

Cabinet – Amended MTFP Report and Annex



Date & time
Tuesday, 27 March
2018 at 2.00 pm

Place
Ashcombe Suite,
County Hall, Kingston
upon Thames, Surrey
KT1 2DN

Contact
Vicky Hibbert or Angela
Guest
Room 122, County Hall
Tel 020 8541 9229 or 020
8541 9075

Chief Executive
Joanna Killian

vicky.hibbert@surreycc.gov.uk c
angela.guest@surreycc.gov.uk



We're on Twitter:
@SCCdemocracy

Cabinet Members: Mr David Hodge (CBE), Mr John Furey, Mrs Helyn Clack, Mr Mel Few, Mr Mike Goodman, Mr Colin Kemp, Mrs Mary Lewis, Mr Tim Oliver, Ms Denise Turner-Stewart and Mrs Clare Curran

Cabinet Associate: Ms Charlotte Morley

If you would like a copy of this agenda or the attached papers in another format, eg large print or braille, or another language please either call 020 8541 9122, write to Democratic Services, Room 122, County Hall, Penrhyn Road, Kingston upon Thames, Surrey KT1 2DN, Minicom 020 8541 9698, fax 020 8541 9009, or email vicky.hibbert@surreycc.gov.uk or angela.guest@surreycc.gov.uk.

This meeting will be held in public. If you would like to attend and you have any special requirements, please contact Vicky Hibbert or Angela Guest on 020 8541 9229 or 020 8541 9075.

***Note:** This meeting may be filmed for live or subsequent broadcast via the Council's internet site - at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed. The images and sound recording may be used for training purposes within the Council.*

Generally the public seating areas are not filmed. However by entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes.

If you have any queries regarding this, please contact the representative of Legal and Democratic Services at the meeting.

8 MEDIUM TERM FINANCIAL PLAN 2018 - 2021

(Pages 1
- 128)

To approve the Council's Medium Term Financial Plan for 2018-21 for publication, including the Directorate and Service Revenue and Capital budgets that will support the delivery of the Council's Corporate Strategy.

This includes an amended report – paragraphs 63 to 65 and the MTFP annex with several amendments to that originally published.

[The decisions on this item can be called in by the Overview and Budget Scrutiny Committee]

QUESTIONS, PETITIONS AND PROCEDURAL MATTERS

The Cabinet will consider questions submitted by Members of the Council, members of the public who are electors of the Surrey County Council area and petitions containing 100 or more signatures relating to a matter within its terms of reference, in line with the procedures set out in Surrey County Council's Constitution.

Please note:

1. Members of the public can submit one written question to the meeting. Questions should relate to general policy and not to detail. Questions are asked and answered in public and so cannot relate to "confidential" or "exempt" matters (for example, personal or financial details of an individual – for further advice please contact the committee manager listed on the front page of this agenda).
2. The number of public questions which can be asked at a meeting may not exceed six. Questions which are received after the first six will be held over to the following meeting or dealt with in writing at the Chairman's discretion.
3. Questions will be taken in the order in which they are received.
4. Questions will be asked and answered without discussion. The Chairman or Cabinet Members may decline to answer a question, provide a written reply or nominate another Member to answer the question.
5. Following the initial reply, one supplementary question may be asked by the questioner. The Chairman or Cabinet Members may decline to answer a supplementary question.

MOBILE TECHNOLOGY AND FILMING – ACCEPTABLE USE

Those attending for the purpose of reporting on the meeting may use social media or mobile devices in silent mode to send electronic messages about the progress of the public parts of the meeting. To support this, County Hall has wifi available for visitors – please ask at reception for details.

Anyone is permitted to film, record or take photographs at council meetings. Please liaise with the council officer listed in the agenda prior to the start of the meeting so that those attending the meeting can be made aware of any filming taking place.

Use of mobile devices, including for the purpose of recording or filming a meeting, is subject to no interruptions, distractions or interference being caused to the PA or Induction Loop systems, or any general disturbance to proceedings. The Chairman may ask for mobile devices to be switched off in these circumstances.

It is requested that if you are not using your mobile device for any of the activities outlined above, it be switched off or placed in silent mode during the meeting to prevent interruptions and interference with PA and Induction Loop systems.

Thank you for your co-operation

This page is intentionally left blank

SURREY COUNTY COUNCIL**CABINET****DATE: 27 MARCH 2018****REPORT OF: MR DAVID HODGE, LEADER OF THE COUNCIL****LEAD OFFICER: SHEILA LITTLE, DIRECTOR OF FINANCE****SUBJECT: MEDIUM TERM FINANCIAL PLAN 2018/19 TO 2020/21****SUMMARY OF ISSUE:**

This report presents the council's Medium Term Financial Plan for 2018/19 to 2020/21 (MTFP 2018-21), which builds on the outline budget and Council Tax precept set by County Council on 6 February 2018. It covers the remaining two years of the current Local Government Financial Settlement period beyond which there is little detail on how funding under the 75% business rates retention or Fair Funding Review proposals, both due to be implemented from 2020/21, will work.

MTFP 2018-21 is a key means for delivering the council's strategic aims in the context of the rising demand and funding pressures it faces. The council has a legal duty to prepare a balanced and sustainable budget and to deliver statutory services to residents. To maintain essential services, the council requires a budget that provides for these pressures and the funding for this can either come from further Government support or resources raised locally. This report sets out how the council plans to achieve this for 2018/19.

The council will work with its partners to determine what can be done to make everything easier and better for local residents. In doing so, the council aims to continue to work ever more closely with: Surrey's district and borough councils, the police and health service, the local voluntary & community sector and our residents as a single community to look again at place with fresh eyes.

The council's goal is to provide seamless, affordable, high quality services in our places. To achieve that goal the council needs to focus on four questions:

- 1 How do we work with our residents in new ways to achieve these ambitions?
- 2 How do we deliver better services in a place?
- 3 How do we join up services to focus better on the needs of a particular place?
- 4 How do we make better use of all our collective assets and resources?

The Government published the Final Local Government Settlement on 7 February 2018. It confirmed the figures in the Provisional Settlement and added a little new funding. The impact of the Final Settlement is £2.5m funding increase for the council in 2018/19, comprising the £2.5m share of £150m new Adult Social Care Support Grant

Following this announcement, the council plans to make £66m significant additional savings in 2018/19. However, it still faces medium term a funding shortfall, including

the need to identify £86m further savings, service reductions or funding increases in 2018/19, rising to £94m by 2020/21. This report sets out those changes and presents the detailed service revenue and capital budgets for 2018/19 including fees and charges, plus indicative budgets for the following two financial years.

During the 2017/18 financial year the council has made progress on measures aimed at reducing its forecast overspend. As at 31 January 2018 the council had reduced its forecast overspend to £6m from a peak of £24m forecast as at 30 June 2017. The council is maintaining downward pressure on spending to minimise the impact on reserves. Maintaining reserves is important as the council plans to use £21m from reserves to balance the 2018/19 financial year, while it transforms services to achieve a sustainable financial position.

Over the last year, the council has highlighted the strains the growth in demand for services, particularly social care, continues to put on this council's and all local authorities' finances. Over the period from 2010/11:

- the number of people supported for their learning disabilities has increased by 46% to 3,760 the highest for any council;
- the population of children needing school places has increased by 9% to 142,208;
- the number of children with a Statement of Special Educational Needs or an Education, Health and Care Plan has risen by 44% to 7,700;
- the council supports among the highest numbers of asylum seeking children, in the country;
- the number of older people supported has risen by 9% to 9,822;
- cuts to the Government's Public Health Grant has worsened the council's position compared to the Government's assessment of need, leading to a £17.7m shortfall;
- the county's roads experience significantly higher use than the averages for the South East and for England, which brings significant Highways Service demands, for which the council is underfunded by £11m compared to other authorities.

Over this same period, the Government has reduced its core funding to the council significantly and plans to continue to do so until at least 2019/20.

With services demands continuing to increase, funding pressures will continue making medium to long term financial sustainability only achievable through a fundamental review of service delivery across Surrey. This will require a step change in collaboration with partner organisations and much greater focus on changes to whole systems for delivering services. These transformation changes form a significant part of the total savings programme necessary to build the council's financial resilience to face an increasingly uncertain medium term service and funding environment. These changes are likely to be significant, so it is essential the council involves residents and service users fully in service design.

The council will build on its success in this area and take a much more place-based, rather than individual service-focused approach as well as continuing to develop its digital strategy and pursuing commercial opportunities as they arise.

In recent years, this council has drawn particular attention to where methods for distributing national funding have a disproportionate negative impact on Surrey, such as the Improved Better Care Fund that for 90% of the funding does not apply the

Government's own relative needs formula. These unfair funding distributions underline why the council aims to play a full role in the Government's Fair Funding Review. This includes its role as a 100% Business Rates Retention pilot in 2018/19 in partnership with the Surrey district and borough councils. The councils will seek to retain and extend the pilot into 2019/20, to help shape future arrangements for the benefit and protection of Surrey residents and businesses.

In February 2018, County Council approved £316m three year capital programme, with £139m capital investment in 2018/19 and confirmed it would only support capital schemes it can fund without borrowing, other than in exceptional cases. This report presents the detailed capital programme.

This paper reports summaries of the Equality Impact Assessments that support the changes in service budgets.

Following Cabinet approval, the council will publish the detailed budgets as "MTFP 2018-21" on its website. This will enable users, budget managers, Members and residents to view budget details interactively on-line and request a hard copy of relevant sections.

RECOMMENDATIONS:

It is recommended Cabinet approves the following.

1. £21.3m use of reserves in 2018/19, reduced from £23.6m due to receipt of additional funding announced in the Final Settlement on 7 February 2018 (paragraph 16).
 2. Changes to the capital programme outlined in paragraphs 28 and 29, including £5m increase in 2018/19 for highways as a result of recent severe weather, funded by use of capital receipts. This brings the three year capital programme to £322m, with £144m in 2018/19.
 3. A savings programme over the three years of MTFP 2018-21 to build the council's financial resilience (paragraph 17).
 4. The 2018/19 service strategies (Annex 1).
 5. The detailed service revenue and capital budgets for the year 2018/19 and indicative budgets for the years 2019-21 including amendments resulting from the Final Local Government Financial Settlement and other Government funding changes announced since 7 February 2018 (Annex 1).
 6. The council's proactive and systematic engagement in: responding to proposed changes in local government funding to ensure these changes do not further disadvantage Surrey and seeking appropriate recognition by the Government of the costs of delivering services in Surrey.
 7. Publication of the service revenue and capital budgets as the Medium
-

Term Financial Plan 2018-21 (MTFP 2018-21).

8. Decisions related to the Early Years single funding formula (paragraphs 50 and 51):
- the local authority retains £3.4m of the Early Years Dedicated Schools Grant to manage the sector, support providers and secure the supply of places;
 - the SEN Inclusion Fund to provide additional funding to providers for 3-4 year olds with special educational needs is set at £1.4m (£1.2m in 2017/18)
 - fund individual Early Years providers at rates which are commensurate with the levels of funding in the Early Years DSG:
 - £4.60 / hour for three and four year olds (£4.51 in 2017/18);
 - £5.88 / hour for two year olds (unchanged); and
 - £2.77 / hour additional deprivation funding based on eligibility for the early years pupil premium on economic grounds.

It is recommended Cabinet notes the following.

9. The Director of Finance's letter to the Ministry for Housing, Communities and Local Government confirming the council will spend the Adult Social Care Precept entirely on adult social care functions (Annex 2);
10. Fees & charges approved under delegated powers (Annex 3).
11. Equality Impact Assessments of the savings proposals within directorate and service budgets (Annex 4).

REASONS FOR RECOMMENDATIONS:

The council has a legal duty to prepare a balanced and sustainable budget and to deliver statutory services to residents.

The Medium Term Financial Plan 2018-21 (MTFP 2018-21) is a three year budget that reflects assumptions about the current local and national financial, economic and political environment. Setting a three year budget is a key element of the council's multi-year approach to financial management and its aim of achieving a sustainable financial position. Regular reporting through the year will enable effective tracking and management of progress with the strategy and the budget.

DETAILS:

Relevant strategies update

1. The refreshed Financial Strategy 2018-21, reported to County Council on 6 February 2018, clearly sets out the council's approach to financial management. It provides the basis for sound financial governance and long term sustainability and supports the delivery of the Corporate Strategy. The fundamentals of the Financial Strategy 2018-21 are:

- acting in the public interest at all times through building partnerships to improve value and outcomes;
 - long term planning to enable effective and sustainable outcomes that meet future needs and opportunities; and
 - a proactive and practical outcome-focused approach to managing key risks and supports service strategies.
2. In light of the Government's comprehensive spending review period only covering up to 2019/20 and the expectation of fundamental local government funding changes in 2020/21, in the form of 75% Business Rates Retention and Fair Funding Review, this MTFP only covers the three years 2018-21.
 3. To support the corporate strategic goals of wellbeing, economic prosperity and resident experience in a period of rising demand and falling funding, the MTFP 2018-21 includes the purpose, challenges, key actions and budget summary for 2018/19 for each service. Annex 1 includes each of the service strategies.

Final Local Government Financial Settlement

4. County Council approved the overall outline budget for 2018/19 on 6 February 2018. The Ministry of Housing, Communities and Local Government (MHCLG) announced the Final Local Government Financial Settlement the following day. The council's budget was set based upon a 2.99% increase in the Council Tax precept for general expenditure and a 3.0% adult social care precept which are both within the limits announced by the Secretary of State in the Provisional Settlement in December 2017 and confirmed in the Final Settlement.
5. The Final Settlement confirmed the arrangements to satisfy MHCLG that the adult social care precept will be spent appropriately. The Director of Finance had complied with these conditions by the stated deadline of 28 February although this has now been extended to April. The letter from the Director of Finance providing this confirmation is attached in Annex 3
6. The Government announced its intention to extend the Business Rates Retention pilots for 2019/20. Although MHCLG has issued no formal invitation for this, the council is pro-actively discussing extending its 2018/19 pilot with the Surrey borough and district councils. As the lead authority, the council is working with MHCLG to help further on the new scheme's impact for two-tier areas.
7. The Final Settlement largely confirmed the amounts in the Provisional Settlement and introduced two items of new funding:
 - Adult Social Care Support Grant - £150m new funding in 2018/19, distributed in accordance with the relative needs factor for adult social care. The council's share is £2.5m; and

- Rural Services Delivery Grant - £31m increase in 2018/19, distributed only to the top quartile of authorities based on the super-sparsity indicator. The council is not eligible for this grant
8. The Final Settlement made a small adjustment to the s31 grants paid to compensate local authorities for the difference between the inflationary increase due on retained business rates and the 2.0% cap on business rates increases introduced by the Chancellor for the Exchequer.
 9. The fair funding review's consultation on relative needs and resources closed on 12 March 2018. MHCLG continues to work to implement the next phase of the business rates retention reforms in 2020/21. It proposes local authorities will be able to retain 75% business rates, with the additional 25% retained intended to cover: Revenue Support Grant (RSG), the Greater London Authority Transport Grant, the Rural Services Delivery Grant and Public Health Grant (PHG). It continues to be crucial the council plays a full role in the review.
 10. The Government plans to publish a Green Paper on Adult Social Care in summer setting out proposals for reform. It also plans a formal consultation looking at fair and affordable options to address the problem of negative RSG that occurs in 2019/20. As the 75% business rates retention scheme intends to add total of RSG to the amount of funding local authorities retain from business rates, it is important the council helps the Government find a fair and affordable solution to negative RSG for 2019/20 and removes it as an issue in the 75% business rates retention system.

Medium term financial plan – revenue budget

11. Cabinet approved the indicative three year revenue and capital budgets on 30 January 2018 and on 6 February 2018, County Council approved the outline 2018/19 budget. This included £66m planned savings and service reductions in 2018/19, rising to a total £133m planned savings over the period 2018-21.
12. MTFP 2018-21 is based on the council's approved 2018/19 budget. It provides detailed service revenue and capital budgets following further consideration by Scrutiny Boards and includes other changes from Government announcements on grant funding. Any alterations to the final allocations of these grants will be covered directly in year by the services. The full list of grants is in Annex 1.

Detailed revenue budget – key highlights

13. The council's gross revenue expenditure budget for 2018/19 is £1,712m which includes £108m expenditure pressures across all services, especially in social care, and savings of £66m.

14. In Adult Social Care (ASC) pressures continue to rise in 2018/19 and this council, like many others throughout the country, can no longer deliver the same proportion of savings to mitigate them. ASC's budget pressures amount to nearly £50m in 2018/19, against which the service plans to deliver over £18m of savings. Over £20m of these pressures arise due to an increase in demographic demand for services and nearly £20m is due to inflationary increases. Overall this represents a £31m increase in the ASC service budget for 2018/19.
15. Similarly, demand pressures in Children, Schools & Families continue to increase by over £35m in 2018/19 plus inflationary pressures of over £7m.
16. Despite £133m planned savings, over the three year MTFP period, including £66m in 2018/19, the intensity of the council's pressures and the continuing loss of grant mean it will be making substantial use of reserves and the capital receipts flexibility. To meet its overall funding shortfall in 2018/19, the council will apply:
- £15m capital receipts under the flexible use of capital receipts strategy to revenue transformation projects; and
 - £21.3m from available earmarked reserves
17. However, to achieve a sustainable financial position, based on current prudent financial planning assumptions, the council has identified further spend reductions of £133m over the three years 2018-21. The council needs to transform services to cover its funding shortfall (£94m in 2020/21) to achieve a sustainable financial plan over the next three years and assure longer term financial sustainability in the context of uncertain future funding.
18. However, delivery of the savings is not straightforward and for 2018/19, at this stage savings have been assessed and ragged as set out in Table 1 below.

Table 1: Risk of achievement of 2018/19 savings

Risk rating	2018/19 £m	Risk description
Red	13	Achievement of savings faces severe challenges and barriers.
Amber	27	Significant barriers exist to the savings being achieved and the service is developing plans to overcome them.
Green	26	Savings will be achieved with few internal or external barriers.
Total savings	66	

19. In view of the challenges of delivering significant further savings and reductions for several more years and to help ensure the council achieves its planned and total savings programme, Cabinet has

required the Chief Executive and Director of Finance to continue to ensure:

- delivery of existing MTFP efficiencies and service reductions for the remaining years of the MTFP 2018 21 (to gain greater assurance about the robustness and deliverability of the 2018/19 planned savings, the Chief Executive and Director of Finance have initiated a series of “deep-dive” reviews); and
- services monitor their demand and cost pressures and develop plans to mitigate the impact of those pressures.

Financial resilience through transformation

20. Medium to long term financial sustainability requires the council to transform fundamentally how people access local public services in Surrey. Alongside the sustained reductions in funding over the last seven years, the scale and nature of residents’ needs has also changed, becoming both greater and more complex, adding further financial pressures. Public services in Surrey have responded by:
 - making efficiencies;
 - developing shared operations and joint-working;
 - new models of delivery that work closer with the voluntary community and faith sector;
 - greater collaboration with partners on a preventative approaches; and
 - taking advantages of devolution, for example through Surrey Heartlands.
21. As funding and demand pressures both continue to intensify, the scale of the challenge for public services in Surrey will become ever greater. Addressing these challenges requires a step change in collaboration with partner organisations and a much greater focus on thinking about changes to whole systems (involving many organisations) for delivering services and achieving the savings and cost reductions the council needs to achieve financial resilience.
22. The transformation changes are likely to be very significant and noticeable for residents, so it is essential the new service design involves residents and service users much more fully. The council has had some success in this area already and will build on this, taking a much more place-based rather than individual service-focused approach.
23. The people and places approach will work closely with partners (the district and borough councils in particular) to understand local needs and consider how best to deliver within future budgets. The approach will look at sustainable approaches to make best use of our combined resources, protecting services residents value most and seeking new ways to deliver preventative services more effectively. It will also focus on understanding residents’ views and the role they see public services playing in the future, including ideas on how councils could deliver

differently. The approach will help the council consider its own assets and how to use them best, looking at how to bring services together for communities in one place wherever possible.

24. In addition to the place based approach, the council will continue to develop its digital strategy and pursue commercial opportunities as they arise. To drive forward at pace, both areas may need additional capacity and external expertise such as project management, change expertise to ensure a more agile approach, research and data analysis. The work will also look at innovation more broadly in the sector and across the market to understand the potential of digital to transform both service delivery and residents' contact with the council. Where the approach identifies need for additional capacity, which the council cannot meet within existing budgets and resources, Cabinet will receive a business case on an invest to save basis, with a clear focus on delivering a balanced budget in 2019/20 and a sustainable long-term budget.

Staffing

25. As a part of the detailed budget, Annex 1 includes the numbers of funded employees for each service expressed as full time equivalents (FTEs). The overall staffing budget has reduced by 12 FTEs. Demand (Schools & SEND and Children Services) and new responsibility increases (Schools & SEND – contract changes, Coroner Officers from Surrey Police) have offset the planned savings and service reductions in 2018/19.

Medium term financial plan – capital budget 2018/19 to 2020/21

26. Surrey County Council invests in creating public value for Surrey residents through its capital programme. There are two strands to the capital programme, the first being investment in assets to provide services and the second being investment in long term capital assets that will generate capital growth and regular income returns to reduce reliance on the taxpayer.
27. In February 2018 County Council approved a capital programme of £316m for the three years 2018-21 in relation to assets to provide services. It agreed a continuation of the policy to support only capital schemes that do not require borrowing, unless the scheme has a compelling business case that demonstrates best value and a sustainable basis for funding borrowing costs.
28. Since the Council meeting in February there have been some amendments to the capital programme. These relate to Cabinet approvals to increase property spend relating to residential refurbishment and an update to the capital programme relating to Environment & Planning Strategic Economic Plan Schemes (Local Growth Deal) and schemes funded by developers or as part of the cross

directorates CIL schemes, to reflect recent changes. In addition, the IT & Digital projects budget has increased to include the network refresh spend which will be funded from the equipment replacement reserve. IT & Digital makes regular revenue contributions to this reserve to facilitate future year capital expenditure requirements.

29. The council proposes a £5m increase in the highways capital programme in 2018/19, funded from capital receipts.
30. The revised three year programme for 2018-21 is £322m, with £144m committed to 2018/19.
31. The main components of the capital programme are for: school places, highways and the council's property.

School Places

32. The number of school aged children in Surrey has been rising for several years and requires the council to provide additional pupil places in primary schools and secondary schools. This is known as the Schools Basic Need programme. In the past the council has had to undertake significant borrowing to support the need for more school places and a reduction in the grant provided by Central Government from 2019/20 results in additional borrowing being required to meet for future years' requirements.

Highways

33. Surrey has one of the most heavily used road and highway networks in the country which requires maintenance and replacement. Over recent years the council has invested heavily in its roads and this continues with a £75m three year highways and transport budget, including £29m in 2018/19. The majority of this budget is financed by Government funding and only the River Thames flood protection scheme and other flood resilience schemes are planned to be supported by borrowing.
34. Surrey's highway network has suffered extensive damage over the winter, particularly during the severe cold spell which brought snow and ice in late February and early March 2018. This damage is causing particular problems on the busier roads, which will require treatment so they are serviceable for all road users. It is recommended that these roads are treated with a programme of large and small local structural repairs, followed up with surface dressing to seal the roads. To reflect this, the capital highway maintenance budget has been increased by £5m (from £15.9m to £20.9m) for 2018/19 only.
35. The Community Infrastructure Levy (CIL) is a developer levy collected by boroughs and districts in Surrey. Depending on the development, the council receives CIL monies to fund new capital schemes. Both the Highways & Transport and the Environment & Planning capital budget

include schemes to be funded either from CIL or other developer contributions. This equates to £5.6m funded by contributions during 2018-21, with £2m planned for 2018/19.

Property

36. The council has a large number of properties for providing its services from, which it must maintain. The biggest element of this is schools. The Government provides two grants for schools capital: the Devolved Formula Capital Grant is devolved to schools for new buildings and extensions and the Schools Condition Allocation (capital maintenance) Grant. In 2018/19, the council expects to receive £1.6m Devolved Formula Capital Grant and £11m Schools Condition Allocation Grant. These amounts are provisional pending final allocations from Government which can change for revised pupil numbers and academy conversions. The council will adjust the capital programme expenditure for any changes in these allocations.
37. Table 2 summarises the capital spending and funding for the period 2018/19 to 2020/21 with more detail for each service shown in annex 1.

Table 2 – Capital programme and funding 2018/19 to 2020/21

	2018/19	2019/20	2020/21	2018-21
	£m	£m	£m	£m
Summary capital programme				
Schools Basic Need	47	47	14	108
Highways and transport	29	22	24	75
Property recurring programme	19	19	19	57
Property projects	23	1	0	24
Other capital projects	26	18	14	58
Total capital programme	144	107	71	322
Summary capital funding				
Grants	87	66	35	188
Reserves & capital receipts	22	1	4	27
Third party contributions	6	7	3	16
Borrowing	29	33	29	91
Total capital funding	144	107	71	322

Reserves and balances

38. The council holds a small general balance to provide a contingency against unforeseen overspends or a major unexpected event. The level of this general balance is not prescribed and the council aims to keep a reasonable balance that is justifiable in the context of local circumstances while not tying up Council taxpayers' money unnecessarily. In recent years this has been set at between 2.0% to 2.5% of the council's core spending power (between £17m and £21m).

The council expects its general balances at 31 March 2018 to be £21.3m.

39. Earmarked reserves are for specific purposes and to mitigate against potential future known or predicted liabilities. Since 2013/14 the council has drawn £103m from earmarked reserves to support the budget. The budget approved by County Council in February 2018 proposed £24m reserves to support the 2018/19 financial year. Following the additional funding announced in the Final Settlement, this amount has been reduced to £21m. This will reduce the council's level of earmarked reserves to approximately £52m as at 1 April 2018.
40. In addition to the use of reserves to support the 2018/19 budget, there is currently a forecast overspend on the 2017/18 budget which may require a further contribution from reserves. The current projected level of reserves as at 1 April 2018 is considered to be the minimum appropriate safe level given the risks and uncertainties the council faces. The Director of Finance is clear that the council will have to replenish any further use of reserves in future years.
41. Appendix 1 to Annex 1 provides an updated schedule of earmarked reserves and a description of their uses.

Fees and charges

42. In addition to Government grants, business rates and Council Tax funding, the council plans to raise over £103m in fees and charges in 2018/19.
43. The detailed budgets in Annex 1 analyse the council's fees and charges income by service. The schedules to Annex 3 detail the charges proposed for 2018/19.
44. The council's financial regulations distinguish between individual and organisational income. The definition is:

'Fees and charges are agreed upfront payable rates for providing services that are either set by statute (Act of Parliament e.g.: fairer charging) or through the council's delegated authority, and include fines, licenses and penalties. The fees and charges are usually paid by individual members of the public and can be purchased by anyone.

'It is not a fee or charge when there is an arrangement to provide services to another organisation, where the price and service is negotiated, under a form of contract.'

45. Every year services review and update their fees and charges to ensure discretionary services for which a fee or a charge is applicable are not provided at a subsidy without a specific supporting policy decision; and publish the 2018/19 schedule of fees and charges. Annex 3 details the existing and revised charges by service.

