

Resources & Performance Select Committee

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

8 December 2023

OUR PURPOSE

OUR PEOPLE

OUR ORGANISATION

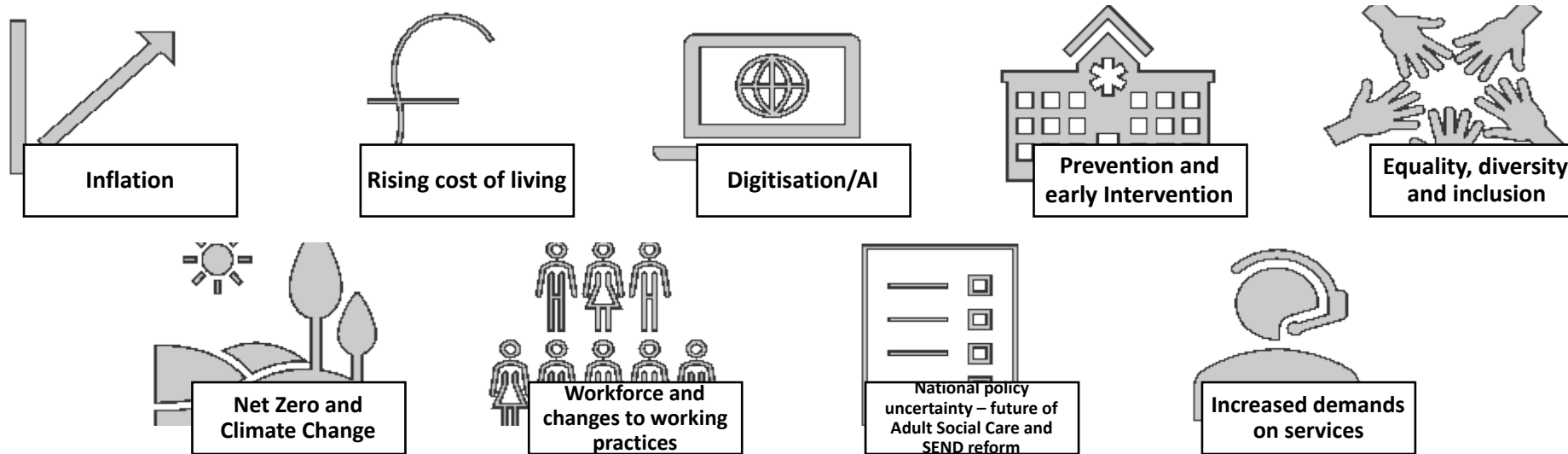
Purpose & Content

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:



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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

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

	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

- **Resources**
- **Customer & Communities**
- **Communications, Public Affairs & Engagement**



Resources



Resources - 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	80.1	80.1	81.3	82.5	84.8	87.3	
Pressures		5.2	3.0	2.5	2.5	2.6	15.8
Identified efficiencies		(4.0)	(1.9)	(0.1)	(0.1)	0.0	(6.0)
Total budget requirement		81.3	82.5	84.8	87.3	89.9	
Change in net budget requirement		1.2	1.2	2.4	2.4	2.6	9.8
Share of funding gap and borrowing costs		(1.3)	0.7	0.7	0.7	0.6	1.4
Reductions still to find		(0.1)	1.8	3.1	3.1	3.3	11.2

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The key issues driving the Resources 2024/25 revenue budget is pay inflation and specific pressures such as insurance where the current levels of insurance claims and reduced recovery of insurance costs as schools convert to academies is leading to a pressure of £0.6m. The directorate has identified £4m of efficiencies. They mainly relate to Land & Property efficiencies (£3m) to be delivered by the rationalisation of property assets, through the agile programme and asset strategy, plus the facilities management transformation programme. Each service within the directorate is reviewing activities to make service-based efficiencies of £0.6m and a directorate wide capacity review will achieve further efficiencies. These efficiencies are likely to have a significant impact on staffing, particularly the facilities management transformation and payroll services changes which are likely to lead to a reduction in full time equivalent staff of circa 145.



