

Children, Families & Lifelong Learning Select Committee

Draft Budget 2024/25 and Medium Term Financial Strategy to 2028/29

6 December 2023

OUR PURPOSE

OUR PEOPLE

OUR ORGANISATION

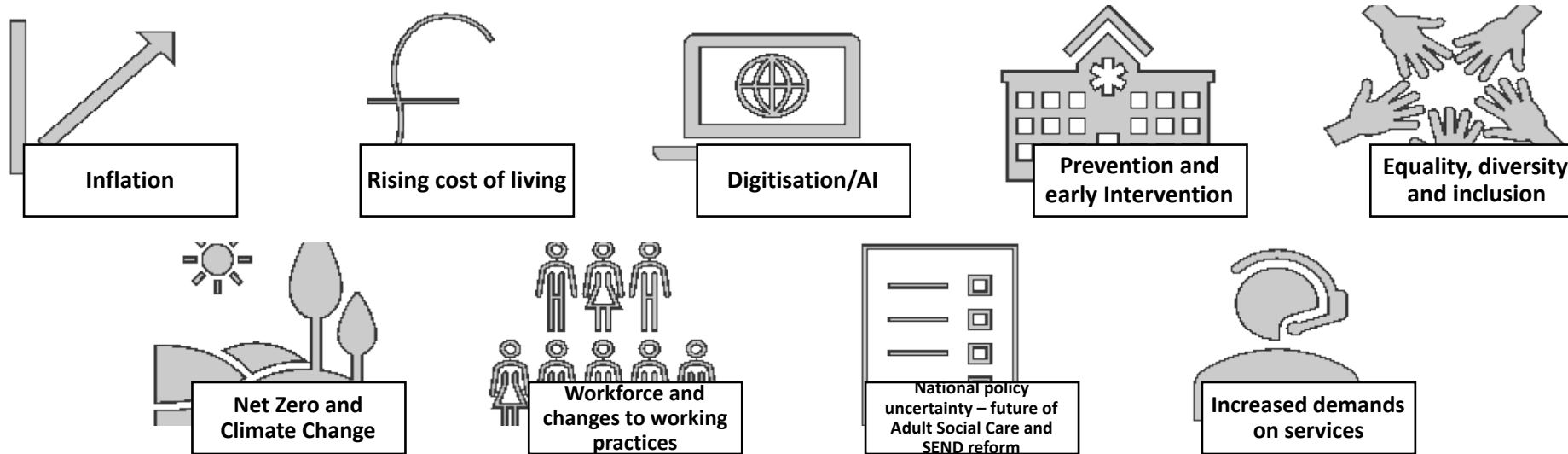
Purpose & Content

Set out to Select Committee the 2024/25 Draft Budget and Medium Term Financial Strategy to 2028/29, including:

- Budget Setting Process
- 2024/25 budget gap
- Capital Programme Position
- 2024/25 – 2028/29 summary position
- Next steps
- Detailed Directorate progress

Strategic Content

A number of drivers are influencing our operating context, including:



Delivering priorities, ensuring no one is left behind

Our Organisation Strategy sets out our contribution to the 2030 Community Vision.

Our **four priority objectives** and guiding principal that **no one is left behind** remain the central areas of focus as we deliver **modern, adaptive and resident-centred services for all.**



Budget Consultation & Engagement – Phase 1 approach

We have gathered robust insight from stakeholders while minimising costs to the council. Between September and October, we asked for views on priority outcomes, resource allocation, tactics for balancing the budget and circumstances under which a council tax increase would be supported.

How we gathered this insight

1600 stakeholders gave their views:

- 614 residents through a statistically representative survey of Surrey's adult population by age and gender.
- 891 residents through a Surrey Says open survey.
- **50 organisations** through a separate Surrey Says survey.
- **Over 100 residents at community events** already planned (e.g. Pride in Surrey)
- Open survey promoted through social media. Members and Community Link Officers also promoted it.

Budget Consultation & Engagement – Phase 1 key messages

1. Supporting the **most vulnerable residents** is a top priority. Residents also want more investment in roads and pavements, community safety and public transport.
2. Some stakeholders completing the open survey found **prioritising outcomes difficult**.
3. Residents preferred spend to benefit all residents and focus on the future. Organisations preferred targeted spend for the most vulnerable.
4. Support for balancing the budget through **more collaboration** with residents and partners. Less support for increased fees and charges.
5. Residents more likely to support council tax increases to **protect spending on vulnerable residents** or where **options to streamline services exhausted**. Less support for increase as alternative to putting up fees and charges.
6. While some residents did not want a council tax increase under any circumstances, **a greater proportion did not agree with this view**.