46. Fees and charges are reviewed each year and Scrutiny Boards should review and challenge the fees and charges elements of the service strategies over the next twelve months.

Medium term financial plan – interactive and publication

47. MTFP 2018-21 will be available on the council's website as both an interactive document, allowing the user to drill down into service budgets on the website and an electronic version available for printing. The council has aimed to enhance resident experience by using consistent terminology throughout all external financial publications (Council Tax information, interactive MTFP and Annual Report).
48. A printed version of MTFP 2018-21 will be available to order from the council's main website. As in the current year, this will enable the reader to choose which pages to print.
49. MTFP 2018-21 will present the strategy for each service followed by an analysis of the service's budget including changes from the 2017/18 budget, savings, pressures and staffing.

Early years single funding formula 2018/19

50. Local authorities receive funding (currently estimated at £76m in 2018/19) from the Department for Education (DfE) for free nursery entitlement for two, three and four year olds through the Early Years block of the Dedicated Schools Grant (DSG). The DfE funds local authorities for three and four year olds on the basis of an hourly rate and requires local authorities to fund providers via a formula. From September 2017 the number of hours of free entitlement for some three and four year olds was increased from 15 hours to 30 hours. Thus 2018/19 is the first full financial year in which the 30 hour entitlement is funded. This creates a number of new risks as follows.
- The council does not yet have a full year's data on demand for the 30 hour entitlement and there is still considerable uncertainty both as to the level of demand for the 30 hour entitlement in Surrey and the level of capacity to provide it.
 - In particular, the DfE funds Surrey on an annual census, whereas Surrey must fund providers on a termly census. There is always an increase in take up between autumn, spring and summer terms but the increase for the 30 hour entitlement may be different from that seen previously for the universal 15 hour entitlement.
 - The deprivation profile of children taking up the additional 15 hours may differ from that of children taking up the 15 hour universal entitlement.
 - Local authorities can retain up to 5% of the Early Years funding for 3-4 year olds centrally in 2018/19 (the same level as retained by Surrey in 2017/18) ; the remainder must be passed on to individual providers

51. The council has consulted with Early Years providers and Schools Forum around local funding changes. The Forum agreed that in 2018/19 the local authority could retain £3.4m of the Early Years grant to manage the sector and support providers (which includes £0.3m to provide full time education for children in maintained nursery schools who do not meet the DfE's full time criteria). Schools Forum supported the following.
- The use of £1.4m to provide devolved funding for 3 and 4 year olds with SEND (the inclusion fund) an increase of £0.2m.
 - Funding of Early Years providers at rates which are commensurate with the levels of funding in the Early Years DSG:
 - £4.60 / hour for three and four year olds (£4.51 in 2017/18)
 - £5.88 / hour for two year olds (unchanged).
 - 2.5% of formula funding to be allocated as a deprivation supplement for children meeting the DfE criteria for the early years pupil premium on economic grounds (generally those who, if in school, would meet the eligibility criteria for free school meals). This is the same criterion which has been used since September 2017. This should allow the deprivation supplement to be set at £2.77 / hour.
 - Funding for free meals provision in maintained and academy nurseries to remain unchanged.

CONSULTATION

52. During February and March 2018 the council's scrutiny boards have reviewed and scrutinised service budgets that are now reflected in the MTFP 2018-21 detailed budgets.

RISK MANAGEMENT AND IMPLICATIONS:

53. The MTFP 2018-21 includes £133m of savings and additional income to be made over the three year period. MTFP 2018-21 assumes Council Tax will rise by 2.99% for standard Council Tax and 3.00% for the adult social care precept in 2018/19. Table 1 summarises the risks of not achieving the council's planned savings in 2018/19. Section 2 of MTFP 2018-21 gives further details.
54. In view of the increasing challenge to deliver high levels of savings for several more years, and to contain significant cost and demand pressures, Cabinet has required the Chief Executive and Director of Finance to continue to ensure:
- delivery of existing MTFP efficiencies and service reductions for the remaining years of the MTFP 2018-21; and
 - services monitor their demand and cost pressures and develop plans to mitigate the impact of those pressures.

55. To enable this, the Corporate Leadership Team will lead a thorough tracking and monitoring process for the whole council and rigorously review plans for delivering all savings across the whole MTFP period. Directorate leadership teams will track and monitor services' detailed savings plans. Cabinet Members will also receive tracking reports so that they can report monthly at Cabinet meetings on the progress under their responsibility areas.
56. The council maintains an integrated risk framework to manage the significant challenges it faces and the associated emerging risks. The specific risks and opportunities facing the council and recorded in the Leadership Risk Register are:
- *Financial outlook*
Further reductions in funding, due to constraints in the ability to raise local funding and/or distribution of funding, results in significant adverse long term consequences for sustainability and service reductions leading to significant implications for residents.
 - *Safeguarding – Children's Services*
Avoidable failure in Children's Services through action or inaction, including child sexual exploitation, leads to serious harm, death or a major impact on wellbeing.
 - *Safeguarding – Adult Social Care*
Avoidable failure in Adult Social Care, through action or inaction, leads to serious harm, death or a major impact on wellbeing.
 - *Medium Term Financial Plan (MTFP) 2017-20*
Failure to achieve the MTFP, which could be a result of:
 - not achieving savings;
 - additional service demand; and/or
 - over optimistic funding levels.
 As a consequence, lowers the council's financial resilience and could lead to adverse long term consequences for services if Members fail to take necessary decisions.
 - *New ways of working*
Failure to work effectively as part of a multi-agency system leads to severe service disruption and reputational damage.
 - *Organisational resilience*
Failure for the organisation as a whole to plan for and/or respond effectively to a significant event and or strains on workforce capacity or resilience, results in severe and prolonged service disruption and loss of trust in the organisation.
 - *Senior Leadership Succession Planning*
A significant number of senior leaders leave the organisation within a short space of time and cannot be replaced effectively resulting in a reduction in the ability to deliver services to the level required.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

57. The council's refreshed Financial Strategy sets out its approach to financial management as the basis for sound financial governance and long term sustainability. All the documented budgets and targets have been subject to a thorough value for money assessment. Throughout the budget planning and setting process the council has assessed material financial and business risks and reflects them in this report and its annexes.
58. The Government has indicated its intention to implement a 75% Business Rates Retention Scheme for local government from 2020/21. This includes a fair funding review among its foundations and pilot schemes to test practical application. To ensure the council's financial prospects are sustainable and the new scheme treats Surrey residents fairly and incentivises businesses effectively, it is crucial the council continues to play a full and vital role in these consultations and reviews to influence the future funding of local government.
59. The 75% Business Rates Retention Scheme will introduce many significant changes to local authorities' spending responsibilities and funding sources that are, as yet unknown. As such, the Government has only provided funding totals to councils for the period 2018/19 to 2020/21. Given the level of uncertainty beyond 2019/20, the council has limited its MTFP to three years.
60. Even over this shorter three year period, reductions in Central Government funding, constraints on raising revenue from local sources and growing service costs and volumes all combine to mean pressures on the council's budget intensify. In this worsening scenario, it will be increasingly challenging for the council to deliver further savings after achieving more than £540m expenditure reductions since 2010. The 2018/19 budget includes £66m of identified savings and cost reductions. The total planned savings in MTFP 2018-21 is £133m. However, this still leaves a funding gap of over £94m in 2020/21.

SECTION 151 OFFICER COMMENTARY

61. Since 2010 the council has made significant savings, efficiencies and service reductions in order to maintain a balanced budget. These have averaged between £60m to £70m per year. For 2018/19, there are £66m of identified savings and there is a high degree of risk around all of these being achieved. It is the view of the Director of Finance that the council will be required to make a significant unplanned use of earmarked reserves for unachieved savings in 2018/19. This will take reserves below the safe minimum levels and will need to be replenished in future years, especially those required to cover future possible

liabilities. There is therefore an essential need for even more rigorous tracking and monitoring by the leadership of the council of the savings and spending reduction plans to ensure they are delivered or that alternative actions are taken early if necessary.

62. It is important to note that the 2018/19 budget is balanced through the use of £56m one off measures, including £21m from earmarked reserves. In future years this is not sustainable, especially the use of reserves that are already at the safe minimum level in light of the financial uncertainty facing the council. Further, the council cannot reasonably assume that future funding changes will emerge to create a balanced and sustainable budget. The implications for funding after 2019/20 are largely unknown pending the Government's planned reform of local government funding through its Fair Funding Needs Review and the 75% Business Rates Retention policy implications. The council therefore needs to continue to identify and implement further measures to reduce its costs, so it can replenish reserves and contain spending within anticipated resources all within an increasingly uncertain service demand and funding environment.

LEGAL IMPLICATIONS – MONITORING OFFICER

63. This report sets out the council's refreshed financial strategy and in particular the need for high levels of savings to be delivered. Legal Services will be involved in tracking and monitoring savings to advise on the legal implications of individual proposals.
64. In exercising its functions, the Council has a duty under s11 of the Children Act 2004 to have regard to the need to safeguard and promote the welfare of children. In considering the MTFP, members should therefore consider the impact of the plan on services provided for children and the extent to which the plan safeguards and promotes their welfare. As specific savings proposals are developed, additional analysis will be provided to ensure that this is one of the factors taken into account in making the final decision to implement them.
65. The council also has a duty under the Equality Act (2010) to consider the equalities implications of the proposals underpinning the MTFP, as set out in the Equalities and Diversity section of this report.

EQUALITIES AND DIVERSITY

Background

66. An analysis has been undertaken of the equality implications of the savings proposals presented in the MTFP for the 2018/19 financial year. This analysis provides the Cabinet with information about the potential

impact of the proposals on groups with protected characteristics in Surrey. Where potential negative impacts have been identified, information is also provided about the actions that the Council is taking, or will undertake, to mitigate them.

67. This analysis covers proposals to deliver savings of £66 million outlined in the MTFP. Equality implications for new proposals for delivering savings in 2018/19 have been, or will be, assessed and mitigating actions put in place, where possible.
68. Where the Cabinet is required to take decisions about the implementation of savings proposals, or where proposals are not yet sufficiently developed to undertake an equality analysis now, additional analysis will be presented to inform decision-making alongside the relevant future Cabinet reports. Equality Impact Assessments (EIAs) will be prepared as more specific proposals to achieve savings are brought forward.
69. EIAs for a number of savings proposals in 2018/19 are continuations of those undertaken previously. Where this is the case, the existing EIA has been reviewed and, where relevant, been updated with the latest available information. For new savings proposals, or proposals with significant material changes, a new EIA has been completed.
70. This section of the report provides information about:
- the legal requirements around equality;
 - the high-level findings of the analysis, including information about which new savings proposals have been assessed for equality implications; and
 - how the findings of this analysis will be used.
71. The equality implications for the Council's financial plans beyond 2018/19 will be considered by the Cabinet alongside future MTFP reports. .

Legal requirements

72. When approving the financial plans, the council's Cabinet must comply with the Public Sector Equality Duty in section 149 of the Equality Act 2010 which requires it to have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Equalities analysis: Overarching findings

73. A detailed summary for each council directorate is included as an annex to this document. Where necessary, EIAs have either been completed or are being developed, and will be published on the Surrey County Council website at <http://www.surreycc.gov.uk/your-council/equality-and-diversity/ensuring-our-decisions-are-fair>
74. The council provides many services for the most vulnerable in Surrey. This includes numerous groups with characteristics protected under the Equality Act 2010¹. Officers have identified proposals for savings in 2018/19, assessed the impact of any proposals on those groups and, where possible, developed mitigating actions to prevent any negative impacts. Some detailed implementation plans are still being developed which will commit to identifying impacts and setting out mitigating actions over the coming year.
75. For the council's workforce, the biggest changes will be in restructures and management of vacancies. These will be completed in line with council policy to ensure no particular groups are disadvantaged.
76. Key points are highlighted below.

Adult Social Care

77. Adult Social Care plans, commissions and provides a wide range of services for adults across Surrey. The directorate has a target to deliver £18.4 million savings in 2018/19. EIAs for these savings have been grouped under three strategic headings - whole systems demand management; market management and pricing strategies; and workforce development.
78. Increasing demand for services and the level of saving required in 2018/19, coming on top of £234 million savings already achieved since 2010/11, means it is increasingly difficult to mitigate negative impacts and there are risks as follows.
 - Investment in preventive services will continue to be reduced to ensure the council discharges its duty to meet eligible assessed needs as demand on services increases. To mitigate this risk the directorate will ensure any changes are evaluated for the potential impact on people with protected characteristics and are targeted to minimise the impact.
 - There will be increased pressure on health, borough, district, voluntary, community and faith sector partners and informal carers. To mitigate this

¹ Protected characteristics are Age (including younger and older people), Disability, Gender reassignment, Pregnancy and maternity, Race (including ethnic or national origins, colour or nationality), Religion or belief (including lack of belief), Sex, Sexual orientation and Marriage/civil partnerships.

risk, the council will continue to collaborate with partners to deliver local integrated community based health and social care.

- Providers will be facing their own financial challenges. To help mitigate this risk the council will continue to work in partnership with providers to develop and maintain sustainable social care markets).

79. The directorate has committed to a range of other mitigating actions including encouraging people to build networks of support amongst their families, friends and communities; and ensuring practice is proportionate and continues to focus on outcomes. Service changes will also be evaluated across the system; individuals, their families and carers engaged throughout the process of change; technology will continue to be used to help promote independence, manage increasing demand and drive proportional practice; and new and creative models for delivering services will continue being sought.

Children, Schools & Families

80. The Children, Schools & Families (CSF) directorate consists of Children's Services; Schools & Learning (including Special Educational Needs & Disabilities); and Commissioning & Prevention (including Early Help and Family Services). Savings of £25.5 million are planned for 2018/19, and are grouped under six themes:

- Market management –seeking to contain costs for commissioned services.
- Early Help model –relating to the implementation of a new operational model for Family Services which works with children and families to identify and address problems before they escalate.
- Special Education Needs & Disabilities (SEND) –seeking to ensure a sustainable service to support children and young people with SEND.
- Education and skills –relating to changes in support services for schools in light of changing national legislation and funding arrangements, and growth in the number of academies.
- Support functions reduction –to review the business support functions in Children's Services and Schools & Learning to ensure efficiencies whilst reducing operational costs.
- Productivity efficiencies - relating to the continuous identification of the most efficient ways of running services

81. Key changes in 2018/19 include: the continued reconfiguration of Early Help services, which are anticipated to improve outcomes for children and young people with multiple vulnerabilities and across all protected characteristic groups, and introduction of a new travel assistance policy for children and young people with SEND.

82. Mitigating actions include engaging local stakeholders so Early Help services are delivered in the most accessible locations possible.

83. Other proposals are likely to have a positive impact for vulnerable groups, for example, savings aimed to support increased in-county provision for children and young people with SEND to provide them with placements closer to home.

Public Health

84. Public Health has a £2.2 million savings target for 2018/19. Changes are proposed to sexual health and substance misuse services, both of which have EIAs that are being updated.
85. Savings in sexual health services are to non-contract related spend, such as work to encourage a reduction in the numbers accessing sexual health services outside the county for which the council is required to pay additional fees. While this does not mean a direct change in service provision, the approach may be counter to the preferences of some using the service. This will be reflected in the updated sexual health services EIA that will be published in March.
86. Savings in substance misuse services relates to work with current providers to develop a new integrated substance misuse service under one contract from April 2018. The detail of this is still being developed however it will involve a move to one provider for tiers two (e.g., injecting equipment exchange), three (e.g., psychosocial and recovery support) and four (inpatient detoxification) services. In addition, specialist support provided for those within the criminal justice system will not be recommissioned.
87. EIAs for these savings will be updated as changes are implemented over the coming months and data on user impact is collected and monitored. In addition, partners and service users will continue to be engaged as the changes are rolled out.

Orbis

88. The Orbis Partnership aims to make major savings to back office services by amalgamating functions across Surrey County Council, East Sussex County Council and Brighton & Hove City Council. By the end of 2018/19, Surrey County Council will have accrued savings of £2.7m by creating joint teams, reducing duplication and adopting more efficient working practices with the other local authority partners. There should be no negative impact on front line service provision.
89. Changes will impact on staff for savings to the Information Technology & Digital Service and mitigating actions are being put in place to address any negative impacts. However, there are also opportunities to maximise participation in the workplace for staff from all protected groups, such as flexible working for part-time staff and more scope for reasonable adjustments to accommodate a range of people with different needs.

90. EIAs will be completed, or updated, for different service areas as they undergo the transformation set out in the Orbis three-year business plan.

Environment & Infrastructure

91. Environment & Infrastructure has a savings target of £1.3m for 2018/19 and is delivering savings in a number of areas.
92. There will be a reduction of £350,000 to the council's contribution to partnership work with Surrey Wildlife Trust; and contributions to certain partnerships reduced or stopped, such as Gatwick Greenspace Partnership and Blackwater Valley Countryside Management Partnership. It is also proposed to reduce the revenue budget for Rights of Way work. The public who visit the countryside and potentially those who benefit from some of the activities run by the hosted and non-hosted partnerships will be affected by the proposals. Papers will be brought before Cabinet throughout the year, with details on service delivery reductions and changes to access arrangements, which will be accompanied by full EIAs outlining the key equality impacts.
93. Savings will also be realised following Cabinet's decision to make operational changes (for example, ceasing the free daily allowance of chargeable waste from construction or demolition to homes and gardens) at the Community Recycling Centres, and rationalisation of staffing and back office costs within the directorate. Full EIAs have been, or will be, carried out for these savings.

Customer Services

94. Customer Services has a £165,000 savings target for 2018/19. Full EIAs are being written for two of the savings plans as negative impacts have been identified. Savings proposals include promoting online and other self-service options to access services and moving away from telephone mediated contact, changes to staffing, and a review of how appointments are managed for the Registrations Service.
95. Proposals to mitigate the negative impacts of these changes include continuing to provide a telephone mediated service for people who are unable to self-serve, and providing training for contact centre staff so they can identify vulnerable customers and arrange the right support for their needs.

Libraries

96. The Library Service plans to make £546,000 savings in 2018/19. The following proposals have been identified as having potential equality impacts on residents and staff:
- options for the future of Surrey Performing Arts Library (PAL); and

- changes to the operational delivery models to some libraries across the branch network.
97. The options being considered for the PAL include whether to relocate the music and drama collections across two existing library branches in the county, or to relocate the collection to a charitable incorporated organisation. There are positive and negative impacts from either of these options, including increased travel time for some residents, but less for others, and a less accessible location for employment, but more accessible for others.
 98. Proposals for the branch network include changing the delivery models of some libraries to a Community Supported Library model, with an increased opportunity for volunteers across the library network. In addition, the reallocation of resources within the branch network means a reduction in the service offer at designated libraries.
 99. These proposals have may have negative implications for some protected groups, such as older people, women and children, as they represent a higher proportion of library users and there may be a need for some users to travel further to access services. EIAs are being developed for these proposals with mitigating actions to be identified.
 100. An increase in volunteering opportunities may have a positive impact on those with limited availability who would like to volunteer, for example those with babies or young children or carers.

Surrey Fire & Rescue Services

101. For Fire & Rescue, a number of changes are proposed to meet the £661,000 savings target for 2018/19. Reviews are underway of fire cover for the Woking and Surrey Heath areas, delivering efficiencies in back office and management costs and reductions in employer contribution rates following changes to the National Firefighters Pension Scheme. The EIA process will identify and aim to mitigate any negative impacts on residents and staff with protected characteristics.

Mitigation

102. As part of this equalities analysis work, services have developed a range of mitigating actions that seek to offset negative impacts of savings proposals. In summary, the council's approach to mitigating negative impacts of savings proposals within the MTFP has been to adopt one or more of the following:
 - using **co-design and consultation** with service users and staff to assist in the reconfiguration of services;
 - undertaking detailed **needs assessments** to enable the council to target services more effectively to vulnerable residents;

- undertaking **ongoing evaluation** of the impact of changes to services to mitigate unforeseen negative impacts;
- providing **tailored information** to service users that are impacted negatively by savings proposals; and
- ensuring any changes to staffing levels or staff structures are completed in accordance with the **council's human resources policies and procedures** and take account of the workforce profile.

Using the equalities analysis findings

103. Consideration of equalities is an ongoing process throughout a project, and should take into account the evidence from public consultations and resident engagement where appropriate. The requirements of the public sector equality duty are designed to ensure that decision makers routinely consider how a proposal might affect different groups in different ways and reflect this in the design of policies and services. In practice, having 'due regard' to the duty means removing or minimising disadvantages suffered by people with protected characteristics; taking steps to meet the needs of these groups where they differ from the needs of others, and encouraging people from protected groups to take part in public life.
104. "Due regard" also means that the consideration given to equality matters should be appropriate in the context of the decision being taken. So alongside the proper regard that Cabinet must give to the duty set out in section 149 they should also consider any other relevant factors and it is a matter for them to decide the weight to be given to these factors. In this case the most significant other matters are:
- the statutory requirement to set a balanced budget
 - the outcomes the council is seeking to achieve, which are set out in the council's *Corporate Strategy 2018-2122*
 - the priorities within the council's *Confident in Surrey's Future: Equality, Fairness and Respect Strategy 2015 – 2020*
 - the demographic pressures facing SCC that include a rising population with projected increases in the number of older residents as well as children and young people. Increases in both these age groups will place additional demands on adult social care services and local schools.

OTHER IMPLICATIONS:

Climate change and carbon emissions

105. A primary outcome of the council's Carbon and Energy policy is a reduction in carbon emissions from the council's own estate, along with managing the council's energy costs. The investment and savings figures referred to in the MTFP are consistent with this policy update.

106. In addition to this, many of the council's financial commitments to schemes in the areas of waste management, transport and flood alleviation will make a positive contribution to reducing emissions and/or a proactive response to managing the impacts of climate change.

WHAT HAPPENS NEXT?

107. The council will publish the MTFP 2018-21 on its website.
108. Progress against the council's strategic priorities will be published quarterly on the council's website. The Chief Executive will submit six-monthly progress reports to the council meetings in July and December 2017. Scrutiny Boards will continue to scrutinise work programmes and performance.

Contact Officers:

Sheila Little, Director of Finance, 020 8541 9223

Adam Whittaker, Policy and Strategic Partnerships Manager, 020 8541 9441

Consulted:

Cabinet, all County Council Members, strategic directors, directors, heads of service, business and voluntary sectors, residents and unions.

Annexes:

Annex 1 Service strategies and detailed revenue and capital budgets 2018-21

Annex 2 Director of Finance's letter to MHCLG on use of the ASC Precept

Annex 3 Fees & charges schedules 2018/19

Annex 4 Equality assessment summary

Sources/background papers:

- Revenue and Capital Budget 2018/19 to 2020/21, report to County Council 6 February 2018
- Revenue and Capital Budget 2018/19 to 2020/21, report to Cabinet 30 January 2018
- Budget working papers
- MHCLG revenue and capital Financial Settlement papers from MHCLG website
- Government Equality Office (2011) Equality Act 2010 – Specific Duties to Support the Equality Duty. What do I need to know?
- Government Equality Office (2011) Public Sector Equality Duty. What do I need to

know?

Medium Term Financial Plan 2018-21

Draft: 22/3/18
Amended
To be approved 27 March 2018



Contents

Overall Budget	3
Revenue Budget	
Including Income and Expenditure, List of Services by expenditure and Government grants, Revenue movements and FTE summary	3-15
Capital	
Including: Programme Summary, Funding and Schemes in service order	16-19
Service strategies and detail revenue and capital budgets	20
Children, Schools and Families:	20-33
Including: Children's Services, Schools & Special Educational Needs and Disabilities (SEND), Commissioning and Prevention	
	34
Adult Social Care	
Public Health	40
Highways and Transport	44
Place Development & Waste	48
Fire and Rescue Services	52
Community Partnership and Safety	56
Communities Support Function	58
Coroner	60
Cultural Services	62
Emergency Management	66
Trading Standards	68
ORBIS – Joint Operating Partnership	70
ORBIS – Managed Budgets	80
Including: Business Operations, Finance, Human Resources and Organisational Development, Information Management and Technology, Property services	
Communications	88
Customer Services	90
Democratic Services	92
Legal Services	94
Strategy and Performance	96
Strategic Leadership	98
Central Income and Expenditure	100

Overall Council

Income & Expenditure category summary

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Funding				
Council Tax	-634,867	-658,047	-685,876	-707,323
Council tax - Adult Social Care support	-31,034	-50,938	-51,447	-51,962
Business rates	-52,669	-375,861	-57,872	-58,872
Local taxation support	-718,569	-1,084,846	-795,195	-818,157
Business Rates (+) Tariff / (-) Top-up	-58,552	234,273	-44,842	-44,842
Revenue Support Grant	-28,000	0	0	0
Transition Grant	-12,175	0	0	0
Dedicated School Grants	-507,248	-487,717	-494,728	-494,728
Other UK Government grants	-149,247	-139,919	-134,688	-132,402
Central Government support	-755,222	-393,363	-674,258	-671,972
Capital receipts	0	-15,000	0	0
Contributions and contract income	-58,366	-62,281	-62,370	-62,460
Fire pension employee contributions	-2,630	-2,657	-2,683	-2,710
Partner (non SCC) funding	-1,666	-1,966	-1,840	-1,605
Fees and charges	-97,590	-102,708	-105,108	-107,433
Property income	-8,669	-9,171	-9,314	-9,498
Income from investment	-415	-4,168	-7,468	-7,738
Reimbursements and recovery of costs	-12,498	-14,547	-15,317	-15,530
Discretionary and other service income	-181,834	-197,498	-204,100	-206,974
Total funding	-1,655,626	-1,690,707	-1,673,553	-1,697,103
Expenditure				
Service staffing	277,265	286,828	282,188	283,588
Service non-staffing	1,039,963	1,096,437	1,141,913	1,171,355
Schools - net expenditure	345,063	314,456	321,467	321,467
Pension payments	14,128	14,269	14,412	14,556
Transformational Savings			-86,427	-93,863
Total expenditure	1,676,418	1,711,989	1,673,553	1,697,103
Funded by reserves	20,792	21,282	0	0

Gross expenditure revenue budget 2018/21

Revenue Summary	Note	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Children's services		112,769	137,382	140,261	142,482
Commissioning and Prevention		107,695	114,502	109,994	110,492
Schools and Special Educational Needs and Disabilities (SEND)		234,273	228,835	231,522	236,343
Delegated Schools		345,063	314,456	321,467	321,467
Children, Schools and Families (CSF)		799,801	795,175	803,243	810,783
Adult Social Care		458,426	499,677	528,831	558,084
Public Health		37,904	37,331	36,495	36,377
Highways and Transport		52,766	54,131	56,409	58,855
Place Development & Waste		89,256	97,398	102,133	104,215
Community Partnership and Safety		2,896	2,453	2,677	2,902
Environment & Infrastructure		144,918	153,982	161,219	165,972
Fire and Rescue Service		43,950	44,207	40,639	39,261
Communities support function		948	695	707	718
Coroner		1,739	2,332	2,360	2,397
Cultural Services		22,589	21,832	21,602	21,348
Emergency Management		552	522	531	540
Trading Standards		3,687	3,706	3,725	3,744
E&I - Communities		29,515	29,087	28,925	28,747
ORBIS - Joint operating budget		37,585	35,611	34,420	34,786
ORBIS - Managed budgets	1	52,284	53,062	54,666	56,378
Business Services		89,869	88,673	89,086	91,164
Communications		2,105	1,811	1,801	1,834
Customer Services		3,508	3,419	3,395	3,375
Democratic Services		6,070	4,990	5,014	5,040
Legal Services		4,379	4,314	4,351	4,407
Strategy and Performance		3,224	2,482	2,521	2,499
Strategic Leadership		915	793	806	819
Chief of Staff		20,201	17,809	17,888	17,974
Central Income and Expenditure		51,835	46,047	53,653	42,602
Transformational Savings				-86,387	-93,803
Total gross expenditure		1,676,418	1,711,989	1,673,592	1,697,163

Please note that some tables do not cast due to roundings

Note 1: Budgets managed by ORBIS for the Council include budgets required such as the costs of running buildings or external audit. The cost of staff is included in the joint operating budget. Individual service strategies and financial budgets are enclosed within the document.

