

# **Resources and Performance Select Committee**

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## **2021/22 Draft Budget Report and Medium-Term Financial Strategy to 2025/26**

18 December 2020

# Introduction – 2021/22 Draft Budget and Medium-Term Financial Strategy

## Purpose and content

- Set out to Select Committee the 2021/22 Draft Budget and MTFS, setting out:
  - 2021/22 budget gap
  - 2021/22 – 2025/26 summary position
  - Detailed Directorate progress

## The process to date

- Stabilise the 2020/21 budget following the immediate CV-19 crisis through budget resets
- Establish Core Planning Assumptions and funding projections
- Convert the assumptions into the Draft Budget position
- Identify efficiencies to contribute towards closing the gap for 2021/22 and the medium-term
- Draft budget presented to Cabinet 24<sup>th</sup> November with a gap to close of £18.3m

## Next Steps

- Closing the gap
  - Refine core planning assumptions, funding assumptions and Directorate gaps
  - Finalise the efficiency and transformation proposals
- Finalise the 2021/22 – 2025/26 Capital Programme
- Consultation with residents on draft proposals and Equality Impact Assessments
- Final Budget to Cabinet in January 2021
- Final Budget to Council February 2021

# Our Focus for the Next 5 Years: 2021 – 26

## Community Vision 2030

We want Surrey to be a uniquely special place where everyone has a great start in life, people live healthy and fulfilling lives, are enabled to achieve their full potential and contribute to their community and where no one is left behind. Where our economy thrives and grows, in balance with our beautiful natural environment. While many residents and businesses thrive in Surrey, not everyone has the same opportunities to flourish so our focus for the next five years will be guided by the principle of **tackling inequality and ensuring no-one is left behind**

## Four priority objectives ('dial up' areas)

### Growing a sustainable economy so everyone can benefit

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

### Tackling health inequality

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

### Enabling a greener future

Build on behaviour changes and lessons learnt during lockdown to further progress work to tackle environmental challenges, improve air quality and focus on green energy to make sure we achieve our 2030 net zero target

### Empowering communities

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

## Transforming the Council

### Customer experience

We will get better at seeing things from a resident's perspective, giving customers a simpler and more consistent experience

### Stronger Partnerships

We will focus on building stronger and more effective partnerships with residents, other public services and businesses to collectively meet challenges and take opportunities

### Transformation and reform

We will continue our comprehensive transformation programme to improve outcomes for residents, deliver efficiencies and make sure financial sustainability underpins our approach

### Digital and Data

We will embrace digital solutions and take a data-driven approach to transforming our organisation and services we deliver for residents

### Agile, diverse and motivated workforce

We will embed new agile ways of working and provide staff with the tools and support to be high performing and outcomes-focussed. We will put equality, diversity and inclusivity at the heart of everything we do, valuing the strength of a diverse workforce

### Financial Management

We will spend our money in the most efficient and effective ways, so we can have the greatest impact on improving people's quality of life and ensure we provide the best value for money to our residents

# 2021/22 Draft Budget

- The table shows the overall picture for the Council for 2021/22 against estimated funding
- Pressures, efficiencies and funding will continue to iterate over November and December
- In particular, funding estimates are subject to clarification as our understanding of the impact of CV-19 on Council Tax Collection continues to develop
- Announcements from Government expected on 24<sup>th</sup> November - further detail before Christmas
- The draft budget includes net pressures of £59.3m, with efficiencies of £41m, leaving a net gap of £18.3m

	Base Budget £m	Pressures £m	Efficiencies £m	Directorate Total £m	Directorate Gap £m
Adult Social Care	372.1	16.5	(11.5)	377.1	5.0
Public Health	32.6	0.0	0.0	32.6	0.0
Children, Families, Lifelong Learning and Culture	245.2	26.8	(20.9)	251.2	5.9
Environment, Transport and Infrastructure	132.8	9.4	(3.5)	138.8	5.9
Community Protection	36.2	1.8	(0.5)	37.4	1.2
Resources	66.6	3.9	(4.4)	66.1	(0.5)
TPP Services	17.4	0.9	(0.2)	18.1	0.7
Central Income and Expenditure	65.4	3.2	0.0	68.6	0.0
Directorate Sub-total	968.4	62.5	(41.0)	989.9	18.3
Projected Funding	(968.4)	(3.2)	0.0	(971.6)	
Net Gap	0.0	59.3	(41.0)	18.3	