More detail can be found in the Annex.

Budget Consultation & Engagement – Next steps

- Services are considering how the Phase 1 feedback will **inform future service design** and development, e.g., how to meet residents' appetite for further collaboration.
- Phase 1 insight will also **inform how we communicate with residents** on how the council is responding to residents' and other stakeholders' priorities.
- We will be consulting on the draft budget's investment proposals and measures to close the budget gap. **A survey on Surrey Says will launch on 28 November 2023** and complete on 5 January 2024. All Members will receive a briefing pack and be encouraged to promote the survey to residents.
- Officers will share key messages to stakeholders and **gather feedback** through various user groups, e.g., Learning Disability user forums.
- Insight from this work will inform messaging for the final budget and **provide insight** for the planning and implementation of the 2024/25 efficiencies.

Equality Analysis 2024/25 – Current Position

- As each draft efficiency proposal is still being developed the equality analysis included in the Annex of these slides is the **current position for each service**, and this is **likely to evolve** as more detail on plans to deliver on proposals is developed.
- **Early indications of potential impacts** of proposals have been included, along with any **planned mitigating activity**.
- Whilst the information included in the Annex identifies service-specific equality analysis, work is underway to understand the **cumulative equality impacts** of the 2024/25 budget as a whole. This also reflects the iterative nature of service-specific equality impacts and planned mitigating actions.

Equality Analysis 2024/25 - Cumulative Analysis

The main characteristics most likely to be disproportionately impacted:

1. Older adults and their carers, and adults of all ages with physical, mental health conditions and learning disabilities and their carers
2. Children and young people, including those with special educational needs and disabilities (SEND), and families
3. Staff and residents facing socio-economic disadvantage

Emerging common mitigation themes:

- Use co-design, consultation and engagement methods to produce services that are responsive and focus on supporting people that need them most.
- Services will work to invest in preventative activity and early-intervention measures to help enable better outcomes earlier and avoiding having to resource high-cost intensive activity that leads to greater pressures on our budget.
- Work closely with strategic partners to mitigate impacts where relevant

Page 120

Equality Analysis 2024/25 – Next steps

- Services will continue working on the Equality Impact Assessments for their efficiency proposals and full documents will be made available to review with the final budget papers.
- The final cumulative analysis report and completed EIAs will be made available for all Members when the budget is brought before Council in February.



Budget Setting Process

- The Council bases its financial planning practices on a budget envelope approach, aimed to increase accountability and budget management responsibility.
- Funding projections over the medium-term are developed and Directorates are given a fixed envelope/target, proportionate to the expected size of the available budget.
- Directorates are tasked, with support from Finance, with costing the core planning assumptions and developing Directorate scenarios to identify pressures in their services across the medium term period - 2024/25 to 2028/29
- Directorates are then required to develop efficiency proposals to offset these pressures to ensure delivery within available resources.
- Monthly iterations are taken to the Corporate Leadership Team throughout the process
- Significant Member Engagement:
 - Regular informal Cabinet briefings
 - Cabinet/CLT Workshops (July, early September, late September)
 - All Member Briefings (June / Nov)
 - Select Committee Briefings (July / Oct) & sub group briefings focused on specific areas
 - Budget Task Group Workshops (July, Sept, Nov)

2024/25 Revenue Headlines

- Revenue budget envelope of **£1.176 billion** - **£75m / 6.8%** anticipated increase from 2023/24
- Increased Council Tax assumption of 1.99% Core Council Tax + 2% ASC Precept. Assumed 'roll over' of existing grant funding and £7.6m estimated additional ASC funding, in line with announcements.
- Pressures of £144m identified, continuation of higher rate experienced last year, reflecting the ongoing high inflationary environment.
- Investment areas including:
 - bus transport services - introduction of a half price travel scheme and expansion of the digital demand responsive transport.
 - highways and environment services, following the recommendations of the task and finish review, including refreshing road lines, additional investment in gulley cleaning, area stewards and grass-cutting.
 - preventative services including targeted early help and reunification of children back to their parental homes where safe to do so.
- £55m of efficiencies already identified.
- Reserves and contingencies considered at an appropriate/sustainable level given the high risk environment. Potential to utilise some reserves for one-off pressures/investment opportunities.
- **Remaining Budget Gap of £13.5m** in 2024/25

2024/25 Draft Budget Gap

The table below sets out the overall picture for the Council for 2023/24 against estimated funding

Pressures, efficiencies and funding will continue to iterate over December

In particular, funding estimates in respect of Government Grants, Council Tax and Business Rates estimates will be confirmed when the Provision Local Government Finance Settlement is delivered (expected before Christmas).