Resources - Directorate Pressures

Pressure	Description	Net Pressure					Total £m
		2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	
Inflation	Estimated cost of pay inflation modelled at 4% 24/25, 3% 25/26 and 2% 26/27, 27/28 & 28/29	2.5	2.0	1.4	1.4	1.4	8.6
Inflation	Non-Pay Inflation at 2%	0.8	0.8	0.8	0.8	0.8	4.0
Inflation	Non-Pay Inflation at 5%-8% for food, utilities, maintenance and insurance premiums	1.3	1.0	1.1	1.2	1.2	5.8
Inflation	Income Inflation at 2%	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(4.0)
Business Services payroll income	Reduced demand from schools for payroll services	0.4					0.4
Legal Services Demand	Ongoing demand linked to case volumes requires additional capacity and increased external fees	0.3					0.3
Resources communications role	Provide communications resource for the directorate	0.1					0.1
Agile	Ongoing bus service to Woodhatch Place	0.1					0.1
Insurance	Reduced income from schools due to academisation and the rebuilding of the insurance reserve to recommended actuarial levels	0.6					0.6
Total Pressures		5.2	3.0	2.5	2.5	2.6	15.8

Resources – Proposed efficiencies

Efficiency	Description	Efficiency						RAG Rating	Potential equality impacts
		2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m		
Previous years efficiencies	Remove one-off and unachievable 2022/23 efficiencies	0.8					0.8		No EIA required
IT&D - Network & Wi-fi	New contract to replace the existing network to it's sites and the internet	(0.3)					(0.3)		No EIA required
Land & Property Agile Transformation	Office building rationalisation, running cost reductions offset by additional running costs and borrowing costs	(0.9)					(0.9)		EIA to be completed when details of nature of the changes are confirmed
Land & Property Facilities Management Transformation	New facilities management contract	(1.0)	(0.2)				(1.3)		Potential for disproportionate impact on staff with disabilities
Land & Property efficiencies	Efficiencies from rationalising assets, business infrastructure and staffing	(1.0)					(1.0)		Potential for disproportionate impact on staff with disabilities
Land & Property efficiencies	Variety of measures including improved supply chain management and a review of income generation opportunities		(1.5)				(1.5)		No EIA required
People & Change - Efficiencies	Various such as Improved processes following MySurrey will lead to a reduction in FTE and increased income	(0.0)	(0.0)				(0.1)		EIA to be completed when roles identified, and nature of restructure developed
Making the most of our contracts	A new contract management team in Procurement will be leading a review of contracts across the Council to identify opportunities for efficiency and then progressing these with services. The current efficiency targets are indicative at this stage and will be updated as the contract management team's work progresses.	(0.1)	(0.1)	(0.1)	(0.1)		(0.4)		No EIA required to date, but the Contract Management (CMAS) team are to ensure EIAs completed where necessary
Income efficiencies	Increased recharges for pension and public health services	(0.3)					(0.3)		No EIA required
Various Services	Directorate wide capacity review	(0.5)					(0.5)		EIA to be completed when details of nature of the changes are confirmed
Various Services	Service based efficiencies	(0.6)					(0.6)		EIA to be completed when details of nature of the changes are confirmed
Total Efficiencies		(4.0)	-1.9	-0.1	-0.1	0.0	-6.0		

Equality Analysis - Resources



Below is a list of Resources efficiencies, grouped into themes, which are likely to have equality impacts. This information has been drawn from the emerging EIA. 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 potential impacts	Mitigations
Page 40 Land & Property Agile Transformation	+ Age + Disability + Pregnancy and maternity + Religion and belief + Gender reassignment	We are taking learning from staff experience of accessing and using facilities in Woodhatch Place. Future office purchases and redevelopments will use detailed criteria to ensure the needs of residents and staff with the protected characteristics listed are accounted for.	Processes in place to address and identify outstanding new issues at each office site. Each office will have regular staff meetings to share concerns and responses. A Facilities Management Accessibility Forum will enable staff to have their say on future building changes. All changes to internal building design (such as furniture) will be fed back into the Agile Organisation Programme to inform future development.
Land & Property Facilities Management Transformation	- Disability	Potential disproportionate impact on disabled staff from changes to working conditions if changes to working style or structure are adopted.	Ensure staff who leave are not replaced with permanent staff and internal opportunities for retraining are provided. Consult and engage with affected teams. Evaluate and update EIA to account for any unforeseen negative impacts. Adhere to the council's change management processes.

