

	Expenditure	Income	Net budget
	£m	£m	£m
Directorate Leadership	0.4	-	0.4
Libraries	7.6	1.1	6.4
Surrey Arts	4.4	4.2	0.1
Heritage	1.3	0.5	0.8
Registrations	2.0	3.1	1.1
Active Surrey	1.5	1.5	-
Community Partnerships	1.5		1.5
Customer Services	2.9	0.2	2.7
	<b>21.6</b>	<b>10.6</b>	<b>11.0</b>

# Service Strategy Headlines

- Although a newly formed Directorate, all areas have undergone (or are undergoing) significant improvement & cost reduction. The ambition is not only to ensure the sustainability and quality of service delivery, but to think creatively about how services are delivered.
- COVID-19 has had a significant impact on achievable income levels over the past 18 months; specifically, within Cultural Services. Current budget planning assumption is that income returns to pre-COVID levels; any sustained impact would put the delivery of services within agreed budget envelopes under pressure.
- In addition to working to ensure that income levels return to pre-COVID levels, the Directorate has identified additional budget pressures relating to inflation and unachievable prior year efficiencies which it has had to identify efficiencies to off-set.

Looking into the medium term, further efficiencies are anticipated through driving forward key transformation programmes to continue to adapt and improve services to meet the changing needs to our residents and ensure financial sustainability:

- **Customer Experience** - Making people's experience of dealing with the Council quicker, easier, and better by shaping a new relationship with our customers, managing their enquiries in a more efficient, proactive, and connected way and increasing our use of digital self-serve technologies;
- **Libraries and Culture Transformation** - delivering a modern and efficient set of services across Libraries, Arts and Heritage reducing net cost and increasing impact for communities in Surrey; and
- **Enabling empowered communities** - Providing the foundations, delivery arm and a learning approach to reinvigorate our relationship with residents, empowering communities to tackle local issues and support one another, while making it easier for everyone to play an active role in the decisions that will shape Surrey's future.

# 2021-26 MTFS Budget Summary for Customers & Communities

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m	£m
Brought forward budget	11.0	11.0	10.9	11.4	11.9	12.5	
Directorate Pressures		0.7	0.5	0.5	0.5	0.6	<b>2.8</b>
Identified Efficiencies		(0.8)	0.0	0.0	0.0	0.0	<b>(0.8)</b>
<b>Total Budget Requirement</b>		<b>10.9</b>	<b>11.4</b>	<b>11.9</b>	<b>12.5</b>	<b>13.0</b>	
Change in net budget requirement		(0.1)	0.5	0.5	0.5	0.6	<b>2.0</b>

<b>Opening Directorate budget envelope</b>	<b>11.0</b>	<b>10.8</b>	<b>10.6</b>	<b>10.3</b>	<b>10.1</b>	
Share of funding reductions and borrowing costs	(0.2)	(0.2)	(0.2)	(0.3)	(0.2)	<b>(1.2)</b>
<b>Budget envelope for the year</b>	<b>10.8</b>	<b>10.6</b>	<b>10.3</b>	<b>10.1</b>	<b>9.8</b>	

<b>Overall Reductions still to find</b>	<b>0.2</b>	<b>0.9</b>	<b>1.6</b>	<b>2.4</b>	<b>3.2</b>	
Year on Year - Reductions still to find	0.2	0.7	0.7	0.8	0.8	<b>3.2</b>

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Table may not sum due to rounding

Significant progress to close the gap has been made. However, there remain risks and challenges to the delivery of the proposed budget envelope for the Directorate for the coming year:

- Cultural service budgets contain a significant proportion of income from fees and charges. These were disproportionately impacted by lockdown due to the inability to open services. Bringing those income levels back to pre-pandemic levels is a risk for longer term sustainability within the service
- Sustained demand relating to the community helpline and test and trace, within customer services, places a risk on the ability to deliver transformation within the service and the ongoing delivery of efficiencies

Opportunities to further contribute to the Council's medium term budget challenge in future years exist in relation to the following activities underway:

- Enabling empowered communities - by handing more powers and resources directly to communities, designing services locally with them, and making it easier for everyone to play an active role in the decision making
- Customer Experience – aiming to enhance our relationship with our customers, managing their enquiries in a more efficient, proactive and connected way and increasing our use of digital self-serve technologies
- Transforming the library service

# Summary of budgeted pressures

Pressure	2022/23 £m	Total MTFS £m
Pay inflation – expected inflationary increase in salary costs	0.5	2.6
Non-Pay Inflation – expected inflationary increase in contract costs	0.0	0.0
Additional NI contributions – expected impact of increase in Employers National Insurance Contributions	0.1	0.1
Impact of the non-achievement of efficiencies in 2020/21 in respect of the vacancy factor within libraries service	0.1	0.1
<b>Total budgeted pressures</b>	<b>0.7</b>	<b>2.8</b>

# Planned efficiencies

Efficiency Proposal	2022/23 £m	Total MTFS £m	2022/23 RAG
Libraries Service Restructure – full year effect of the libraries service re-structure	0.2	0.2	G
Cultural Services Efficiencies – a number of planned activities to drive out efficiencies, including a comprehensive review of the Heritage Service, extending the number of teaching weeks for Surrey Atts, review of charging models for Registrations and review of supplier contracts within the Libraries services.	0.4	0.4	A
Planned end to historic grant contribution to Watts Gallery	0.1	0.1	G
Community Partnerships – Re-set of staffing and non-staffing budgets to support new ways of working.	0.1	0.1	A
<b>Total</b>	<b>0.8</b>	<b>0.8</b>	

# Draft Capital Programme

The draft Capital Pipeline contains £34m of investment to enable the libraries transformation programme.

This is a five-year programme of work to modernise library settings across Surrey to;

- enable libraries to meet the changing needs of communities,
- support wider strategic priorities,
- ensure library assets are fit and sustainable for the future.

The overall approach to this programme was approved by Cabinet in November 2021. Individual detailed business cases will subsequently be developed and brought forward for agreement as the programme is progressed. These will be based upon service analysis and prioritise key locations based on need and opportunity.

## **Directorate Pack:**

- People & Change**
- Comms, Public Affairs & Engagement**

# 2021-26 MTFS Budget Summary for People and Change

The Directorate plays a central role in building and sustaining a positive organisational culture and ensuring that we are resourced and trained effectively now, and in the future so the organisation is enabled to deliver the best for the residents of Surrey.

The People & Change service operates within an existing budget of £6.6m.

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m	£m
Brought forward budget	6.6	6.6	6.6	6.5	6.5	6.5	
Directorate Pressures		0.2	0.1	0.1	0.1	0.1	<b>0.7</b>
Identified Efficiencies		(0.2)	(0.2)	(0.1)	(0.2)	(0.2)	<b>(0.9)</b>
<b>Total Budget Requirement</b>		<b>6.6</b>	<b>6.5</b>	<b>6.5</b>	<b>6.5</b>	<b>6.4</b>	
Change in net budget requirement		0.0	(0.1)	(0.0)	(0.0)	(0.1)	<b>(0.2)</b>
<b>Opening Directorate budget envelope</b>		<b>6.6</b>	<b>6.4</b>	<b>6.3</b>	<b>6.2</b>	<b>6.0</b>	
Share of funding reductions and borrowing costs		(0.1)	(0.1)	(0.1)	(0.2)	(0.1)	<b>(0.7)</b>
<b>Budget envelope for the year</b>		<b>6.4</b>	<b>6.3</b>	<b>6.2</b>	<b>6.0</b>	<b>5.9</b>	
<b>Overall Reductions still to find</b>		<b>0.1</b>	<b>0.2</b>	<b>0.3</b>	<b>0.5</b>	<b>0.5</b>	
<b>Year on Year - Reductions still to find</b>		<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.5</b>

Table may not sum due to rounding

For 22/23 onwards the service pressures relate only to inflation (both pay and non-pay).

Identified efficiencies relate to both trading services with schools and efficiencies that are realisable as a result of the implementation of the new ERP system

# Summary of budgeted pressures & planned efficiencies

Pressure	2022/23 £m	Total MTFS £m
Pay inflation – expected inflationary increase in salary costs	0.1	0.4
Non-Pay Inflation – expected inflationary increase in contract costs	0.0	0.2
Additional NI contributions – expected impact of increase in Employers National Insurance Contributions	0.0	0.0
<b>Total budgeted pressures</b>	<b>0.2</b>	<b>0.6</b>

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Efficiency Proposal	2022/23 £m	Total MTFS £m	2022/23 RAG
Efficiencies linked to the implementation of a new ERP system and improved processes	0.1	0.2	A
Additional income generation activities through traded services with schools	0.1	0.7	A
<b>Total</b>	<b>0.2</b>	<b>0.9</b>	

# 2021-26 MTFFS Budget Summary for Comms, Public Affairs & Engagement

The Communications, Engagement & Public Affairs service is responsible for developing a Communications Strategy for Surrey County Council, mapping out a high-level narrative based on organisational priorities, underpinned by ‘super campaigns’ and ongoing resident and stakeholder communications.

The Communications, Public Affairs and Engagement Service operates within an existing budget of £1.7m.