	Base Budget 23/24 Budget £m	Additional Funding Estimate £m	Identified Pressures £m	Identified Efficiencies £m	24/25 Draft Budget Requirement £m
Adults, Wellbeing & Health Partnerships	475.6		47.1	(24.0)	498.7
Children, Families & Lifelong Learning	249.8		39.9	(9.0)	280.7
Comms, Public Affairs & Engagement	2.2		0.5	(0.4)	2.3
Surrey Fire & Rescue Service	38.7		2.3	(0.7)	40.3
Customer & Communities	18.9		1.8	(1.3)	19.3
Environment, Transport & Infrastructure	152.8		26.4	(15.6)	163.6
Prosperity, Partnerships & Growth	1.6		0.1	(0.2)	1.5
Resources	80.1		5.2	(4.0)	81.4
Central Income & Expenditure	82.3		20.2	0.0	102.5
Directorate Position	1,101.9	0	143.4	(55.2)	1,190.2
Available Funding	(1,101.9)	(74.8)			(1,176.7)
Remaining Budget Gap	0.0	(74.8)	143.4	(55.2)	13.5

While the overall funding envelope is anticipated to increase by c£75m, the cost of delivering existing services is increasing at a faster rate. The identified pressures of c£143m result in a need to find efficiencies of c£69m, of which c£55m have been identified to date. Detailed pressures and efficiencies are set out in subsequent slides.

Options to close the Draft Budget Gap of £13.5m

Additional Government Funding

- Autumn Statement in 2022 provided indication of funding for 2023/24, including additional ASC funding. However, no certainty on detailed until December Local Government Settlement
- Significant uncertainty over Government funding into the medium term

Identification of Additional Efficiencies/Cost Containment

- Directorates continue to look for further deliverable efficiencies, including areas to stop/delay activity
- Pressures continue to be reviewed to look for ways to contain cost/mitigate increases

Use of Reserves

- Worked hard to re-build depleted reserve levels to improve financial resilience
- Current level of reserves is considered appropriate given assessment of the risk environment
- Any use of reserves should be for one-off expenditure rather than to meet ongoing budgetary pressures.

Increase Council Tax

- Current budget assumptions are a 3.99% increase (1.99% core + 2% ASC Precept)
- Ability to raise core Council Tax by up to 3% without a referendum and an additional 2% ASC Precept
- Any increase equates to c£8.6m for every 1% rise

2024/25 – 2028/29 Capital Programme Headlines

Capital Budget of £1.9 billion

- £1.3 billion Budget
- £0.6 billion Pipeline



- A thorough review of the Capital Programme has been undertaken. The inflationary environment and increasing interest rates have put pressure on the affordability of the capital programme.
- Aspirations remain high and the Draft Capital Programme continues investment in priority areas, however a number of programmes have needed to be re-scaled / value engineered to ensure affordability.
- The programme is deemed affordable and while it represents an increase in the revenue borrowing costs both in absolute terms and as a % of the net revenue budget (to c9% by 2028/29), it brings us in line with other similar sized authorities.
- The capital programme cannot continue to increase at this rate in perpetuity. If we continued to invest at these levels then the revenue pressure would become unsustainable and unaffordable. Therefore, a 'cap' on unfunded borrowing of £40m per annum has been worked to for increases in the overall programme. This is currently achieved in the Draft programme proposed, but needs to be maintained between the draft and final budget iterations.