Equality Analysis - Resources



Efficiency	Characteristics impacted (+ Positive, - negative impacts)	Summary of potential impacts	Mitigations
Land & Property Efficiencies from rationalising assets	- Disability	Potential disproportionate impact on disabled staff from changes to working conditions if changes to working style or structure are adopted.	Ensure staff who leave are not replaced with permanent staff and internal opportunities for retraining are provided. Consult and engage with affected teams. Evaluate and update EIA to account for any unforeseen negative impacts. Adhere to the council's change management processes.
People & Change - Reduction in FTE	TBC	Staffing review being finalised with full assessment of the benefits from implementing Unit 4 Enterprise Resourcing Platform. Impacts anticipated from stopping payroll service provision to Multi-Academy and Academy Trusts, reducing the number of posts and people required to deliver services. Restructure due to take place December 2023.	Consult with affected staff. Use outputs to update equality impacts and mitigating actions.
'Making the most of our contracts'	TBC	As we seek to improve our contract management approach, equality analysis will take place on a contract-by-contract basis	The Contract Management as a Service team will support services to give due regard as contract changes are made to improve outcomes and value.

Resources – Capital Programme

The Capital Programme is comprised of the Budget (schemes which are developed and ready to proceed, or already under way) and the Pipeline (schemes requiring further development and subject to business case approval). The draft capital programme for Resources totals £0.8bn over 5 years and is funded from a number of sources including grants and borrowing.

The Directorate has significant capital investment and delivery plans over the MTFS period, relating to the Council's Land & Property and IT&D services. These investment plans are developed in close consultation with front line services to ensure that the Council's assets are used effectively and are fit to support the efficient delivery of services to our residents and to support our staff to carry out their responsibilities.

The draft capital budget totals £0.6bn and is attached, including prior year comparators.

Customer & Communities
(this committee is responsible for Customer Services)



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 post 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							
Efficiencies built in	Description	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Total £m	RAG Rating	Potential equality impacts
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.



Communications, Public Affairs & Engagement

CPA&E - 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	2.2	2.2	2.3	2.3	2.4	2.4	
Pressures		0.5	0.1	0.0	0.0	0.0	0.7
Identified efficiencies		(0.4)	0.0	0.0	0.0	0.0	(0.4)
Total budget requirement		2.3	2.3	2.4	2.4	2.5	
Change in net budget requirement		0.1	0.1	0.0	0.0	0.0	0.3
Share of funding gap and borrowing costs		(0.0)	0.0	0.0	0.0	0.0	0.0
Reductions still to find		0.0	0.1	0.1	0.1	0.1	0.3

CPA&E - Directorate Pressures & Efficiencies



Pressure	Description	Category (please select)	Net Pressures					Total £m
			2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	
Inflation	Pay Inflation (5%)	Inflation	0.1	0.1	0.0	0.0	0.0	0.2
Inflation	Non-pay inflation (2%)	Inflation	0.0	0.0	0.0	0.0	0.0	0.0
Organisation wide	Creating a Research intelligence Unit	Service Enhancement	0.4					0.4
Total Pressures			0.5	0.1	0.0	0.0	0.0	0.7

Efficiency	Description	Efficiency					Total £m	RAG Rating	Potential equality impacts
		2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m			
Organisation wide Communications review	Surrey Way Innovation, Transformation & Change (SWItCH) review of communications to drive out organisation wide efficiencies	(0.4)					(0.4)		No EIA required
Total Efficiencies		-0.4	0.0	0.0	0.0	0.0	-0.4		