# Composition of Pressures

- The table below shows the £62.5m pressures split by:
  - Demand and inflation: £43.4m (offset by a £3.2m funding increase)
  - CV-19: £14.6m
  - Ambition: £4.5m

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	Base Budget £m	Demand & Inflation £m	CV-19 £m	Ambition £m	Efficiencies £m	Directorate Total £m	Directorate Gap £m
Adult Social Care	372.1	16.5	0.0	0.0	(11.5)	377.1	5.0
Public Health	32.6	0.0	0.0	0.0	0.0	32.6	0.0
Children, Families, Lifelong Learning and Culture	245.2	13.0	10.8	3.0	(20.9)	251.2	5.9
Environment, Transport and Infrastructure	132.8	5.9	2.5	0.9	(3.5)	138.8	5.9
Community Protection	36.2	1.8	0.0	0.0	(0.5)	37.4	1.2
Resources	66.6	2.6	1.1	0.1	(4.4)	66.1	(0.5)
TPP Services	17.4	0.4	0.1	0.5	(0.2)	18.1	0.7
Central Income and Expenditure	65.4	3.2	0.0	0.0	0.0	68.6	0.0
Directorate Sub-total	968.4	43.4	14.6	4.5	(41.0)	989.9	18.3
Projected Funding	(968.4)	(3.2)	0.0	0.0	0.0	(971.6)	
Net Gap	0.0	40.2	14.6	4.5	(41.0)	18.3	

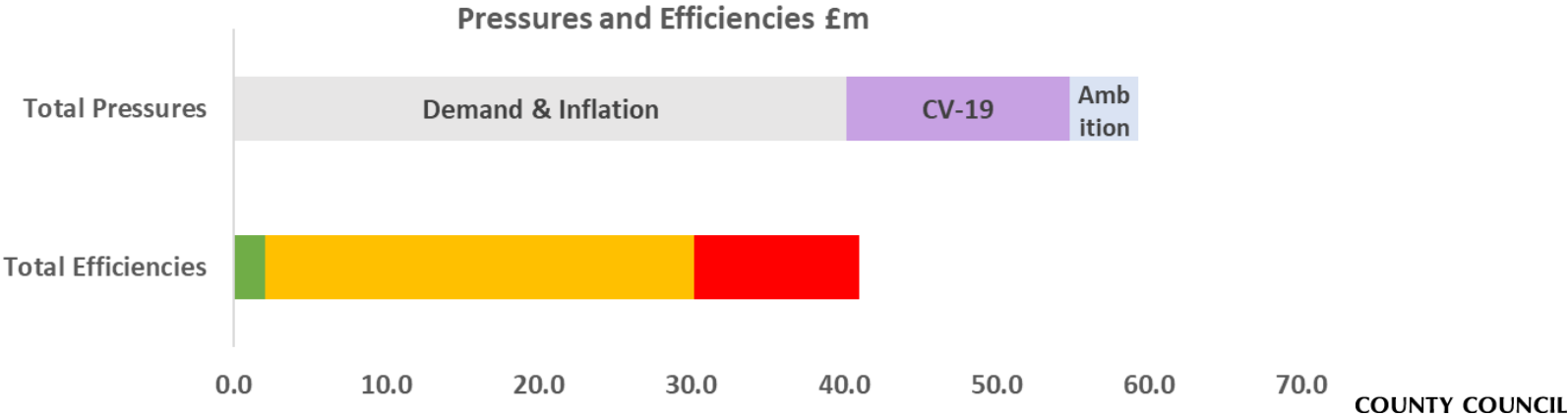
# 2021/22 Draft Efficiency Programme

- Efficiencies rated on risk of acceptability/achievability - **£10.8m categorised as red**
- CFLC need to deliver £20.0m of DSG efficiencies in addition to £20.9m General Fund

	Green	Amber	Red	Total
Adult Social Care	0.0	10.6	0.9	11.5
Children, Families, Lifelong Learning and Culture	0.6	10.9	9.3	20.9
Environment, Transport and Infrastructure	1.4	2.0	0.0	3.5
Community Protection	0.0	0.5	0.0	0.5
Resources	0.0	3.8	0.6	4.4
TPP Services	0.0	0.2	0.0	0.2
Total Efficiencies	2.0	28.1	10.8	41.0