Government grant estimates as at 28 February 2018

		Current	Estimates		
		2017/18	2018/19	2019/20	2020/21
		£'000	£'000	£'000	£'000
Mental Health Deprivation of Liberty	Adult Social care	-80	-80	-80	-80
Adult Community Learning	Cultural Services	-2,406	-2,406	-2,406	-2,406
Adult Social Care support grant	Adult Social care	-4,000	-2,497		
Asylum Migration Fund	Children Services	0	-59	-59	0
Asylum Seekers	Children Services	-4,200	-5,400	-5,400	-5,400
Bikeability	Place Development & Waste	-213	-256	-285	-285
Bus service operator grant ²	Place Development & Waste	-1,416	-1,125	-1,125	-1,125
Business Rate cap grant	Central Income and Expenditure	-1,546	-1,667	-1,667	-1,667
Business Rate retention Scheme	Central Income and Expenditure	-1,523	-1,393	-1,393	-1,393
Community Voices - Add Prison funding	Central Income and Expenditure	-421	-421	-421	-421
Countryside - other grants	Place Development & Waste	-71	-77	-77	-77
Dedicated School Grant	All Children, School & families Services	-507,247	-487,717	-494,728	-494,728
Dedicated School Grant - Corporate Allocation	Central Income and Expenditure	-5,744	-8,744	-8,744	-8,744
Education Funding Agency	Children Services	-11,086	-8,039	-8,039	-8,039
Education Services Grant	Central Income and Expenditure	-1,869			
Extended Rights to Travel	Children Services	-128	-129	-129	-129
Fire Pension	Fire and Rescue Service	-8,245	-8,728	-8,815	-8,903
Fire Revenue	Fire and Rescue Service	-394	-394	-394	-394
Flood water management	Highways and Transport	-92	-98	-104	-104
Health Watch	Democratic Services		-464	-464	-464
Health Watch	Strategy and Performance	-464			
Improved Better Care Fund	Adult Social care	-7,500	-7,895	-7,078	-7,078
Independent Living Fund	Central Income and Expenditure	-1,791	-1,791	-1,791	-1,791
Music Grant, Surrey Arts	Cultural Services	-1,388	-1,388	-1,388	-1,388
New Homes Bonus	Central Income and Expenditure	-5,055	-2,430	-1,970	
PE & Sport	Children Services	-2,185	-4,026	-4,026	-4,026
Police & Crime Panel	Democratic Services	-66	-66	-66	-66
Preparation for Employment	Children Services	-18	0	0	0
Private Financing Initiative	Central Income and Expenditure	-19,022	-16,702	-16,702	-16,702
Public Health	Public Health	-37,504	-36,540	-35,575	-35,575
Pupil Premium	Children Services	-17,730	-14,946	-14,946	-14,946
Registration deaths	Cultural Services	-17	-17	-17	-17
Remand Grant	Children Services	0	-62	-62	-62
Staying put	Central Income and Expenditure	-221	-166	-166	-166
Social innovation grant	Children Services		-264	-264	-264

Government grant estimates as at 28 February 2018

		Current	Estimates		
		2017/18	2018/19	2019/20	2020/21
		£'000	£'000	£'000	£'000
Surrey Area of Outstanding Natural Beauty	Place Development & Waste	-103	-144	-144	-144
Sustainable Travel Grant	Place Development & Waste	-59	-63	-63	-63
Troubled Families	Children Services	-1,521	-959	-345	0
Universal Infant school Meals	Children Services	-10,542	-9,853	-9,853	-9,853
Youth Justice Board	Children Services	-628	-630	-630	-630
Total Grant Estimates		-656,495	-627,636	-629,416	-627,130

Note 2: The Government is reviewing the Bus Service Operator Grant, so the figures for 2019/20 are estimates

Grant estimate by service

Delegated Schools		-345,063	-314,456	-321,467	-321,467
Schools and Special Educational Needs and Disabilities (SEND)		-134,801	-132,769	-132,769	-132,769
Children's services		-6,757	-8,280	-8,280	-8,221
Commissioning and Prevention		-68,664	-76,579	-75,965	-75,620
Children, Schools and Families (CSF)		-555,285	-532,084	-538,481	-538,077
Adult Social Care		-11,580	-10,472	-7,158	-7,158
Place Development & Waste		-1,862	-1,665	-1,694	-1,694
Highways and Transport		-92	-98	-104	-104
Environment & Infrastructure		-1,954	-1,763	-1,798	-1,798
Fire and Rescue Service		-8,639	-9,122	-9,209	-9,297
Cultural Services		-3,811	-3,811	-3,811	-3,811
E&I - Communities		-3,811	-3,811	-3,811	-3,811
Public Health		-37,504	-36,540	-35,575	-35,575
Democratic Services		-66	-530	-530	-530
Strategy and Performance		-464	0	0	0
Chief of Staff		-530	-530	-530	-530
Central Income and Expenditure		-37,192	-33,314	-32,854	-30,884
Total Grant Estimates		-656,495	-627,636	-629,416	-627,130

Revenue budget movements

	Note	2018/19 £'000	2019/20 £'000	2020/21 £'000
Summary budget movement				
Prior year budget		20,792	21,282	0
Local taxation changes	3a	-366,276	289,651	-22,962
Major central government support changes	3b	333,000	-279,115	0
Change to government grants		6,634	4,652	1,941
Funding changes		-26,642	15,188	-21,021
Income inflation		-781	-760	-748
Pay inflation		4,536	4,832	4,834
Contract / market inflation		30,931	26,960	24,606
Inflation		34,686	31,032	28,692
Service Delivery	3c	13,045	14,709	-11,508
Demand		60,948	39,409	28,315
Legislation		-538	23	30
Expenditure pressures		108,141	85,173	45,529
Pressures and changes		81,499	100,361	24,508
Service transformation / efficiency		-64,453	-50,197	-17,062
Service reduction		-1,556	-18	-10
Savings		-66,009	-50,215	-17,072
Transformational Savings			-86,427	-7,436
Capital receipt funding		-15,000	15,000	
Net Budget		21,282	0	0

Note 3a: The 2018/19 Business Rates pilot increases Surrey County Council's retained business rates from £53m 2017/18 to £376m 2018/19. As the pilots are for one year only, in 2019/20 retained business rate revert back to £58m.

Note 3b: The Business Rates pilot moves Surrey County Council from a Business rates Top-up authority (2017/18 -£58.5m) to a tariff authority (2018/19 +£234.3m) and reverting back to a top-up authority (2019/20 -£44.8m).

Note 3c: Service Delivery 2020/21 (-£11.5m): Central Income & Expenditure relates to -£13m. This is due to changes in contribution to / from reserves.

Savings deliverability category summary

RED – achievement of savings face severe challenges and barriers;	-13,340
AMBER – significant barriers exist to the savings being achieved and the service is developing plans to overcome this;	-26,824
GREEN – savings will be achieved with few internal or external barriers	-25,845
Savings	-66,009

Service Savings summary	2018/19 £'000	2019/20 £'000	2020/21 £'000
Schools and Special Educational Needs and Disabilities (SEND)	-21,001	-18,407	-6,737
Children's services	-839	-3,301	-1,200
Commissioning and Prevention	-3,696	-4,737	0
Children, Schools and Families (CSF)	-25,536	-26,445	-7,937
Adult Social Care	-18,400	-8,740	-5,928
Public Health	-2,166	-886	-175
Place Development & Waste	95	-1,675	-1,737
Highways and Transport	-1,418	-178	-178
Community Partnership and Safety	-328	0	0
Environment & Infrastructure	-1,651	-1,853	-1,915
Fire and Rescue Service	-661	-4,075	-1,851
Cultural Services	-959	-669	-671
Trading Standards	-140	-75	-61
Coroner	-56	-18	-10
Communities support function	-3	0	0
E&I - Communities	-1,158	-762	-742
ORBIS - Managed budgets	-496	0	0
ORBIS - Joint operating budget	-2,696	0	0
Business Services	-3,192	0	0
Democratic Services	-466	-66	-66
Legal Services	-142	-39	-22
Customer Services	-165	-80	-75
Strategy and Performance	-140	0	-60
Communications	-201	-43	0
Strategic Leadership	0	0	0
Chief of Staff	-1,114	-228	-223
Central Income and Expenditure	-12,131	-7,226	1,699
Total savings	-66,009	-50,215	-17,072

Itemised list of savings

Service Savings	2018/19 £000	RAG	2019/20 £000	2020/21 £000
CSF - Children's services				
Managing market inflation	-559	A	-559	
Support Services Review	-280	A	-280	
Early Help reduction in Looked After Children demand			-240	-360
Early Help reduction in Children in Need demand			-560	-840
Productivity efficiencies			-1,662	
CSF - Children's services	-839		-3,301	-1,200
CSF - Commissioning and Prevention				
Managing market inflation	-224	G	-224	
Early Help reconfiguration	-3,285	A	-3,285	
Early Help contract savings	-187	G		
Asset related savings from Early Help reconfiguration			-700	
Productivity efficiencies			-528	
CSF - Commissioning and Prevention	-3,696		-4,737	0
CSF - Schools and SEND				
Managing Market Inflation	-789	A	-789	
Home to School Transport - SEND	-1,174	A	-678	-1,392
Productivity Efficiencies	-2,392	A	-1,110	
Support Functions Reductions	-75	A		
Total Service transformation / efficiency savings	-4,430		-2,577	-1,392
Adjustment to grant funding	-2,000	G		
Total funding changes	-2,000			
Savings - High needs DSG				
Managing Market Inflation	-1,628	A	-1,628	-1,628
Areas of Focus - Inclusion, Commissioning, Provision, Transition	-11,649	R	-14,528	-1,175
School redesignations and occupancy	-1,294	A	-841	-542
Service shift of 300 Non Maintained independent (NMIs) provision to inhouse (Free Schools)			1,167	-2,000
Total savings - High needs DSG	-14,571		-15,830	-5,345
CSF - Schools and SEND	-21,001		-18,407	-6,737
Children, Schools & Families	-25,536		-26,445	-7,937

Itemised list of savings

Service Savings	2018/19 £000	2019/20 RAG	2019/20 £000	2020/21 £000
Adult Social Care				
<u>Family, Friends & Community Support</u>				
Family, Friends and Community support - core	-1,500	G	0	0
Family, Friends and Community support - stretch	-1,000	A	0	0
Total Family, Friends & Community Support	-2,500		0	0
<u>Demand</u>				
Demand Management	-1,000	R	-1,000	-1,000
Section 256 client group savings	-1,750	G	-1,750	-1,500
Total Demand	-2,750		-2,750	-2,500
<u>Learning Disabilities</u>				
Personalised strategic shift from residential care to community based provision for people with disabilities	-1,000	A	-1,000	0
	-250	A	-250	0
Commissioning for Older People with learning disabilities				
Optimisation of Transition pathways	-1,500	G	-1,500	-1,000
Surrey Choices efficiency programme	-300	A	-300	-300
Transport care packages review	-250	A	0	0
Total Learning Disabilities	-3,300		-3,050	-1,300
<u>Continuing Health Care</u>				
Ensure correct application of National Continuing Health Care framework	-2,500	G	-750	-750
Resolution of significant outstanding Continuing Health Care disputes / assessments	-1,500	A	-750	0
Total Continuing Health Care	-4,000		-1,500	-750
<u>Contracts and Grants</u>				
Contracts and Grants Review	-500	A	0	0
Housing Related Support decommissioning / retendering of social exclusion services	-3,449	A	-151	0
Closure of Surrey Information Hubs	-291	G	-121	0
Optimisation of main block contract rates	0	G	-80	-82
Optimisation of other contract & grant rates	-288	G	-288	-288
Total Contracts and Grants	-4,528		-640	-371
<u>Workforce</u>				
Workforce synergies	-500	R	-800	-800
Total Workforce	-500		-800	-800
<u>Accommodation with Care and Support</u>				
Strategic review of Older People In-house services	-822	G	0	0
Expansion of extra care services	0	G	0	-207
Total Accommodation with Care and Support	-822		0	-207
Adult Social Care	-18,400		-8,740	-5,928

Itemised list of savings

Service Savings	2018/19 £000	RAG	2019/20 £000	2020/21 £000
Public Health				
Substance misuse integrated service	-1,299	A	-200	0
Sexual health (non-contract eg. out of area spend)	-626	A	-428	0
Adjustment to Healthy lifestyle service budget	0	G	-227	0
Savings in Surrey County Council recharge	-196	G	0	0
Other grant changes	0	G	-12	-120
Service transformation	-23	G	-14	-55
Healthy life style services	-11	G	0	0
Mental health	-11	G	0	0
Savings in non pay	0	G	-5	0
Public Health	-2,166		-886	-175
Highways and Transport				
Reactive maintenance	-1,200	G		
Highways Information team income	-40	G		
Savings to be identified	-178	R	-178	-178
Highways and Transport	-1,418		-178	-178
Community Partnership & Safety				
Community Improvement Fund	-236	G		
Restructure	-92	G		
Community Partnership & Safety	-328		0	0
Place Development and Waste Management				
Countryside review	-350	A	-200	-200
Planning and Development review	-150	G		
E&I Support functions	-100	G		
Place & Sustainability Review	-41	G		-35
Waste - Kerbside recycling performance ⁴	1,077	G	-155	-162
Waste - Recycling management ⁴	942	G	-57	
Waste - Single waste approach	-1,000	A	-1,000	-1,000
Waste - Community Recycling Centres and Transfer Stations ⁴	80	G		
Waste - Materials Management	-150	G	-13	-125
Total Efficiency/Service Transformation and Service Reduction	308		-1,425	-1,522
Unidentified Savings				
Savings to be identified	-213	R	-250	-215
Total Unidentified Savings	-213		-250	-215
Place Development and Waste Management	95		-1,675	-1,737

Note 4: includes reversal of prior year savings

Itemised list of savings

Service Savings	2018/19 £000	2019/20 RAG £000	2020/21 £000
Surrey Fire and Rescue Service			
Blue light Collaboration Mobilising (removal of prior year saving)	200	G	
Fire cover reconfiguration Spelthorne - delayed	225	A	-225
Maintain two appliances at Fordbridge for one year	675	A	-225
Response cover configuration	-800	A	-3,300
Middle management and further savings.	-500	A	-1,026
Fire pension reduced employer contribution rates	-400	G	
Mobilising restructure	-61	A	
Back office & support functions		G	-100
Surrey Fire and Rescue Service	-661		-4,075
Communities Support Function			
Support Function Review	-3	G	0
Coroner			
Service efficiencies	-56	G	-18
Cultural Services			
Libraries - Redesign service delivery	-180	G	
Libraries - Reduction to resources budget	-100	G	
Libraries - Reclassification	-220	G	-110
Libraries - Develop Community Supported Offer		G	-250
Libraries - Team Staffing reductions	-46	G	-208
Surrey Arts	-250	G	
Surrey Arts - Additional music income	-25	G	-25
Adult & Community Learning - Improved marketing	-23	G	-35
Registration - Increased income	-25	G	-14
Heritage restructure	-85	G	-25
Other savings	-5	G	-6
Cultural Services	-959		-669
Trading Standards			
Additional income generation	-133	G	-33
Further savings (marginal gains)	-44	G	-44
Total	-177		-77
Less Buckinghamshire County Council share	37		1
Trading Standards	-140		-75

Itemised list of savings

Service Savings	2018/19 £000	RAG	2019/20 £000	2020/21 £000
Orbis Partnership Joint Operating Budget				
Service transformation/efficiency - Orbis Business Plan				
Business Operations	-197	G	-73	
Finance	-701	G	-81	
Finance	-430	A		
Human Resources & Organisational Development	-774	G	-117	
Information Technology & Digital	-918	G	-123	
Information Technology & Digital	-634	A		
Procurement	-56	G	-27	
Property	-150	G	-10	
Property	-751	A		
Total Net Savings	-4,611		-431	0
Less East Sussex County Council share and Brighton & Hove Council share	1,915		431	
Orbis Partnership Joint Operating Budget	-2,696		0	0
Budgets Managed by the Orbis Partnership				
Audit Fee	-30	G		
Contribution to furniture reserve	-200	G		
Infrastructure	-30	G		
Orbis Business Plan	-76	G		
Building running costs	-160	G		
	-496			
Democratic Services				
Withdrawal from Members Pension Scheme	-300	G		
Staff savings	-122	G	-22	-22
Modern Council	-22	G	-22	-22
Voluntary Sector reduction	-22	G	-22	-22
Democratic Services	-466		-66	-66
Legal Services				
Rationalisation of posts	-142	G	-39	-22
Communciations				
Service Efficiencies	-201	G	-43	
Strategy & Performance				
Service restructure / prioritisation	-140	G		-60
Customer Services				
Stop appointment bookings (redirecting online)	-105	G		-50
Reduction in management team costs	-25	G		
Channel Shift	-25	A	-25	-25
Reduce Web and digital	-10	G	-55	
Customer Services	-165		-80	-75

Itemised list of savings

Service	2018/19	2019/20	2020/21
Savings	£000 RAG	£000	£000
Central Income & Expenditure			
Public Health (Other Initiatives)	-1,173 A	14	
Treasury Management (Interest Payable)	-1,550 G	-642	
Minimum Revenue Provision	-6,799 G	-3,698	1,699
Education Services Grant	591 G		
Investment Income	-3,200 G	-2,900	
Central Income & Expenditure	-12,131	-7,226	1,699
Total Savings	-66,009	-50,215	-17,072

Revenue FTE Summary ⁵

	Note	2017/18 £'000	2018/19 £'000	2017/18 FTEs	2018/19 FTEs
Schools and Special Educational Needs and Disabilities (SEND)	6a	40,567	46,083	1,273	1,299
Children's services	6b	49,150	53,611	1,092	1,242
Commissioning and Prevention		29,151	29,308	649	616
Children, Schools & Families		118,868	129,002	3,014	3,157
Adult Social Care	6c	61,614	62,480	1,939	1,824
Fire and Rescue Service		26,620	26,759	608	606
Cultural Services		19,006	18,780	529	531
Highways and Transport	6d	15,409	12,784	371	314
Place Development & Waste	6d	9,713	11,928	213	240
Customer Services		3,408	3,316	102	94
Legal Services		3,594	3,509	79	78
Trading Standards		3,371	3,280	74	74
ORBIS - Managed budgets	6e	4,158	3,356	71	69
Public Health		2,470	2,515	46	46
Democratic Services		1,942	1,831	46	43
Communications		1,332	1,347	31	30
Community Partnership and Safety		1,242	1,174	25	27
Strategy and Performance		1,822	1,849	27	26
Communities Support Function		916	666	26	17
Coroner	6f	396	1,010	2	17
Emergency Management		495	476	12	11
Strategic Leadership		889	766	9	8
Total staffing		277,265	286,828	7,224	7,212

Summary of movements:

Total staffing	277,265
Pay inflation	4,536
Other changes	5,027
2018/19 Staffing	286,828

Note 5: The table is 2018/19 FTEs order. If the values are in a different order this could be due to varying staffing grade requirements for individual services.

Note 6: Increases in FTEs are due to:

6a: The changes are due to a contract change and staff being TUPE'd into the service, and staffing changes to meet the increased demand for services, and a reduction for Commercial Services.

6b: The staffing in Children's Services has increased by 150 FTE compared to April 17, 45 FTE of this relates to increases that were agreed during 2017/18.

Of the other 105 FTE, 46 FTE are temporary posts, the remaining increase relates to agreed additional capacity within the Social Work Team and Business Support.

6c: The reduction in ASC's budgeted FTEs for 2018/19 is primarily due to the closure of two remaining care homes previously operated in-house and is part of the strategic review of Older People in-house services.

6d: 2018/19 includes employees transferred between the services.

6e: There has been a transfer of budgets managed by orbis - procurement (£868k) to the joint operating budget.

6f: 2018/19 FTE includes the transfer of coroner officers from Surrey Police.

Capital**Summary capital funding**

	2018/19	2019/20	2020/21	Total
	£'000	£'000	£'000	£'000
Grants	86,940	65,618	34,997	187,555
Reserves	22,087	1,227	4,148	27,462
Third party contributions	5,903	7,335	2,740	15,978
Borrowing	29,448	32,219	29,074	90,741
Total	144,378	106,399	70,959	321,736

Summary capital programme

	2018/19	2019/20	2020/21	Total
	£'000	£'000	£'000	£'000
Schools Basic Need	47,623	46,845	13,860	108,328
Property Services	41,878	20,012	19,080	80,970
Highways and Transport	29,374	21,858	24,305	75,537
Place Development & Waste	14,871	9,138	1,115	25,124
Information Management and Technology	4,495	3,479	6,871	14,845
Surrey Fire and Rescue Service	2,032	962	1,623	4,617
Schools	1,606	1,606	1,606	4,818
Adult Social Care	1,900	1,900	1,900	5,700
Children Services	599	599	599	1,797
Total	144,378	106,399	70,959	321,736

Capital Funding

Grants	2018/19	2019/20	2020/21	Total
	£'000	£'000	£'000	£'000
Schools Basic Need	41,350	26,429		67,779
Schools devolved formula capital	1,606	1,606	1,606	4,818
Schools condition allocation	11,357	11,357	11,357	34,071
Integrated transport block	4,784	4,784	4,784	14,352
Highways maintenance - base allocation ^{c1}	15,135	13,466	13,449	42,050
Highways maintenance - incentive	2,801	2,801	2,801	8,403
Pothole Action Fund	1,000	1,000	1,000	3,000
Local Growth Fund	8,907	4,175		13,082
Total Grants	86,940	65,618	34,997	187,555

Note C1: 18/19 and 19/20 Department for Transport - highway maintenance base allocation (grant) includes re-profile from 17/18

Reserves

IT Equipment Reserve	1,470	958	2,900	5,328
Equipment Replacement Reserve	210	-468	948	690
Capital Receipts	16,740	737	300	17,777
General Capital Reserve	3,667	0		3,667
Total Reserves	22,087	1,227	4,148	27,462

Third Party Funded

Community Infrastructure Levy (CIL) funded schemes	270	202	40	512
Better Care Fund (BCF) Contributions	1,000	1,000	1,000	3,000
Strategic Economic Plan Partner funding	2,933	1,148		4,081
s106 funded schemes	1,700	4,985	1,700	8,385
Total Third Party Funded	5,903	7,335	2,740	15,978

Borrowing

Borrowing	29,448	32,219	29,074	90,741
Total Capital Funding	144,378	106,399	70,959	321,736

Capital programme 2018-21	2018/19	2019/20	2020/21	Total
	£'000	£'000	£'000	£'000
Major adaptations	300	300	300	900
Adults equipment	1,500	1,500	1,500	4,500
In-house capital improvement schemes	100	100	100	300
Adult Social Care	1,900	1,900	1,900	5,700
Schools devolved formula capital	1,606	1,606	1,606	4,818
Foster carer grants	300	300	300	900
Adaptations for children with disabilities	299	299	299	897
Children's Services	2,205	2,205	2,205	6,615
Fire-vehicle & equipment replacement	2,032	962	1,623	4,617
Surrey Fire & Rescue Service	2,032	962	1,623	4,617
Highway maintenance	20,943	12,889	14,515	48,347
Bridge strengthening	1,706	3,151	3,637	8,494
Flooding & drainage	1,393	1,261	1,457	4,111
Local transport schemes	400	400	400	1,200
Safety barriers	957	867	1,010	2,834
Traffic signal replacement	1,515	945	1,015	3,475
Highways vehicle replacement	120	0		120
Flood resilience schemes	500	500	500	1,500
River Thames scheme	500	500	500	1,500
Developer funded schemes	1,200	1,200	1,200	3,600
Economic development (broadband)	140	145	71	356
Highways & Transport	29,374	21,858	24,305	75,537
Maintenance at closed landfill sites	50	50	50	150
Rights of way (incl structures)	175	175	175	525
Road safety schemes	200	200	200	600
Basingstoke canal	150	150	150	450
Strategic Economic Plan schemes	13,526	7,861		21,387
Developer funded schemes	500	500	500	1,500
Cross directorate CIL schemes	270	202	40	512
Place Development & Waste	14,871	9,138	1,115	25,124

Capital programme 2018-21 (Cont)	2018/19	2019/20	2020/21	Total
	£'000	£'000	£'000	£'000
Property Services:				
<u>Property Services: Recurring programmes</u>				
Schools capital maintenance, including children's centres & DDA	11,357	11,357	11,357	34,071
Fire risk assessments, minor works, DDA	487	400	400	1,287
Non schools structural maintenance	7,000	7,023	7,023	21,046
Property Services: Recurring programmes	18,844	18,780	18,780	56,404
<u>Property Services: Projects:</u>				
Fire Station reconfiguration	3,637	0		3,637
Spelthorne Fire Station Modifications	70			70
SEN strategy	1,100	495		1,595
Land acquisition for waste	3,667	0		3,667
Projects to enhance income	1,852	0		1,852
Projects to re-provision and deliver capital receipts	1,100	0		1,100
Cranleigh Schools	7,200	737	300	8,237
Lindon Farm Autism Unit – ASC	2,916	0		2,916
Winter Maintenance Depots (Salt Barns)	1,392	0		1,392
Short Stay Schools	100	0		100
Projects	23,034	1,232	300	24,566
Property Services	41,878	20,012	19,080	80,970
Schools Basic Need	47,623	46,845	13,860	108,328
IT Equipment Replacement Reserve	1,306	840	2,900	5,046
IT Project Investment	2,500	2,500	2,500	7,500
Recurring programmes	3,806	3,340	5,400	12,546
Other IMT projects	689	139	1,471	2,299
Projects	689	139	1,471	3,343
Information Management & Technology	4,495	3,479	6,871	14,845
Total Capital Programme	144,378	106,399	70,959	321,736

ADD PICTURE

Interim Director for
Children's Services,
Rose Durban

Our purpose

Our purpose is to work with partners to ensure that children and young people will be happy, healthy, safe and confident in their future.