Annexes – Summary Directorate Positions for:

- **Adult Social Care**
- **Public Health**
- **Children, Families & Lifelong Learning**
- **Environment, Transport & Infrastructure**
- **Surrey Fire & Rescue Service**
- **Partnership, Prosperity & Growth**

Adult Social Care – Summary 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	439.9	439.9	462.6	509.9	563.1	598.9	
Pressures		46.2	54.7	59.9	42.8	44.7	248.3
Identified efficiencies		(23.5)	(7.3)	(6.7)	(7.1)	(5.6)	(50.1)
Total budget requirement		462.6	509.9	563.1	598.9	638.0	
Change in net budget requirement		22.7	47.3	53.2	35.7	39.1	198.2
Share of funding gap and borrowing costs		(12.2)	3.7	4.0	3.7	3.5	2.8
Reductions still to find		10.5	51.1	57.2	39.5	42.7	200.9

Public Health – Summary 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	35.7	35.7	36.2	37.0	37.8	38.5	
Pressures		1.0	0.9	0.8	0.8	0.8	4.1
Identified efficiencies		(0.5)	0.0	0.0	0.0	0.0	(0.5)
Total budget requirement		36.2	37.0	37.8	38.5	39.3	
Change in net budget requirement		0.4	0.9	0.8	0.8	0.8	3.6
Share of funding gap and borrowing costs		(0.5)	0.3	0.3	0.3	0.3	0.7
Reductions still to find		(0.1)	1.2	1.1	1.1	1.1	4.3



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

ETI - Summary 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	152.8	152.8	163.6	176.0	177.3	180.7	
Pressures		26.4	3.9	2.5	3.8	3.7	40.4
Identified efficiencies		(15.6)	8.5	(1.2)	(0.4)	(0.4)	(9.1)
Total budget requirement		163.6	176.0	177.3	180.7	184.1	
Change in net budget requirement		10.8	12.4	1.4	3.4	3.4	31.3
Share of funding gap and borrowing costs		(2.6)	1.3	1.4	1.3	1.2	2.6
Reductions still to find		8.2	13.7	2.7	4.7	4.6	33.9



SFRS – Summary 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	38.7	38.7	40.3	41.4	41.8	42.8	
Pressures		2.3	1.1	0.9	1.0	1.0	6.2
Identified efficiencies		(0.7)	(0.1)	(0.4)	0.0	0.0	(1.2)
Total budget requirement		40.3	41.4	41.8	42.8	43.7	
Change in net budget requirement		1.6	1.0	0.4	1.0	1.0	5.0
Share of funding gap and borrowing costs		(0.7)	0.3	0.4	0.3	0.3	0.7
Reductions still to find		1.0	1.4	0.8	1.3	1.3	5.7

PPG – Summary 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	1.6	1.6	1.5	1.5	1.6	1.6	
Pressures		0.1	0.0	0.0	0.0	0.0	0.2
Identified efficiencies		(0.2)	0.0	0.0	0.0	0.0	(0.2)
Total budget requirement		1.5	1.5	1.6	1.6	1.6	
Change in net budget requirement		(0.1)	0.0	0.0	0.0	0.0	0.0
Share of funding gap and borrowing costs		(0.0)	0.0	0.0	0.0	0.0	0.0
Reductions still to find		(0.1)	0.1	0.0	0.0	0.0	0.1

Phase 1 budget engagement Detailed results



Stakeholders' priorities for SCC - ranking

Through the representative survey of 614 Surrey adults, by age and gender, they were asked to rank the importance of 11 outcomes the council is working towards over the next five years. Residents prioritised better roads and pavements, making communities safer and providing better care for adults and children. Organisations prioritised care for adults and children, health and wellbeing and stronger community relations.