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Identified efficiencies are inadequate to cover demand, inflation and CV-19 pressures:



# 2021-2026 Medium Term Financial Plan

- Directorates were tasked with costing the core planning assumptions and scenarios to arrive at a **pressures and efficiencies** for the MTFS from 2021/22 to 2025/26 to include alongside the Draft Budget
- **Draft estimates of likely funding over the medium-term** from Council Tax, Business Rates and Government Grants have been developed – these will need to be updated for funding announcements expected in November and December
- Pressures may iterate as further information on CV-19 becomes clearer
- The Capital Programme will continue to be refined to present the final programme to Cabinet in January, recommended to full Council in February

# 2021-2026 Council Summary Position

- The table shows the overall picture for the Council against estimated funding
- The estimates in some cases are indicative at this early stage and will require review
- 2021/22 shows a gap of £18.3m, growing to £170.1m over the 5-year MTFS
- Funding estimates are based on the most likely outcome but will be kept under review

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	Total					
	2020/21	2021/22	2022/23	2024/25	2025/26	Total
	£m	£m	£m	£m	£m	£m
<b>Budget Envelope</b>	<b>968.4</b>	<b>971.6</b>	<b>960.3</b>	<b>933.8</b>	<b>929.0</b>	
Brought forward budget	968.4	968.4	989.9	1,034.5	1,066.8	
Plus growth (inc inflation)		62.5	47.6	44.5	43.9	<b>243.9</b>
Less identified efficiencies		(41.0)	(29.7)	(12.3)	(11.5)	<b>(113.2)</b>
<b>Total budget requirement</b>		<b>989.9</b>	<b>1,007.7</b>	<b>1,066.8</b>	<b>1,099.1</b>	
Reductions still to find		18.3	29.1	50.2	37.0	<b>170.1</b>



# 2021-2026 Collection Fund Deficit Recovery

- **2020/21 estimated CV-19 losses £37m: £32.4m Council Tax and £5m Business Rates**
- Based on analysis of returns from District and Boroughs showing a shortfall in cash received against expected levels (through a combination of non-payment and increased Local Council Tax Support)
- **Required by MHCLG to be spread evenly over 3 years**
- Size of deficit will be refined as further data shared by District and Borough Councils
- **Collection Fund Recovery:** The collection fund is expected to move between deficit and surplus from now until 2023/24 due to the deficit spread and estimated recoupment of arrears increasing. We expect this to stabilise with modest surpluses thereafter

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Likely funding breakdown	Initial Loss	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
Council Tax Loss Spread	(32.4)	(10.8)	(10.8)	(10.8)		
Council Tax Recovery			13.0	4.9	1.6	1.6
Council Tax Net Collection Fund	(32.4)	(10.8)	2.2	(5.9)	1.6	1.6
Business Rates Loss Spread	(5.0)	(1.7)	(1.7)	(1.7)		
Business Rates Recovery			2.0	2.0		
Business Rates Net Collection Fund	(5.0)	(1.7)	0.3	0.3	0.0	0.0

# 2021-2026 Collection Fund Deficit Recovery

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Council Tax Loss Spread	(32.4)	(10.8)	(10.8)	(10.8)		
Council Tax Recovery			13.0	4.9	1.6	1.6
Council Tax Net Collection Fund	(32.4)	(10.8)	2.2	(5.9)	1.6	1.6
Business Rates Loss Spread	(5.0)	(1.7)	(1.7)	(1.7)		
Business Rates Recovery			2.0	2.0		
Business Rates Net Collection Fund	(5.0)	(1.7)	0.3	0.3	0.0	0.0

# Reserves

- The table below shows the 2019/20 closing earmarked reserves balance of £179.1m and projected outturn for 2020/21
- The movement on the Budget Equalisation Reserve represents the forecast of unused contingency for 2020/21 (consisting of £20.3m opening and £1.4m repayment from ETI relating to Street Lighting efficiencies)
- **When added to contingencies already in reserve, total contingency available for 2021/22 is c£34m, assuming no use in 2020/21**
- In addition to earmarked reserves, the Council holds a General Fund balance of £24.2m