This means:

- children and young people are safe from harm and danger
- children and young people have good health and wellbeing
- children and young people achieve their potential
- children and young people in our care will feel safe and confident about their future, and grow up with the same opportunities as their peers

For more information on what we do, contact rose.durban@surreycc.gov.uk

Our challenges and opportunities

- We are making **improvements to our safeguarding services and services for children with special educational needs and disabilities** in order to embed practice that is consistent, safe and effective.
- **Demographic and social changes continue to increase demands for services** for children and young people. In particular, there are growing needs for targeted and specialist services - such as those for Looked After Children, Unaccompanied Asylum Seeking Children, and children with special educational needs and disabilities.
- In addition, **legislative and national policy changes and decisions are also heightening demands and requirements for services** and changing the landscape in which we operate - for example, in education we are in transition to a sustainable schools-led system.
- This is all against a backdrop of **financial pressures and reducing budgets across the public sector**.

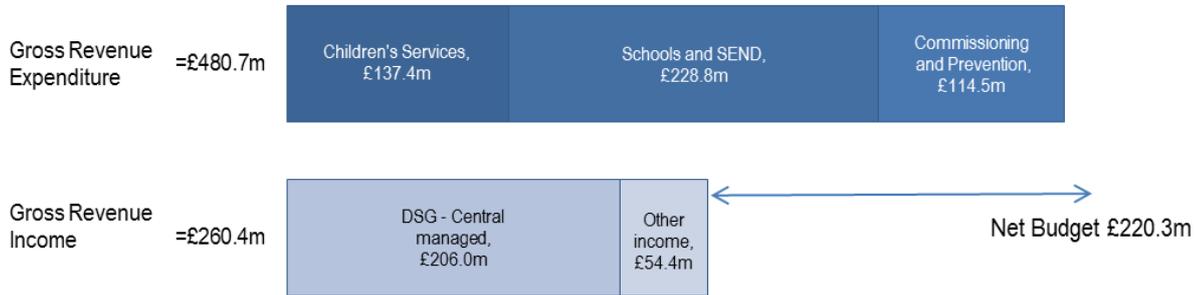
Our key actions

Working in partnership we will:

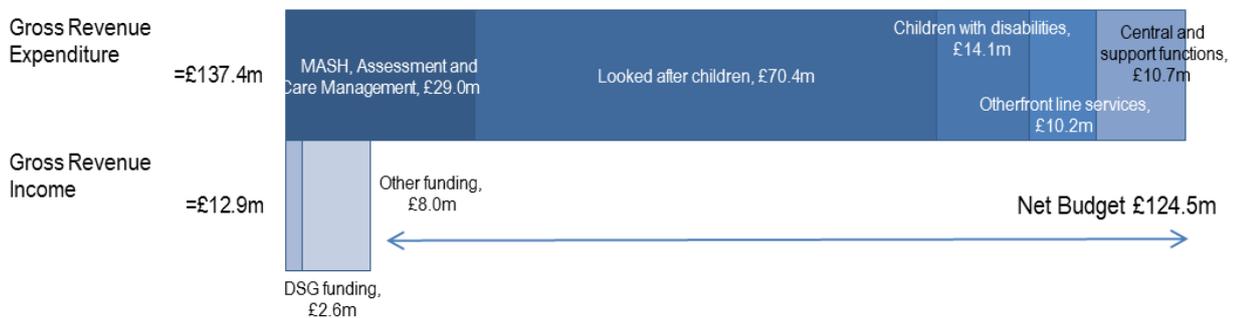
1. Improve our safeguarding practice so that children are safe, seen and heard
2. Prevent problems escalating by ensuring children, young people and families needing extra help receive timely, preventative support
3. Deliver inclusive provision in Surrey that meets the education, health and care needs of children with special educational needs and disabilities
4. Develop a positive experience of special educational needs and disabilities services and support for children, young people and families
5. Champion the educational achievement, progress and engagement of vulnerable children and young people
6. Deliver the savings and manage service pressures as set out in the Medium-Term Financial Plan to ensure a balanced budget is sustained

In all we do we will be committed to listening to the wishes and feelings of children and understanding their lived experience in the way we plan and deliver services and support

Children, Schools and Families



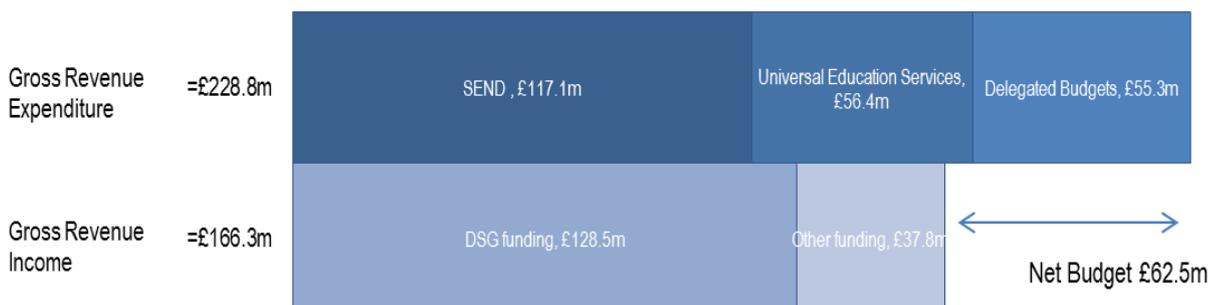
Children's Services



Commissioning and Prevention



Schools and SEND



Children's, Schools & Families

Interim Director, Children Schools and Families:

Rose Durban

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Children's Services	112,769	137,382	140,261	142,542
Schools and SEND	234,273	228,836	231,523	236,344
Commissioning and Prevention	107,695	114,502	109,994	110,492
Dedicated Schools Grant - DSG	-198,973	-205,977	-205,977	-205,977
Other Income	-54,786	-54,417	-53,803	-53,457
Net budget	200,978	220,325	221,997	229,941
Delegated Schools Expenditure	345,063	314,456	321,467	321,467
Delegated Schools-Dedicated Schools Grant	-308,275	-281,740	-288,751	-288,751
Delegated Schools-other school related grant income	-36,788	-32,716	-32,716	-32,716
Total net budget	200,978	220,325	221,997	229,941

Please note that some tables do not cast due to roundings

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Funding:				
Dedicated Schools Grant - DSG	-198,972	-205,977	-205,977	-205,977
Other UK Government grants	-11,249	-11,652	-11,038	-10,634
Contribution and contract income	-5,359	-6,248	-6,248	-6,248
Fees and charges	-31,782	-30,480	-30,480	-30,480
Property income	-50	-50	-50	-50
Contributions from partners	-3,584	-4,247	-4,247	-4,247
Reimbursements and recovery of costs	-2,763	-1,741	-1,741	-1,741
Total CSF funding	-253,760	-260,393	-259,779	-259,375
School related grants	-345,063	-314,456	-321,467	-321,467
Total funding	-598,823	-574,849	-581,246	-580,842
Expenditure:				
Staffing	118,868	129,002	127,536	129,577
Non staffing	135,012	128,891	128,144	130,433
Contracts & care packages	200,858	222,826	226,096	229,306
Total CSF expenditure	454,738	480,719	481,776	489,316
School related expenditure	345,063	314,456	321,467	321,467
Total expenditure	799,801	795,175	803,243	810,783
Net budget	200,978	220,325	221,997	229,941

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Summary Budget Movement				
Prior year budget	197,658	200,978	220,325	221,997
Pressures and changes	28,112	44,883	28,117	15,881
Savings	-24,791	-25,536	-26,445	-7,937
Movements	3,321	19,347	1,672	7,944
Revised budget	200,978	220,325	221,997	229,941

Children's Services

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Multi Agency Safeguarding Hub - MASH, Assessment and Care Management	25,796	29,028	30,954	32,882
Looked After Children	53,072	70,387	71,519	71,918
Children with Disabilities	13,116	14,046	14,724	15,578
Other Front Line Services	10,007	10,197	10,385	10,571
Central and Support Functions	10,778	13,724	12,679	11,592
Income	-10,647	-12,839	-12,839	-12,839
Net budget	102,122	124,543	127,422	129,702

Subjective Analysis

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
<u>Funding:</u>				
Dedicated Schools Grant - DSG	-2,557	-2,557	-2,557	-2,557
Asylum Seeker Government Grant	-4,200	-5,400	-5,400	-5,400
Social Innovation Grant		-264	-264	-264
Controlling Migration Fund		-59	-59	
Contributions from Partners	-3,584	-4,247	-4,247	-4,247
Fees and charges	-33	-33	-33	-33
Reimbursements and recovery of costs	-273	-279	-279	-279
Total funding	-10,647	-12,839	-12,839	-12,780
<u>Expenditure:</u>				
Service Staffing	49,150	53,611	54,313	55,236
Service Non staffing	4,138	6,316	6,316	6,316
Contracts & Care packages	59,481	77,455	79,632	80,930
Total expenditure	112,769	137,382	140,261	142,482
Net budget	102,122	124,543	127,422	129,702

	2017/18	2018/19
FTE	1,092	1,242

Summary Budget Movement

	2018/19 £000	2019/20 £000	2020/21 £000
Prior year budget	102,122	124,543	127,422
Funding changes	-1,494	0	59
Pressures and changes	24,754	6,180	3,421
Savings	-839	-3,301	-1,200
Movements	22,421	2,879	2,280
Revised budget	124,543	127,422	129,702

Children's Services

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Multi Agency Safeguarding Hub - MASH, Assessment and Care Management				
Multi Agency Safeguarding Hub - MASH	1,802	2,835	2,820	2,806
Area Teams - Staffing	19,136	20,560	21,815	23,069
Area Teams - Care	4,858	5,634	6,319	7,007
Looked After Children				
Fostering Teams	3,483	3,548	3,604	3,659
In-House Fostering Allowances	8,921	8,512	8,553	8,594
In-House Residential Homes	4,454	4,382	4,323	4,265
External Agency Placements - expenditure ⁸	22,322	34,071	34,613	34,734
External Agency Placements - Dedicated Schools Grant Adoption and Permanency Team	-1,824	-1,824	-1,824	-1,824
Special Guardianship, Residence and Adoption Allowances Care Leavers	4,954	5,435	5,450	5,465
Asylum Seekers Expenditure	2,138	4,830	5,274	5,539
Asylum Seekers Income	5,131	7,792	7,859	7,795
	-4,200	-5,400	-5,400	-5,400
Children with Disabilities				
Staffing	2,670	3,107	3,308	3,509
Care Packages	5,206	5,547	5,861	6,174
Short Breaks Contracts	3,704	3,629	3,633	3,706
In-House Respite	1,536	1,763	1,923	2,189
Children and Adolescent Mental Health Service (CAMHS) and Hope				
CAMHS and Hope expenditure	8,176	8,433	8,489	8,542
CAMHS and Hope contribution from partners	-3,242	-3,561	-3,561	-3,561
Hope - Dedicated Schools Grant	-733	-733	-733	-733
Emergency Duty Team	416	506	567	628
Safeguarding Services	1,415	1,257	1,329	1,401
Children's Services Management and Central Budgets ⁹	5,759	8,015	6,664	4,932
Practice, Quality and Learning Team	5,020	5,709	6,015	6,601
Other Income	-648	-1,321	-1,321	-1,262
Net budget	102,122	124,543	127,422	129,702

Note 8 - Increase in budget to reflect the full year impact of increased placement numbers in 2017/18 and on-going expected increased demand

Note 9- Increase in budget to fund staffing levels for Asylum Seeking Children that are not met from the grant

Children's Services

Detailed budget movement by year

	2018/19	2019/20	2020/21
	£000	£000	£000
Pressures and changes			
<u>Funding changes</u>			
Controlling Migration fund	-59		59
Asylum Seeker Government Grant	-1,200		
Social Innovation Grant	-235		
Total change in funding	-1,494	0	59
<u>Inflation</u>			
Pay inflation	982	982	982
Non pay inflation	857	857	857
Total inflation	1,839	1,839	1,839
<u>Demand</u>			
General demographic growth	441	441	441
Children with Disabilities demand	400	400	400
Looked After Children demand			
Permanency allowances	300	300	300
Support Services Review ¹⁰	280		
External placements demand	16,000	3,200	500
Developing Placements for Asylum Seekers post	59		-59
Asylum seekers demand	1,435		
Capacity and demand staffing review			
Total demand	18,915	4,341	1,582
Virements	4,000		
Total Pressures and changes	23,260	6,180	3,480

	2018/19	2019/20	2020/21	2018/19
	£000	£000	£000	RAG
Savings				
<u>Efficiency/service transformation</u>				
Managing market inflation	-559	-559		A
Support Services Review ¹⁰	-280	-280		A
Early Help reduction in Looked After Children demand		-240	-360	
Early Help reduction in Children in Need demand		-560	-840	
Productivity efficiencies		-1,662		
Total efficiency/service transformation savings	-839	-3,301	-1,200	
Total change	22,421	2,879	2,280	

Note 10 - Business Support function review deferred by one year

Commissioning and Prevention

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Strategic Management	653	453	456	462
Commissioning and Performance	9,024	8,887	8,527	8,918
Free Early Education	63,620	71,699	71,699	71,699
Families Service	34,399	33,463	29,312	29,413
Dedicated Schools Grant	-66,457	-74,928	-74,928	-74,928
Income	-6,554	-6,323	-5,709	-5,364
Net budget	34,685	33,251	29,357	30,200
	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
<u>Funding:</u>				
Dedicated Schools Grant - DSG	-66,457	-74,928	-74,928	-74,928
Other UK Government grants	-2,207	-1,651	-1,037	-692
Contribution and contract income	-420	-1,722	-1,722	-1,722
Fees and Charges	-2,320	-2,494	-2,494	-2,494
Property Income	-50	-50	-50	-50
Reimbursements and recovery of costs	-1,556	-406	-406	-406
Total funding	-73,010	-81,251	-80,637	-80,292
<u>Expenditure:</u>				
Service Staffing	29,151	29,308	26,582	27,141
Service Non staffing	13,196	14,752	13,506	13,161
Contracts & Care packages	65,348	70,442	69,906	70,190
Total expenditure	107,695	114,502	109,994	110,492
Net budget	34,685	33,251	29,357	30,200

	2017/18	2018/19
FTE	649	616

	2018/19 £000	2019/20 £000	2020/21 £000
Summary Budget Movement			
Prior year budget	34,685	33,251	29,357
Pressures and changes	2,262	843	843
Savings	-3,696	-4,737	0
Movements	-1,434	-3,894	843
Revised budget	33,251	29,357	30,200

Commissioning and Prevention

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Strategic Management	653	453	456	462
Commissioning and Performance				
Market Strategy	3,501	3,401	3,288	3,600
Insight and Innovation	2,117	2,066	1,973	2,003
Quality and Experience	3,406	3,420	3,266	3,315
Free Early Education				
2 year old free early education	4,707	4,707	4,707	4,707
3 and 4 year old free early education	48,390	54,522	54,522	54,522
Maintained nursery classes and nursery schools	10,523	12,470	12,470	12,470
Dedicated Schools Grant - Early Years Block	-63,320	-71,474	-71,474	-71,474
Families Service				
Children and Families Team	6,676	5,807	5,523	5,585
Children's Centres	11,586	11,285	9,502	9,570
Families Team	8,736	8,680	6,785	6,684
Safeguarding and Health	2,780	2,367	2,275	2,289
Practice and Change	1,435	2,470	2,344	2,372
Surrey Outdoor Learning	1,691	1,858	1,887	1,917
Active Surrey	1,495	996	996	996
Active Surrey Income	-1,495	-996	-996	-996
Income				
Dedicated Schools Grant - Centrally managed Early Years Block	-2,733	-3,050	-3,050	-3,050
Dedicated Schools Grant - Schools Block	-404	-404	-404	-404
Other Income	-5,059	-5,327	-4,713	-4,368
Net budget	34,685	33,251	29,357	30,200

Commissioning and Prevention

Detailed budget movement by year

	2018/19	2019/20	2020/21
	£000	£000	£000
Pressures and changes			
<u>Inflation</u>			
Pay Inflation	459	460	460
Non pay inflation	284	284	284
Total inflation	743	744	744
<u>Legislation</u>			
Additional 15 hours of free early education entitlement for 3 and 4 year olds	8,471		
Early Years Dedicated Schools Grant to fund additional 15 hours of free early education entitlement for 3 and 4 year olds	-8,471		
Total legislative	0	0	0
<u>Demand</u>			
General Demographic growth	99	99	99
<u>Service delivery</u>			
CSF Improvement Team one-off investment ceases	-450		
Early Help reconfiguration delayed for one year	2,726		
Virements	-856		
Total Pressures and changes	2,262	843	843

	2018/19	2019/20	2020/21	2018/19
	£000	£000	£000	RAG
Savings				
<u>Efficiency/ service transformation</u>				
Managing market inflation	-224	-224		G
Early Help reconfiguration	-3,285	-3,285		A
Early Help contract savings	-187			G
Asset related savings from Early Help reconfiguration		-700		
Productivity efficiencies		-528		
Total Efficiency/ service transformation savings	-3,696	-4,737	0	
Total savings	-3,696	-4,737	0	

2018/19 Assessment of achievability of savings	2018/19	2018/19
	£000	RAG
AMBER – significant barriers exist to the savings being achieved and the service is developing plans to overcome this;	-3,285	A
GREEN – savings will be achieved with few internal or external barriers	-411	G
Total Savings	-3,696	

Schools and Special Educational Needs & Disabilities (SEND)

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
SEND	110,969	117,107	117,247	120,789
Delegated Budgets	59,044	55,323	56,490	54,490
Universal Education Services	64,260	56,404	57,784	61,063
<u>Income</u>				
Dedicated Schools Grant	-129,959	-128,492	-128,492	-128,492
Other Income	-40,143	-37,812	-37,812	-37,812
Net budget	64,171	62,531	65,218	70,039
	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
<u>Funding:</u>				
Dedicated Schools Grant	-129,959	-128,492	-128,492	-128,492
Other UK Government Grants	-4,842	-4,277	-4,277	-4,277
Contribution and Contract Income	-4,939	-4,526	-4,526	-4,526
Fees & Charges	-29,429	-27,953	-27,953	-27,953
Reimbursements and Recovery of Costs	-933	-1,056	-1,056	-1,056
Total funding	-170,102	-166,304	-166,304	-166,304
<u>Expenditure:</u>				
Service Staffing	40,567	46,083	46,642	47,201
Service Non Staffing ¹¹	117,679	107,822	108,322	110,956
Contracts & Care Packages	76,027	74,930	76,558	78,186
Total expenditure	234,273	228,835	231,522	236,343
Net budget	64,171	62,531	65,218	70,039
	2017/18	2018/19		
FTE	1,273	1,267		
		2018/19 £000	2019/20 £000	2020/21 £000
Summary Budget Movement				
Prior year budget		64,171	62,531	65,218
Pressures and changes		19,361	21,094	11,558
Savings		-21,001	-18,407	-6,737
Movements		-1,640	2,687	4,821
Revised budget		62,531	65,218	70,039

Note 11 - Service Non Staffing expenditure includes budgets delegated to Surrey maintained schools and Pupil Referral Units.

Schools and Special Educational Needs & Disabilities (SEND)

Assistant Director: Liz Mills

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
SEND				
School Placements (External)	39,673	42,294	41,127	43,127
SEND Transport	25,478	26,425	27,732	29,274
SEN Services	19,626	21,658	21,658	21,658
Individual Pupil Support Budgets	15,464	17,731	17,731	17,731
Post 16 SEND Placements	10,728	9,000	9,000	9,000
Delegated Budgets				
Special Schools	40,542	38,474	39,641	37,641
SEN Centres	8,385	6,963	6,963	6,963
Pupil Referral Units and Surrey Alternative Learning Programme	6,951	6,926	6,926	6,926
Other SEND Expenditure in Schools	3,167	2,961	2,961	2,961
Universal Education Services				
Commercial Services	28,444	27,093	27,093	27,093
Central Education	18,721	12,618	13,998	17,277
Home to School Transport - Mainstream	7,635	7,640	7,640	7,640
Vulnerable Learners	7,554	7,213	7,213	7,213
Business Support	1,105	1,039	1,039	1,039
Home to School Transport - Alternative Provision	802	802	802	802
Income				
Dedicated Schools Grant - High Needs	-123,598	-124,580	-124,580	-124,580
Dedicated Schools Grant - Schools	-5,702	-2,882	-2,882	-2,882
Dedicated Schools Grant - Early Years	-659	-1,030	-1,030	-1,030
Other Income	-40,143	-37,812	-37,812	-37,812
Net budget	64,171	62,531	65,218	70,039

Additional information for Children, Schools and Families Directorate

Dedicated Schools Grant

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
School Placements (External)	-34,579	-37,199	-37,199	-37,199
Individual Pupil Support Budget	-14,860	-17,127	-17,127	-17,127
SEN Services	-8,375	-9,744	-9,744	-9,744
Post 16 SEND Placements	-10,728	-9,000	-9,000	-9,000
Vulnerable Learners	-2,899	-2,454	-2,454	-2,454
Central Education	-1,041	-1,189	-1,189	-1,189
Business Support	-639	-603	-603	-603
Special Schools	-38,477	-34,377	-34,377	-34,377
SEN Centres	-8,319	-6,963	-6,963	-6,963
Pupil Referral Units and Surrey Alternative Learning Programme	-6,876	-6,876	-6,876	-6,876
Other SEND Expenditure in Schools	-3,167	-2,961	-2,961	-2,961
Total Dedicated Schools Grant	-129,959	-128,492	-128,492	-128,492

Note 12 - In addition to the DSG above in 2018-19 DSG given directly to schools for place funding totals £12,946,000

In addition to the DSG above in 2018-19 DSG supporting central running costs totals £1,893,000

Schools and Special Educational Needs & Disabilities (SEND)

Detailed budget movement by year

	2018/19	2019/20	2020/21
	£000	£000	£000
Pressures and changes			
<u>Inflation</u>			
Pay Inflation	559	559	559
Contract / market inflation	1,260	1,260	1,260
Contract / market inflation - DSG	2,599	2,599	2,599
Total inflation	4,418	4,418	4,418
<u>Demand</u>			
General Demographic Growth	1,460	1,460	1,460
Home to School Transport - SEND	2,201	1,985	2,934
<u>Demand - DSG</u>			
General SEND demand pressures	11,972	13,231	2,746
Total demand	15,633	16,676	7,140
<u>Legislation</u>			
Temporary investment in education health and care plan to meet one off conversion demand	-560		
Total legislative	-560		
Virements	-130		
Total Pressures and changes	19,361	21,094	11,558

	2018/19	2019/20	2020/21	RAG
	£000	£000	£000	
Savings				
<u>Service transformation / efficiency</u>				
Managing Market Inflation	-789	-789		A
Home to School Transport - SEND	-1,174	-678	-1,392	A
Productivity Efficiencies	-2,392	-1,110		A
Support Functions Reductions	-75			A
Total Service transformation / efficiency savings	-4,430	-2,577	-1,392	
<u>Funding Changes</u>				
Adjustment to grant funding	-2,000			G
Total funding changes	-2,000			
<u>Savings - High needs DSG</u>				
Managing Market Inflation	-1,628	-1,628	-1,628	A
Areas of Focus - Inclusion, Commissioning, Provision, Transition	-11,649	-14,528	-1,175	R
School redesignations and occupancy	-1,294	-841	-542	A
Service shift of 300 NMI's to inhouse (Free Schools)		1,167	-2,000	
Total savings - High needs DSG	-14,571	-15,830	-5,345	
Total Savings	-21,001	-18,407	-6,737	

2018/19 Assessment of achievability of savings

	2018/19	RAG
	£000	
RED – achievement of savings face severe challenges and barriers;	-11,649	R
AMBER – significant barriers exist to the savings being achieved and the service is developing plans to overcome this;	-7,352	A
GREEN – savings will be achieved with few internal or external barriers	-2,000	G
Total Savings	-21,001	

Schools (excluding early years and dedicated SEN provision)

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000s
Primary and secondary schools: delegated and devolved budgets				
including specific grants (but excluding nursery classes and SEN centres)	345,063	314,456	321,467	321,467
Income	-345,063	-314,456	-321,467	-321,467
Net budget	0	0	0	0
	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000s
<u>Funding:</u>				
Dedicated Schools Grant - DSG	-308,275	-281,740	-288,751	-288,751
Other UK Government grants	-36,788	-32,716	-32,716	-32,716
Contribution and contract income				
Reimbursements and recovery of costs				
Total funding	-345,063	-314,456	-321,467	-321,467
<u>Expenditure:</u>				
Schools expenditure	345,063	314,456	321,467	321,467
Total expenditure	345,063	314,456	321,467	321,467
Net budget	0	0	0	0

	2018/19 £000	2019/20 £000	2020/21 £000
Summary Budget Movement			
Prior year budget	0	0	0
Pressures and changes	0	0	0
Savings	0	0	0
Movements	0	0	0
Revised budget	0	0	0

Capital Programme

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Devolved formula capital	1,606	1,299	1,299	1,299

Schools (excluding early years and dedicated SEN provision)

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Primary and secondary schools: delegated and devolved budgets				
including specific grants (but excluding nursery classes and SEN centres)				
Primary schools	267,647	244,632	250,116	250,116
Secondary schools	77,416	69,824	71,351	71,351
Income				
Dedicated Schools Grant	-308,275	-281,740	-288,751	-288,751
Education and Skills Funding Agency post 16 grant	-8,878	-6,493	-6,493	-6,493
Pupil premium grant	-15,712	-12,546	-12,546	-12,546
Universal infant free school meals grant	-10,095	-9,779	-9,779	-9,779
Other school related DFE grants	-2,103	-3,898	-3,898	-3,898
Net budget	0	0	0	0

Note: this page excludes funding allocated to special schools/pupil referral units and funding for designated SEN Centres in mainstream schools, which are now shown under the Schools and Special Educational Needs /Disabilities service, and funding allocated to maintained nursery schools and to nursery classes in state maintained schools, which is now shown within Commissioning and Prevention.

The table also excludes the core budgets for academies, which are deducted from Surrey's Dedicated Schools Grant and paid directly to the academies by the Education and Skills Funding Agency (2018/19 est £327m) Apart from the Dedicated Schools Grant, almost all of the school related grants are paid to Surrey as specific amounts to be passed on to named schools and the county council has no discretion over its distribution.

Detailed budget movement by year

	2018/19 £000	2019/20 £000	2020/21 £000
Pressures and changes			
<u>Demand</u>			
Pupil numbers	8,125		
Changes in Dedicated Schools Grant	-8,125	0	
Total demand	0	0	0
<u>Legislation</u>			
Academy conversions	-45,904		
less one off funding from previous year underspend	-1,000	0	
Central services levy on schools and additional "de-delegation", full year impact	-1,084		
New delegation to schools	430		
National funding formula for schools	7,031	7,011	
Sports premium-soft drinks industry levy	1,795		
Dedicated Schools Grant	34,660	-7,011	
Other government grants	4,072		
Total legislative	0	0	0
Total Pressures and changes	0	0	0



Helen Atkinson
Director of Public Health
and Adult Social Care

Our purpose

Our vision is to promote people’s independence and wellbeing through personalised care and support and by working collaboratively with our partners to deliver better outcomes at less cost.

Delivering this vision will mean people in Surrey:

- Are supported to live well for longer in their local community with choice and control.
- Know about and can access information and services to help prevent, reduce and delay the need for care and support.
- Can prepare for an assessment of their care and support needs using our self-assessment tools.
- Experience health and social care working together to meet their needs.
- Feel safe and have a good experience when receiving care and support.