Medium Term Position

- There remains **significant medium-term uncertainty**
- Multiple single year settlements and uncertainty after the current Parliament, make medium term planning difficult.
- Fair Funding Reform will not be implemented until after the next general election. The longer the delay in implementation, the less certain we can be of the impact.
- **By 2028/29, the Medium-Term gap is estimated to be c.£245m / 22% of our net budget**
- Indicatively:
 - Directorate pressures of £418m and capital financing costs of £46m
 - Overall funding increase of £109m (assuming a 'flat' position immediately after fair funding reform due to anticipated transitional arrangements). Therefore, the full effect of funding reform not felt until beyond the end of the MTFS period
 - Offset by efficiencies identified so far of £109m
- Reserves have reached a sustainable level but maintaining financial resilience is key to weathering future challenges and given the current high risk operating environment.

Next Steps

- Refine funding assumptions based on Provisional Local Government Finance Settlement in December.
 - Finalise efficiency proposals and consider further options to close the gap
 - Consultation with residents on draft proposals and Equality Impact Assessments
- Final Budget to Cabinet in January 2024 & Council February 2025
- Ongoing work to identify ways to close the medium term gap, including work through the Councils SWITCH Programme (Surrey Way Innovation Transformation & Change)

Directorate Positions

- **Children, Families & Lifelong Learning**
- **Customer & Communities**



Annexes:

- **Children, Families & Lifelong Learning**
- **Customer & Communities**



CFLL - Directorate Budget Position

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£m	£m	£m	£m	£m	£m	£m
Brought forward budget	249.8	249.8	280.7	284.5	287.1	292.1	
Pressures		39.9	13.5	12.7	12.0	12.4	90.5
Identified efficiencies		(9.0)	(9.7)	(10.1)	(6.9)	(4.9)	(40.6)
Total budget requirement		280.7	284.5	287.1	292.1	299.7	
Change in net budget requirement		30.9	3.8	2.5	5.1	7.6	49.9
Share of funding gap and borrowing costs		(7.0)	2.1	2.3	2.1	2.0	1.5
Reductions still to find		23.9	5.9	4.8	7.2	9.6	51.4

2024/25 pressures capture inflationary prices across placements and home to school transport, exacerbated with increasing complexity of need, along with growing demand and rate increases for children with disability services seen in 2023/24 and forecast into the new year.

Continuation key strategic investments made in 2023/24 driving retention of workforce and further development of prevention services to help drive a more sustainable model of operation.

Efficiencies look to tackle difficult market conditions for placements at present along with more optimal school transport arrangements.

CFL - Directorate Pressures

Pressure	Description	Category (please select)	Net Pressures					Total £m
			2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	
Pay inflation	Corporately agreed pay award estimated at 4% in 24/25, 3% in 25/26 and 2% thereafter	Inflation	5.6	4.3	3.0	3.0	3.1	19.0
Re-unification team	Funded by one off funding, posts required to deliver ongoing financial benefits	Prevention	0.3					0.3
Quality assurance and performance	Staff requirements to increased demands, one off funding in 2023/24	Demand	0.8					0.8
Recruitment and retention - market supplements	Market supplements ongoing costs, one off funded in 2023/24	Prevention	1.3					1.3
Recruitment and retention - Pathways to Social Work	Restructuring of vacancies in the system currently mitigating agency pressures	Demand	1.0					1.0
Recruitment and retention	Additional costs of ASYE scheme, apprenticeships	Prevention	0.2	0.2	0.2			0.5
Early Help and family support	Intensive family support service ongoing requirement, one off funding in 2023/24	Service Enhancement	1.3	0.2				1.6
EHCP timeliness	The long term ongoing costs of being able to meet the timeliness of EHCP referrals	Demand			1.0			1.0
Children Looked After (CLA) Placements - Demand	Trajectory modelling of anticipated demand increases	Demand	1.1	1.7	2.1	2.6	2.6	10.2