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m	£m
Brought forward budget	1.7	1.7	1.9	1.9	2.0	2.0	
Directorate Pressures		0.2	0.0	0.0	0.0	0.0	0.3
Identified Efficiencies		0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Budget Requirement</b>		<b>1.9</b>	<b>1.9</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	
Change in net budget requirement		0.2	0.0	0.0	0.0	0.0	0.3
<b>Opening Directorate budget envelope</b>		<b>1.7</b>	<b>1.7</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	
Share of funding reductions and borrowing costs		(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)
<b>Budget envelope for the year</b>		<b>1.7</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.5</b>	
<b>Overall Reductions still to find</b>		<b>0.2</b>	<b>0.3</b>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>	
Year on Year - Reductions still to find		0.2	0.1	0.1	0.1	0.1	0.5

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Table may not sum due to rounding

In additional to inflationary pressures (pay and non-pay), the budget proposals assume the sustained requirement for the increase in the budget in 21/22 for COVID related pressures. The service continues to maintain good, clear, consistent communication in support of the County’s recovery from the pandemic including providing enhanced communications relating to the medium-term impacts of the pandemic, such as mental health, domestic abuse and financial hardship.

Additional pressures relate to the need to strengthen capacity to ensure sustainable support to CPG



# Summary of budgeted pressures

Pressure	2022/23 £m	Total MTFS £m
Communication and engagement support to CPG	0.2	0.2
Pay inflation – expected inflationary increase in salary costs	0.0	0.1
Non-Pay Inflation – expected inflationary increase in contract costs	0.0	0.0
Additional NI contributions – expected impact of increase in Employers National Insurance Contributions	0/0	0.0
<b>Total budgeted pressures</b>	<b>0.2</b>	<b>0.3</b>

# **Pressures and Efficiencies in Other Directorates**

# Adult Social Care Pressures

Pressure	2022/23 £m	Total MTFS £m
2021/22 care package carry forward pressure	18.1	18.1
Pay inflation and other staffing pressures	4.0	11.2
Price inflation (care packages & contracts)	11.5	62.3
Care package demand	5.7	29.6
Community equipment demand	0.0	0.7
Discharge to Assess from 2022/23	1.0	1.0
Liberty Protection Safeguards	1.7	3.5
Assumed increase to ASC Better Care Fund income	(3.9)	(3.9)
<b>Total budgeted pressures</b>	<b>38.0</b>	<b>122.4</b>

# Adult Social Care Efficiencies

Group	Efficiency	2022/23 £m	Total MTFS £m	2022/23 RAG	ASC Transformation programme	
1	Changing models of care	Remodel Learning Disabilities & Autism day support services	2.3	5.3	A	Learning Disability & Autism
		Strategic shift from Learning Disability / Autism residential care to independent living	0.7	2.2	A	Accomm with Care & Support
		Create affordable Extra Care Housing county-wide offer for Older People	0.0	1.4	A	Accomm with Care & Support
2	Strength based practice	Enhance strength based practice and ensure appropriate Section 117 Aftercare funding for Mental Health care services	0.9	1.1	A	Mental Health
		Older People strength based reviews	0.5	0.6	R	N/A - Business as usual
			0.7	1.1	A	
			0.3	0.5	R	N/A - Business as usual
		Physical & Sensory Disability strength based reviews	0.4	0.4	A	
			0.7	1.2	R	
		Learning Disability & Autism strength based reviews excluding day care	0.8	2.0	A	Learning Disability & Autism
Use of Technology Enabled Care at the front door	0.5	2.5	A	Enabling you with Technology		
	Consistent practice for supporting people at home including use of Technology Enabled Care	1.2	2.2	A	Care pathways and	
		0.6	1.1	R	Enabling you with Technology	
3	Purchasing care cost effectively	Improved purchasing of Older People nursing/residential placements	1.9	4.7	A	Market management
		Maximise usage of block contract residential beds	1.1	1.1	A	Market management
		Improved purchasing of Home Based Care packages	0.6	2.7	G	
			0.4	1.9	A	Market management
			0.1	0.6	R	
	Improved purchasing of Learning Disability & Autism 65+ residential care	0.2	0.8	A	Learning Disability & Autism	
		0.2	0.8	R		
4	In-house provision	Review of Older People in-house services	0.9	10.1	A	Evaluate In-House services
		Review of Learning Disability in-house services	0.7	0.7	A	Evaluate In-House services
5	CHC related	Resolution of Continuing Health Care disputes	2.5	2.5	G	N/A - Business as usual
		Agree and implement new Continuing Health Care joint funding policy	1.0	1.0	A	N/A - Business as usual
<b>Total budgeted efficiencies</b>			<b>19.4</b>	<b>48.5</b>		

# Public Health Pressures and Efficiencies

Pressure	2022/23 £m	Total MTFS £m
Pay inflation	0.2	0.5
End of grant funding for Family Safeguarding service	0.1	0.4
Reduction in partner contributions for High Impact Complex Drinkers service	0.1	0.1
<b>Total Pressures</b>	<b>0.3</b>	<b>0.9</b>

Efficiency	2022/23 £m	Total MTFS £m	RAG Rating
Small adjustments to deployment of PH funding and service delivery to mitigate pressures	0.3	0.3	A
<b>Total Efficiencies</b>	<b>0.3</b>	<b>0.3</b>	

# Childrens, Families and Lifelong Learning Pressures

Pressure	2022/23 £m	Total MTFS £m
Looked After Children (LAC) Demand/inflation	5.8	<b>23.8</b>
Contract inflation	2.0	<b>8.6</b>
Staffing	8.0	<b>17.7</b>
Other	0.5	<b>0.2</b>
<b>Total budgeted pressures</b>	<b>16.4</b>	<b>50.3</b>

# Children, Families and Lifelong Learning Efficiencies

Efficiency Proposal	2022/23 £m	Total MTFS £m	2022/23 RAG
LAC Demand/Inflation - Reuniting children with their families where appropriate to do so	0.2	0.4	R
LAC Demand/Inflation - No Wrong Door and Family safeguarding impact on Looked After Children numbers	2.6	10.8	R
LAC Demand/Inflation - Cost differential of providing specialist placements in-house compared to external residential	0.9	0.9	R
LAC Demand/Inflation - Reduced unit costs of commissioning bed spaces via block contract	1.0	1.0	A
LAC Demand/Inflation - Stop covering additional cost for 18-25 year olds, with no prior SCC contact, placed by D&Bs in SCC beds when the previous agreement comes to an end.	0.3	0.3	R
LAC Demand/Inflation - Lower unit cost of placing in in-house fostering provision	0.3	0.3	R
EYES/LIFT - Financial efficiencies from the introduction of new Childrens IT and payment system	0.3	0.6	A
Home to School Transport - Containment of projected inflation through improved route planning and procurement	1.4	5.8	G
Quality and Performance - staffing	0.2	0.2	R
Staffing - Reduced agency cost from increase in permanent staffing numbers	0.7	0.7	A
Staffing - Reduced agency cost from reduction in days worked, to align with permanent staffing patterns	0.7	0.7	A
Staffing - Reduction in overall allocation set aside for retention payments based on current take up	0.2	0.2	A
Staffing - Reduction in agency costs through joining agreement to limit rates of pay in line with neighbours	0.9	0.9	A
Review the support for NEET services which are currently above the statutory requirement. Ensure focus remains on specialist work (15% reduction)	0.1	0.1	A
Home to School Transport - Development of in-house provision in conjunction with community transport	TBC	TBC	A
Social Care Transport - Move from current spot purchasing approach to more centralised commissioning approach	0.1	0.1	A
Review of grant allocations	0.2	0.2	R
Applying grant as a one-off mitigation	0.5	0.5	A
Staffing - re-alignment if Vanguard bid is successful. Staffing proposals will be considered against the potential impacts on the service improvement programme.	1.1	1.1	R
Review of ELL operational budgets and in-year underspends to reduce spend	0.3	0.3	A
Staffing - Merging teams, increasing spans of control and reducing leadership capacity. Staffing proposals will be considered against the potential impacts on the service improvement programme.	0.9	0.9	R
UASC - Negotiation with the Home Office around funding for UASC infrastructure costs not covered by current grant funding	1.1	1.1	R
<b>Total</b>	<b>13.8</b>	<b>26.9</b>	

# Environment, Transport and Infrastructure - Pressures

Pressure	Description	2022/23 £m	Total MTFS £m
Waste - volumes	The 2021/22 MTFS reflected increased volumes, e.g. due to home-working, which are assumed to reduce over the period.	0.0	(0.7)
Waste - contract reprocurement	Reprocurement costs, to the extent they are not expected to me most from other sources including Transformation Funding.	0.0	0.0
Waste - Reprofiled waste efficiency	Food and dry mixed recycling efficiencies originally included in the 2021/22 MTFS have been impacted by Covid-19 and will be achieved over a longer period.	0.1	0.1
H&T - Bus services	The 2021/22 MTFS reflected a potential pressure on contracted bus services of £1.7m due to reduced bus passengers. In 2022/23, following cessation of Government support, that pressure is expected to increase to £2.1m.	0.4	0.4
H&T - Staff changes to service delivery	Dedicated contract management function and additional resource for implementing future highway technology and innovations.	0.2	0.2
H&T - Severe weather and ecological threats	Increased mitigation for the impact of severe weather and ecological threats on the highway, including roads, footways & trees	0.2	0.2
H&T - Active Travel	Maintaining new active travel infrastructure to heightened design standards	0.0	0.2
Countryside - "Leader" project	Additional staff resource for funding, project development and partnership development activity	0.1	0.1
Countryside - PROW	Enhancing maintenance of public rights of way	0.3	0.3
Countryside - staffing	Staff to manage and develop the countryside estate, and part funding of Local Nature Partnership Director to deliver Land Use Management/Tree Strategy and support the drive towards One Surrey Countryside.	0.1	0.1
Climate Change	Team budget including tree & land use.	0.1	0.1
Environment - staffing	Additional resources to support delivery of Greener Futures and Rethinking Waste	0.4	0.3
Planning enforcement	Additional staff to enhance planning enforcement activity	0.1	0.1
All - Non-Pay Inflation	Expected inflationary increase in contract and related costs	2.9	14.9
All - Pay Inflation	Expected inflationary increase in salary costs	0.5	2.7
All - Creating ETI	Restructuring ETI to deliver agreed priorities	0.6	0.6
All - National insurance	Expected impact of increase in Employers National Insurance Contributions	0.2	0.2
<b>Total Pressures</b>		<b>6.0</b>	<b>19.6</b>