Residents' priorities (1 = most important, 10 = least important)	Organisations' priorities (1 = most important, 10 = least important)
<ol style="list-style-type: none"> 1. Better roads and pavements 2. Making communities safer 3. Providing care for adults and children 4. Better public transport 5. Reducing waste and increasing recycling 6. Protecting and enhancing the countryside and biodiversity 7. Supporting local businesses 8. Reinvigorating town centres and high streets 9. Access to education and skills 10. Promoting better health and wellbeing 11. Stronger community relations 	<ol style="list-style-type: none"> 1. Providing care for adults and children 2. Promoting better health and wellbeing 3. Stronger community relations 4. Access to education and skills 5. Better public transport 6. Making communities safer 7. Protecting and enhancing the countryside and biodiversity 8. Better roads and pavements 9. Reinvigorating town centres and high streets 10. Reducing waste and increasing recycling 11. Supporting local businesses

Stakeholders' priorities for SCC - themes

Themes below came from the 891 residents who responded to the Surrey Says open survey exercise. N.b. survey respondents were self-selecting, so are not representative of Surrey's population.

Difficulties prioritising: Some stakeholders felt all outcomes were important and did not feel they should have to choose between them. Some reflected this was due to interconnectedness between outcomes.

"Such difficult choices for us and those making final decisions. They're all important."

"By supporting individuals to achieve in life, this will have knock-on effects in other areas".

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Demands for transport improvements: Including more, and better, public transport, enhanced road quality and more facilities and infrastructure for cyclists. Some residents wanted to use their cars more easily, while others wanted more incentives to reduce car use.

"Dangerous roads and pavements lead to accidents which result in health issues for constituents..."

"...Public transport must be improved if we are to move away from the current dependency on cars..."

Tackling climate change: Many residents said SCC's highest priority should be responding to the climate emergency, motivated by fear of the impact of climate change on current and future generations.

"As the above outcomes are about the Surrey community, however there will be no communities if we (residents, councillors, governments) globally do not do anything about climate change now, our children's children will suffer because we did nothing to combat this."

Supporting the most vulnerable: A consistent theme across stakeholders was a desire to support residents least able to support themselves. This cut across community safety, care for vulnerable adults and children and improved health and wellbeing.

"...the divide between those who can afford to live, and those who can't and need help is growing."

"People's health and wellbeing and care is so important and has a huge influence on so many aspects of how well society can function..."

Use of resources

We asked stakeholders how SCC should allocate resources. Most residents were more likely to support allocation to benefit all communities and a small majority wanted this focused on longer-term future resident needs.

- 58% of residents wanted resources to be allocated for the benefit of the majority of residents in Surrey.
- 33% wanted resources allocated to services that benefitted those with the greatest needs. Respondents aged 18 to 25 and organisations were more likely to support this view.
- 65% of residents wanted resources to be allocated equitably across all areas of Surrey.
- 32% supported resources being targeted in places with the highest number of people in poor health. Respondents aged 18 to 25 and organisations were more likely to support this view.
- 47% of residents thought resources should be allocated with the long-term future needs of residents in mind. 65% of organisations that responded agreed with this.
- 45% felt allocation should focus on residents' current needs. People aged 65 and over were more likely to support this view compared to other age groups.