CFLL - Directorate Pressures - continued

Pressure	Description	Category (please select)	Net Pressures					Total £m
			2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	
Children Looked After (CLA) Placements - inflation	Trajectory modelling of anticipated inflationary increases (5% in 24/25)	Inflation	4.6	2.3	2.5	2.6	2.8	14.8
Children Looked After (CLA) Placements - Historic pressure	Ongoing pressures in rates, partially offset by increased health and UASC funding	Inflation	10.1					10.1
Home to School Travel Assistance - Historic pressure	Projected overspend in 23/24 which will roll forward into 24/25	Inflation	2.0					2.0
Home to School Travel Assistance - Demand	Trajectory modelling of anticipated demand increases	Demand	1.7	1.6	1.5	1.5	1.6	7.9
Home to School Travel Assistance - Inflation	Trajectory modelling of anticipated inflationary increases (5% in 24/24)	Inflation	3.6	2.2	1.5	1.3	1.3	9.9
Special Guardianship Order rates Historic Pressure	Increase in rate in line with legislation to match foster carer rates	Inflation	1.7					1.7
Contract inflation	Assumed inflation on key contracts at 5% for 2024/25 based on current market projections	Inflation	1.9	0.9	1.0	1.0	1.0	5.8
Pay inflation (non SCC T&Cs)		Inflation	0.3					0.3
CWD packages of care - Historic demands	Increased numbers of CWD requiring support	Demand	1.5					1.5
Care Leavers Historic demand	Increased volumes of care leavers requiring accommodation and support.	Demand	1.0					1.0
Total Pressures			39.9	13.5	12.7	12.0	12.4	90.5

CFLL - Directorate Efficiencies

			Efficiency							
Directorate	Efficiency	Description	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m	RAG Rating	Potential equality impacts
CFLL	Home to School Travel Assistance	Full year effect of efficiencies in 23/24 focused on route optimisation and reduction of solo vehicle use	(2.6)	(2.4)	(2.5)	(2.6)	(2.7)	(12.8)	Amber	Potential impacts on children with disabilities.
CFLL	Annual Procurement Plan	Estimated blended 10% reduction on contracts due for re-procurement in 24/25	(1.0)					(1.0)	Amber	Potential impacts (both positive and negative) on children, particularly those with disabilities.
CFLL	Children Looked After (CLA) Placements - Reunification	Dedicated team supporting social work practices to help children return home	(0.7)	(0.8)	(0.8)	(0.9)	(0.9)	(4.2)	Amber	Potential positive impacts on younger children, particularly those suffering with mental health issues
CFLL	Children Looked After (CLA) Placements - Early help and family support	Ability to reduce escalations of need for children and avoid entry to care	(0.0)	(0.3)	(0.4)	(0.0)	(0.0)	(0.7)	Green	No EIA required.
CFLL	Children Looked After (CLA) Placements - Adolescence	Collaborative working across teams targetted at avoidance of entry to care for teenagers.	(0.5)	(1.6)	(1.7)	(1.2)	(0.1)	(5.2)	Green	No EIA required.
CFLL	Children Looked After (CLA) Placements Coming home / big fostering	Stepping down children into fostering care from residential placements through targetted and supportive working	(0.5)	(0.5)	(0.3)	(0.3)	(0.1)	(1.7)	Red	Potential positive impacts on looked after children, particularly those with disabilities.
CFLL	Children Looked After (CLA) Placements - In-house residential development	Developing schemes and processes for increasing utilisation of existing residential capacity and Investment in 30 new in-house residential beds to help disrupt the market and meet demand in Surrey.	(0.6)	(0.4)	(0.4)	(0.3)	(0.0)	(1.7)	Green	Potential positive impacts, particularly for children with disabilities.
CFLL	Children Looked After (CLA) Placements - In House fostering	Looking a new models to maximise in house utilisation of carer capacity	(0.5)	(0.6)	(0.5)	(0.4)	(0.3)	(2.3)	Amber	No EIA required.

CFL - Directorate Efficiencies - Continued

			Efficiency							
Directorate	Efficiency	Description	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m	RAG Rating	Potential equality impacts
CFL	Children Looked After (CLA) Placements - Permanence directive	Exploring early adoption avenues and promoting special guardianship arrangements through working with wider friends, family and foster carers.	(0.1)	(0.2)	(0.1)	(0.0)	(0.0)	(0.5)		No EIA required.
CFL	Children Looked After (CLA) Placements - Commissioning rates	Negotiation of rates with providers to develop strategic partnerships, looking at discount incentives for sibling groups, multiple placements	(0.3)	(0.0)	(0.0)	(0.0)	(0.0)	(0.3)		No EIA required.
CFL	Children Looked After (CLA) Placements - Inflation management	Review and challenge of inflationary uplifts, scrutinising cost bases of providers and their increase in cost base	(1.0)	(0.5)	(0.6)	(0.6)	(0.6)	(3.2)		No EIA required.
CFL	Care leavers Placements - Houses of multiple occupancy	Capital investment in 6 new 4 bed homes with floating support to reduce demands on supported accommodation at current rates	(0.2)	(0.2)	(0.1)	0.0	0.0	(0.5)		Mix of potential positive and negative impacts for care leavers.
CFL	Workforce strategies developing a permanent workforce	Reduce demand on agency and reduce agency pressures		(0.5)	(0.5)			(1.0)		No EIA required.
CFL	Early Help and family support	Targeted early help work with families to reduce demands on statutory case work	(0.5)	(1.0)	(1.6)			(3.1)		No EIA required.
CFL	Twin Track - contract efficiencies	Work being driven by Procurement to review contract value across the Council. Share of £2m target previously held in corporate I&E.	(0.4)	(0.4)	(0.4)	(0.4)		(1.6)		No EIA required.
CFL	Twin Track - Fees and charges	Work being driven by the Commercial team to review fees and charges. Share of £1m target previously held in corporate I&E.	(0.2)	(0.2)	(0.2)	(0.2)		(0.8)		No EIA required.
CFL	Total Efficiencies		(9.0)	(9.7)	(10.1)	(6.9)	(4.9)	(40.6)		