And young people are supported to move into adulthood, building on their strengths and aspirations.

For more information on what we do, contact helen.atkinson@surreycc.gov.uk

Our challenges and opportunities

Challenges – Continued reductions in local government funding means we are having to target available resources upon those with eligible needs. An ageing population, an increasing number of people with dementia and growing numbers of young people moving into adulthood with special educational needs and learning disabilities. An increasingly fragile care market with workforce pressures. Radical changes in national policy including embedding Care Act responsibilities, welfare reform and the National Living Wage.

Opportunities – Collaborating with partners to deliver local integrated community-based health and social care. Using technology to enable new and creative models of delivery. Encouraging people to build networks of support amongst their family, friends and communities. Developing a range of flexible accommodation with care and support. Growing a sustainable workforce. Realising the opportunities created by the Sustainability and Transformation Partnerships and devolution in Surrey Heartlands.

Our key actions

We will prioritise six actions for 2018/19 to support achievement of the Council’s corporate strategy goals of *wellbeing*, *economic prosperity* and *resident experience*:

1. **Partnership and integration:** working together with our partners to make the best use of available resources to meet the needs of residents within our local communities.
2. **Sustainable accommodation:** developing a range of flexible and financially sustainable accommodation with care and support that will enable adults to live and age well in Surrey.
3. **Communities and prevention:** encouraging the development of services that promote independence, employment, health and wellbeing and help to manage increasing demand for services.
4. **Technology and innovation:** using technology to promote independence, health and wellbeing, and manage increasing demand by driving proportionate practice.
5. **Our people:** developing a sustainable, competent and diverse workforce who are valued and have the right skills to deliver quality, statutory services for Surrey residents.
6. **Safeguarding adults:** recognising and responding when adults with care and support needs are experiencing, or are at risk of, abuse or neglect.

Our budget



Adult Social Care

Director: Helen Atkinson

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Older People (all care 65+)	190,014	206,875	219,011	229,330
Physical & Sensory Disabilities (18-64)	41,499	46,597	49,334	52,312
People with Learning Disabilities (18-64)	150,601	171,509	184,951	199,417
Mental Health & Substance Misuse (18-64)	11,475	12,318	13,340	14,511
Carers support services	6,613	6,361	6,376	6,391
Assessment & Care Management	32,520	32,775	32,654	32,674
Management & Support	17,212	18,111	18,185	18,471
Housing Related Support	8,492	5,131	4,980	4,980
Income	-108,304	-118,148	-117,385	-119,329
Net budget ¹	350,122	381,529	411,446	438,756
<u>Funding:</u>				
Other UK Government grants	-11,580	-10,472	-7,158	-7,158
Contributions and contract income	-46,525	-48,506	-48,506	-48,506
Fees and charges	-50,087	-55,929	-57,917	-59,861
Reimbursements and recovery of costs	-111	-3,242	-3,804	-3,804
Total funding	-108,304	-118,148	-117,385	-119,329
<u>Expenditure:</u>				
Service staffing	61,614	62,480	62,759	63,273
Service non staffing	396,812	437,196	466,072	494,811
Total expenditure	458,426	499,677	528,831	558,084
Net budget ⁷	350,122	381,529	411,446	438,756

2017/18 2018/19

SCC Budgeted FTE **1,939 1,824**

Note 13: The FTEs have been restated in 2017/18 to show the total budgeted FTEs. The reduction in ASC's budgeted FTEs for 2018/19 is primarily due to the closure of the two remaining care homes previously operated in-house by Adult Social Care as part of the OP Home Closure Programme

	2018/19 £000	2019/20 £000	2020/21 £000
Summary budget movement			
Prior year budget	350,122	381,529	411,446
Pressures and changes	49,806	38,658	33,237
Savings	-18,400	-8,740	-5,928
Movements	31,407	29,918	27,309
Revised budget	381,529	411,446	438,756

Note 7: Net Budget supported by local taxation, general government grants and reserves

All numbers have been rounded, which might cause a casting difference

Adult Social Care

Policy Budget (by activity)	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Older People (all care 65+)				
Nursing	50,481	57,715	63,451	67,943
Residential General - External	43,877	46,656	49,343	51,748
Residential Dementia - External	16,585	19,585	20,866	21,869
Residential In-House Provision	782	0	0	0
Home Care - External	46,537	51,792	55,273	58,895
Supported Living	5,876	6,966	7,264	7,524
Extra Care - External	1,483	1,917	1,989	2,065
Reablement In-House Provision	7,485	7,208	7,354	7,501
Extra Care In-House Provision	1,131	1,076	1,097	1,119
Direct Payments	8,978	7,264	6,649	5,960
Day Care - External	2,815	2,213	2,012	1,845
Day Care In-House Provision	137	0	0	0
Respite Care	2,045	2,981	3,030	3,080
Transport Services	332	308	310	312
Other Care	1,470	1,194	373	-531
Total Older People	190,014	206,875	219,011	229,330
Physical & Sensory Disabilities (18-64)				
Nursing	2,775	4,478	4,822	5,211
Residential General - External	6,334	6,778	7,204	7,649
Residential Dementia - External	264	359	364	369
Home Care	7,213	10,193	11,817	13,571
Supported Living	2,214	3,109	3,236	3,389
Extra Care	271	435	450	466
Direct Payments	11,880	10,285	10,351	10,404
Day Care - External	785	877	888	901
Respite Care	292	86	87	88
Transport Services	170	170	173	176
Other Care - External	9,302	9,827	9,943	10,088
Total Physical & Sensory Disabilities	41,499	46,597	49,334	52,312
People with Learning Disabilities (18-64)				
Nursing	982	1,771	1,778	1,791
Residential General - External	63,393	71,838	74,777	80,176
Residential Dementia - External	201	206	209	211
Residential In-House Provision	5,310	5,606	5,704	5,804
Home Care - External	6,789	8,412	12,745	15,475
Supported Living - External	35,870	45,563	49,390	53,261
Extra Care	14	91	110	130
Supported Living / Home Care In-House Provision	576	556	565	574
Direct Payments	14,647	13,973	15,526	17,170
Day Care - External	15,870	16,179	16,327	16,499
Respite Care	2,344	2,126	2,308	2,497
Transport Services	1,962	2,987	3,491	4,012
Other Care - External	2,645	2,200	2,021	1,817
Total People with Learning Disabilities	150,601	171,509	184,951	199,417

Adult Social Care

Policy Budget (by activity)	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Mental Health & Substance Misuse (18-64)				
Nursing	357	642	650	664
Residential General	2,666	2,306	2,539	2,788
Residential Dementia	89	189	191	194
Home Care	857	982	1,647	2,392
Supported Living	3,798	5,105	5,270	5,491
Extra Care	0	0	0	0
Direct Payments	645	562	511	453
Day Care	47	17	17	17
Respite Care	37	49	49	50
Transport Services	1	1	1	1
Other Care	2,977	2,467	2,464	2,461
Total Mental Health & Substance Misuse	11,475	12,318	13,340	14,511
Carers Expenditure				
Other Care	4,687	4,690	4,690	4,691
Direct Payments	1,926	1,670	1,685	1,700
Total Carers Expenditure	6,613	6,361	6,376	6,391
Other Expenditure				
Assessment & Care Management	32,520	32,775	32,654	32,674
Management & Support	17,212	18,111	18,185	18,471
Housing Related Support	8,492	5,131	4,980	4,980
Total Other Expenditure	58,223	56,016	55,819	56,125
Gross Expenditure	458,426	499,677	528,831	558,084
Income				
UK Government Grants	-11,580	-10,472	-7,158	-7,158
Fees & Charges	-50,087	-55,929	-57,917	-59,861
Core Better Care Fund Income	-39,068	-39,068	-39,068	-39,068
Contributions & Contract Income	-4,455	-5,268	-5,268	-5,268
Joint Funded Care Package Income	-3,002	-4,170	-4,170	-4,170
Reimbursements & recovery of costs	-111	-3,242	-3,804	-3,804
Total Income	-108,304	-118,148	-117,385	-119,329
Net Expenditure	350,122	381,529	411,446	438,756

All numbers have been rounded, which might cause a casting difference

Adult Social Care

Detailed budget movement by year

	2018/19	2019/20	2020/21
	£000	£000	£000
Pressures and changes			
<u>Principal Funding Changes</u>			
Changes to Improved Better Care Fund allocations	-395	817	
Changes to Adult Social Care support grant	1,503	2,497	
Total Principal Funding Changes	1,108	3,314	0
<u>Inflation</u>			
Care Inflation relating to market pressures	18,644	14,648	12,156
Pay Inflation	1,120	1,405	1,434
Total Inflation	19,764	16,053	13,590
<u>Service Delivery</u>			
Changes to significant block contracts	248	752	448
Ongoing impact of underachievement against 2017/18 MTFP savings target - all savings excluding demand management	7,324		
Replacement of planned one off savings	1,000		
Invest to Save funding changes	0	-250	-50
Adult Social Care other changes	-331	-7	
Total Service Delivery	8,241	495	398
<u>Demand</u>			
Ongoing impact of underachievement against 2017/18 MTFP savings target - demand management	4,021		
Full year effect of existing care packages - Non-Transition	9,400	4,650	4,839
Future year demand pressures - Non-Transition	5,490	6,353	7,003
Full year effect of existing care packages - Transition	3,145	4,423	4,117
Future year Transition cases	5,305	5,358	5,411
Total Gross Demand Pressures	27,360	20,784	21,370
Changes to Joint Funded Care Package Income	-1,168		
Changes to Fees and Charges Income	-5,847	-1,988	-2,121
Total Net Demand Pressures	20,345	18,796	19,249
Virements	349	0	0
Total Pressures and changes	49,806	38,658	33,237

All numbers have been rounded, which might cause a casting difference

Adult Social Care

Detailed budget movement by year

	2018/19	2019/20	2020/21	RAG
	£000	£000	£000	
Savings				
<u>Efficiency/Service Transformation Savings</u>				
<u>Family, Friends & Community Support</u>				
Family, Friends and Community support - core	-1,500			G
Family, Friends and Community support - stretch	-1,000			A
Total Family, Friends & Community Support	-2,500	0	0	
<u>Demand</u>				
Demand Management	-1,000	-1,000	-1,000	R
Section 256 client group savings	-1,750	-1,750	-1,500	G
Total Demand	-2,750	-2,750	-2,500	
<u>Learning Disabilities</u>				
Personalised strategic shift from residential care to community based provision for people with disabilities	-1,000	-1,000		A
Commissioning for Older People with learning disabilities	-250	-250		A
Optimisation of Transition pathways	-1,500	-1,500	-1,000	G
Surrey Choices efficiency programme	-300	-300	-300	A
Transport care packages review	-250			A
Total Learning Disabilities	-3,300	-3,050	-1,300	
<u>Continuing Health Care</u>				
Ensure correct application of National Continuing Health Care framework	-2,500	-750	-750	G
Resolution of significant outstanding Continuing Health Care disputes / assessments	-1,500	-750		A
Total Continuing Health Care	-4,000	-1,500	-750	
<u>Contracts and Grants</u>				
Contracts and Grants Review	-500			A
Housing Related Support decommissioning / retendering of social exclusion services	-3,449	-151		A
Closure of Surrey Information Hubs	-291	-121		G
Optimisation of main block contract rates		-80	-82	G
Optimisation of other contract & grant rates	-288	-288	-288	G
Total Contracts and Grants	-4,528	-640	-371	
<u>Workforce</u>				
Workforce synergies	-500	-800	-800	R
Total Workforce	-500	-800	-800	
<u>Accommodation with Care and Support</u>				
Strategic review of Older People In-house services	-822			G
Expansion of extra care services			-207	G
Total Accommodation with Care and Support	-822	0	-207	
Total savings	-18,400	-8,740	-5,928	

All numbers have been rounded, which might cause a casting difference

Assessment of achievability of savings	2018/19	2019/20	2020/21	RAG
	£000	£000	£000	
RED – achievement of savings face severe challenges and barriers;	-1,500	-1,800	-1,800	R
AMBER – significant barriers exist to the savings being achieved and the service is developing plans to overcome this;	-8,249	-2,451	-300	A
GREEN – savings will be achieved with few internal or external barriers	-8,651	-4,489	-3,828	G
Total	-18,400	-8,740	-5,928	

Public Health Service Plan 2018-19



Helen Atkinson
Strategic Director,
Adult Social Care &
Public Health

1. Our purpose

Our purpose is to improve and protect the health of people living and working in Surrey. We work closely with partner organisations to understand and address the wider issues that influence people's health locally and:

- provide public health information and understanding to enable decisions that are based on people's need and what is effective.
- commission services that support people to make positive changes to their health that are relevant throughout their life.
- work with partners to protect Surrey residents from communicable diseases and environmental hazards.

For more information on what we do, contact Helen.atkinson@surreycc.gov.uk

2. Our challenges and opportunities

This year we will continue to align with the three Sustainability Transformation Partnerships (STP) alongside the local health and social care integration programme. The opportunities presented by devolution of public health responsibilities will also be developed while continuing to provide existing services and support across the County.

The continued need to identify further efficiencies and savings continues to present challenges within a reduced capacity and the need to further prioritise the overall work programme. We will however continue to maintain a focus on those experiencing the poorest health outcomes through the services we commission, our work with local partners, and engagement with the Surrey and departmental equality groups. This also requires continued effort to minimise the impact of service changes and budget reductions upon the most vulnerable persons who use our services.

3. Our key actions

We will prioritise the following five actions for 2018-19 to support achievement of the Council's corporate strategy goals of Wellbeing, Economic prosperity and Resident experience

1. Embed the new integrated service models for sexual health, substance misuse and 0-19s public health services
2. Support local CCGs and partner organisations through providing intelligence and evidence for population health management to inform commissioning decisions and wider programme planning.
3. Take action to address health inequalities and wider determinants of health by reducing the impact of environmental factors on health such as air quality and the built environment
4. Continue to work with the Surrey CCGs and colleagues in Adult Social Care and Children, Schools and Families in the design of joint commissioning processes, including the STP mandate and the development of Family Hubs.
5. Provide specialist support to the wider health and social care system to embed a preventative approach, particularly inputting into social prescribing; disease case finding in primary care and the making every adult matter (MEAM) multiple needs programme.

4. Our budget

Gross Revenue

Expenditure = £37.3m

Section 1: MTFP Service strategies and Detailed budgets

Public Health = £37.3m

Public Health

Strategic Director: Helen Atkinson

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Public Health	0	659	800	802
Net budget	0	659	800	802
<u>Funding:</u>				
Other UK Government grants	-37,504	-36,540	-35,575	-35,575
Partner (non SCC) income	-400	-132	-120	0
Total funding	-37,904	-36,672	-35,695	-35,575
<u>Expenditure:</u>				
Service staffing	2,470	2,515	2,565	2,617
Service non staffing	783	586	586	586
Contracts & Care packages	34,651	34,230	33,344	33,174
Total expenditure	37,904	37,331	36,495	36,377
Net budget	0	659	800	802

	2017/18	2018/19
FTE	46	46

	2018/19 £000	2019/20 £000	2020/21 £000
Summary budget movement			
Prior year budget	0	659	800
Pressures and changes	2,825	1,027	177
Savings	-2,166	-886	-175
	659	800	802

Summary budget movement	2018/19 £000	2019/20 £000	2020/21 £000	RAG
Prior year budget	0	659	800	
<u>Principal Funding Changes</u>				
Change to government grant	964	965	0	
Partner (non SCC) income	-132	0	0	
Total Principal Funding Changes	832	965	0	
<u>Inflation</u>				
Pay inflation	45	50	52	
Total Inflation	45	50	52	
<u>Service Delivery</u>				
Changes relating to partner (non SCC) income	532	12	120	
Public health initiatives delivered through other council services	1,173	0	0	
Investment in services	193	0	5	
New responsibility - dental epidemiology	50	0	0	
Total Service Delivery	1,948	12	125	
Total Pressures and changes	2,825	1,686	977	
<u>Efficiencies / Service Transformation savings</u>				
Substance misuse integrated service	-1,299	-200	0	A
Sexual health (non-contract eg. out of area spend)	-626	-428	0	A
Planned change in Healthy Child Programme (0-19) contract value	0	-227	0	G
Savings in Surrey County Council recharge	-196	0	0	G
Other grant changes	0	-12	-120	G
Service transformation	-23	-14	-55	G
Healthy life style services	-11	0	0	G
Mental health	-11	0	0	G
Savings in non pay	0	-5	0	G
Total Savings	-2,166	-886	-175	
Revised budget	659	800	802	

Highways and Transport 2018/19

8



Lucy Monie,
Head of
Highways &
Transport

Purpose

Our purpose is to enable safe, reliable journeys and the growth of prosperous places, now and in the future. As Highway Authority and Lead Local Flood Authority what we do and the powers we have are largely governed by statute. We are responsible for assets which include over 3000 miles of road network, 1800 bridges and structures and 3,262 miles of footway.

We will contribute to the council's three corporate goals of Wellbeing, Economic Prosperity and Resident Experience by supporting the delivery of nine Strategic Outcomes that are set out in the Environment & Infrastructure Business plan (2016-21).

Wellbeing

Our services are safer for everyone to use, residents live in places that are resilient and sustainable, places are healthier to live in

Economic Prosperity

Sustainable development is enabled through new infrastructure, travel is easier and more predictable, opportunities for Surrey's residents and businesses are increased

Resident Experience

Places are attractive to live and work in, residents are engaged in and can influence our services, our services continue to provide value for money

For more information on what we do contact highways@surreycc.gov.uk or lucy.monie@surreycc.gov.uk

Challenges and Opportunities

Our challenges include: budget uncertainty, managing one of the busiest networks in the country and the wear and tear and congestion that results, high levels of customer expectation, a depreciating network whilst delivering in a complex environment. Our opportunities centre on maximising funding, achieving best value from our supply chain, working with our partners, and an increased focus on how we engage and communicate. The directorate's five-year business plan (2016-21) sets out how we will work to deliver our services in the context of the challenges we face and how we will exploit opportunities to deliver maximum value.

Key Actions

We will prioritise five actions for 2018/19 to support achievement of the council's three corporate goals:

1. Continue to implement our 5 year business plan, asset management strategy and performance framework to ensure the successful delivery of our strategic outcomes
2. Keep our roads safe by repairing defects within agreed timescales
3. Improve and renew priority pavements, particularly to support vulnerable users
4. Resurface and treat roads to ensure the resilience of our highway network
5. Deliver flood alleviation schemes so our communities are more resilient to flooding and the infrastructure programme to ensure new development is sustainable

Our budget



* includes local committee & member funds, bridges & structures, traffic signals

** includes bridge strengthening, traffic signal replacement, drainage and developer funded schemes

Highways and Transport

Head of Service: Lucy Monie

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Roads	7,074	7,324	7,581	7,846
Traffic Signals	1,011	1,041	1,075	1,110
Environmental Maintenance	3,000	2,379	2,462	2,548
Signs and Lines	985	528	547	566
Bridges and Structures	1,571	1,604	1,660	1,718
Drainage	3,446	3,544	3,619	3,697
Winter Service and Safety Barriers	2,632	2,713	2,808	2,907
Street Lighting and Furniture	15,810	16,983	17,542	18,139
Local Schemes	450	450	466	482
Member Local Highway Fund	0	608	810	1,215
Local Committee Highway Fund	0	1,400	2,000	2,500
Parking ¹⁴	0	0	0	0
Highways - Staffing and Other Costs	8,672	7,549	7,823	8,102
Savings to be identified	0	0	-178	-356
Net budget	44,651	46,123	48,215	50,474

Parking ¹⁴

2018/19 gross expenditure is £3.8m offset by income

Funding:

Other UK Government grants	-92	-98	-104	-104
Fees & charges	-4,009	-4,069	-4,155	-4,244
Reimbursements and recovery of costs	-4,014	-3,841	-3,935	-4,033
Total funding	-8,115	-8,008	-8,194	-8,381

Expenditure:

Service staffing	15,409	12,784	12,998	13,217
Service non-staffing	37,357	41,347	43,411	45,638
Total expenditure	52,766	54,131	56,409	58,855
Net budget	44,651	46,123	48,215	50,474

	2017/18	2018/19
--	---------	---------

FTE ¹⁵	371	314
--------------------------	------------	------------

FTE ¹⁵

39 FTE moved to Place, the remaining change due to restructure

	2018/19 £000	2019/20 £000	2020/21 £000
Summary budget movement			
Prior year budget	44,651	46,123	48,215
Pressures and changes	3,906	2,270	2,437
Virement	-1,016		
Savings	-1,418	-178	-178
Movements	1,472	2,092	2,259
Revised budget	46,123	48,215	50,474

Capital Programme	2018/19 £000	2019/20 £000	2020/21 £000	2018-21 £000
Highway maintenance	20,943	12,889	14,515	48,347
Bridge strengthening	1,706	3,151	3,637	8,494
Flooding & Drainage	1,393	1,261	1,457	4,111
Local transport schemes	400	400	400	1,200
Safety barriers	957	867	1,010	2,834
Traffic Signal Replacement	1,515	945	1,015	3,475
Highways Vehicle Replacement	120	0	0	120
National Productivity Investment Fund	0	tbc	tbc	0
Flood resilience schemes	500	500	500	1,500
River Thames scheme	500	500	500	1,500
Developer funded schemes	1,200	1,200	1,200	3,600
Superfast Broadband	140	145	71	356
Total capital programme	29,374	21,858	24,305	75,537

Future National Productivity Investment Fund allocations to be confirmed

Highways and Transport

Detailed budget movement by year

	2018/19	2019/20	2020/21
	£000	£000	£000
Pressures and changes			
<u>Inflation</u>			
Pay Inflation	213	215	219
Income Inflation	-181	-181	-186
Non pay inflation	1,466	1,434	1,499
Total Inflation	1,498	1,468	1,532
<u>Legislation</u>			
Flood Grant	-6	-6	
Total Legislation	-6	-6	0
<u>Service Delivery</u>			
Member local highway fund	608	202	405
Local committee highway fund	1,400	600	500
Market - Energy	400		
Flood Grant Expenditure	6	6	
Service Delivery	2,414	808	905
Service pressures and changes	3,906	2,270	2,437
Virements	-1,016		

	2018/19	2019/20	2020/21	RAG
	£000	£000	£000	
Savings				
<u>Efficiency/Service Transformation</u>				
Highways Information Team Income	-40			G
Total Efficiency/Service Transformation	-40			
<u>Service Reduction</u>				
Reactive maintenance	-1,200			G
Total Service Reduction	-1,200			
Savings to be identified	-178	-178	-178	R
Total savings	-1,418	-178	-178	

Place Development and Waste Management 2018/19

8



Jason Russell, Deputy Director & Lead for Waste Management

Purpose

Our purpose is to enable the growth of prosperous and sustainable places. We deliver this through facilitating sustainable development, the maintenance & improvement of the countryside and providing safe, sustainable travel and transport options. We are responsible for a number of statutory functions including transport, planning and the management of waste.

We will contribute to the council's three corporate goals of Wellbeing, Economic Prosperity and Resident Experience by supporting the delivery of nine Strategic Outcomes that are set out in the Environment & Infrastructure Business plan (2016-21)

Wellbeing

Our services are safer for everyone to use, residents live in places that are resilient and sustainable, places are healthier to live in

Economic Prosperity

Sustainable development is enabled through new infrastructure, travel is easier and more predictable, opportunities for Surrey's residents and businesses are increased

Resident Experience

Places are attractive to live and work in, residents are engaged in and can influence our services, our services continue to provide value for money

For more information on what we do contact highways@surreycc.gov.uk or lucy.monie@surreycc.gov.uk



Lesley Harding, Head of Place Development

Challenges and Opportunities

Our challenges include: budget uncertainty and year on year reductions; responding to population and economic growth to ensure we have the right transport, waste management and other infrastructure in place, pressures on transport as a consequence of an ageing population, the impact of traffic congestion and poor air quality on the health and well-being of our residents; and rising levels of road casualties amongst some groups. The opportunities we have identified include: building on strong relationships with partners to deliver savings and efficiencies and to tackle some of the challenges facing Surrey such as accommodating growth and tackling air quality, ensuring that new development supports the delivery of priority infrastructure to support growth, building on our successful volunteering programmes and on the opportunities of our attractive countryside. The directorate's five-year business plan sets out how we will respond to the challenges and deliver our priorities.

Key Actions

We will prioritise five actions for 2018/19 to support achievement of the council's three corporate goals:

1. Work with partners to reduce the cost of waste management by increasing recycling, reducing the amount produced and minimising the proportion sent to landfill
2. Work with partners to develop a single, aligned waste management service, including commissioning the EcoPark to create a more efficient whole system approach
3. Support economic prosperity with an infrastructure investment programme developed with partners, identifying funding to ensure that we can provide the infrastructure and transport required to support the growth of places and the health and wellbeing of our residents
4. Provide an effective planning applications process to enable the delivery of additional school places to meet increasing demand
5. Improve access to the countryside, conserve and protect its biodiversity, and make it financially sustainable

Our budget

Net Revenue
Expenditure =
£88.9m

Waste Management, £64.4m

Travel and Transport,
£20.1m

Other
revenue*,
£4.4m

Capital =
£14.9m

Local Growth
Deal
Schemes,...

Other capital**, £1.4m

* Other revenue functions include Planning & Development £2.3m, Countryside £1.3m and Directorate-wide costs £1m.
** Other capital schemes include developer funded schemes £0.8m, Countryside £0.3m, and Road Safety £0.2m

Place Development and Waste Management

Strategic Director: Trevor Pugh

Head of Service: Lesley Harding

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Waste Management	58,053	64,405	68,462	70,062
Countryside	1,640	1,324	1,151	973
Place and Sustainability	428	0	0	0
Travel and Transport	18,472	20,061	20,788	21,515
Place Development - Management and other costs	101	107	114	121
Directorate wide costs & savings ¹⁶	504	975	1,125	1,046
Planning and Development	2,089	2,267	2,299	2,331
Further savings to be identified	-23	-232	-482	-697
Net budget ⁷	81,264	88,907	93,457	95,351
<u>Funding:</u>				
UK Government grants	-1,862	-1,665	-1,694	-1,694
Fees & charges	-2,642	-3,020	-3,066	-3,142
Contribution and contract income	-541	-554	-567	-580
Reimbursement & recovery of costs	-2,947	-3,252	-3,349	-3,448
Total funding	-7,992	-8,491	-8,676	-8,864
<u>Expenditure:</u>				
Service Staffing	9,713	11,928	12,128	12,297
Service Non staffing	79,543	85,470	90,005	91,918
Total expenditure	89,256	97,398	102,133	104,215
Net budget	81,264	88,907	93,457	95,351

	2017/18	2018/19
FTE ¹⁷	213	240

	2018/19 £000	2019/20 £000	2020/21 £000
Summary budget movement			
Prior year budget	81,264	88,907	93,457
Inflation	3,506	3,396	3,387
Service Delivery	-2,892	3,331	0
Demand	5,954	-502	244
Virements	980	0	0
Savings	95	-1,675	-1,737
Movements	7,643	4,550	1,894
Revised budget	88,907	93,457	95,351

Note 7 : Net Budget supported by general government grants and reserves.