Reserve	2019/20 Closing £m	2020/21 Projected Movement £m	2020/21 Projected Closing £m
Investment Renewals	5.2		5.2
Equipment Replacement	3.9		3.9
Capital Investment Reserve	5.0		5.0
Interest Rate Risk	1.0		1.0
Insurance	10.7		10.7
Eco Park Sinking Fund	27.7		27.7
Streetlighting PFI Fund	2.5		2.5
Economic Prosperity	11.7		11.7
Revolving Investment & Infrastructure Fund	11.1		11.1
Business Rate Appeals	28.6		28.6
Transformation Reserve	1.8		1.8
CFLC Inspection and System Improvements	1.3		1.3
COVID-19 Emergency Funding	24.2	(14.3)	9.9
Budget Equalisation Reserve	44.4	21.7	66.1
<b>Subtotal before DSG High Needs Block (HNB) Deficit</b>	<b>179.1</b>	<b>7.4</b>	<b>186.5</b>
Earmarked DSG HNB Reserve	48.6	31.6	80.2
DSG HNB Deficit	(48.6)	(31.6)	(80.2)
<b>Total Earmarked Reserves</b>	<b>179.1</b>	<b>7.4</b>	<b>186.5</b>

# Resources



**SURREY**  
COUNTY COUNCIL

# Services provided

The Resources Directorate provides the following vital support services to the organisation:

- |                       |                        |  |
|-----------------------|------------------------|--|
| • Land & Property     | • IT&D*                | <b><i>Projects led by the Directorate:</i></b> |
| • Finance             | • Procurement*         | • Digital Business & Insights                  |
| • Legal Services      | • Business Operations* | • Agile Organisation                           |
| • Democratic Services | • Twelve15             | • Digital                                      |

\* Delivered through the Orbis Partnership with East Sussex County Council and Brighton & Hove City Council

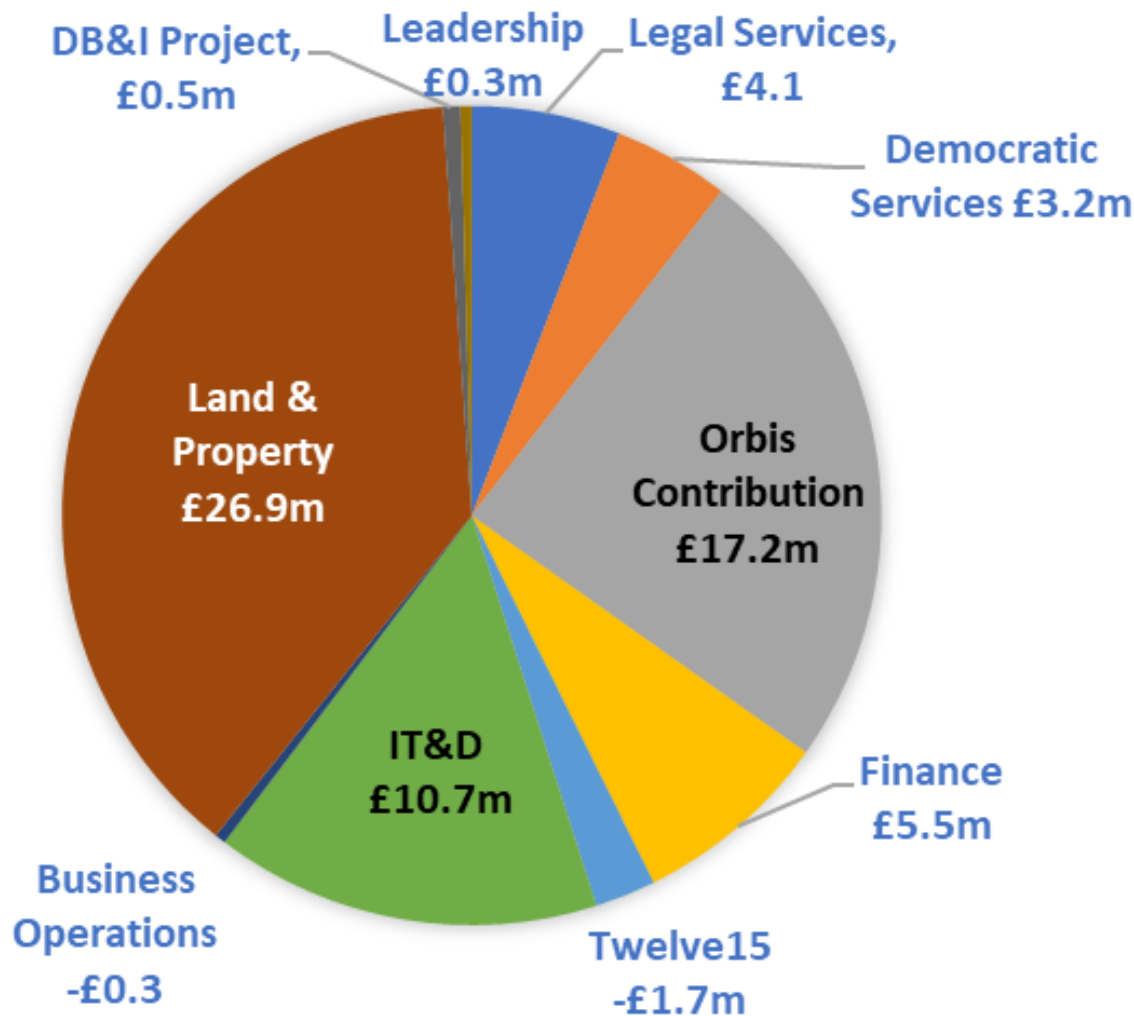
The Resources Directorate want to be known for the consistent delivery of high quality, trusted advice and service and a key enabler for the County Council to achieve the best outcomes for local residents.