# Environment, Transport and Infrastructure Efficiencies

Efficiency Proposal	Description	2022/23 £m	Total MTFS £m	RAG
Countryside - various	Events on the countryside estate, income from property investment, and development of the Basingstoke Canal Centre campsite are offset by fall-out of one-off efficiencies in 2021/22	(0.0)	0.1	A
Environment - Waste volumes and prices	Dry Mixed Recyclable prices have improved and are providing a cost benefit, after allowing for increased waste volumes	2.0	2.0	A
H&T - Commercialisation & innovation	Reducing costs through innovation, automation, attracting new funding and moving some services toward cost recovery.	0.2	0.3	A
H&T - Parking - expanding on street parking charging	Continuing to expand on street parking charging through parking reviews etc.	0.1	0.5	A
H&T - Income & recharges	Including highways searches and recharge of staff costs, e.g. to capital projects	0.2	0.2	A
H&T - One off funding	Unapplied grant funding and prior year income	1.0	0.0	A
H&T - Street lighting LED conversion	Energy savings as street lights are converted to LED	1.1	1.4	G
H&T - Bus lane enforcement	Expansion of current bus lane enforcement measures improve reliability of public transport services	0.2	0.3	A
H&T - Lane rental income	Anticipated lane rental surplus, to support highway activities in line with legislation	0.3	0.3	A
H&T - Moving Traffic offences	Estimated contribution to highway costs	0.2	0.4	A
H&T - Staff/resource efficiencies	Efficiencies from bringing inspections of highway structures in-house (previously provided though a contract)	0.2	0.2	A
H&T - Highway maintenance	Review scope for efficiencies and cost reductions within the new term maintenance contract.	0.5	0.5	R
H&T - Parking surplus	Review treatment of the countywide parking surplus.	0.3	0.3	R
Planning - income	Income from Planning Performance Agreements and charges for discretionary services	0.0	0.1	G
Waste - Growth in reuse shop income	Continue to expand reuse shop offer at Community Recycling Centres	0.0	0.1	G
Waste - Reduce contamination of recycling	Improve quality of recycling, e.g. through resident engagement or changes to collection regimes.	0.2	0.2	A
Waste - Rethinking waste	Review of waste operating model, including infrastructure, in light of national strategy changes	0.0	1.0	A
<b>Total Efficiencies</b>		<b>6.5</b>	<b>7.7</b>	

# Community Protection Group Pressures and Efficiencies

Pressure	Description	2022/23 £m	Total MTFS £m
Coroner - funding	Agreed phased reduction in funding from Surrey Police	0.1	0.3
Coroner - mortuary facilities	Establishment of temporary mortuary facilities pending development of a permanent facility	0.4	0.4
Trading Standards - Income	Income has reduced, including the impact of Covid-19, and expected to recover over the MTFS period.	0.1	0.0
Fire - Pension admin costs	Costs to administer pensions following external transfer of function from Pension service	0.1	0.1
All - additional resourcing	Communications and business management support	0.1	0.1
All - Non Pay inflation	Expected inflationary increase in costs	0.1	0.5
All - Pay inflation	Expected inflationary increase in salary costs	1.1	4.9
All - National insurance	Expected impact of increase in Employers National Insurance Contributions	0.3	0.3
<b>Total Pressures</b>		<b>2.3</b>	<b>6.6</b>

Efficiency Proposal	Description	2022/23 £m	Total MTFS £m	RAG
General Efficiencies	Including, in 2022/23, reductions to non-partnership Trading Standards spend, income generation and seeking sponsorship and external funding.	0.2	0.1	A
<b>Total Efficiencies</b>		<b>0.2</b>	<b>0.1</b>	

# Prosperity Partnerships and Growth Pressures

Pressure	2022/23 £m	Total MTFS £m
Strengthen the Economic Development Team – to develop and embed a Growth Plan to drive business engagements, economic place agenda, attract new business, skills, strengthen partnerships and understand infrastructure needs.	0.2	0.2
Pay inflation – expected inflationary increase in salary costs	0.0	0.1
Non-Pay Inflation – expected inflationary increase in contract costs	0.0	0.0
Additional NI contributions – expected impact of increase in Employers National Insurance Contributions	0/0	0.0
<b>Total budgeted pressures</b>	<b>0.2</b>	<b>0.3</b>

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## FACILITIES MANAGEMENT – FORWARD MAINTENANCE PROGRAMME

The purpose of this report is to provide insight on how Forward Maintenance Works (Life-cycle Replacement Works) are identified and prioritised. Please note that this report does not relate to day-to-day compliance, planned or reactive maintenance.

### Introduction:

1. The works listed on the Forward Maintenance Programme include:
  - a) Prioritisation of the replacement of building system and building fabric assets (e.g., Boiler or Flat Roof).
  - b) Emerging and ad-hoc minor projects which support service continuity (e.g., Children’s Homes Improvements).
  - c) Integrating works which support the Council’s Green Agenda.

### Forward Maintenance Programme

2. The Forward Maintenance Register (Programme) is established for a 30-year period. See Annex 1 for the FT2021/22 programme.
3. The condition grading of the buildings is reviewed each year to assess the level of failure risk on each of the systems and fabric within. The priorities are then proposed and agreed within Land and Property (L&P).

- Building condition gradings, A – D:

A	B	C	D
Good	Fair	Poor	Bad

- Priorities are based on risk and criticality of the works, 1 – 4:

1	2	3	4
Statutory H&S	Business continuity	Maintenance requirement	Improvement

4. Within the Medium-Term Financial Strategy (MTFS) FY2021/22 FM capital budget, projects have been prioritised based on potential risks posed by assets

in poor condition, resulting in a list of circa 350 projects across the estate with a high-level estimate of £24m.

5. Within this year, L&P has reviewed capability for delivery and focussed on mitigating two key risks, compliance and service continuity. External resources have been secured to complement existing internal resources to bridge the shortfall in capacity and capability, and the expected delivery has been re-forecast more accurately to £13-14m works over 141 projects in FY2021/22.

### **Emerging Project from Service**

6. In addition to the Forward Maintenance Works identified above, Services regularly identify and propose other works to be undertaken to support their front-line service delivery. It has been agreed to make specific improvements to:
  - a) Adult Care Home residential improvements.
  - b) Children's Homes residential improvements.
  - c) Gypsy Romany Traveller (GRT) sites.
  - d) Libraries transformation.

### **Green Agenda**

7. The FM team is working with the Greener Futures team to support the Council's green agenda strategy, priorities and ambition to achieve net zero by 2030. The FM team is focussing on identifying properties for Salix grants and a programme of works to implement energy and carbon reduction measures across the Council's estate, including:
  - a) Fabric insulation and draught proofing to reduce heat loss.
  - b) Replacement of lighting with the more efficient LED system.
  - c) Upgrade of Building Management Systems (BMS) to improve control of heating and ventilation.
  - d) Replacement of fossil-fuel boilers with low carbon systems such as Air Source Heat Pumps.
  - e) Installation of Solar PV panels to generate low carbon electricity which can be used on site.
8. External funding opportunities have been investigated to help identify and implement potential decarbonisation measures such as the Public Sector Decarbonisation Scheme (PSDS) and Low Carbon Skills Funding (LCSF). To date, funding awards of £2.0m from PSDS and £0.26m from LCSF have been achieved.
9. Refer to Annex 2 for the Green Agenda works taking place.

## **Forward Maintenance FY2022/23**

10. In preparation for establishing works for FY2022/23, the same base-line approach is being followed, reviewing the 30-years works schedule and enhancing prioritisation by incorporating the following improvements:
- a) Discuss the portfolio, service priorities and service buildings with each Directorate to agree base-line H&S requirements, service continuity and front-line improvements.
  - b) Develop a robust programme of works for the remainder FY2021/22 and for FY2022/23 with identified resources to assure delivery.
  - c) Develop a relationship with an external PMO partner.
  - d) Develop frameworks to expand the number of contractors which are available to undertake works.
  - e) Develop programmes which have a low payback period for investment on Green Technology (e.g., LED Lights).
  - f) Specify high energy efficiency equipment to replace aged assets (e.g., new chiller units at Woodhatch). Significant investment is needed so the payback period needs to be appropriate.
  - g) Look at the use of the Internet of Things (IOT) and Artificial Intelligence (AI) for controlling energy consumption, especially on remote buildings where a daily presence is not achievable. This can then be linked to a central hub for constant monitoring of activities out of the norm.
  - h) Continue to look for external funding opportunities to support the net zero programme and the Council's Green Agenda. Two applications are in place for FY2022/23.
  - i) Develop the project procurement frameworks to support suppliers and contractors who can support Surrey County Council in achieving its net zero target.