Note 16: Directorate-wide costs are shown here for presentational purposes only, and relate to activities across the Environment and Infrastructure Directorate (including Highways & Transport). The 2018/19 budget includes activities previously included within other budget lines.

Note 17: 2018/19 includes employees transferred from Highways and Transport

Detailed budget movement by year

	2018/19	2019/20	2020/21
	£000	£000	£000
Pressures and changes			
<u>Inflation</u>			
Income inflation	-178	-183	-188
Pay inflation	216	219	223
Contract / market inflation	3,468	3,360	3,352
Total Inflation	3,506	3,396	3,387
<u>Demand</u>			
Waste costs and volumes	5,954	-502	244
<u>Market/Service Delivery</u>			
Transfer to/from Waste sinking fund	-2,892	3,331	
Service pressures	6,568	6,225	3,631
Virements	980		

	2018/19	2019/20	2020/21	RAG
	£000	£000	£000	
Savings				
<u>Efficiency/Service Transformation and Service Reduction</u>				
Countryside review	-350	-200	-200	A
Planning and Development review	-150			G
E&I Support functions	-100			G
Place & Sustainability Review	-41		-35	G
Waste - Kerbside recycling performance ¹⁸	1,077	-155	-162	G
Waste - Recycling management ¹⁸	942	-57		G
Waste - Single waste approach	-1,000	-1,000	-1,000	A
Waste - Community Recycling Centres and Transfer Stations ¹⁸	80			G
Waste - Materials Management	-150	-13	-125	G
Total Efficiency/Service Transformation and Service Reduction	308	-1,425	-1,522	
<u>Unidentified Savings</u>				
Savings to be identified	-213	-250	-215	R
Total Unidentified Savings	-213	-250	-215	
Total savings	95	-1,675	-1,737	

2018/19 Assessment of achievability of savings	2018/19	RAG
	£000	
RED - Achievement of savings face severe challenges and barriers	-213	R
AMBER – significant barriers exist to the savings being achieved and the service is developing plans to overcome this;	-1,350	A
GREEN – savings will be achieved with few internal or external barriers	1,658	G
Total savings	95	

Note 18 : Includes reversal of prior year savings.

	2018/19	2019/20	2020/21	2018-21
Capital Programme	£000	£000	£000	£000
Rights of way (including structures)	175	175	175	525
Basingstoke canal	150	150	150	450
Road safety schemes	200	200	200	600
Closed landfill site maintenance	50	50	50	150
Local Growth Deal schemes	13,526	7,862	0	21,388
Developer funded schemes: S106	500	500	500	1,500
E&I Developer funded schemes: CIL	270	202	40	512
Total Capital Programme	14,871	9,139	1,115	25,125

	2018/19	2019/20	2020/21	2018-21
Strategic Economic Plan Schemes	£000	£000	£000	£000
A23 Strategic Maintenance	1,332	2,510		3,842
A30/A331/Meadows Gyratory Corridor	1,276	1,385		2,661
Blackwater Valley STP - Phase 1	200			200
Dorking Transport Package - Phase 1	219			219
Epsom town centre Plan E	937			937
Greater Redhill STP	601			601
Guildford Town Centre transport package	4,336	1,170		5,506
Runnymede Roundabout	1,688			1,688
Wider Network Benefits East	30			30
Wider Staines - phase 1a & 1b	2,907	1,249		4,156
Unallocated contribution		1,548		1,548
Total Strategic Economic Plan schemes	13,526	7,862		21,388



Russell Pearson QFSM
Chief Fire Officer

Our purpose

Our purpose is to make Surrey the safest it can be. The Service is responsible for;

- Providing Fire and Rescue services to a population of 1.169m people, covering an area of 644 square miles, predominantly urban with 62 miles of motorway, the most densely populated county in SE England.
- Attending approximately 12,000 incidents a year on average, dealing with a range of emergency situations, not just fires and road traffic collisions which comprise the majority. We undertake contingency planning with other emergency services for major incidents, respond to flooding incidents, deal with hazardous materials accidents, advise and enforce business fire safety legislation.
- We will work with the business community and high rise building owners and occupiers through our protection team to influence and regulate premises to protect people, property and the environment.
- Raising awareness among the most vulnerable people in order to reduce the numbers and effects of fires, road traffic collisions and other preventable emergencies.
- Moving from re-active to pro-active intervention, increasing our efficiency and prevention activity, and working more closely with fire services and other emergency services to protect and reduce risk to our communities.

Our challenges and opportunities

Following the tragic events at Grenfell towers in June 2017 we will see many challenges and changes to fire safety over the next few years. We will support change through a fluid workforce and enhanced teams as required whilst continuing to support businesses and our residents. The increasing financial pressures faced by public services and the changing demand for fire and rescue services also emphasises the need to consider alternative models of delivery. Significant savings can be found through meaningful collaboration with neighbouring fire services, Police and Ambulance. This work is already strongly underway and now that the Government has enacted legislation to require collaboration between emergency services, we will explore all opportunities to deliver efficiencies whilst keeping our residents and businesses at the heart of what we do. This is in keeping with the emphasis on partnership and public service transformation to improve the resident experience by reducing overlaps and filling in gaps in service provision and enabling better targeted prevention and protection activities.

Our key actions

We will prioritise five actions for 2018/19 to support achievement of the council's three corporate strategy goals of *wellbeing, economic prosperity and resident experience*.

1. Continue to deliver the actions in the Public Safety Plan 2016-2025.
2. Work closely with partners for the joint benefit of residents, businesses and our staff.
3. Anticipate changes to the demographic profile across Surrey to identify and target residents and businesses most at risk in our communities.
4. Develop a comprehensive Integrated Risk Management Plan setting out how, we will continue to deliver efficient, effective and intelligence led Prevention, Protection and Response with Resilience into the future.
5. The Service will be inspected in the Summer of 2018 by HMICFRS as to how we comply with relevant legislation and deliver value for money services and will need to respond to any recommendations arising.

Our budget

The council has an operating revenue budget of £1.7 billion. The charts below show how the Surrey Fire and Rescue Service's spending has been allocated for 2018/19.



* other functions include Community Safety and Emergency Planning

Surrey Fire and Rescue Service

Chief Fire Officer: Russell Pearson QFSM

Policy Budget (by activity)

	2017/18	2018/19	2019/20	2020/21
	£000s	£000s	£000s	£000s
Fire Fighting & Rescue Operations	25,634	27,750	23,995	23,030
Support Functions	1,373	2,157	2,202	1,648
Community Fire Safety	1,221	1,234	1,248	1,261
Fire Service Emergency Planning	316	381	386	390
Net budget	28,544	31,522	27,831	26,329

Funding:

UK Government grants	-8,639	-9,122	-9,209	-9,297
Fire Pension Employee Contributions	-2,630	-2,657	-2,683	-2,710
Fees & charges	-39	-39	-40	-40
Property income	-12	-12	-13	-13
Reimbursement & recovery of costs	-833	-855	-863	-872
Total funding	-12,153	-12,685	-12,808	-12,932

Expenditure:

Staffing	26,620	26,759	22,969	21,512
Non Staffing	3,202	3,179	3,258	3,193
Pension Payments	14,128	14,269	14,412	14,556
Total expenditure	43,950	44,207	40,639	39,261

Net budget	31,797	31,522	27,831	26,329
-------------------	---------------	---------------	---------------	---------------

	2017/18	2018/19
FTE	608	606

	2018/19	2019/20	2020/21
	£000s	£000s	£000s
Summary budget movement			
Prior year budget	31,797	31,522	27,831
Funding changes	-510	-113	-115
Inflation	386	384	349
Service delivery	510	113	115
Savings	-661	-4,075	-1,851
Movements	-275	-3,691	-1,502
Revised budget	31,522	27,831	26,329

Surrey Fire and Rescue Service

Detailed budget movement by year

8

	2018/19 £000s	2019/20 £000s	2020/21 £000s	RAG
Funding changes				
Fire Pension grant	-483	-87	-88	
Fire Pension Employee Contributions	-27	-26	-27	
Total funding changes	-510	-113	-115	
Pressures and changes				
<u>Inflation</u>				
Income Inflation	-9	-9	-9	
Pay inflation	285	285	248	
Contract / market inflation	110	108	110	
Total Inflation	386	384	349	
<u>Service Delivery</u>				
Pension costs (externally funded)	510	113	115	
Total Service Delivery	510	113	115	
Total Pressures and funding changes	386	384	349	
Savings				
<u>Service transformation and Efficiencies</u>				
Blue light Collaboration Mobilising (removal of prior year saving)	200			G
Fire cover reconfiguration Spelthorne - delayed	225	-225		A
Maintain two appliances at Fordbridge for one year	675	-450	-225	A
Response cover configuration	-800	-3,300		A
Middle management and further savings.	-500		-1,026	A
Fire pension reduced employer contribution rates	-400			G
Mobilising restructure	-61			A
Back office & support functions		-100	-600	G
Total Savings	-661	-4,075	-1,851	
Net budget movements	-275	-3,691	-1,502	

Community Partnership and Safety 2018/19



Jane Last
Head of
Community
Partnership
and Safety

Purpose

Our purpose is to facilitate local democratic decision making, to engage residents to get involved and have their say about their local communities and to work with partners to shape place and ensure residents remain healthy, safe and confident about their future.

We will contribute to the council's three corporate goals of Wellbeing, Economic Prosperity and Resident Experience by supporting the delivery of nine Strategic Outcomes that are set out in the Environment & Infrastructure Business plan (2016-21).

Wellbeing

Our services are safer for everyone to use, residents live in places that are resilient and sustainable, places are healthier to live in

Economic Prosperity

Sustainable development is enabled through new infrastructure, travel is easier and more predictable, opportunities for Surrey's residents and businesses are increased

Resident Experience

Places are attractive to live and work in, residents are engaged in and can influence our services, our services continue to provide value for money

For more information on what we do contact janel@surreycc.gov.uk

Challenges and Opportunities

To increase the participation of residents in decision making and their local communities, we will utilise evolving technology to improve the range and quality of conversations we have with ever wider groups of residents. To help residents feel safer we will work in partnership to transform the way services are delivered to residents, focussing on preventing problems from occurring and strengthening communities to respond when they do. The directorate's five-year business plan (2016-21) sets out how we will work to deliver our services in the context of the challenges we face and how we will exploit opportunities to deliver maximum value.

Key Actions

We will prioritise five actions for 2018/19 to support achievement of the council's three corporate goals

1. Increase resident engagement through the use of evolving technology and our work with services and partners
2. Increase residents safety by leading work with partners on domestic abuse, PREVENT and serious organised crime
3. Actively encourage devolved governance models that support councillors' influence in the development of place
4. Increase community resilience through working with residents to develop sustainable local groups and action plans
5. Maximise the benefit of funding sources to enable projects that enhance our local and military communities

Our budget

Net Revenue
Expenditure =£2.3m

Community Partnerships,
£0.7m

Member Community Fund,
£0.4m

Community Safety,
£1.2m

Community Partnership & Safety

Head of Service: Jane Last

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Community Partnerships	1,107	693	704	717
Member Community Fund	486	405	608	810
Community Improvement Fund	236			
Community Safety	905	1,195	1,205	1,215
Net budget	2,734	2,293	2,517	2,742
<u>Funding:</u>				
Reimbursement & recovery of costs	-162	-160	-160	-160
Total funding	-162	-160	-160	-160
<u>Expenditure:</u>				
Service staffing	1,242	1,174	1,192	1,211
Service non staffing	1,654	1,279	1,485	1,691
Total expenditure	2,896	2,453	2,677	2,902
Net budget	2,734	2,293	2,517	2,742

	2017/18	2018/19
FTE	25	27

	2018/19 £000s	2019/20 £000s	2020/21 £000s	RAG
Summary budget movement				
Prior year budget	2,734	2,293	2,517	
<u>Pressures and changes</u>				
Pay inflation	20	18	19	
Contract / market inflation	3	4	4	
Virement	-55			
Member Community Fund ¹⁸	-81	202	202	
<u>Service transformation and efficiencies</u>				
Community Improvement Fund	-236			G
Restructure	-92			G
Movements	-441	224	225	
Revised budget	2,293	2,517	2,742	

Note 18:

Member Community Fund previously called Member Allocations. For 18/19, the allocation will be £5,000 per member, rising to £7,500 in 2019/20 and £10,000 in 2020/21.

Communities Support Function

Financial Budget

2018/21

Community Support Function

Head of Service: Tracy Waters

Policy Budget (by activity)

	2017/18 Total £000s	2018/19 Total £000s	2019/20 Total £000s	2020/21 Total £000s
Community Support Function	779	695	707	718
Net budget	779	695	707	718
<u>Funding:</u>				
Reimbursement & recovery of costs	-169			
Total funding	-169	0	0	0
<u>Expenditure:</u>				
Service staffing	916	666	677	687
Service non-staffing	32	29	30	31
Total expenditure	948	695	707	718
Net budget	779	695	707	718

	2017/18	2018/19
FTE	26	17

	2018/19 £000s	2019/20 £000s	2020/21 £000s	RAG
Summary budget movement				
Prior year budget	779	695	707	
Pay inflation	10	11	10	
Contract / market inflation	1	1	1	
Virement	-92			
Savings	-3			G
Movements	-84	12	11	
Revised budget	695	707	718	

Coroner

Financial Budget

2018/21

Coroner

Budget Manager : Tracy Waters

Policy Budget (by activity)

	2017/18 Total £000s	2018/19 Total £000s	2019/20 Total £000s	2020/21 Total £000s
Coroner	1,739	1,722	1,860	2,012
Net Budget	1,739	1,722	1,860	2,012
<u>Funding</u>				
Partner (non SCC) funding		-610	-500	-385
Total funding		-610	-500	-385
<u>Expenditure:</u>				
Service staffing	396	1,010	1,021	1,031
Service non-staffing	1,343	1,322	1,339	1,366
Total expenditure	1,739	2,332	2,360	2,397
Net budget	1,739	1,722	1,860	2,012
	2017/18	2018/19		
FTE¹⁹	2	17		

	2018/19 £000s	2019/20 £000s	2020/21 £000s	RAG
Summary budget movement				
Prior year budget	1,739	1,722	1,860	
Transfer of Police Coroner Officers	610			
Funding for Police Coroner Officers	-610	110	115	
Pay inflation	4	10	10	
Contract/market inflation	35	36	37	
Service efficiencies	-56	-18	-10	G
Movements	-17	138	152	
Revised budget	1,722	1,860	2,012	

Note 19 : 2018/19 FTE Includes the transfer of Coroner officers from Surrey Police.



Peter Milton
Head of Cultural
Services

Our purpose

Our purpose is to provide a range of relevant, lively services which enhance the quality of life of Surrey residents by delivering accessible, high quality, inspirational and enjoyable cultural and learning activities, and information for all people living in or visiting Surrey. We are responsible for the following services:

- Library Services used by nearly one third of Surrey residents, including 52 libraries – ten of which are successfully operated by volunteers.
- Exploring, protecting and improving access to Surrey’s heritage and the county’s archives and records, including publishing over 42 million records online and achieving over 5 million views of those records.
- Ensuring that local residents have access to new skills, apprenticeships, new knowledge and lifestyle interests. The programme is made up of 2,500 adult learning courses. The targeted work includes specialist provision for: Family Learning; adults with a learning disability; and those with multiple barriers to the labour market.

- Surrey Arts service ensures that as many people as possible experience positive outcomes in terms of Education, Health & Wellbeing, Sense of Place and Economic Prosperity through engagement with the Arts, leading the Surrey Music Education Hub and Cultural Education Partnership and working with local groups, communities and partner organisations to promote great arts for everyone in Surrey.
- Smooth and efficient registration of approximately 11,500 deaths, 20,000 births, conducting approximately 2,000 citizenship ceremonies, 3,900 marriage / civil partnership ceremonies and issuing approximately 127,000 copies of birth, death, marriage and civil partnership certificates.

For more information on what we do, contact peter.milton@surreycc.gov.uk.

Our challenges and opportunities

The main challenge we face in the coming year is to maintain the quality and breadth of services with diminishing resources. We must meet the needs of existing service users, and provide services relevant to them at the same time as addressing demands of demographic and social change. Creative, resourceful approaches to service delivery will provide opportunities to work closely with partners, making the most of facilities and resources. Advances in technology will make it easier to communicate with the public and deliver services that meet their aspirations.

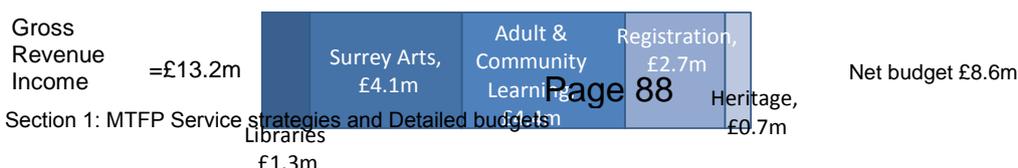
Our key actions

We will prioritise five actions for 2018/19 to support achievement of the council’s three corporate strategy goals of *wellbeing, economic prosperity* and *resident experience*.

1. Develop a sustainability strategy to secure the future of our library service and deliver a wider range of services from our libraries.
2. Grow and protect income to fund services by maintaining existing grants, finding new sources of income and maximising new commercial income streams.
3. Continue to implement business efficiencies and investigate the best arrangements for the delivery of cultural services in Surrey.
4. Increase volunteering by 5%, and involve local people in shaping and developing services, supporting them to live well.
5. Continue to develop digital technology for the efficient delivery of our services and improved customer contact, and introduce processes that improve user experience.

Our budget

The council has an operating revenue budget of £1.7 billion. The charts below show how Cultural Service’s spending has been allocated for 2018/19.



Cultural Services

Head of Service: Peter Milton

Policy Budget (by activity)	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Libraries	9,089	8,725	8,331	7,885
Heritage	1,006	1,037	1,027	1,042
Surrey Arts	528	280	273	292
Adult & Community Learning	-869	-913	-964	-989
Registration & Nationality Service	-619	-652	-677	-701
Supporting Cultural Services	153	165	164	163
Net budget	9,288	8,642	8,154	7,692
<u>Funding</u>				
UK Government grants	-3,811	-3,811	-3,811	-3,811
Fees & charges	-8,543	-8,545	-8,785	-8,976
Reimbursement & contract income	-460	-472	-485	-497
Partner (non SCC) funding	-297	-297	-301	-305
Property income	-190	-65	-66	-67
Total funding	-13,301	-13,190	-13,448	-13,656
<u>Expenditure:</u>				
Service staffing	19,006	18,732	18,438	18,117
Service non-staffing	3,583	3,100	3,164	3,231
Total expenditure	22,589	21,832	21,602	21,348
Net budget	9,288	8,642	8,154	7,692

	2017/18	2018/19
FTE ²⁰	529	531

Summary budget movement	2018/19 £000	2019/20 £000	2020/21 £000
Prior year budget	9,288	8,642	8,154
Service Delivery	100		
Virements	15		
Inflation	198	181	209
Service transformation and efficiencies	-959	-669	-671
Movements	-646	-488	-462
Revised budget	8,642	8,154	7,692

Note 20: Reported FTE does not reflect future changes related to Library savings.
Net increase is due to income earning and grant funded posts.

Cultural Services

Detailed budget movement by year

	2018/19 £000	2019/20 £000	2020/21 £000	RAG
Pressures and changes				
<u>Virements</u>	15			
<u>Inflation</u>				
Income inflation	-188	-190	-159	
Pay inflation	300	295	290	
Contract / market inflation	86	76	78	
Total inflation	198	181	209	
<u>Service Delivery</u>				
Watts Gallery grant	100			
Total Service Delivery	100	0	0	
Total pressures and changes	313	181	209	
Savings				
<u>Service Transformation and Efficiencies</u>				
Libraries - Redesign service delivery	-180			A
Libraries - Reduction to resources budget	-100			G
Libraries - Reclassification	-220	-110	-150	A
Libraries - Develop Community Supported Offer		-250	-290	G
Libraries - Team Staffing reductions	-46	-208	-176	G
Surrey Arts	-250			G
Surrey Arts - Additional music income	-25	-25		G
Adult & Community Learning - Improved marketing	-23	-28	-35	G
Registration - Increased income	-25	-16	-14	A
Heritage restructure	-85	-25		G
Other savings	-5	-7	-6	G
Total Savings	-959	-669	-671	
Net Budget Movements	-646	-488	-462	

Emergency Management 2018/19

8

Our Purpose



Ian Good
Head of Emergency
Management

Our purpose is to ensure the wellbeing of residents and communities during an emergency and to protect the economic prosperity of the county during periods of disruption. The team now provides the services to both the County Council and Surrey Fire and Rescue. To do this we are responsible for:

- working with partners in the Surrey Local Resilience Forum to ensure a coordinated response to emergencies
- ensuring the resilience of council services by maintaining a robust Business Continuity Management System to protect critical services to residents
- working with organisers of major events to ensure that safety requirements and the needs of residents are addressed as part of the event planning.

For more information on what we do, contact ian.good@surreycc.gov.uk

Our challenges and opportunities

Surrey is a safe and prosperous community. To maintain this prosperity we will be working to ensure that the risks facing residents are understood and where necessary we have the emergency response arrangements in place to support those in need during incidents. We expect to see changes to the types and frequency of severe weather events and will need to continue to work with partners to ensure that the impacts of threats posed by extremists are anticipated and where required there are means in place to manage the consequences.

Our key actions

We will prioritise five actions for 2018/19 to support achievement of the council's three corporate strategy goals of *wellbeing, economic prosperity and resident experience*.

1. Ensure that the council's response to emergencies meets the needs of residents and businesses with a higher regard to the vulnerable in our communities and builds on the learning from the Grenfell Tower Fire, Manchester Bombings and other incident during 2017.
2. Continue to support communities in increasing their resilience to local risks and threats in line with the changes to the National Risk Assessments.
3. Supporting our suppliers in increasing the resilience of their services provided to residents as part of our Business Continuity planning.
4. With our partners, promote Surrey as a place to do business through the safe and effective delivery of major events in the county.
5. Work with partners in Sussex Local Resilience Forum to capture the benefits of greater collaboration to ensure

Our budget

The council has an operating revenue budget of £1.7 billion. The Emergency Management's spending (£0.5m) offset by -£0.1m of income has been allocated for 2018/19.

Emergency Management

Head of Service: Ian Good

	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Emergency Management	489	498	506	513
Net budget	489	498	506	513
<u>Funding</u>				
Contributions and contract income	-63	-24	-25	-27
Total funding	-63	-24	-25	-27
<u>Expenditure:</u>				
Service staffing	495	476	483	491
Service non staffing	57	46	48	49
Total expenditure	552	522	531	540
Net budget	489	498	506	513

	2017/18	2018/19
FTE	12	11

	2018/19	2019/20	2020/21
	£000	£000	£000
Summary budget movement	489	498	506
Prior year budget	489	498	506
<u>Pressures & Changes</u>			
Income Inflation	-1	-1	-2
Pay Inflation	9	8	8
Contract / market Inflation	1	1	1
Movements	9	8	7
Revised budget	498	506	513



Steve Ruddy
Head of Trading Standards

Our purpose

The Trading Standards service exists to:

- protect individuals, communities and businesses from harm and financial loss
- help business to thrive by maintaining a Fair Trading environment
- improve the health and wellbeing of people and communities
- fulfil our statutory responsibilities to deliver consumer and public protection services across Buckinghamshire and Surrey

For more information on what we do, contact steve.ruddy@bucksandsurreytradingstandards.gov.uk

Our challenges and opportunities

We need to build on the benefits of a joint Trading Standards service; creating a stronger more effective service; identifying opportunities for growth whilst continuing to reduce the cost to residents. We will need to help local businesses and residents prepare for the risks, challenges and opportunities presented by Brexit.

An ongoing and increasing challenge is to work with others to tackle organised cross border consumer crime, rogue traders, scams, and the growth of electronic crime. In doing so we need to ensure we protect the most vulnerable in our communities who are often deliberately targeted and exploited.

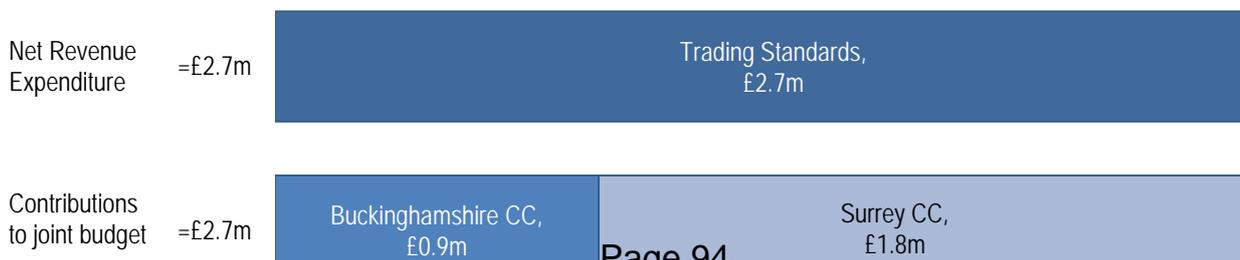
Our key actions

We will support the delivery of both Councils' strategic goals. For Surrey they are Wellbeing, Economic Prosperity and Resident Experience. For Buckinghamshire they are Safeguarding Our Vulnerable; Creating Opportunities and Building Self Reliance; and Ensuring Buckinghamshire is Thriving and Attractive. **Our Key Actions will be:**

1. Protecting the most vulnerable, increasing the financial savings for residents, and stopping rogue traders operating.
2. Helping businesses to thrive and supporting economic growth: We will help businesses comply with their legal responsibilities and enhance public protection by expanding our chargeable business support services and increasing the number and impact of our business partnerships.
3. Improving wellbeing and public health; tackling the supply of unsafe or dangerous products, and working to maintain the integrity of the food chain, including food quality and nutrition, and animal health.
4. More effective prevention to raise awareness and reduce impact of scams, rogue traders and unsafe products.
5. Strengthen the sense of one service, embedding our values, supporting and developing our staff

Our budget

The council has an operating revenue budget of £1.7 billion. The charts below show how Trading Standard's spending has been allocated for 2018/19.



Trading Standards²¹

Head of Service : Steve Ruddy

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Trading Standards	2,850	2,726	2,718	2,714
Net Joint Budget	2,850	2,726	2,718	2,714
<u>Funding:</u>				
Fees & Charges	-488	-626	-665	-690
Reimbursements and recoveries of costs	-349	-354	-358	-363
Total funding	-837	-980	-1,023	-1,053
<u>Expenditure:</u>				
Service staffing	3,371	3,280	3,332	3,385
Service non-staffing	316	426	393	359
Total expenditure	3,687	3,706	3,725	3,744
Net Joint Budget	2,850	2,726	2,702	2,691
Surrey County Council Contribution				
Buckinghamshire County Council Contribution	969	927	919	915
Net Joint Budget	2,850	2,726	2,702	2,691

	2017/18	2018/19
FTE	74	74

	2018/19 £000	2019/20 £000	2020/21 £000	RAG
Summary budget movement				
Prior year budget	2,850	2,726	2,702	
<u>Pressures and changes</u>				
Income Inflation	-10	-10	-12	
Pay inflation	52	52	53	
Contract/market inflation	11	11	10	
<u>Service transformation and efficiencies</u>				
Additional income generation	-133	-33	-18	G
Further savings	-44	-44	-44	G
Movements	-124	-24	-11	
Revised budget	2,726	2,702	2,691	

Note 21: Trading Standards is run in partnership with Buckinghamshire County Council (BCC) and managed by a joint committee. SCC and BCC contribute towards the net costs of the service, in the proportion 66% and 34% respectively



Sheila Little
Director of Finance



Kevin Foster
Chief Operating Officer



Dave Kuenssberg
Dir. Finance & Resources

What we do

Orbis is a partnership between Surrey, East Sussex and Brighton & Hove Councils that aims to provide seamless and resilient business services to the public sector, creating a compelling alternative to other ways in which business services can be delivered. This decision is built on the successful collaboration between Surrey and East Sussex County Councils, established through a joint procurement function in 2012, and the provision of transactional shared services since April 2013.