Our promise is that we will always be...

- **Solution oriented**, enabling Services to find and deliver what is best for Surrey
- **Proactive**, engaged in your conversations from the outset and anticipating your requirements wherever we can
- **Insightful**, relentlessly seeking to learn and apply best practice, matched to a sound understanding of the business
- **Focussed on your user experience**, whether you require strategic advice or resolution of an operational issue
- **Highly efficient and effective** at providing all the functions we are responsible for

# How is the service budget spent?

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

# How is the service budget spent?

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Type of expenditure/ income	2020/21 net budget £m
Staffing	33.5
Orbis Contribution *	17.2
IT costs	10.9
Property Maintenance & Repairs	10.6
Other Expenditure	8.9
Purchase of food	8.1
Property Rates	6.4
Utilities	4.1
Property rents	4.1
Schools meals income	- 22.7
Other Income	- 8.5
Property Income	- 6.1
<b>Net expenditure funded by SCC</b>	<b>66.6</b>

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

# Service strategy for 2021-26 MTFS

Through it's improvement programme the Directorate are looking to provide efficient services without reducing the service offer.

Despite this, efficiencies have been identified to offset the emerging pressures, including those relating to COVID-19. This has resulted in a balanced position for the Directorate for 2021/22, with a small net contribution being achieved.

In the medium term the focus on realising efficiencies will be in conjunction with the following strategies:

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### DB&I

New ERP solution to help drive more streamlined & automated processes

### Agile Office Estate Strategy

Realising efficiencies in management of the Council's office estate

### Property Strategy

Increased impetus on using our asset base to generate sustained income alongside rationalisation of estate to reduce cost

### Digital Transformation

Programme of digital change, improving data insight, and enabling behavioural & process change

### Business Partnering Approach

Changes to culture & working practices



# 2021-26 MTFS Budget Summary

	Resources								
	2019/20	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	Total
	Budget £m	Outturn £m	£m	£m	£m	£m	£m	£m	£m
Brought forward budget	71.2	70.2	66.6	66.6	66.1	64.7	63.9	65.9	
Plus growth (inc inflation)				3.9	1.4	2.1	2.1	2.1	11.5
Less identified opportunities				(4.4)	(2.8)	(2.9)	0.0	0.0	(10.1)
Adjusted Base - Likely Position				66.1	64.7	63.9	65.9	68.0	
Directorate growth				(0.5)	(1.4)	(0.9)	2.1	2.1	1.4
Indicative share of medium-term gap				0.0	1.6	1.1	2.1	1.1	5.9
Reductions still to find				(0.5)	0.2	0.2	4.2	3.2	7.3

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Significant progress has been made in recent months. Mitigating activities identified to reduce the emerging pressures and further efficiency opportunities identified and committed to. The budget for 2021/22 is now within the target budget envelope, generating a small net contribution.

There remains a gap from 2022/23 onwards, which rises to £7.3m by 2025/26, based on current modelling of potential changes to the Council’s funding in future years. The Directorate will continue to challenge assumptions and identify mitigations and further efficiency opportunities to try to bring the budget within available resources for future years.