## **Children's Service Forward Maintenance**

11. One of the emerging Forward Maintenance projects which has been prioritised is the residential Children's Homes. Following the request by the Service to look at these properties, each home has been surveyed to identify conditioning works to be carried out to improve the building systems and fabric, as well as improvements to encourage a more "homely" atmosphere. These works are

currently being reviewed by L&P with the aim to complete a significant number by end of FY2021/22.

## Children's Service Maintenance

12. In addition to the Forward Works Maintenance in Children's Homes, there are three areas of day-to-day maintenance that the L&P Facilities Management team delivers:

- a) **Statutory and Compliance Maintenance:** This relates to the Electrical Systems, Water Systems, Gas Systems, Asbestos Register and Fire Risk Assessments which must be undertaken by Law at regular intervals. Any works arising from these inspections are then listed on the helpdesk and works undertaken.
- b) **Planned Preventative Maintenance:** These are maintenance activities undertaken on a time basis to ensure assets are working correctly and efficiently.
- c) **Reactive Maintenance:** Immediate repairs which are reported through the FM Helpdesk are recorded on the new Planon system. These are then categorised as (i) Emergency (Life Threatening), (ii) Urgent (Risk to service or the building) or (iii) Routine (No Immediate Threat).

For example, should a call for a broken window be received, an immediate attendance within a day will be made and a "temporary fix" put in place if required. Details of the glass size and tint will be taken away and a new piece placed on order. Depending on the nature of the glass this can take up to 16 weeks to be delivered to the suppliers, particularly in the case of tinted glass. Once received, a call to the service will be placed and arrangements for replacement made.

The current shortage of labour and materials within the construction and maintenance industry is frustrating and adding to the lead in times of works being completed.

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### Report contact

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**Annexes**

Annex 1: FMR Works FY2021/22 (part 2 annex)

Annex 2: Current Green Agenda Works

Annex 3: Proposed Children's Homes Works (part 2 annex)

Annex 4: Children's Homes addresses (part 2 annex)

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## Facilities Management – Forward Maintenance Programme

### Annex 2: Current Green Agenda Works

The works detailed in the table below are being funded by £1.9m of Salix grants, which is in addition to the FMR capital maintenance fund of £13-14m for FY2021/22. The works are all in progress or are at planning stage to commence by the end of FY2021/22, as per Salix funding criteria.

Site	Works	Cost (approx.)
Quadrant Court	<ol style="list-style-type: none"> <li>1. Installation of Solar PV panels</li> <li>2. Replacement of gas-fired boiler with Air Source Heat Pump</li> <li>3. Additional loft insulation</li> <li>4. Upgrade to BMS and Air Handling Units (AHUs)</li> </ol>	£680k
Surrey History Centre	<ol style="list-style-type: none"> <li>1. Installation of Solar PV panels</li> <li>2. Replacement of gas-fired boiler with Air Source Heat Pump</li> <li>3. Upgrade to AHUs</li> </ol>	£530k
Joseph Palmer Centre	<ol style="list-style-type: none"> <li>1. Installation of Solar PV panels</li> <li>2. Replacement of gas-fired boiler with Air Source Heat Pump</li> <li>3. Additional loft insulation</li> <li>4. Upgrade to BMS</li> </ol>	£195k
The Harbour Day Centre	<ol style="list-style-type: none"> <li>1. Installation of Solar PV panels</li> <li>2. Replacement of gas-fired boiler with Air Source Heat Pump</li> <li>3. Upgrade to BMS</li> </ol>	£168k
Applewood Community Home	<ol style="list-style-type: none"> <li>1. Installation of Solar PV panels</li> <li>2. Replacement of gas-fired boiler with Air Source Heat Pump</li> <li>3. Upgrade to BMS</li> </ol>	£140k
The Dawnay School	<ol style="list-style-type: none"> <li>1. Installation of Solar PV panels</li> <li>2. Additional loft insulation</li> <li>3. Upgrade to BMS</li> <li>4. Upgrade lighting to LED</li> </ol>	£370k

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## **SURPLUS ASSETS AND DISPOSALS WORKSTREAM**

The purpose of this report is to outline the process and progress to date of the Surplus Assets and Disposals workstream as well as providing information on how the workstream generates and takes forward housing development opportunities.

### **Core Processes and Principles**

1. Surrey County Council's (SCC) property estate/asset register has a balance sheet value of £1.8bn+. Each "non-highway" asset is classified for capital accounting purposes under one of the CIPFA categories:
  - Property Plant and Equipment (school or non-school)
  - Investment, Asset held for sale
  - Surplus Asset
2. The Council's "Asset and Place Strategy 2019 – 2030" (A&P Strategy) breaks down the asset register to approximately 400 schools, 300 operational Service assets and approximately 1200 non-Service/non-operational assets. Rationalisation of both operational and non-operational assets remains a core objective of the A&P Strategy.
3. At individual asset level, opportunities which support Service transformation programmes, changing Service demands for operational service uses, and investment opportunities or collaborative activities will be pursued. Against this background, assets are often identified as either becoming fully surplus, or to be vacated by the Service pending further decisions.
4. Once an asset has been identified as being no longer needed by a Service, option appraisals and opportunities are considered and taken forward through governance or Member-led decisions.
5. If an asset is not recycled, or the property is not fit for purpose, nor required by a public sector partner, it can be formally declared surplus to all operational use.
6. The principles underlying this process suggest that the Council should only retain an asset if:

- a) It is required for identified Service use.
  - b) It is identified as having/could have development potential within the Local plan, or within a realistic timescale (deliverability).
  - c) It can be re-let/intensified for revenue generation.
  - d) The Council wishes to develop the site itself or through a partnering arrangement.
  - e) It has strategic value (i.e., land to support future expansion of adjacent operational or investment assets).
  - f) Sites unlock a future development (within a specific timescale).
7. The Director of Land and Property is the Delegated Authority to secure best value for assets which are formally declared as being surplus to operational need. Best value for assets may be a transfer to Halsey Garton Residential Ltd, or a disposal which could be a community asset transfer, or a collaborative project with a District and Borough Council. The notification of a surplus declaration would be published in the public domain on the Surrey County Council Forward Plan, which the Divisional Members have access to.
  8. Retaining unused assets carries risks and liabilities for Surrey County Council. Any associated costs for retained unused assets, such as for maintenance and security, are currently borne by the Land and Property department, rather than the Service.
  9. The current recorded workflow/process which underpins key stages of activity is set out in Annex 1.
  10. Reviewing and challenging the Council's sites and assets is a continuous process, set against corporate priorities which themselves can change over time. It is important for the Council to establish the likely benefits and track the outcomes it expects to deliver from any surplus asset review or investment process. Where the outcomes sought have a higher level of social value benefit over and above a targeted financial return, it provides the opportunity to identify assets for a Community Asset Transfer or to support the Green Agenda.

<p><b>Current and Recent Progress</b></p>
-------------------------------------------

11. The A&P Strategy identified approximately 1200 "non-operational" (non-Service) assets and recent work has already broken down this list into a number of specific portfolios. To date, over 550 of the 1200 assets are identified as ad-hoc parcels of (largely) highways land. Management of these assets is being returned to the Highways Service and they will be re-classified as highway assets. In addition, just over 100 assets, identified as Countryside, will be transferred to the Natural Capital team to manage. Both sets of assets offer the Highways and Countryside Services opportunities to support their own and wider strategies (for example, for tree planting, solar farm opportunities, electric vehicle options).

12. A significant number of small assets are identified as Garden Licences (with private owners). Over 350 parcels/assets have been identified which could be offered back to community owners; this would present logistical challenges.
13. Within the core list there are approximately 75 “vacant and surplus” assets which continue to form the primary workload across our disposals work (37 assets) ranging from small land parcels to vacant built assets, investment for housing activities (20+ assets) identified for Halsey Garton Residential Ltd, and assets forming longer term strategic holds (where we can add value to support a regeneration project or long-term planning promotion activity).
14. From the wider analysis, a further 90 small parcels/assets have been identified for further assessment. These assets are in addition to the sites outlined in paragraph 12.
15. The capital receipts forecast has just been raised to almost £75m for the period through to 2025/26, although 90% of that figure is still currently based on just four assets, Pixham Lane, Coxbridge Farm, Wray Park Reigate, Consort House Redhill (refer to the Part 2 annex). Forecasts can only take into account assets where Heads of Terms have been agreed or where work is sufficiently advanced to support a robust forecast. A number of land assets are still subject to Service use decisions and may not come forward as a potential receipt.
16. There is a significant number of smaller parcels where pre-marketing and legal due diligence activity is in hand, or where we have already been approached by a resident making enquiries to purchase. Many of these smaller parcels, and requests often form part of larger land holdings where the current legal title would need to be divided up, and new rights and obligations set up. The latter is a resource intensive process.