The Orbis Partnership incorporates the following services: Human Resources and Organisational Development, Property, IT, Procurement, Finance (including Internal Audit), Business Operations and the Revenues & Benefits service in Brighton.

We are responsible for:

- Providing seamless resilient and flexible business services, whilst achieving savings for the partnered authorities, which will be used to sustain services for the residents of the three Councils.
- Bringing together services to create sufficient scale to drive shared efficiencies, enables us to share skills and knowledge, and invest in technology that could otherwise be prohibitively expensive for each organisation alone.
- Delivering value to customers and residents through our expertise, innovation and passion.
- Bringing on public sector partners and, where appropriate, providing services to other public sector bodies in order to grow and create income opportunities.

Our challenges and opportunities

As local authorities, we face the challenge of continuing to deliver services to the taxpayer, at a lower cost while demand is increasing. Working in partnership enables us to share knowledge, skills, and experience to identify the best and most innovative approach to ensuring we remain sustainable and maximise the use of our resources, while continuing to provide a quality service.

By integrating our services and expanding our economies of scale, adopting common practices and jointly investing in technology, significant savings have already been achieved and further savings will continue to be delivered during 2018/19.

Our key actions

We will focus on continued integrating and implementing new ways of joint working throughout Orbis during 2018/19 to drive joint benefits and realise efficiencies.

1. Develop improved ways to access our services including the implementation of an Orbis website.
2. Implementing new performance management approaches using dashboard technology.
3. Understand and deliver the essential technology requirements to allow integrated team working & collaboration.

Our budget

Net Revenue Expenditure =£61.5m	Business Ops, £6.9m	Finance, £10.5m	HR & OD, £5.8m	IT&D, £19.5m	Procurement		Property, £11.2m
					Management, £2.5m	£5.1m	

Contribution to Orbis =£61.5m	BHCC, £12.7m	ESCC, £14.7m	SCC, £34.1m
----------------------------------	--------------	--------------	-------------



Simon Pollock
 Assistant Director
 Business Operations

Our purpose

Our purpose is to provide high quality business services to Surrey, Brighton and East Sussex Councils as well as to a range of public sector partners. We aim to provide upper quartile performance at lower quartile costs. We are responsible for:

- managing the payroll for over 500 organisations, making well over one million payments a year
- providing pensions administration for over 200 public sector employers
- processing and paying over 800,000 invoices a year
- hiring over 3,000 staff a year
- collecting council tax and paying benefits in the City of Brighton & Hove
- working to reduce the unit costs of running a high volume transactional service to ensure that we provide our residents with the best possible value.

For more information on what we do, contact simon.pollock@surreycc.gov.uk

Our challenges and opportunities

Our service exists in a highly commoditised market, most of the work that we undertake can be outsourced to other providers. Our challenge is to consistently provide our services at a higher quality and lower cost than any alternative supplier. Where we cannot achieve this we will look to commission another organisation to provide our services to ensure that our residents receive better value for their council tax. Where we can outperform others, we will look to provide our services to other public sector organisations ensuring that the maximum number of taxpayers benefit from our performance.

Our key actions

We will prioritise three actions for 2018/19 to support achievement of the council's three corporate strategy goals of *wellbeing*, *economic prosperity* and *resident experience*.

1. We will integrate the transactional services of Surrey and East Sussex County Councils with those of Brighton & Hove City Council to provide greater economies of scale, resilience and opportunity for growth.
2. Reduce the costs of operating our back office services by 5%.
3. Maintain high levels of customer and staff satisfaction.

Our budget

The Business Operation service manages budgets on behalf of Surrey County Council and budgets that are part of the Orbis Partnership Joint Operating Budget. The charts below show how Business Operations service's spending has been allocated for 2018/19.



* Surrey CC will contribute 55% of the Orbis joint operating budget from 1 April 2018



Sheila Little
Director of Finance
for Orbis and Surrey
County Council

Our purpose

To support the council and its partners to make the most of every pound and ensure improved outcomes for residents through providing a responsive, expert service that promotes continual improvement, sustains financial resilience and optimises public value. We are responsible for:

- ensuring sound financial stewardship of council resources
- leading and directing the council to build and sustain a robust financial strategy
- providing financial advice and challenge to enable the council and its partners to carry out their functions legally and effectively
- driving and supporting service transformation, organisational change and the investment strategy
- providing strategic leadership for the council on risk, governance and insurance services
- providing strategic direction and advice to the Surrey Pension Committee.

For more information on what we do, contact sheila.little@surreycc.gov.uk

Our challenges and opportunities

Our greatest challenge is assuring the council's financial resilience in an environment of continued reductions in central government funding, and ever increasing demographic demand pressures in core services, in particular for adult and children social care services. Added to this is the challenge of continuing to deliver significant savings and efficiencies year after year - £66m in 2018/19. We will work with services to enable these to be tracked and achieved, and develop transformational proposals for future years. With the government planning to reform local government finance, especially for social care, we will be working with partners to ensure this is fair and transparent, and that the business rates pilot is successful and continues into 2019/20. We will continue to strengthen our skills, capacity and capability to continue to provide quality finance services.

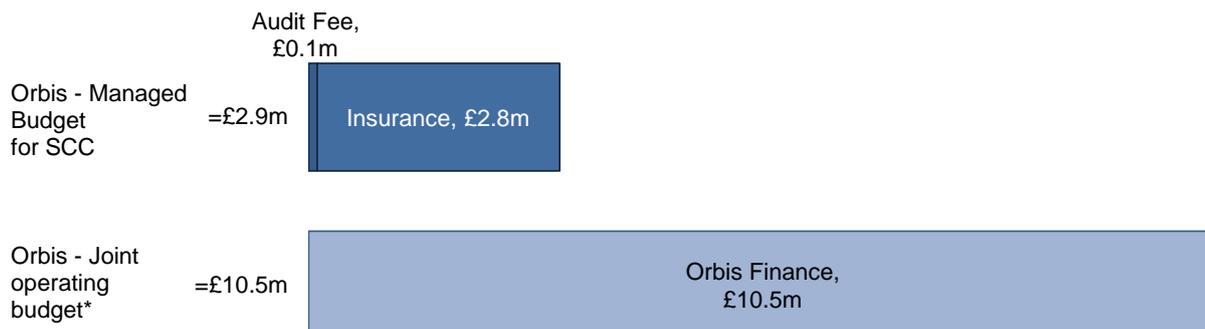
Our key actions

We will prioritise the following actions for 2018/19 to support achievement of the council's corporate strategy goals.

1. Support services to deliver the councils current Medium Term Financial Plan through ensuring savings plans and milestones, and pressures, are tracked.
2. Proactively shape, drive and support the service transformation work to ensure further savings are identified by the organisation to move to sustainable in the long term services and budget
3. Proactively work with Government Departments (in particular Ministry of Housing, Communities & Local Government, DfE, DH) to influence and shape the strategic changes to Local Government funding for future years.
4. Work with partners to embed the Border to Coast Pensions Partnership to ensure it is the interests of the Surrey Scheme members and acceptable to Government.

Our budget

The Finance Service manages budgets on behalf of Surrey County Council and budgets that are part of the Orbis Partnership Joint Operating Budget. The charts below show how Finance Service's spending has been allocated for 2018/19.





Sergio
Sgambellone
Director of
Human
Resources and
Organisational
Development

Our purpose

Our purpose is **to help the council's workforce to achieve their very best**. We want to ensure that all our staff put residents at the heart of their work, making the best possible use of public money and adapting to changing needs and levels of demand.

Our approach to achieving this:

- **Sustain** - We will attract people with the right skills to deliver key services, to feel motivated and happy in their work. We want to reduce the costs associated with turnover and take a planned approach to our people resources, in terms of time, energy and money.
- **Enable** - We will support staff to feel trusted to make decisions and manage their time and work, through supportive managers and family friendly policies.
- **Achieve** – We will ensure colleagues have the time and space they need to learn, develop, adapt and evolve to meet the daily challenges and changing needs of our services.
- **Collaborate** - We want people to want to work for and with us. We will do this by reinforcing positive attitudes and behaviours across our workforce.
- **Transform** – We want to optimise our collective capacity to make the best use of our finite resources. Working together as one team and creating economies of scale and sharing good practice and ideas each other.

Our challenges and opportunities

Our workforce face many challenges. Demand for our services is increasing but our resources are not. This paves the way for us to create new partnerships and ways of working so that we not only sustain our services but create the environment for them to thrive and grow. This brings with it the need to adapt to new ways of organising and delivering services whilst ensuring our workforce continues to be highly motivated and driven to do the best they can for our residents. We want to find new ways of recognising and rewarding staff who excel and embody our values so that performance and behaviour is rewarded and staff feel empowered and engaged in their work and that of the council.

Our key actions

We will prioritise these actions for 2018/19 to support the achievement of the council's strategic goals of wellbeing, economic prosperity and resident experience.

1. Promoting employment schemes for new entrants.
2. Continuing to use and promote a range of digital media to collaborate with our partners and colleagues.
3. Supporting colleagues to develop new ways of working and deliver person centred services.
4. Optimising our learning provision to ensure impact and value for money.
5. Working with and through partners to make the most of resources and meet changing needs.

Our budget

The HR & OD service manages budgets on behalf of Surrey County Council and budgets that are part of the Orbis Partnership Joint Operating Budget. The charts below show how HR & OD service's spending has been allocated for 2018/19.



* Surrey CC will contribute 55% of the Orbis joint operating budget from 1 April 2018
Section 1: MTFP Service strategies and Detailed budgets

Information Technology & Digital 2018/19



Matt Scott
Orbis Chief Information Officer

Our purpose

Our purpose is to **enable Surrey to develop and deliver high quality and sustainable services, empowered by Technology, Information and Collective Expertise.** Across the Orbis partnership we are One Service defined by our Digital DNA:

- delivering reliable and resilient systems for approximately 10,000 Surrey IT users to ensure they can work securely, effectively and efficiently in a modern Digital Workplace.
- working collaboratively and in partnership with service colleagues to modernise in a period of increasing public demand, delivering online services to Surrey residents.
- applying our expertise in digital transformation and technology innovation we champion the better use of digital to achieve strategic goals and sustainable services
- commercial customers and partners are attracted by our scale, strong service capabilities and regional influence. Through these relationships we support Surrey County Council to deliver sustainable public services.

Our challenges and opportunities

Local Government Services are delivered in a progressively more complicated world in terms of the flexibility staff need to work effectively, rising customer expectations and the need to work collaboratively with all of our partners. Surrey County Council has recognised the importance of technology and information in supporting the transformation of public service and delivery of priorities for Surrey residents. Our IT services and digital innovation are critical to improving the outcomes for residents across Surrey and developing a sustainable council fit for the future that makes best use of available budget. We have in excess of 80 projects in progress at any one time at Surrey, which demonstrates the appetite for change and an opportunity to support service transformation. Our biggest challenge is to develop our organisation to reimagine how technology and information can fundamentally improve public service provision.

Our key actions

We will prioritise the following actions for 2018/19 to support achievement of the council's corporate strategy goals.

1. Deliver change management and technical expertise across service transformation programmes.
2. Develop resident insight and digital design principles to focus innovation in meeting the long term needs of Surrey residents and support the financial sustainability of local public services.
3. Deploy digital solutions to enhance resident experience, support vulnerable residents and help manage increasing levels of demand on public services.
4. Working within budgetary constraints provide a modern digital infrastructure service making best use of cloud and mobile devices to support services to be agile, productive and effective.
5. Deliver enhanced public value through an integrated Orbis IT & Digital services across three Local Authorities.

Our budget

The IT & Digital service manages budgets on behalf of Surrey County Council and budgets that are part of the Orbis Partnership Joint Operating Budget. The charts below show how the IT & Digital service's spending has been allocated for 2018/19.



* Surrey CC will contribute 55% of the Orbis joint operating budget from 1 April 2018

Our purpose



Ross Duguid
Acting Assistant Director
Procurement

Our purpose is to ensure that the contracts awarded by Surrey County Council, East Sussex County Council and Brighton & Hove City Council provide great value for money, and that we use our procurement spend to provide the best possible value for our residents.

We are responsible for:

- Providing professional advice and insight on markets, suppliers and commercial options to help transform service delivery.
- Leading the development of plans for how we spend our money with suppliers from across the private, public and voluntary, community and faith sectors.
- Ensuring that our contracts are developed, awarded and managed in line with best practice, including developing longer term relationships with our key suppliers & markets.

Driving wider value that brings social, economic and environmental benefits by encouraging spend with local firms and identifying employment and skills opportunities through our supply chain.

For more information on what we do, contact ross.duguid@surreycc.gov.uk

Our challenges and opportunities

There are a number of challenges and opportunities to the delivery of our services:

- Managing market and cost pressures in an ongoing period of financial austerity for local government and the wider public sector, whilst in some sectors facing increasing price and demand from the private sector impacting our market influence;
- Delivering successful partnerships and driving collaboration through procurement and integrated commissioning plans, both locally and regionally;
- Maximising the use of technology to drive simpler and more cost effective processes for buyers and suppliers;
- Ensuring that we continue to have the skills, capability and capacity to deliver against our purpose as a service.

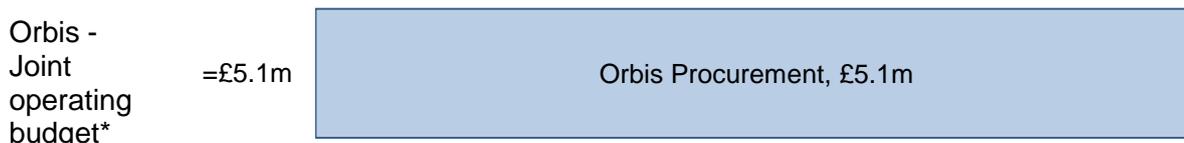
Our key actions

We will prioritise four actions for 2018/19 to support achievement of the corporate strategy goals of our key customers:

1. Continue to deliver best value for money by ensuring better management of our suppliers and contracts, exploring innovative contracting and commercial models and collaborating with others.
2. Deliver our projects more efficiently through improved planning, increased standardisation and effective sharing of resource across the Orbis partnership
3. Ensure our data is effectively managed and used to inform better decision-making
4. Deliver innovation and added value by continuing to drive spend through our local suppliers, improved employment and skills opportunities in our supply chain, and further value for our community.

Our budget

The Procurement Service budgets are part of the Orbis Partnership Joint Operating Budget. The charts below show how Procurement and Commissioning service's spending has been allocated for 2018/19.



* Surrey CC will contribute 55% of the Orbis joint operating budget from 1 April 2018



John Stebbings
Chief Property Officer

Our Purpose

To ensure good quality public services for the residents of Surrey through providing the right asset(s), working environment and support to the Surrey community.

We are responsible for:

- providing and maintaining the Surrey estate including schools with a management and maintenance service ensuring fit-for-purpose assets
- working with partners to meet the changing demands and strategy of the communities we serve whilst simultaneously looking at the opportunities and delivery of efficiency savings
- delivery of the school basic need programme in both primary and secondary school places to meet the September 2018 intake
- delivering income opportunities through both our existing estate and through new opportunities to provide revenue income to Surrey to support services.

For more information on what we do, contact john.stebbing@surreycc.gov.uk

Our challenges and opportunities

We will be enabling the delivery of the People & Places Programme to ensure that we support the delivery of the place shaping agenda – Surrey delivering the right services in the right place serving our localities.

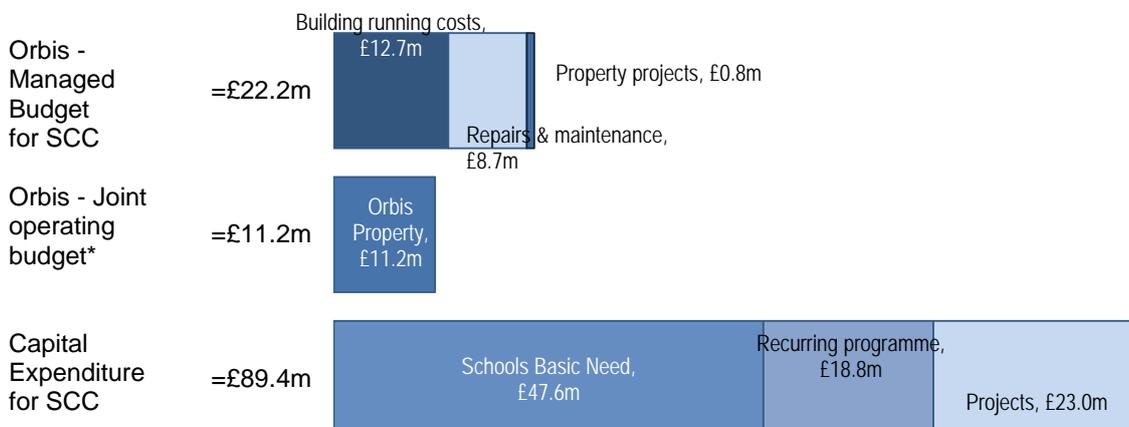
Our key actions

We will prioritise five actions for 2018/19 to support achievement of the council's three corporate strategy goals of *wellbeing, economic prosperity and resident experience*.

1. Develop our offering through our partnership with East Sussex County Council and Brighton & Hove City Council to drive joint efficiency benefits.
2. Deliver school places for the September 2018 intake and plan for extended programme and years.
3. Maintain investment in key estate assets.
4. Enabling and supporting the People & Places Programme of work
5. Implementation of the new joint venture procured vehicle through early 2018

Our budget

Property Services manages budgets on behalf of Surrey County Council and budgets that are part of the Orbis Partnership Joint Operating Budget. The charts below show how Property Service's spending has been allocated for 2018/19.



* Surrey CC will contribute 55% of the Orbis joint operating budget from 1 April 2018

Director of Finance: Sheila Little
Chief Operating Officer: Kevin Foster

Director of Finance & Resources: Dave Kuenssberg

Orbis is a collaborative local authority partnership established under a Joint Committee with Brighton & Hove City Council (BHCC) and East Sussex County Council (ESCC), to deliver Business Services. The Joint committee is responsible for delivering services from a Joint Operating budget. SCC, BHCC and ESCC contribute to the Joint Operating budget in proportion to their service delivery requirements, currently 55%, 21% and 24% respectively.

The Joint Operating budget comprises primarily of staffing costs. The staff within the Orbis partnership manage budgets for each council. For example staff within Property manage the cost of utilities for SCC's buildings. Budgets that are managed in this way are not part of the Joint Operating budget and are shown on separate schedules within the MTFP as 'budgets managed by the Orbis partnership'.

Policy Budget (by activity)

	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Orbis Operating Budget				
Business Operations	7,209	6,936	6,919	6,975
Finance	11,360	10,490	10,514	10,620
Human Resources	6,610	5,791	5,739	5,803
Information Technology & Digital	20,591	19,490	19,571	19,777
Management ²³	2,478	2,520	2,574	2,630
Procurement	3,977	5,132	5,156	5,207
Property	11,913	11,198	11,309	11,431
Net budget	64,138	61,557	61,782	62,443

Funding:

Contributions and contract income	-13,334	-14,180	-14,406	-14,637
Total funding	-13,334	-14,180	-14,406	-14,637

Expenditure:

Service staffing	70,683	67,364	67,606	68,283
Service non-staffing	6,789	8,373	8,582	8,797
Total expenditure	77,472	75,737	76,188	77,080

Net budget	64,138	61,557	61,782	62,443
-------------------	---------------	---------------	---------------	---------------

	2017/18	2018/19
FTE ²⁴	1,659	1,594

	2018/19	2019/20	2020/21
	£000	£000	£000
Summary budget movement			
Prior year budget	64,138	61,557	61,782
Pressures and changes	2,030	656	661
Savings: efficiencies	-4,611	-431	0
Movements	-2,581	225	661
Revised budget	61,557	61,782	62,443
Contributions ²⁵			
SCC Contribution	34,118	34,243	34,609
BHCC Contribution	12,703	12,749	12,885
ESCC Contribution	14,736	14,790	14,949
	61,557	61,782	62,443

Orbis Partnership Joint Operating Budget

8

Continued....

	2017/18	2018/19	2019/20	2020/21
Summary SCC	£000	£000	£000	£000
SCC Contribution to Orbis	35,386	34,118	34,243	34,609
Investment ²⁶	2,199	1,493	177	177
Net budget	37,585	35,611	34,420	34,786

Note 22. This is the total orbis operating budget, managed by the Joint Committee. The 2017-18 budget has been re-stated to include BHCC budget which will be fully integrated from 1 April 2018.

Note 23: Management costs include an adjustment to ensure that the methodology for the cost of pension contributions is similar in all authorities

Note 24: 2017/18 FTE re-stated to include BHCC staff. 2018/19 FTE includes Procurement staff transferred from managed budgets; and impact of known staff re-structures.

Note 25: Based on historical budget levels and subject to revision

Note 26: SCC share of orbis investment as per the orbis business plan

Orbis Partnership Joint Operating Budget ²²

Detailed budget movement by year

	2018/19	2019/20	2020/21
	£000	£000	£000
Prior year budget	64,138	61,557	61,782
Pay inflation	712	674	677
Contract / market inflation	201	209	215
Income inflation	-223	-227	-231
Inflation	690	656	661
Demand ²⁷	372		
Service Delivery - collaborative IT	140		
Service pressures	1,202	656	661

Virements ²⁸ 828

Savings

Service transformation/efficiency - Orbis Business Plan ²⁹			
Business Operations	-197	-73	G
Finance	-701	-81	G
Finance	-430		A
Human Resources & Organisational			
Development	-774	-117	G
Information Technology & Digital	-918	-123	G
Information Technology & Digital	-634		A
Procurement	-56	-27	G
Property	-150	-10	G
Property	-751		A
Total Net Savings	-4,611	-431	0

Net Budget 61,557 61,782 62,443

2018/19 Assessment of achievability

of savings	£000	RAG
AMBER – significant barriers exist to the savings being achieved and the service is developing plans to overcome this;	-1,815	A
GREEN – savings will be achieved with few internal or external barriers	-2,796	G
	-4,611	

Note 22: Movements for total Orbis Operating Budget, current SCC contribution is 55%.

Note 27: Virements from SCC services managed by orbis due to SCC service requirement changes, as per Inter Authority Agreement Principles

Note 28: ESCC demand changes

Note 29: Savings are as per the Orbis Business Plan

Budgets Managed by the Orbis Partnership

8

Staff within the Orbis partnership manage budgets for SCC. For example staff within Property manage the cost of utilities for SCC's buildings. Budgets that are managed in this way are shown on separate schedules within the MTFP as 'budgets managed by the Orbis partnership'. This page is a summary of these budgets.

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Business Operations ³⁰	-63	-59	-53	-46
Finance	2,795	2,761	2,829	2,898
HR&OD	4,240	4,320	4,417	4,517
IT&D	12,513	12,560	12,873	13,193
Procurement Property	868	0	0	0
	21,586	22,131	23,066	24,054
Net budget	41,939	41,713	43,132	44,616
Funding:				
Contributions and contract income	-1,832	-2,210	-2,252	-2,295
Property Income	-8,417	-9,044	-9,185	-9,368
Reimbursements and recovery of costs	-96	-95	-97	-99
Total funding	-10,345	-11,349	-11,534	-11,762
Expenditure:				
Service staffing ³¹	4,158	3,356	3,418	3,481
Service non-staffing	48,126	49,706	51,248	52,897
Total expenditure	52,284	53,062	54,666	56,378
Net budget	41,939	41,713	43,132	44,616

	2017/18	2018/19
FTE ³¹	71	69

Summary budget movement	2018/19 £000	2019/20 £000	2020/21 £000
Prior year budget	41,939	41,713	43,132
Inflation	1,163	1,419	1,484
Virements	-943	0	0
Demand - loss of schools income	50	0	0
Pressures and changes	270	1,419	1,484
Service efficiencies	-336	0	0
Service reductions - contribution to furniture reserve	-160	0	0
Savings	-496	0	0
Net Budget	41,713	43,132	44,616

Note 30: Recharges to other council services are shown as reduced expenditure, hence the negative budget.

Note 31: The majority of staff are in the orbis operating budget. Staffing in the managed budgets include corporate apprentices and management trainees, these are not included in FTE.

Budgets Managed by the Orbis Partnership - Business Operations

Assistant Director: Simon Pollock

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Local Assistance Scheme	518	528	540	553
Contribution from Other Services ³²	-581	-587	-593	-599
Net budget	-63	-59	-53	-46
<u>Expenditure:</u>				
Service staffing	153	156	160	165
Service non-staffing ³³	-216	-215	-213	-211
Total expenditure	-63	-59	-53	-46
Net budget	-63	-59	-53	-46

	2017/18	2018/19
FTE ³⁴	5	5

Budget movement	2018/19 £000	2019/20 £000	2020/21 £000
Prior year budget	-63	-59	-53
Pay inflation	3	4	5
Contract / market inflation	1	2	2
Pressures and changes	4	6	7
Net Budget	-59	-53	-46

Note 32: Recharges to other council services are included in the budgets managed by the Orbis Partnership. The recharged services are for the council's DBS checks and transactional services provided to Commercial Services.

Note 33: Recharges are shown as reduced expenditure, hence the negative non staffing budget.

Note 34: The majority of staff are included in the orbis operating budget

Budgets Managed by the Orbis Partnership - Finance

8

Director of Finance: Sheila Little

Policy Budget (by activity)

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Audit Fee	147	123	126	128
Insurance ³⁵	2,648	2,752	2,817	2,884
Contribution from Other Services ³⁶		-114	-114	-114
Net budget	2,795	2,761	2,829	2,898
<u>Funding:</u>				
Contributions and contract income ³⁵	-1,377	-1,655	-1,688	-1,721
Total funding	-1,377	-1,655	-1,688	-1,721
<u>Expenditure:</u>				
Service non-staffing ³⁵	4,172	4,416	4,517	4,619
Total expenditure	4,172	4,416	4,517	4,619
Net budget	2,795	2,761	2,829	2,898

Budget movement

	2018/19 £000	2019/20 £000	2020/21 £000	RAG
Prior year budget	2,795	2,761	2,829	
Income inflation	-28	-27	-28	
Contract / market inflation	88	95	97	
Inflation	60	68	69	
Demand - loss of schools income	50			
Pressures and changes	110	68	69	
Virements	-114			
<u>Savings: Efficiencies</u>				
Audit Fee	-30			G
Savings	-30	0	0	
Net Budget	2,761	2,829	2,898	

Note 35: Increase in insurance expenditure is due to purchase of commercial properties insurance, offset by increased income.