# Summary of budgeted pressures

Pressure	2021/22 £m	2021-26 £m	Comments
Income losses from School Meals	0.5		COVID-19 related, expected to recovery over MTFS period
Additional IT requirements for agile working and digital delivery	0.3	0.3	
Enhanced cleaning in operational buildings	0.3	0.3	COVID-19 related but expected to be sustained throughout the medium term
Legal Services	0.5	0.2	One-off CV-19 pressure relating to children's safeguarding cases in 21/22 & ongoing children's caseloads & property transaction related costs
Democratic Services contribution to election reserve	0.4	0.4	Setting up system of spreading costs of elections
Inflation (pay & non-pay)	1.9	10.5	
<b>Total budgeted pressures</b>	<b>3.9</b>	<b>11.7</b>	

# Planned efficiencies

Efficiency Proposal	2021/22 £m	Total MTFS £m	2021/22 RAG
Land & Property: corporate landlord approach, property rationalisation, income generation and adopting essential revenue maintenance approach	3.0	3.0	A
IT&D Service-wide review and realignment of budgets	0.8	0.8	A
Orbis business plan efficiencies	0.6	0.6	A/R
DB&I reduced running costs relating to ERP	0.0	0.3	
Efficiencies realised from the DBI programme and the 'go-live' of new ERP processes	0.0	2.0	
Agile Office Estate efficiencies	0.0	3.4	
<b>Total</b>	<b>4.4</b>	<b>10.1</b>	

# Draft Capital Programme – Land & Property

The Resources Capital Programme totals £338.5m over 5 years, as set out below:

Project	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	TOTAL £m
Schools Basic Need	30.6	38.4	43.7	5.7	5.7	124.0
Recurring Capital Maintenance Schools	13.5	17.3	17.3	17.5	18.0	83.5
Priority Schools Building Programme 2	2.2	-	-	-	-	2.2
SEND Strategy	22.0	29.3	9.4	-	-	60.7
Recurring Capital Maintenance Corporate	10.2	9.4	9.3	9.0	9.0	46.8
Relocation & upgrade of SFRS - Wray Park	9.3	5.5	-	-	-	14.7
Winter Maintenance Depot (Salt Barns)	3.2	-	-	-	-	3.2
Fire Risk Assessments	0.6	0.4	0.4	0.4	0.4	2.2
Fire Station Reconfiguration	0.7	-	-	-	-	0.7
Gypsy Sites	0.4	-	-	-	-	0.4
Woking Library	0.1	-	-	-	-	0.1
<b>Resources Total</b>	<b>92.7</b>	<b>100.2</b>	<b>80.0</b>	<b>32.6</b>	<b>33.0</b>	<b>338.5</b>

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

- Corporate Asset Capital Programme Spend (£38m)
- Weybridge Community Centre (£26m)
- Depots (£17m)

Land & Property are establishing much closer working relationships with services and other Directorates – this will provide further clarity and insight into future land and property requirements, specifically in relation to Schools Basic Need and SEND requirements.



# Draft Capital Programme – IT&D

Project	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	TOTAL £m
IT&D Hardware	1.2	1.0	3.0	5.6	1.2	12.1
Digital Business & Insights Programme - ERP Replacement	8.8	-	-	-	-	8.8
IT&D Infrastructure	0.7	1.4	1.1	2.0	1.0	6.2
Telephones UNICORN network (BT)	2.5	0.2	0.1	0.1	0.1	3.1
Agile Workforce - Transformation	-	-	1.9	-	-	1.9
Education Management System	0.8	-	-	-	-	0.8
Data Centre Replacement	0.1	0.0	0.1	0.1	0.1	0.4
<b>IT TOTAL</b>	<b>14.0</b>	<b>2.7</b>	<b>6.2</b>	<b>7.9</b>	<b>2.4</b>	<b>33.2</b>

**Recurring Programmes** (most have a 3-5 year refresh period, hence peaks in the projected spend):

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- Infrastructure– replacement and maintenance of server and storage infrastructure
  - Unicorn - Replacement of end of life network equipment that supports the corporate network including network switches and routers.
  - Data Centre - Replacement of end of life physical infrastructure that supports the Data Centres.
  - User Hardware - Replacement & deployment of end of life end user hardware, laptops, Hybrids, iPhone and desktop devices.