## **Housing**

17. When an asset is formally “declared surplus to operational use”, officers are required to complete an Options Appraisal to establish the right economic outcome for the SCC, to determine the following:
  - i. Whether to assess an asset for immediate disposal on the open market.
  - ii. Whether to obtain planning (to de-risk and add value) and then dispose the asset.
  - iii. Whether to hold the site and redevelop it for longer term revenue opportunities, such as for “Build to Rent” for Halsey Garton Residential Ltd.
18. Currently, officers are working on Phase 1 of four identified sites for 53 new homes across Surrey as Build to Rent units. A report seeking approval for a procurement tender process has been submitted to Cabinet (November 2021).

The Shareholder Investment Panel and Strategic Investment Board have both previously endorsed the report's outline business case.

19. The Phase 1 sites are:

- (1) Former Offices, 1<sup>st</sup> floor above commercial, 61 High Street, Staines TW18 4QW
- (2) Former Offices, 1<sup>st</sup> floor above Iceland, 160/162 High Street, Egham TW20 9HP
- (3) 33 Rookery Road, Staines, TW18 1BT
- (4) Former Bookham Youth & Community Centre, 164 Lower Road, Great Bookham, Leatherhead KT23 4AQ

20. An outline business case is currently being produced for Phase 2 of this programme, which is for a further 19 sites. The outline business case will be seeking authority and approval for funding to appoint an external professional design team and the route to market to build out each identified site (upon gaining relevant planning approvals). It is expected that the outline business case will be presented to the Strategic Investment Board by the end of Q4 FY 2021/22. The Phase 2 sites are commercially sensitive at this time and will be made available to the Resources and Performance Select Committee at a later date.

#### **Conclusions:**

- 20. Significant progress has been made to review the 1200 non-operational non-service assets and to implement a clear plan of how to manage each type of asset and a clear plan of how to deal with each type of asset in place, whilst simultaneously dealing with a significant workload emerging from the enhanced capital receipts programme.
- 21. Against the detail noted in this report, work is in progress to identify new Key Performance Indicators to ensure rationalisation of the non-core estate continues.

#### **Recommendations:**

The Select Committee is asked to:

- 22. Note the contents of this report.
- 23. Comment on the detail.

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#### **Report contact**

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### **Annexes**

Annex 1: Asset Process Flowchart

Part 2 annex: Four assets

### **Sources/background papers**

Surrey County Council Asset and Place Strategy 2019 – 2030

Land and Property data

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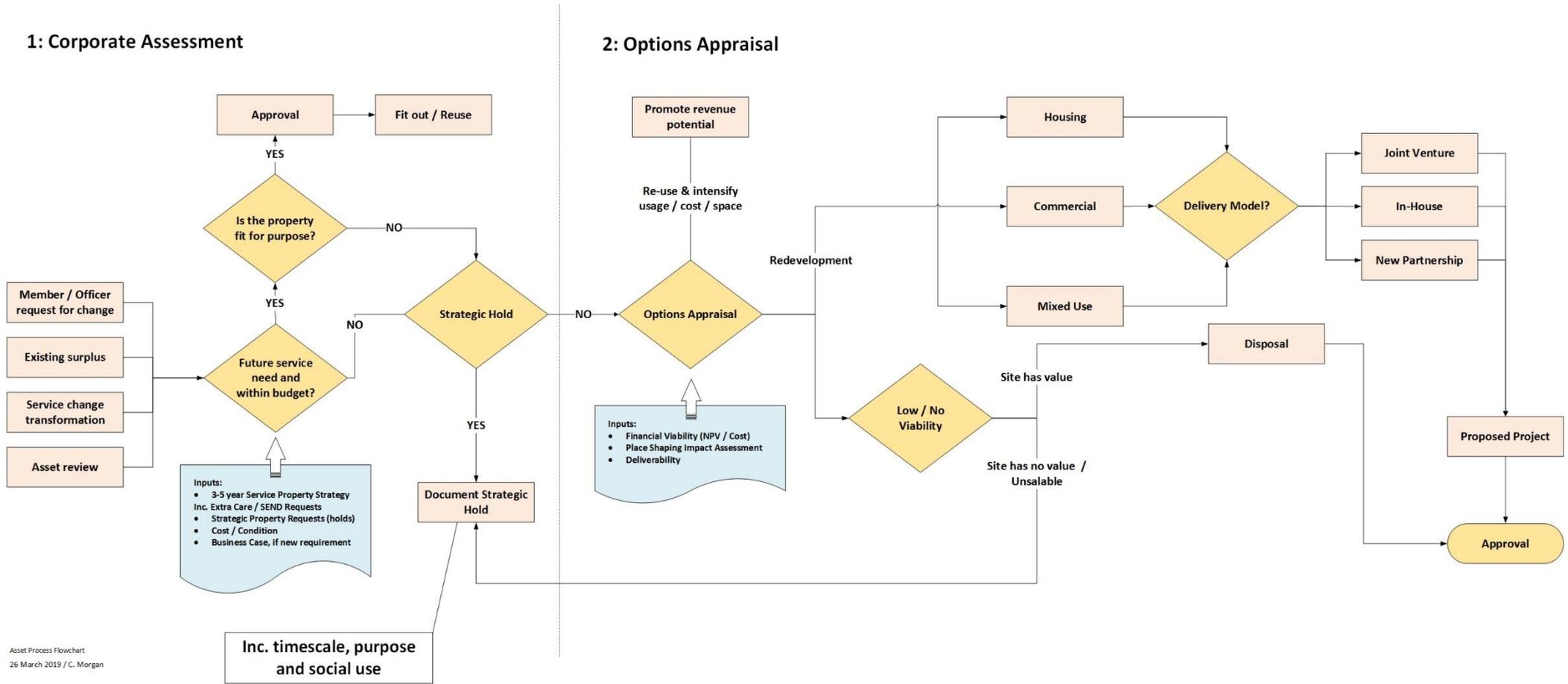
# SURPLUS ASSETS AND DISPOSALS WORKSTREAM

## Annex 1: Asset Process Flowchart

### 1: Corporate Assessment

### 2: Options Appraisal

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17 DECEMBER 2021



## **CABINET MEMBER UPDATE: NATALIE BRAMHALL**

### **Introduction:**

1. I am pleased to update Resources and Performance Select Committee on the priorities in my portfolio area as Cabinet Member for Property for the next year.

### **Proposed achievements for 2021/22**

#### **Capital Delivery Projects**

2. As the Cabinet Member for Property, I have a responsibility in maintaining oversight and ensuring the delivery of SCC's capital projects, facilities management, asset strategy and disposals, HGR.
3. I aim to deliver:
  - One GRT transit site
  - Two community hubs
  - Three children's homes, one with care leavers accommodation
  - Four supported independent living homes by 2023
  - New Shaw Family Contact Centre
  - Bookham Youth Centre
  - New Priory School on the Woodhatch site by September 2023
  - Adult Social Care sites
  - Bringing forward four co-located sites with community health, youth centre, library.
  - New SEN places

4. The delivery of these assets will support key service areas in Resources, Communities & Transformation, Children, Families & Lifelong Learning and Health, Wellbeing and Adult Social Care.

### **Facilities Management**

5. I have a responsibility to review and transform the service. A cabinet report is scheduled for this month on the Transformation of FM services. An interim improvement plan is also being prepared and will run in parallel to improve the current services ahead of FM Transformation.

### **HGR**

6. As the lead member for Property, I have a priority to ensure the delivery of new residential units by 2023/4.
7. To support this, work is being undertaken by the service:
  - Strengthen governance and capacity in wholly-owned companies (Halsey Garton)
  - Review of investment strategies to take a more proactive approach to the management of the commercial investment portfolio
  - Begin the residential development programme by the Council and its companies with a focus on a build to rent strategy that supports a range of private sector tenancies options
  - Progress the case for potential disposals.

### **Vacant & Surplus Properties**

8. I have a priority to accelerate the programme for the disposal/repurpose of vacant and surplus properties. To support this, the service is currently implementing improved process/protocol to make better progress with vacant and surplus assets to:
  - Repurpose/dispose of any assets identified by services as surplus to requirement
  - Drive social and/or economic benefit and value where appropriate.

<b>Conclusions:</b>
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9. The above demonstrates an ambitious and far-reaching programme of work that I am keen to lead for 2021/22 across my portfolio.

<b>Recommendations:</b>
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10. It is recommended that the Resources and Performance Select Committee:
    - a) Review the Cabinet Member priorities and offer feedback and thoughts as appropriate.
    - b) Express whether it is satisfied with the Cabinet Member plans and ambitions for 2021/22.
- 

**Report contact**

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## RESOURCES AND PERFORMANCE SELECT COMMITTEE

17 December 2021

**Forward Work Programme (FWP) and Recommendation Tracker (RT)**

Purpose of report: To review and agree the Forward Work Programme (FWP). To track recommendations and requests made by the Select Committee.

**Introduction:**

1. The Forward Work Programme (FWP) and Recommendation Tracker (RT) update is a standing item on the agenda of the Select Committee.
2. The FWP covers the expected activity in 2021/22 (Annex A).
3. The RT tracks recommendations made by the Committee (Annex B).
4. The FWP includes regular items, task and reference groups updates and the additional items the Select Committee would like to engage with in coming months. This approach should enable the Select Committee to consider planning and resourcing for its scrutiny and overview work across the year whilst retaining enough flexibility to consider essential additional items as needed from time to time. There should be no more than two task groups taking place concurrently.

**Recommendations:**

5. The Select Committee is recommended:
  - a) To review and agree the Forward Work Programme (Annex A);
  - b) To make any appropriate suggestions for possible amendments including programming of in-depth session and other agenda items; and
  - c) To monitor the update provided in Recommendation Tracker (Annex B).