Equality Analysis – Children, Families and Lifelong Learning (CFLL)



SURREY
COUNTY COUNCIL

Below is a list of CFLL efficiencies, grouped into themes, which are likely to have equality impacts. This information has been drawn from the emerging EIAs. More detail on the equality impacts will be shared with Members with the final Budget papers for 2024/25. Impacts highlighted in the EIAs will often reflect the type of service in focus and who it is designed to support. This therefore does not mean that these groups are being disproportionately impacted to preserve universal services to non-vulnerable groups at the expense of more vulnerable people.

Efficiency	Characteristics impacted (+ Positive impacts, - negative impacts)	Summary of potential impacts	Mitigations
<p>Page 55</p> <p>Home to school travel assistance</p>	<p>+/- Children and young people with disabilities - Age</p>	<p>There is potential for positive and negative impacts on children and young people with disabilities, thanks to increased options for transport, and opportunities to develop independence skills. There is likely to be negative impacts to those aged 5-15 as well as children and young people with disabilities. There is also a risk of adverse impacts on children of a non-statutory age, who will no longer be eligible for free transport except for those with extenuating circumstances.</p>	<p>A range of mitigations are being put in place, including ensuring greater consultation with residents to better understand needs and ensure they are aware of changes. Also working with those affected to promote other means of transport to school</p>
<p>Houses of multiple occupancy</p>	<p>+/- Age +/- Children with disabilities - Race/ Ethnicity +/- Religion or belief</p>	<p>Some properties may have potential accessibility issues that might not immediately meet the needs of some young people with disabilities. Potential disproportionate impact on care leavers from different ethnic minorities or cultural backgrounds as living arrangements may make it harder to monitor wellbeing within HMOs, potentially making it harder to report instances of prejudicial behaviour or discrimination.</p>	<p>Ensure accessibility is considered as part of process for making properties ready. Provide messaging and support to help residents to spot any inappropriate behaviour and advise on how to report.</p>
<p>Coming Home/ Big Fostering</p>	<p>+ Children and young people + Sex + Race/ ethnicity + Religion or belief</p>	<p>We anticipate positive impacts for younger people moving to settings that provide better long-term outcomes. Increased choice of provision will benefit younger people with disabilities, children of different sexes, and children from different cultures, belief-systems and races/ ethnicities.</p>	<p>Enhance positive impact by working with providers and carers to secure placements for Surrey children, e.g., options for block booking as well as quality assuring new provision.</p>

Equality Analysis – Children, Families and Lifelong Learning (CFLL)