Note 36: Recharges to other council services are included in the budgets managed by the Orbis Partnership. The recharged services are for finance support provided to Public Health

Budgets Managed by the Orbis Partnership - Human Resources and Organisational Development

Director of HR & OD: Sergio Sgambellone

Policy Budget (by activity)

	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Training	1,735	1,717	1,760	1,804
Recruitment	693	705	723	741
Organisational Development	1,812	1,898	1,934	1,972
Net budget	4,240	4,320	4,417	4,517
<u>Funding:</u>				
Contributions and contract income	-20	-20	-20	-20
Total funding	-20	-20	-20	-20
<u>Expenditure:</u>				
Service staffing	1,659	1,695	1,725	1,756
Service non-staffing	2,601	2,645	2,712	2,781
Total expenditure	4,260	4,340	4,437	4,537
Net budget	4,240	4,320	4,417	4,517

	2017/18	2018/19		
FTE ³⁷	29	28		
Budget movement			2018/19	2019/20
			£000	£000
Prior year budget			4,240	4,320
Pay inflation			30	30
Contract / market inflation			53	67
Inflation			83	97
Virements			-3	
Pressures and Changes			80	97
Net Budget			4,320	4,417

Note 37: Staffing budgets include corporate apprentices and management trainees, these are not included in HR FTE. The majority of staff are included in the orbis operating budget

Budgets Managed by the Orbis Partnership - Information Technology & Digital

Chief Information Officer: Matt Scott

Policy Budget (by activity) ³⁸

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Projects and Innovation - Projects	2,245	2,172	2,251	2,333
Projects and Innovation - Systems support	2,616	2,602	2,698	2,795
Customer and Partnerships - Networks	3,952	3,872	3,872	3,872
Enterprise Technology	3,044	3,284	3,407	3,533
Strategy and Engagement	656	630	645	660
Net budget ³⁸	12,513	12,560	12,873	13,193
<u>Funding:</u>				
Contribution and contract income	-435	-535	-544	-554
Total funding	-435	-535	-544	-554
<u>Expenditure:</u>				
Service staffing	976	978	996	1,014
Service non-staffing	11,972	12,117	12,421	12,733
Total expenditure	12,948	13,095	13,417	13,747
Net budget	12,513	12,560	12,873	13,193

	2017/18	2018/19
FTE ³⁹	19	18

Budget movement	2018/19 £000	2019/20 £000	2020/21 £000	RAG
Prior year budget	12,513	12,560	12,873	
Income inflation	-9	-9	-10	
Pay inflation	18	18	18	
Contract / market inflation	242	304	312	
Inflation	251	313	320	
Virements	-98			
Pressures and Changes	153	313	320	
Savings: Efficiencies				
Infrastructure	-30			G
Orbis Business Plan	-76			G
Savings	-106	0	0	
Net Budget	12,560	12,873	13,193	

Capital Programme	2018/19 £000	2019/20 £000	2020/21 £000	2018-21 £000
Equipment Replacement Reserve	1,306	840	2,900	5,046
IT&D Project Investment	2,500	2,500	2,500	7,500
Other Projects	689	139	1,471	2,299
Total Capital Programme	4,495	3,479	6,871	14,845

Note 38: Updated policy categories reflect current IT&D classifications, 2017/18 budgets have been re-aligned to these.

Note 39: The majority of staff are included in the orbis operating budget

Budgets Managed by the Orbis Partnership - Property

Chief Property Officer: John Stebbings

8

Policy Budget (by activity)

	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Building Running Costs	12,641	12,655	13,277	13,912
Repairs & Maintenance	8,188	8,710	9,008	9,345
Property Projects	757	766	781	797
Net budget	21,586	22,131	23,066	24,054
Funding:				
Property Income	-8,417	-9,044	-9,185	-9,368
Reimbursements and recovery of	-96	-95	-97	-99
Total funding	-8,513	-9,139	-9,282	-9,467
Expenditure:				
Service staffing	502	527	537	546
Service non-staffing	29,597	30,743	31,811	32,975
Total expenditure	30,099	31,270	32,348	33,521
Net budget	21,586	22,131	23,066	24,054

	2017/18	2018/19
FTE ⁴⁰	18	18

Budget movement

	2018/19	2019/20	2020/21	RAG
	£000	£000	£000	
Prior year budget	21,586	22,131	23,066	
Income inflation	-121	-123	-126	
Pay inflation	9	9	9	
Contract / market inflation	877	1,049	1,105	
Inflation	765	935	988	
Virements	140			
Pressures and changes	905	935	988	
Service reductions - contribution to furniture re	-200			G
Service efficiency - building running costs	-160			G
Savings	-360	0	0	
Net Budget	22,131	23,066	24,054	

	2018/19	2019/20	2020/21	2018-21
	£000	£000	£000	£000
Capital Programme				
Recurring programmes	18,844	18,780	18,780	56,404
Schools Basic Need	47,623	46,845	13,860	108,328
Projects	23,034	1,232	300	24,566
Total capital programme	89,501	66,857	32,940	189,298

Note 40: The majority of staff are included in the orbis operating budget

Budgets Managed by the Orbis Partnership - Property

Capital

	2018/19 £000	2019/20 £000	2020/21 £000	2018-21 £000
<u>School Basic Need</u>	47,623	46,845	13,860	108,328
<u>Recurring programme</u>				
Schools condition maintenance	11,357	11,357	11,357	34,071
Fire risk assessments / minor works / DDA	487	400	400	1,287
Non schools structural maintenance	7,000	7,023	7,023	21,046
Recurring programme	18,844	18,780	18,780	56,404
<u>Project schemes</u>				
Fire Projects	3,707			3,707
SEN strategy	1,200	495		1,695
Projects to enhance income	1,852			1,852
Projects to reprovion and deliver capital receipts	8,300	737	300	9,337
ASC Schemes	2,916			2,916
Land acquisition for waste	3,667			3,667
Highways Schemes	1,392			1,392
Project schemes	23,034	1,232	300	24,566
Capital programme	89,501	66,857	32,940	189,298

Communications 2018/19

8



Louise Footner
Head of
Communications

Our purpose

Our purpose is to:

- Devise effective communications and engagement to support the strategic priorities.
- Anticipate, research and respond to residents' changing lifestyles to engage with them in ways that suit their needs.
- Deliver activity to provide information and support behaviour change to benefit residents and staff.
- Work in partnership across the council and with other public, private and voluntary sector bodies.
- Ensure we engage and communicate with staff and members in ways that are honest, easy and timely.

For more information, contact louise.footner@surreycc.gov.uk

Our challenges and opportunities

Our challenges and opportunities are to maintain an effective dialogue with residents, staff and partners about the new ways of working and providing services and the scale of savings required. Effective communication and engagement are key to the success of these changes. This brings an increased focus on partnership working and changes to our culture. There are opportunities to improve how we engage with partners, residents, and staff and look at new tools and techniques to do this in the most effective ways.

Our key actions

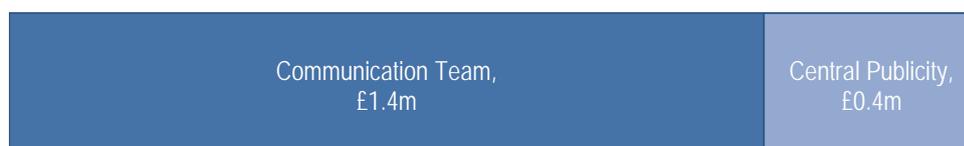
We will prioritise five actions for 2018/19 to support achievement of the council's three corporate strategy goals of wellbeing, economic prosperity and resident experience.

1. Develop opportunities for improved resident engagement and involvement in transforming public services
2. Support and drive the council's activity to develop a culture that supports new ways of working for staff and partners
3. Deliver communications and engagement that promotes and supports the council priorities through place based engagement and increasing use of digital and social media
4. Promote a one team approach to communications and engagement that reflects the partnership approach to providing services and collaborative working
5. Focus on value for money in how we deliver communications and engagement

Our budget

The council has an operating revenue budget of £1.7 billion. The chart below shows how Communications spending has been allocated for 2018/19.

Net Revenue
Expenditure =£1.8m



Communications

Head of Service: Louise Footner

Policy Budget (by activity)

	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Communications Team	1,396	1,412	1,429	1,453
Central Publicity	500	399	372	381
Surrey Matters	183			
Net budget ⁷	2,079	1,811	1,801	1,834

Funding

Fees and Charges	-26			
Total funding	-26	0	0	0

Expenditure:

Service staffing	1,332	1,347	1,362	1,384
Service non-staffing	773	464	439	450
Total expenditure	2,105	1,811	1,801	1,834
Net budget ⁷	2,079	1,811	1,801	1,834

	2017/18	2018/19
FTE	31	30

	2018/19	2019/20	2020/21	
	£000	£000	£000	RAG
Summary budget movement				
Prior year budget	2,079	1,811	1,801	
<u>Pressures and changes</u>				
Pay inflation	22	21	22	
Contract / market inflation	15	12	11	
Service pressures	37	33	33	
Virements	-104			
Service Efficiencies	-201	-43		G
Revised budget	1,811	1,801	1,834	

Notes

Note 7: Net Budget supported by general government grants and reserves.

Customer Services 2018/19

Our purpose

Our purpose is to ensure residents in Surrey experience public services that are easy to use, responsive and value for money. To do this we:

- champion and support the delivery of excellent customer service across the council
- ensure customers have an excellent online experience and find our website easy to use, intuitive and focused on their needs
- provide an effective single point of contact for quickly and efficiently resolving customer enquiries and supporting residents to access appropriate services
- oversee the customer complaints procedure and share the learning from customer feedback to drive service improvement
- manage Surrey's disabled parking scheme to allow residents with severe mobility problems to live more independent lives.

For more information on what we do, contact susan.grizzelle@surreycc.gov.uk

Our challenges and opportunities

We need to respond to increasing demand on the council's services caused by factors such as a higher demand for social care, school places and severe weather events. This needs to be done whilst we respond to changes in customer expectation and the ways in which people are choosing to access our services and contact us. New technology presents the opportunity to respond to these challenges by improving efficiency and the overall customer experience.

Our key actions

We will prioritise the following actions for 2018/19 to support achievement of the council's three corporate strategy goals of *wellbeing*, *economic prosperity* and *resident experience*.

1. Improve customer experience by championing and supporting the delivery of our Customer Promise and our Resident Experience strategy, providing practical support, guidance and training to services across Surrey.
2. Work with our internal and external partners to improve the content and accessibility of our public and partner websites making it easier for customers to find information and use our online services.
3. Focus our customer service centre on providing essential services to customers and resolving more enquiries at the first point of contact.
4. Increase our direct engagement with customers to collect and share actionable insight that can be used across the organisation to develop and improve services according to customer need.
5. Review and improve our Blue Badge processes so they meet the needs of our most vulnerable customers and reflect government guidance.

Our budget

The council has an operating revenue budget of £1.7 billion. The charts below show how Customer Service's spending has been allocated for 2018/19.

Net Revenue
Expenditure =£3.3m

Customer Services,
£3.3m

Customer Services

Head of Service: Sue Grizzelle

Policy Budget (by activity)

	2017/18 £000s	2018/19 £000s	2019/20 £000s	2020/21 £000s
Customer Services	3,369	3,279	3,253	3,232
Net budget	3,369	3,279	3,253	3,232
<u>Funding:</u>				
Reimbursement & recovery of costs	-139	-140	-142	-143
Total funding	-139	-140	-142	-143
<u>Expenditure:</u>				
Service staffing	3,408	3,316	3,291	3,268
Service non-staffing	100	103	104	107
Total expenditure	3,508	3,419	3,395	3,375
Net budget	3,369	3,279	3,253	3,232
	2017/18	2018/19		
FTE	102	94		

Summary budget movement	2018/19 £000s	2019/20 £000s	2020/21 £000s	RAG
Prior year budget	3,369	3,279	3,253	
<u>Pressures and changes</u>				
Income inflation	-1	-1	-1	
Pay inflation	54	52	52	
Contract / market inflation	2	3	3	
Service pressures	55	54	54	
Virement	20			
<u>Service transformation and efficiencies</u>				
Stop appointment bookings (redirecting online)	-105		-50	G
Reduction in management team costs	-25			G
Channel Shift	-25	-25	-25	A
Reduce Web and digital	-10	-55		G
Service savings	-165	-80	-75	
Revised budget	3,279	3,253	3,232	



Katie Booth,
Democratic Services
Lead Manager

Our purpose

Our purpose is to:

- Provide excellent leadership team support in order to ensure that the senior leaders of the organisation are assisted and enabled to carry out their functions efficiently and effectively.
- Ensure the decision making processes, compliance and scrutiny functions of the council are efficient and effective, enabling the business of the Council to be carried out in a transparent and accountable manner.
- Support and contribute to the delivery of the council's strategic goals.
- Drive and support service transformation and organisational change.
- Deliver professional advice and support to others through our Civic Support Team, Information Governance Team and School Appeals Service

For more information on what we do, contact katieb@surreycc.gov.uk

Our challenges and opportunities

The demand for democratic services continues to grow in an environment which is increasingly more complex and where the resources available to undertake the necessary activities are reducing. The pursuit of new models of service delivery, coupled with a growing partnership and collaborative agenda support the need for activities which cross organisational boundaries more frequently. There is increasing emphasis on introducing new and different approaches to service delivery in order to manage tighter budgets. These arrangements require professional support to ensure they are scrutinised effectively and decisions are taken in a manner that promotes democracy. They also require efficient and effective support as demands on the leadership team are increased.

Our key actions

We will prioritise five actions for 2018-19 to support achievement of the Council's corporate strategy goals of Wellbeing, Economic prosperity and Resident experience:

1. Continue to strengthen our support to Members and the CEX, so that they are able to perform their roles as effectively as possible. This will include achieving the Charter Plus standard for member development, leading a project to improve our IT offer to councillors and supporting the induction of the new CEX.
2. Ensure that our Cabinet, Regulatory and Scrutiny processes enable Members to take efficient, effective and transparent decisions and enhance the opportunities for residents to influence and shape Council services.
3. Increase collaborative working both with other services, to ensure that officers understand the political structure of the council and are able to work effectively with Members, and with partners to support the delivery of the Council's key priorities and ensure the Council is meeting its statutory duties, including preparing the authority for the introduction of the General Data Protection Regulation.
4. Develop our staff, ensuring that they are equipped with the right knowledge and skills to deliver a high quality service and contribute innovative ideas to help meet the challenges in the year ahead.
5. Help the Council meet its budgetary requirements by ensuring value for money, optimising the income generated by the School Appeals Service and exploring other options for income generation.

Our budget

The council has an operating revenue budget of £1.7 billion. A capital programme worth £386 million is also planned over the next three years. The charts below show how Democratic Service's spending has been allocated for 2018/19.



Democratic Services

Head of Service: Katie Booth

Policy Budget (by activity)

	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Democratic Services Team	1,918	1,828	1,836	1,844
Member Allowances & Expenses	2,110	1,840	1,864	1,889
Healthwatch		176	176	176
Voluntary & Community Sector Support	462	452	441	430
Local Elections	1,350	16	16	16
Net budget ⁷	5,840	4,312	4,333	4,355
Funding				
UK Government grants	-66	-530	-530	-530
Reimbursement & recovery of costs	-164	-148	-151	-155
Total funding	-230	-678	-681	-685
Expenditure:				
Service staffing	1,942	1,831	1,837	1,843
Service non-staffing	4,128	3,159	3,177	3,197
Total expenditure	6,070	4,990	5,014	5,040
Net budget ⁷	5,840	4,312	4,333	4,355

	2017/18	2018/19
FTE	46	43

	2018/19	2019/20	2020/21	RAG
	£000	£000	£000	
Summary budget movement	5,840	4,312	4,333	
Prior year budget	5,840	4,312	4,333	
<u>Pressures and changes</u>				
Local Elections	-1,334			
Income inflation	-4	-4	-4	
Pay inflation	29	28	28	
Contract / market inflation	71	63	64	
Service pressures	-1,238	87	88	
Virement	176			
<u>Efficiency / service transformation</u>				
Withdrawal from Members Pension Scheme	-300			G
Staff savings	-122	-22	-22	G
Modern Council	-22	-22	-22	G
Voluntary Sector reduction	-22	-22	-22	G
Movements	-1,528	21	22	
Revised budget	4,312	4,333	4,355	

Note 7: Net Budget supported by general government grants and reserves.

Legal Services 2018/19



Sarah Baker
Head of Legal Services

Our purpose

Our purpose is to:

- Ensure the decision making processes, compliance, governance and scrutiny functions of the council are efficient and effective, enabling the business of the Council to be carried out in a transparent, accountable and lawful manner.
- Provide support and legal advice in order to contribute to the delivery of the Council's strategic goals.
- Drive and support service transformation and organisational change.
- Ensure excellent joint working with other services.

For more information on what we do, contact sarah.baker@surreycc.gov.uk

Our challenges and opportunities

The demand for legal services continues to grow, in an environment that is complex and where resources are reducing. A particular area of growth is child protection where there has been an unprecedented increase in volume and complexity. The growing partnership and collaborative agenda drives the need for activities which cross organisational boundaries. There is an increasing emphasis on introducing different approaches to service delivery in order to manage tighter budgets. These arrangements often require legal support to ensure that any changes are implemented lawfully. The creation of Orbis Public Law, a partnership with the legal teams of East and West Sussex and Brighton and Hove provides an opportunity to reduce costs and increase resilience and opportunities for staff.

Our key actions

We will prioritise the following actions for 2018-19 to support achievement of the Council's corporate strategy goals of Wellbeing, Economic prosperity and Resident experience:

1. Continue to develop an integrated legal service through Orbis Public Law, focussing on areas that are key to reducing spend and increasing income generation.
2. Ensure the Council is meeting its statutory duties and that our Cabinet, Regulatory and Scrutiny processes enable Members to take efficient, effective and transparent decisions while enhancing the opportunities for residents to influence and shape Council services.
3. Develop our staff, equipping them with the knowledge and skills to deliver a high quality and resilient service and to contribute innovative ideas to help meet the challenges in the year ahead.
4. Continue to support the protection of children and vulnerable adults.

Our budget

The council has an operating revenue budget of £1.7 billion. A capital programme worth £386 million is also planned over the next three years. The charts below show how Legal Service's spending has been allocated for 2017/18.



Legal Services

Head of Service: Sarah Baker

Policy Budget (by activity)

	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Legal Services	3,975	3,900	3,927	3,972
Net budget ⁷	3,975	3,900	3,927	3,972
<u>Funding</u>				
Reimbursement & recovery of costs	-404	-414	-424	-435
Total funding	-404	-414	-424	-435
<u>Expenditure:</u>				
Service staffing	3,594	3,509	3,526	3,561
Service non-staffing	785	805	825	846
Total expenditure	4,379	4,314	4,351	4,407
Net budget ⁷	3,975	3,900	3,927	3,972
	2017/18	2018/19		
FTE	79	78		

	2018/19	2019/20	2020/21	
	£000	£000	£000	RAG
Summary budget movement				
Prior year budget	3,975	3,900	3,927	
<u>Pressures and changes</u>				
Income inflation	-10	-10	-11	
Pay inflation	57	56	57	
Contract / market inflation	20	20	21	
<u>Efficiency / service transformation</u>				
Rationalisation of posts	-142	-39	-22	G
Movements	-75	27	45	
Revised budget	3,900	3,927	3,972	

Note 7: Net Budget supported by general government grants and reserves.



Liz Lawrence
Assistant Director -
Strategy and
Performance

Our purpose

Working with other council services, county councillors and partners we are responsible for:

- helping maximise the influence of the council locally, regionally and nationally, including efforts to secure fairer funding for Surrey.
- leading a range of economic growth activity, including developing a Sub-National Transport Authority for the South East, attracting inward investment, working with Local Enterprise Partnerships and advising on major infrastructure issues, including airport expansion.
- leading and supporting transformational change in priority areas such as Children's Services, supporting citizen-led engagement for the Surrey Heartlands Health and Care Partnership and developing proposals for people and place in Surrey.
- promoting continuous improvement through resident-friendly performance management, research and evidence-based policy making.

For more information on what we do, contact liz.lawrence@surreycc.gov.uk

Our challenges and opportunities

2018/19 will continue to provide significant challenges as local authority funding reduces further and demand on services continues to grow. The work outlined above offers opportunities for Surrey to secure longer term economic growth, enhanced productivity and service transformation. We will also support the council to maximise its influence on Government policy making for the benefit of Surrey residents.

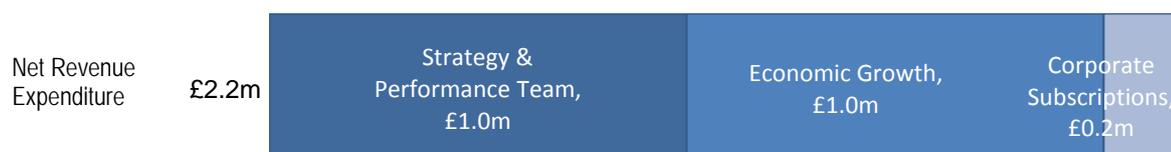
Our key actions

We will prioritise four actions for 2018/19 to support achievement of the council's three corporate strategy goals of *wellbeing*, *economic prosperity* and *resident experience*. We will continue to work with services, county councillors and partners to:

1. Continue to make a robust case to Government for fairer funding to deliver better outcomes and value for money for Surrey residents and businesses.
2. Ensure that Surrey is prepared and proactive in influencing national policy, particularly the Adult Social Care Green Paper and Fairer Funding Review.
3. Support the transformation of services for Surrey residents responding more effectively to needs, improving outcomes and reducing costs, including developing Surrey's approach to people and place.
4. Secure as good a deal as possible for Surrey in terms of external investment in the county and support business growth, skills development and infrastructure enhancements to benefit the Surrey economy.

Our budget

The council has an operating revenue budget of £1.7 billion. The chart below shows how Strategy & Performance's spending has been allocated for 2018/19.



Strategy & Performance

Head of Service: Liz Lawrence

Policy Budget (by activity)

	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Strategy & Performance Team	1,297	1,000	1,017	975
Economic Growth	954	965	975	985
Corporate Subscriptions	187	191	196	201
Net budget ⁷	2,438	2,156	2,188	2,161

Funding

UK Government grants	-464			
Reimbursement & recovery of costs	-322	-326	-333	-338
Total funding	-786	-326	-333	-338

Expenditure:

Service staffing	1,822	1,849	1,878	1,845
Service non-staffing	1,402	633	643	654
Total expenditure	3,224	2,482	2,521	2,499
Net budget ⁷	2,438	2,156	2,188	2,161

	2017/18	2018/19
FTE	27	22

	2018/19	2019/20	2020/21	RAG
	£000	£000	£000	
Summary budget movement				
Prior year budget	2,438	2,156	2,188	
<u>Pressures and changes</u>				
Virements	-176			
Income inflation	-5	-6	-6	
Pay inflation	29	28	28	
Contract / market inflation	10	10	11	
<u>Service transformation and efficiencies</u>				
Service restructure / prioritisation	-140		-60	G
Movements	-282	32	-27	
Revised budget	2,156	2,188	2,161	

Note 7: Net Budget supported by general government grants and reserves.

Strategic Leadership

Financial Budget

2018/21

Strategic Leadership

Chief of Staff: Rachel Crossley

Policy Budget (by activity)

	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Strategic Leadership	915	793	805	819
Net budget ⁷	915	793	805	819
<u>Expenditure:</u>				
Service staffing	889	766	777	790
Service non-staffing	26	27	28	29
Total expenditure	915	793	805	819
Net budget ⁷	915	793	805	819
	2017/18	2018/19		
FTE	9	8		

	2017/18	2018/19	2019/20
	£000	£000	£000
Summary budget movement			
Prior year budget	915	793	805
<u>Pressures and changes</u>			
Pay inflation	12	12	12
Contract / market inflation	1	1	1
Service pressures	13	13	13
Virements	-135		
Revised budget	793	805	819

Note 7: Net Budget supported by general government grants and reserves.

Central Income & Expenditure

Financial Budget

2018/21

Central Income & Expenditure

Director of Finance: Sheila Little

Policy Budget (by activity)

	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Pensions back funding	11,146	11,146	11,146	11,146
Redundancy & Compensation	8,641	9,641	9,641	9,641
Other Initiatives	-2,057	-7,415	-7,401	-7,401
Sustainability Review Board Savings	-250	-110	-110	-110
Apprenticeship Levy	1,250	1,250	1,250	1,250
Land Drainage Precept	1,125	1,153	1,182	1,212
Contribution to/from reserves & provisions	1,698	3,956	10,721	-636
Interest Payable	11,525	8,016	7,378	6,330
Minimum Revenue Provision	21,418	18,410	19,846	21,170
Government Grants	-80,028	-33,314	-32,854	-30,884
Council Tax & Business rates	-777,122	-850,573	-840,037	-862,999
Interest Receivable	-415	-4,168	-7,468	-7,738
Net budget	-803,069	-842,008	-826,706	-859,019

Funding:

Council Tax	-634,867	-658,047	-685,876	-707,323
Council Tax - Adult Social Care Precept	-31,034	-50,938	-51,447	-51,962
Business Rate Retention	-52,669	-375,861	-57,872	-58,872
Local taxation support	-718,570	-1,084,846	-795,195	-818,157
Business Rate Top-up/Tariff	-58,552	234,273	-44,842	-44,842
Revenue Support Grant	-28,000			
RSG Transitional Relief	-12,175			
Other UK Government Grants	-37,192	-33,314	-32,854	-30,884
Central Government support	-135,919	200,959	-77,696	-75,726
Income from Investments	-415	-4,168	-7,468	-7,738
Total funding	-854,904	-888,055	-880,359	-901,621
Expenditure:				
Non staffing	51,835	46,047	53,653	42,602
Total expenditure	51,835	46,047	53,653	42,602

Net budget	-803,069	-842,008	-826,706	-859,019
-------------------	-----------------	-----------------	-----------------	-----------------

	2018/19	2019/20	2020/21
	£000	£000	£000
Summary budget movement			
Prior year budget	-803,069	-842,008	-826,706
Pressures & changes	-26,808	22,528	-34,012
Savings	-12,131	-7,226	1,699
Movements	-38,939	15,302	-32,313
Revised budget	-842,008	-826,706	-859,019

8 Central Income & Expenditure

Detailed budget movement by year

	2018/19 £000	2019/20 £000	2020/21 £000	
Pressures & Funding Changes				
Local Taxation changes	-366,276	289,651	-22,962	
Major Central Government support changes	333,000	-279,115	0	
Changes to Government Grants	6,539	460	1,970	
Virements	-2,860	0	0	
Service Delivery	2,761	11,503	-13,050	
Legislation	28	29	30	
Total Pressures & Funding Changes	-26,808	22,528	-34,012	
	2018/19 £000			
Savings				
Efficiency/Service Transformation				RAG
Public Health (Other Initiatives)	-1,173	14		A
Treasury Management (Interest Payable)	-1,550	-642		G
Minimum Revenue Provision	-6,799	-3,698	1,699	G
Education Services Grant	591			G
Investment Income	-3,200	-2,900		G
Total Savings	-12,131	-7,226	1,699	