**Next Steps:**

The Select Committee reviews its Forward Work Programme and Recommendation Tracker at each of its meetings.

Kunwar Khan  
Scrutiny Officer | Democratic Services | Law and Governance  
Surrey County Council | [Kunwar.Khan@surreycc.gov.uk](mailto:Kunwar.Khan@surreycc.gov.uk)

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## Resources and Performance Select Committee Forward Work Programme 2021 – 2022

**Resources and Performance Select Committee | Chairman: Cllr Nick Darby | Scrutiny Officer: Kunwar Khan  
Democratic Services Assistant: Laila Laird**

Date of Meeting	Type of Scrutiny	Issue for Scrutiny	Purpose	Outcome	Relevant Organisational Priority	Cabinet Member/Lead Officer
17 December 2021	Draft budget scrutiny	<b>2022/23 Draft Budget</b>	For the Select Committee to scrutinise the draft 2022/23 budget, Medium-Term Financial Strategy and other relevant information, before it is finalised in January 2022.	To ensure the 2022/23 budget and MTFs deliver good value for residents and are compatible with the 2021-2026 organisational priorities.	Growing a sustainable economy so everyone can benefit	Becky Rush, Cabinet Member for Finance and Resources  Leigh Whitehouse, Deputy Chief Executive and Executive Director for Resources  Nicola O'Connor, Strategic Finance Business Partner  Rachel Wigley, Director - Finance, Insights and Performance

						<p>Mark Hak-Sanders, Strategic Finance Business Partner</p> <p>Anna D'Alessandro, Director, Corporate Finance and Commercial</p>
	Scrutiny report	<b>Property Programme Update</b>	For the Select Committee to receive an update on specific aspects of the Property programme as requested by the Chairman and Vice-Chairmen.	For the Select Committee to gain a greater understanding of the property programme and recent developments.	Growing a sustainable economy so everyone can benefit, tackling health inequality, enabling a greener future	<p>Natalie Bramhall, Cabinet Member for Economic Development and Property</p> <p>Simon Crowther, Director of Land and Property</p> <p>Leigh Whitehouse, Deputy Chief Executive</p> <p>Simon Crowther, Director – Land and Property</p> <p>Brian Boundy, Facilities Management</p>

						Peter Hopkins, Commercial
						Graham Glenn, Head of Acquisitions and Disposals
	Scrutiny review of relevant cabinet member priorities	<b>Cabinet Member Priorities Update – Natalie Bramhall</b>	For the Cabinet Member to set out where the Select Committee can add value as a critical friend and best help.	For the Select Committee to gain a greater understanding of the Cabinet Member's priorities, work being undertaken, key areas of challenge and plans over the next 12 months.	Empowering communities	Natalie Bramhall, Cabinet Member for Economic Development and Property
	Regular scrutiny monitoring of performance	<b>Performance Monitoring Session Update (Notes of 1 October)</b>	To publish the notes of the Performance Monitoring session conducted informally on 1 October 2021.	To make a record of the Performance Monitoring session publicly available.	Empowering communities	Kunwar Khan, Scrutiny Officer
<b>Items to be scheduled</b>						
<b>Date of Meeting</b>	<b>Type of Scrutiny</b>	<b>Issue for Scrutiny</b>	<b>Purpose</b>	<b>Outcome</b>	<b>Relevant Organisational Priority</b>	<b>Cabinet Member/Lead Officer</b>

<b>20 January 2022</b>	Scrutiny review	<b>Digital Business &amp; Insights Update</b>	To review progress made on the Digital Business and Insights programme since the item was last brought to the Select Committee on 18 March 2021.	To ensure implementation of an effective enterprise resource planning (ERP) system across the Council, including reliable mitigation of risks.	Empowering communities	Andrew Richards, DB&I Programme Manager
	Scrutiny review	<b>Commercial Property Investment update</b>	To understand and review what the strategy is; the decisions that have been made; and the future prospects.	To ensure the Select Committee has an opportunity understand the strategy, process, future prospects and provide any feedback.	Growing a sustainable economy so everyone can benefit	Natalie Bramhall, Cabinet Member for Economic Development and Property  Simon Crowther, Director of Land and Property
	Regular scrutiny monitoring of performance	<b>Performance Monitoring Session Update (Notes of 20 December)</b>	To publish the notes of the Performance Monitoring session conducted informally on 20 December 2021.	To make a record of the Performance Monitoring session publicly available.	Empowering communities	Kunwar Khan, Scrutiny Officer
<b>14 April 2022</b>	Scrutiny report	<b>Strategic and Capital Investments Update</b>	To receive an update on the Council's Strategic and Capital Investment portfolio.	To ensure scrutiny oversight, and to consider/receive assurances about transparency and best value for money.	Growing a sustainable economy so everyone can benefit, empowering communities	Leigh Whitehouse Executive Director of Resources

Scrutiny update	<b>HR &amp; OD Update</b>	To receive a report about the important area of Human Resource and Organisational Development (HR&OD), which sits within the Select Committee's remit.	To provide oversight and feedback concerning any challenges, issues and progress within HR&OD.	Empowering communities	Jackie Foglietta, Strategic Director of People and Change
Regular monitoring	<b>Performance Monitoring session Update (Notes - date TBC)</b>	To publish the notes of the most recent informal Performance Monitoring session.	To make a record of the Performance Monitoring session publicly available.	Empowering communities	Kunwar Khan, Scrutiny Officer
Scrutiny review	<b>Procurement Modernisation Project</b>	On suggestion from the Cabinet Member for Finance and Resources, to bring the Procurement Modernisation Project to the Select Committee, and in order to inform Members on a number of major procurement contracts currently ongoing.	For the Select Committee to gain greater understanding and assurance on procurement modernisation.	Growing a sustainable economy so everyone can benefit  Empowering communities	Becky Rush, Deputy Leader and Cabinet Member for Finance and Resources  Darron Cox Director - Procurement
Scrutiny review	<b>Data Insights Transformation Programme</b>	To receive an update about Data Insights Transformation Programme.	To assure the Select Committee of informed decision-making; assurance that there is a robust business intelligence function in place that is underpinned with up to date and relevant information.	Empowering communities	Rachel Wigley, Director of Financial Insight,  Gary Strudwick, Head of Business Intelligence

13 July 2022	Pre-decision scrutiny	<b>Digital Infrastructure Strategy (TBC)</b>	<p>For the Select Committee to receive the Strategy before it goes to Cabinet, in accordance with the following recommendation that came from the December 2020 Select Committee meeting: “The Select Committee recommends that it receives the Digital Infrastructure Strategy, before the strategy is finalised, for scrutiny at a future meeting.” An email update (attached below) was sent to Members on 17 August 2021.</p> <p style="text-align: center;"> Digital Infrastructure Briefing Note 130821</p>	For the Select Committee to have the opportunity to provide feedback and input before the Strategy is presented to Cabinet.	Empowering communities	<p>Amanda Richards, Network and Asset Management Group Manager</p> <p>Michael Coughlin, Executive Director, Partnerships, Prosperity &amp; Growth</p> <p>Rhiannon Mort, Head of Economic Infrastructure</p>
	Scrutiny update	<b>Equality, Diversity and Inclusion (EDI) Review</b>	<p>For the Select Committee to review the work undertaken since previous scrutiny of the draft plan by the Select Committee in January 2021, and then the Cabinet decision to approve the plan, made in February 2021.</p>	To receive an update and monitor progress since this was last reported to the committee.	Tackling health inequality, empowering communities	<p>Tim Oliver, Leader of the Council</p> <p>Katie Stewart, Executive Director of Environment, Transport and Infrastructure and EDI programme sponsor</p>

	Scrutiny monitoring	<b>Customer Services Update (NOT ON THURSDAY)</b>	To receive an update report following the Customer Experience Task Group's recommendations to receive such an update report, plus any relevant new information.	To seek reassurance.	Empowering communities	Mark Nuti, Cabinet Member for Communities  Marie Snelling, Executive Director of Customer and Communities
<b>7 October 2022</b>	Scrutiny update	<b>Digital Exclusion Report</b>	To receive a report about digital exclusion as discussed on 17 September 2021 Select Committee meeting.	To enable the Select Committee to monitor and seek reassurance that all residents feel supported by the Council. Nobody, particularly elderly and vulnerable are not left behind due to emphasis on digital/technology and the use of chatbots.	Growing a sustainable economy so everyone can benefit, empowering communities	Mark Nuti, Cabinet Member for Communities;  Marie Snelling, Executive Director of Customer and Communities
	Scrutiny review	<b>Commercial Investment Portfolio</b>	To receive information on the Commercial Property Investment Portfolio, as requested by the Chairman, including information on external professional advice received by the Council with regards to acquisition of commercial properties.	Oversight and exercise critical friend function, to ensure transparency and good value for money within the investment portfolio.	Growing a sustainable economy so everyone can benefit	Natalie Bramhall, Cabinet Member for Economic Development and Property;  Simon Crowther, Director of Land and Property