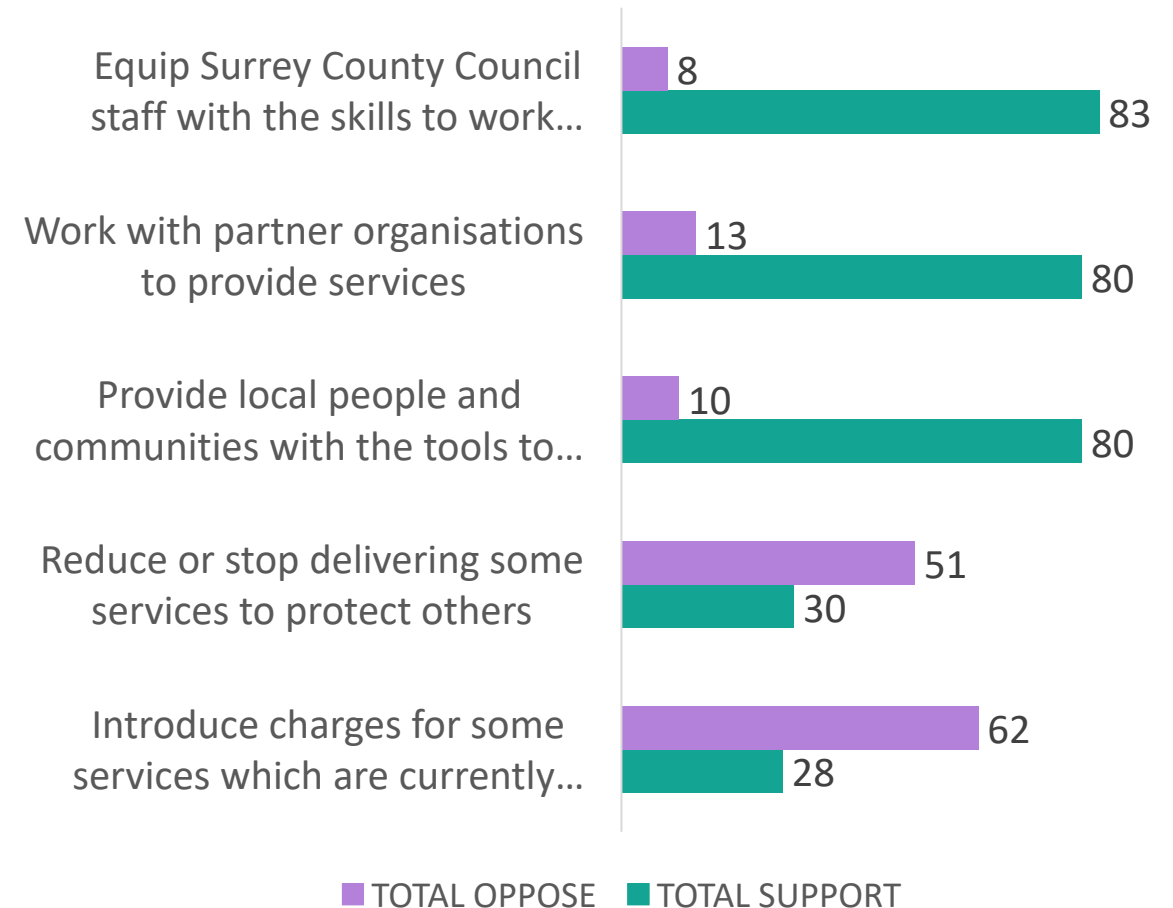
Source: representative (by age and gender) survey of 614 Surrey adults



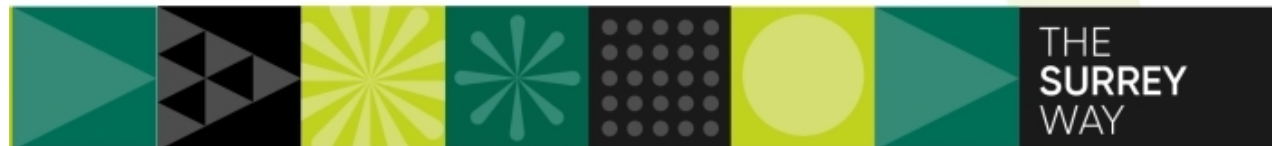
Approaches to balancing the budget



Approaches to balancing the budget (% , n=614)