Efficiency	Characteristics impacted (+ Positive, - negative impacts)	Summary of potential impacts	Mitigations
In-house residential development	<ul style="list-style-type: none"> + Age + Disability + Race/ ethnicity + Religion or belief + Socio-economic status 	<p>By enabling more children to be housed within the county, we anticipate a positive effect on children and young people of all ages, abilities, socio-economic backgrounds, ethnicities/ races, and religions/ beliefs. Benefits include children being closer to established connections, existing communities/ religious groups and being closer to friends and family.</p>	<p>Maximise the positive by ensuring that new provision is planned carefully to meet existing and emerging needs, that staff receive specialist high quality training to meet the children’s care needs and providers and services work closely together to ensure the best possible outcomes for children.</p>
Page 11 of 17 Early help/ family support	<ul style="list-style-type: none"> + Age +/- Disability - Socio-Economic disadvantage + Health 	<p>Positive impacts including long-term support and improvement in health outcomes for children and young people with disabilities. Potential for disproportionate impact on children and young people from socio-economically disadvantaged households.</p>	<p>Improved reporting and monitoring to make sure full picture of impacts is captured. The service will also explore co-delivery opportunities with other services.</p>
Annual Procurement Forward Plan	To be determined in relation to individual contracts.	Full equality analysis to be carried out on individual contracts as and when appropriate.	Commissioners will consider the findings of every EIA and the intention will be to adjust the service specification to mitigate impact to vulnerable groups.
Reunification	TBC	<p>Initial assessment of the service found no disproportionate impacts or equalities considerations. Further work is being done to collate demographic data on service users to better understand the potential benefits or negative impacts.</p>	<p>Further work is being done to understand the user base of the service to better assess impacts and measure performance on an ongoing basis. EIA to be reviewed in the new year and the mitigations will be dependent on the impacts identified.</p>

CFLL – Capital Programme

CFLL Budget	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total Budget £000
Schools Basic Need	17,650	18,864	42,767	31,300	19,650	9,510	139,741
Recurring Capital Maintenance Schools	7,675	12,000	15,000	13,000	12,000	8,000	67,675
Alternative Provision Strategy (SEND)	5,150	13,533	20,073	3,631	-	-	42,387
SEND (Special Education Needs & Disabilities Schools)	40,100	60,818	70,260	9,279	-	-	180,457
Looked After Children Schemes (Care Homes & Care Leavers Accommodation)	4,641	14,665	10,350	4,236	-	-	33,892
Surrey Outdoor Learning & Development- High Ashurst (Additional facilities to site)	130	5,320	772	-	-	-	6,222
Bookham YC	200	2,533	500	-	-	-	3,233
Revolved formula capital - schools	1,031	1,031	1,031	1,031	1,031	-	5,155
Adaptions For Children With Disabilities	753	624	500	500	500	500	3,377
Foster carer grants	525	363	210	210	210	210	1,728
Education Management System	125	384	-	-	-	-	509
Childrens Services	77,980	130,135	161,463	63,187	33,391	18,220	484,376

The capital programme includes the significant investment of the safety value to develop sufficient local school places for children and young people with additional needs and disability.

The programme also includes investment in new homes creating additional capacity to help meet the sufficiency strategy for both children looked after and care leavers.



Customer & Communities
(this Committee is responsible for Culture & Registrations)



C&C - Directorate Budget Position

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£m	£m	£m	£m	£m	£m	£m
Brought forward budget	18.9	18.9	19.3	20.2	20.8	21.6	
Pressures		1.8	0.9	0.7	0.7	0.7	4.7
Identified efficiencies		(1.3)	(0.0)	0.0	0.0	0.0	(1.4)
Total budget requirement		19.3	20.2	20.8	21.6	22.3	
Change in net budget requirement		0.4	0.8	0.7	0.7	0.7	3.4
Share of funding gap and borrowing costs		(0.3)	0.2	0.2	0.2	0.2	0.3
Reductions still to find		0.1	1.0	0.9	0.9	0.9	3.7

The Directorate has had to identify £1.3m of efficiencies to offset the £1.8m pressures. These are guided by the following principles: Maximise income in 2024/25 by setting rate increases equal to inflation (or more where the market allows) and driving income generation from other sources where possible; Prioritise the continuation of operational services and offers we have strongly committed to as part of our strategy – for example, a network of 52 libraries and support for Your Fund Surrey; Ensure we can continue to build on the new capabilities we have developed for the future design of the organisation for example Customer Services, local engagement and community-based prevention; Consideration of the statutory duties and requirements that relate to C&C services; Consideration of efficiencies already made in recent years across C&C services.