	Post-implementation review	<b>Agile Office Estate Strategy Review</b>	To enable the Select Committee to review the Strategy in accordance with the following recommendation of the County Hall Move and Agile Programme Task Group: "The Resources and Performance Select Committee receive the Council's Office Strategy on an annual basis, ensuring in particular that the carbon neutral targets are achieved."	To provide oversight and monitoring.	Growing a sustainable economy so everyone can benefit, empowering communities	Simon Crowther, Director of Land and Property
<b>9 December 2022</b>	Scrutiny review	<b>IT &amp; Digital Update</b>	To review the Information Technology and Digital (IT&D) Service and any updates, following on from a previous overview of the service provided at the 18 March 2021 Select Committee meeting.	For the Select Committee to receive greater understanding and assurance on the work of the IT&D Service.	Scrutiny review	Matt Scott, Chief Information Officer
<b>Task and Finish Groups; Member Reference Groups</b>						
<b>Timescale of Task Group</b>	Budget scrutiny	<b>Budget Task Group</b>	To enable in-depth scrutiny of the 2022/23 budget, cutting across the remits of all four Select Committees.	To ensure that the 2022/23 budget offers good value for money in all the Council's service areas, enabling the	Growing a sustainable economy so everyone can benefit	<u>Membership:</u> Nick Darby (Chairman) Ayesha Azad, Liz Bowes, Will Forster, John

				best outcomes for residents.		O'Reilly, Rebecca Paul, Lance Spencer, Buddhi Weerasinghe Robert Evans
September 2021 to January 2022	Oversight and assurance	<b>Accommodation with Care and Support</b> (Informal Group led by the Chairman and supported by Vice Chairs)	To ensure value for money and greater understanding about the processes of the Accommodation with Care and Support programme, focusing on the Property aspects.	To provide assurance for Members on the progress, value for money and outcome for residents of the Accommodation with Care and Support programme.	Growing a sustainable economy so everyone can benefit, tackling health inequality	<u>Membership:</u> Nick Darby, Will Forster, Vice Chair 2 (vacant)
Ongoing until further notice from the Chairman (informal)	Oversight and assurance	<b>Accommodation with Care and Support</b> (Informal Group led by the Chairman and supported by Vice Chairs)	To ensure value for money and greater understanding about the processes of the Accommodation with Care and Support programme, focusing on the Property aspects.	To provide assurance for Members on the progress, value for money and outcome for residents of the Accommodation with Care and Support programme.	Growing a sustainable economy so everyone can benefit, tackling health inequality	<u>Membership:</u> Nick Darby, Will Forster, Vice Chair 2 (vacant)
<b>To be received in writing and informal briefing sessions</b>						
8 November 2021	<b>Cyber Threat</b>	For the Select Committee to receive information on the cyber threat - request made at the 18 March 2021 meeting.	The Select Committee is informed, and assurances considered regarding the cyber threat and how this affects the Council (completed).		Empowering communities	Matt Scott, Chief Information Officer

8 November 2021	<b>Treasury Management Strategy</b> (in partnership with Audit and Governance Committee)	For the Select Committee to receive information on the Treasury Management Strategy (TMS) as part of the 2022/23 budget process.	For the Select Committee to offer any input or recommendations on the TMS.	Growing a sustainable economy so everyone can benefit	Mark Hak-Sanders, Strategic Finance Business Partner
January 2022 (TBC)					

**Standing Items**

- **Forward Work Programme (FWP) and Recommendations Tracker:** Review of the Select Committee’s forward work programme, and monitoring of the Select Committee recommendations and actions.
- **Notes of Performance Monitoring Session:** A record of the most recent informal Performance Monitoring session (conducted every 2-4 months)

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ACTIONS AND RECOMMENDATIONS TRACKER**

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<b>KEY</b>			
	No Progress Reported Yet	Action In Progress	Action Completed

Date of meeting	Item	Recommendations/Actions	Responsible Officer/Member	Update/Response
17 September 2021	Cabinet Member Priorities Update – Tim Oliver	<u>Recommendations:</u> The Select Committee recommends that: <ol style="list-style-type: none"> <li>1. Cabinet is to consider how Surrey County Council engages with organisations that undertake political lobbying and/or are involved in matters that some might consider controversial;</li> <li>2. Surrey County Council should ensure that any impact on other protected characteristic groups are identified and carefully taken into consideration before finalising the Trans at Work policy;</li> <li>3. The Trans at Work policy is to be presented to the Select Committee prior to being finalised;</li> <li>4. More focus is to be given to the range of topics covered in internal communications in the daily media email update to Members. In particular, all references articles in the daily media</li> </ol>	Leader of the Council  Leader of the Council  Leader of the Council  Leader of the Council	<ol style="list-style-type: none"> <li>1. The Leader’s office has informed the Leader and it is now under consideration.</li> <li>2. The Leader’s office has informed the relevant team.</li> <li>3. The Leader’s office has alerted the relevant team.</li> <li>4. The Communication team has provided a response.</li> </ol>

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		<p style="background-color: lightgreen;">briefing to be made accessible to all Members;</p> <p style="background-color: yellow;">5. A report on digital exclusion is to be provided to this Select Committee at a future meeting.</p> <p><u>Actions:</u></p> <p style="background-color: lightgreen;">1. Deputy Cabinet Member to the Leader to provide more information on how the Council trains and monitors officers carrying out recruitment interviews to ensure they have EDI awareness and adhere to best practice;</p> <p style="background-color: lightgreen;">2. Democratic Services officers to share councillor diversity analysis conducted after the May 2021 election with the Select Committee;</p> <p style="background-color: lightgreen;">3. Executive Director of Resources to provide information on how the Council is addressing resource concerns and how it is taking this into account for the future.</p>	<p>Leader of the Council/Scrutiny Officer</p> <p>Deputy Cabinet Member to the Leader</p> <p>Scrutiny Officer</p> <p>Executive Director of Resources</p>	<p style="background-color: yellow;">5. This will be added to the Select Committee's forward plan in future.</p> <p style="background-color: lightgreen;">1. A service response has been provided.</p> <p style="background-color: lightgreen;">2. This information has been shared with the Select Committee</p> <p style="background-color: lightgreen;">3. The Executive Director's team has been contacted.</p>
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17 September 2021	Cabinet Member Priorities Update – Becky Rush	<u>Recommendation:</u> The Select Committee recommends that Surrey County Council actively involves residents in the budget setting process and carefully takes into account relevant feedback, observing the ethos of participatory budgeting.	Cabinet Member for Finance and Resources	This is being progressed as part of budget consultation process.
17 September 2021	Cabinet Member Priorities Update – Mark Nuti	<u>Recommendations:</u> The Select Committee recommends that: <ol style="list-style-type: none"> <li>1. Consideration be given to the customer services team providing relevant information and data, based on the calls received by them, to the respective elected representatives about their wards/divisions;</li> <li>2. Careful consideration be given to ensuring that the roll-out of chatbots does not result in a negative impact on digitally excluded and elderly residents;</li> <li>3. An opportunity to visit the customer services contact centre be offered to Members by the service at an appropriate time.</li> </ol>	Cabinet Member for Communities  Cabinet Member for Communities  Executive Director of Customer and Communities	1 & 2. Cabinet Member and Executive Director have been informed.          The Executive Director has offered visits to Members.

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		<u>Action:</u> Executive Director of Customer and Communities to provide information on the level of traffic on the Esendex system.	Executive Director of Customer and Communities	Service Directorate is working on this.
23 June 2021	Informal Induction Session	<u>Actions:</u> <ol style="list-style-type: none"> <li>1. Cabinet Member for Communities to give figures on the chatbot for circulation to the Select Committee</li> <li>2. Director of HR&amp;OD to provide information on apprenticeship levies and how these can be used more effectively</li> <li>3. Head of Business Intelligence to explore the possibility of contacting the LGA about obtaining benchmarking information on other councils</li> </ol>	Cabinet Member for Communities  Director of HR&OD  Head of Business Intelligence	<ol style="list-style-type: none"> <li>1. The Cabinet Member's response has been sent to the Chairman and is <a href="#">annexed</a> to this tracker.</li> <li>2. Response: "What is your strategy to make sure that we don't have to return so much of the levy money in the future?"             <ul style="list-style-type: none"> <li>• Developed system to forecast levy transfer spend and plan funds available for transfer accurately</li> </ul> </li> </ol>

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				<ul style="list-style-type: none"> <li>Developed Levy Transfer Guiding Principles for 21/22 to formalise process for levy transfers and target priority groups</li> <li>Supported launch of Transfer to Transform with £100k pledge of unused levy funds - £57,000 has so far been committed to Surrey organisations through this initiative and we have the option to pledge further funds if available</li> <li>Promoted levy transfers at the Surrey Charities Forum in April 2021 which has so far</li> </ul>
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				<p>resulted in committing levy transfers of £49,000 to support 3 Surrey charities with apprenticeships</p> <ul style="list-style-type: none"> <li>• Current levy transfer forecast for 21/22 c.£160k</li> <li>• Current levy transfer forecast for 22/23 c.£120k</li> <li>• Recruited Talent and Apprenticeship Adviser to support Surrey schools to access and spend levy funds</li> <li>• Promotion of apprenticeships to hiring managers and existing employees”</li> </ul> <p>3. The possibility of obtaining benchmarking</p>
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				<p>information from the LGA was explored and it was concluded that it would not be practical to provide LGA benchmarking data, given that the data available relates largely to service areas outside of this Select Committee's remit (e.g. Adult Social Care, Fire and Rescue). However, a wider benchmarking report is currently being compiled by the Business Intelligence team, and this will be shared with the Select Committee once ready and</p>
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				signed off by the Corporate Leadership Team, and will continue to be shared with the Select Committee on an annual basis.
18 March 2021	Digital Business and Insights Update	<u>Actions:</u> <ol style="list-style-type: none"> <li>1. The DB&amp;I Programme Director to include an update on the delivery of DB&amp;I programme benefits in the next DB&amp;I report to the Select Committee;</li> <li>2. The DB&amp;I Programme Director to raise integration of the upgraded pensions service and the DB&amp;I programme with the integration lead and confirm to the Select Committee that these are integrated.</li> </ol>	DB&I Programme Director	<ol style="list-style-type: none"> <li>1. The Programme Director has been made aware of this, and it will be included in the future report request.</li> <li>2. The Programme Director's response has been circulated to the Select Committee, confirming that the full scope of integration requirements for pensions are included in the DB&amp;I</li> </ol>