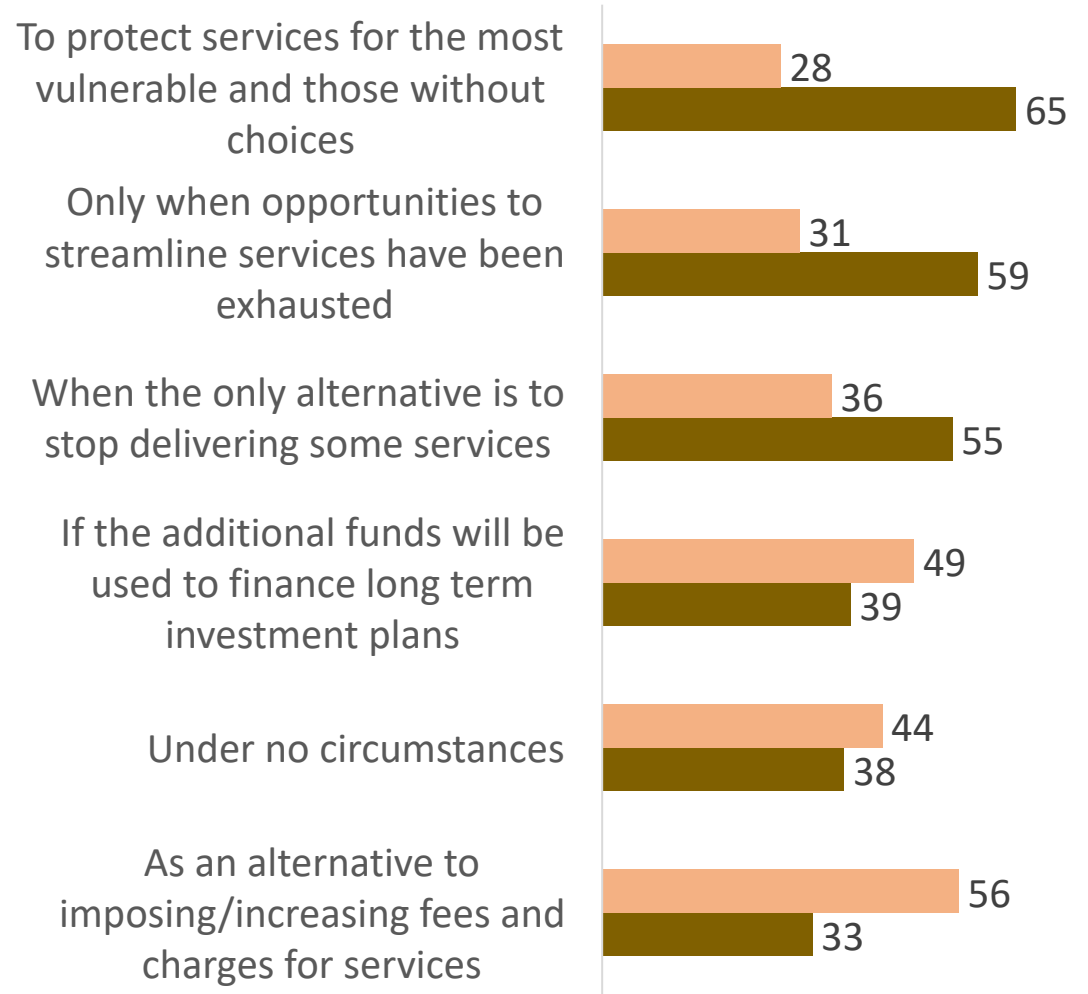
- Residents were asked about the extent to which they would support or oppose tactics the council could use to help balance the budget.
- Most residents support SCC equipping staff with the skills to work together with communities and partners to deliver services across Surrey (83%); working with partner organisations to provide services (80%); and providing local people and communities with the tools to support others and set and deliver local priorities (80%).
- In contrast, most residents opposed the idea of reducing or stopping delivering some services to protect others (51%) and the introduction of charges for some services which are currently free/subsidised (62%).



Council tax

- Residents were also asked to indicate the circumstances under which they would support or oppose an increase in council tax.
- The two scenarios that were most supported, and least opposed, were when opportunities to streamline services have been exhausted and to protect services for the most vulnerable and those without choices.
- The most opposed scenario was as an alternative to imposing/increasing fees and charges for services (56%).
- 38% of respondents indicated that council tax should not be raised under any circumstances, however, a larger proportion oppose this view (44%).

Circumstances for increasing Council Tax (%
n=614)



■ TOTAL OPPOSE ■ TOTAL SUPPORT

Source: representative (by age and gender) survey of 614 Surrey adults