C&C - Directorate Pressures

Pressure	Description	Net Pressure					Total £m
		2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	
Pay Inflation	Estimated cost of pay inflation modelled at 4% 24/25, 3% 25/26 and 2% 26/27, 27/28 & 28/29	1.0	0.8	0.6	0.6	0.6	3.5
Non-pay inflation (2%)	Non-pay inflation (2%)	0.1	0.1	0.1	0.1	0.1	0.7
Libraries - Income	Declining income levels on the High Street and temporary effect of refurbishment	0.4	(0.1)				0.3
Trading Standards - Income	Income has reduced, including the impact of Covid-19, and expected to recover over the MTFS period. SCC share 0.66%	(0.0)	(0.0)	(0.0)	0.0		(0.1)
Customer Services	Customer practice lead to support the Council's customer services	0.1					0.1
Libraries staffing	Adjustment to reflect the agreed structure of the service	0.2					0.2
Total Pressures		1.8	0.9	0.7	0.7	0.7	4.7

C&C – Proposed efficiencies

		Efficiency						RAG Rating	Potential equality impacts
Efficiencies built in	Description	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m		
Maximising our income	Generate additional income through uplifts to fees and charges and increased volumes.	(0.5)	(0.0)	0.0			(0.6)		No EIA required
Reduce costs whilst maintaining strategic direction	Consistent application of vacancy factor, recognising the levels of staff turnover	(0.1)					(0.1)		No EIA required
Targeted reductions	Variety of measures to reduce spend including removal of flexible in year VCFS support budget and efficiencies in Coroner processes	(0.1)					(0.1)		No EIA required
Further income maximisation	Generate further additional income through uplifts to fees and charges and increased volumes across C&C services	(0.1)					(0.1)		No EIA required
Customer Services non staffing efficiency	Small reductions and efficiencies in non staffing budgets	(0.0)					(0.0)		No EIA required
VCFS Infrastructure organisation grants	Shared reduction across the different VCFS infrastructure organisation grants	(0.1)					(0.1)		Potential for disproportionate impact so an EIA is required
Libraries and Cultural Services	Adjustments to Library staffing patterns, plus reductions to the cultural events budget.	(0.1)					(0.1)		Aspects of this efficiency have a potential for disproportional impact so an EIA is required
Rationalisation of staffing	Staffing and management rationalisation across C&C services including Trading Standards, Community Investment & Engagement, Communities & Prevention, and Libraries & Culture	(0.3)					(0.3)		Potential for disproportionate impact so an EIA is required
Total Further Proposed Efficiencies		-1.3	0.0	0.0	0.0	0.0	-1.4		

Equality Analysis- Customer and Communities (C&C)

Below is a list of C&C efficiencies, grouped into themes, which are likely to have equality impacts. This information has been drawn from the emerging EIAs. More detail on the equality impacts will be shared with Members with the final Budget papers for 2024/25. Impacts highlighted in the EIAs will often reflect the type of service in focus and who it is designed to support. This therefore does not mean that these groups are being disproportionately impacted to preserve universal services to non-vulnerable groups at the expense of more vulnerable people.

Efficiency	Characteristics impacted (+ Positive, - negative impacts)	Summary of impacts	Mitigations
Sunday opening pilot concluded in one library	- Age	Based on the makeup of service users, it is likely there will be disproportionate impacts of changes to the service on certain age groups (those aged 65 and over and those who are under 18).	A full equality analysis is being produced, with mitigating activity clarified when likely impacts are identified.
Rationalisation of staff	- Age - Sex	Whilst the exact details of the posts or roles to be identified haven't been decided yet, women and people over the age of 50 are over-represented in staff in C&C.	Full equality analysis to be completed as more details about how this will be delivered are confirmed. Mitigating activity will be clarified when likely impacts are identified.
Reduction in grants for VCFS infrastructure organisations	- Socio-Economic disadvantage - Age - Race/ ethnicity - Religion or belief - Sexual orientation	Whilst the full equality implication are still being considered, there is the potential for this to adversely impact the support that is offered to residents and staff who are socio-economically disadvantaged. It is also anticipated that there may be impacts on children and young people, residents from black and minority ethnic backgrounds, people who observe certain religions or beliefs and support for residents based on sexual orientation.	Mitigating actions to be identified as part of the more comprehensive equality analysis. Work is underway to engage with VCFS organisations to better understand how planned activity can be implemented and what mitigations are required.

C&C – Capital Programme

The Directorate has capital investment plans to transform the libraries. The Directorate also oversees the corporate Your Fund Surrey capital investment programme.

The 2024-2029 capital pipeline and budget contains £23.2m (£10.7m budget) investment to enable the libraries transformation programme. This is a five-year programme of work to modernise library settings across Surrey to:

- Enable libraries to meet the changing needs of communities;
- Support wider strategic priorities; and
- Ensure library assets are fit and sustainable for the future.