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				programme's delivery plan.
18 March 2021	IT and Digital Update	<u>Recommendations:</u> The Select Committee recommends that: <ol style="list-style-type: none"> <li>1. The Select Committee is involved in the development of performance monitoring arrangements, where relevant, in the IT&amp;D service;</li> <li>2. The next IT&amp;D update includes more information about the Happy Signals platform.</li> <li>3. The IT&amp;D service is to arrange a private briefing for the Select Committee on the cyber threat.</li> </ol>	Head of Business Intelligence  Chief Information Officer	<ol style="list-style-type: none"> <li>1. The Head of Business Intelligence has stated that this recommendation will be included as part of the wider corporate performance review for 2021/22, and that an update would be shared at a later date.</li> <li>2. The Chief Information Officer has been notified about this and a reminder will be included in the next report request.</li> </ol>

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				3. A briefing has been organised for 8 November 2021.
18 March 2021	Property Programme Update	<p><u>Recommendations:</u> The Select Committee recommends that:</p> <ol style="list-style-type: none"> <li>1. An update report be provided at its September or December 2021 meeting;</li> <li>2. Local/Joint Committees have a standing property scrutiny [information] item at their informal/private meetings, to ensure that councillors and the Council's Land and Property service exchange information on local property projects, requirements and opportunities for development and disposals, to achieve the best outcomes for residents.</li> </ol> <p><u>Action:</u> The Director of Land and Property to ensure the list of properties for each Member's division has been sent to all Members and to resend if necessary.</p>	<p>Director of Land and Property</p> <p>Head of Community Partnerships and Engagement</p> <p>Director of Land and Property</p>	<ol style="list-style-type: none"> <li>1. The Land and Property team have been made aware of this and the report request will be sent out in due course for the December 2021 meeting.</li> <li>2. Information sharing between the Land and Property service and councillors directly is an important principle, in order to increase openness and accessibility of information for Members. The Director of Land and Property will ensure</li> </ol>

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				<p>that property information is shared with divisional Members on a quarterly basis, as noted in the response to the 18 December 2020 action for the Draft Budget item (see below).</p> <p><u>Action:</u> As 18 December 2020 action for the Draft Budget item (below), the Director of Land and Property is to ensure a list is sent to every Member as part of the quarterly property update, and confirm to Democratic Services once this is complete.</p>
21 January 2021	Final 2021/22 Budget	<p><u>Recommendation:</u> The Select Committee recommends that a report on the budget consultation is presented to the Budget Task Group early in the</p>	Director of Insight, Analytics and Intelligence	Information on the budget consultation will be presented to the Budget

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		consultation process, and that Members' views are taken into account when conducting the consultation.		Task Group in September 2021.
18 December 2020	Scrutiny of 2021/22 Draft Budget and Medium-Term Financial Strategy to 2025/26	Action: The Strategic Finance Business Partner to request that local divisional Members are in future advised of property proposals in advance of changes. [It was agreed after the meeting that the Director of Land and Property is in fact the responsible officer for this action.]	Director of Land & Property	An officer in Land and Property will send a list of key properties in each division and advise of any updates in advance of changes as requested. This will be sent directly from the Land and Property team to the individual Member every quarter. The quarterly update will not include details on every property related activity within the division, but will include key useful information such as developments and disposals, wherever possible, in order to increase openness and accessibility of information for Members.

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18 December 2020	Broadband in Surrey	<p><u>Recommendation:</u> The Select Committee recommends that it receives the Digital Infrastructure Strategy, before the strategy is finalised, for scrutiny at a future meeting.</p> <p><u>Action:</u> 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.</p>	<p>Director of Economic Growth and Prosperity</p> <p>Project Manager – Superfast Surrey Broadband Programme (formerly Engagement Manager)</p>	<p><u>Recommendation:</u> The strategy will be presented to the Select Committee prior to being taken to Cabinet for decision making in due course.</p> <p>A briefing note providing an update on Digital Infrastructure was sent to all Members on 17 August 2021, which can be found</p> <div style="text-align: center;">               Digital Infrastructure Briefing Note 130821         </div> <p>here:</p> <p>The relevant Cabinet Member also sent a note to the Committee with details about the Gigabit Voucher Campaign Information.</p> <p>The status of the Strategy continues to be monitored,</p>
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				<p>and a date has not yet been set for it to go to Cabinet.</p> <p><u>Action:</u> Response as of July 2021: “In April 2021, the Government launched a new Gigabit Broadband Voucher Scheme. Whilst the value (£1,500 per residential premises and £3,500 per business premises) of the vouchers remained the same as the previous scheme, the Government revised the number of postcodes that are eligible for this scheme, basing its decision on Ofcom’s Area 3 designation.</p> <p>We planned to launch a new campaign in June to target eligible postcodes but before this could happen,</p>
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				<p>Openreach made several major announcements about their future rollout plans. These included many exchanges that covered the same Area 3 postcodes that were eligible for Government voucher funding.</p> <p>Whilst residents have still continued to investigate the scheme, we have held off or the moment from doing any significant communication activities around it. It is believed that by October there will be sufficient clarity for SCC to undertake a campaign to premises in eligible postcodes. At this time, we will be providing Members with publicity materials to promote the Gigabit voucher scheme.</p>
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## RESOURCES AND PERFORMANCE SELECT COMMITTEE ACTIONS AND RECOMMENDATIONS TRACKER

The recommendations tracker allows Committee Members to monitor responses, actions and outcomes against their recommendations or requests for further actions. The tracker is updated following each meeting. Once an action has been completed, it will be shaded green to indicate that it will be removed from the tracker at the next meeting.

<b>KEY</b>			
	No Progress Reported Yet	Action In Progress	Action Completed

				In the meantime, SCC's Digital Infrastructure webpage ( <a href="https://www.surreycc.gov.uk/digital-coverage">Digital infrastructure coverage in Surrey - Surrey County Council (surreycc.gov.uk)</a> ) is highlighted to Members. This provides a summary of current publicly announced plans and schemes and it is updated on a regular basis." The action will be followed up in October 2021.
8 October 2020	Property Programme Update	<u>Action:</u> The Director of Strategic Land and Property Assets to provide detail of contingency plans in the next property programme update to the Select Committee.	Director of Land and Property	This will be included in the Property report to the Select Committee at its December 2021 meeting.
18 October 2019	Quarterly Performance Report (Q1 2019/20)	<u>Recommendation:</u> The Select Committee is to receive on an annual basis information on how Surrey County Council's performance compares with other councils.	Director of Intelligence, Analytics and Insight/Head of Business Intelligence	As of September 2021, a benchmarking report is being prepared and will be shared with the Select Committee once it has been signed off by officers.

## RESOURCES AND PERFORMANCE SELECT COMMITTEE ACTIONS AND RECOMMENDATIONS TRACKER

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### Annex 1: Information on the chatbot

#### **What is the chatbot?**

**Sur-i** is our digital assistant for School Admissions!

In technical terms, it's a conversational Artificial Intelligence (AI) platform we have used on the council's website to provide a more personalised online experience for parents and carers who have a question or want to find out information about school admissions.

**Sur-i** helps residents navigate our website and signposts them to relevant information. For more complex queries, it can also hand a person over to an agent for a live web chat.

Essentially, we are making it easier for parents/carers to find the information they need!

The chatbot runs 24/7 and means people can contact us at a time and place that suits them, giving our residents the ability to self-serve more easily.

This was a proof of concept and part of our efforts to trial new technologies to improve the overall Digital Customer Experience for our residents, creating a more personalised experience online. It was a fantastic team effort - a collaboration between our Digital, Customer Service and Education Teams, all working together to find new and innovative ways to deliver services to our customers. It went live in November 2020.

#### **Why School Admissions?**

## RESOURCES AND PERFORMANCE SELECT COMMITTEE ACTIONS AND RECOMMENDATIONS TRACKER

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<b>KEY</b>			
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We receive lots of enquiries about school admissions, which is not surprising as it can be a source of worry for parents who are keen to get their child into the school of their choice!

Last year we received over 1.2 million web visits to the Education & School pages of our website and almost 40,000 calls to our contact centre. These calls were centred at peak times of the school year, creating high demand which meant that parents could experience longer waiting times to get their enquiries answered.

We wanted to make it as easy as possible for parents and carers to find information online, get their questions answered quickly and reduce the need for them to have to call us if they didn't need to.

### **How has it been working?**

We've had a fantastic response to the prototype. In the first few months of operation, we had over 20,000 unique conversations with the chatbot, with each user asking an average of 7 to 8 questions. We also currently have a 95% customer satisfaction rate!