**Capital Projects:**

- Agile – Part of wider transformation programme, includes mobile solutions, technology infrastructure, culture and skills, digital services, information and knowledge management

**Projects Managed within other services:**

- Education Management System
- Digital Business & Insights Programme (ERP replacement)



# **Transformation, Partnerships & Prosperity**

# Services provided

The services of the Transformation, Partnership & Prosperity (TPP) Directorate are not currently consolidated within the one Directorate, being dispersed across several Directorates, as part of an interim Leadership Structure. For budget planning purposes, these services are being treated as being consolidated and working to the TPP Directorate budget envelope.

These services provide resources, activities and expertise that are vital to drive forward, enable and support the Council to achieve the Community Vision for Surrey 2030, the refreshed Organisational Strategy and financial objectives.

Services within the Transformation, Partnership & Prosperity budget envelope:

- HR&OD
- Communications
- Transformation Support Unit
- Customer Services
- Community Partnerships
- Insight, Analytics & Intelligence
- Economic Development
- Leadership Office

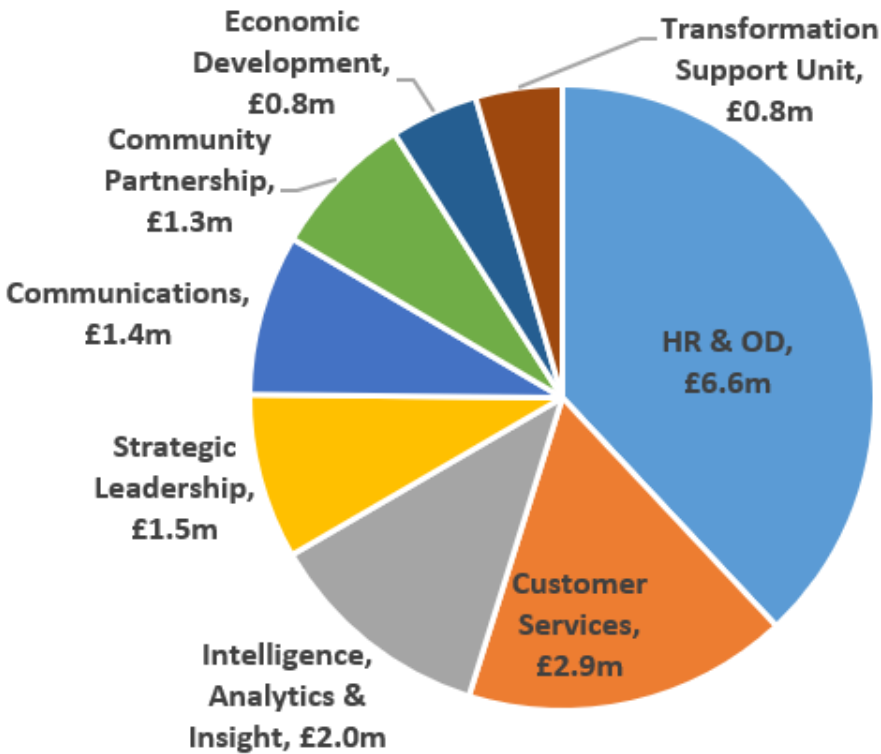
# How is the service budget spent?

Type of expenditure / income	2020/21 net budget £m
Employee cost	13.4
Training (HR&OD)	1.3
Recruitment	0.8
Healthwatch (community care)	0.6
Voluntary sector grants	0.4
Member allocations	0.4
Surrey Growth Fund	0.3
Publicity (advertising and campaigns)	0.3
Subscriptions	0.2
Occupational health and employee assistance contracts	0.2
Other non staffing	0.4
Government grants	-0.5
Recovery of cost and fees	-0.4
<b>Total net expenditure</b>	<b>17.3</b>

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The majority of the TPP budget is spent on staffing costs. With the next highest elements of expenditure being within the HR&OD budgets for recruitment & training.

The chart shows that the largest service budget relates to HR&OD, with Customer Services and IA&I being the next two largest areas of expenditure.





# Service strategy for 2021-26 MTFS

The service within the Transformation, Partnership & Prosperity Directorate provide resources, activities and expertise that are vital to drive forward, enable and support the Council to achieve the Community Vision for Surrey 2030, the refreshed Organisational Strategy and financial objectives.

There is a need to further invest in these to deliver on the recently confirmed Council's ambitions, specifically;

- Economic recovery and growth, drawing on the findings of the Surrey Future Economy Commission and research by the University of Surrey
- Embedding and supporting community-focussed approaches into the way we work, (including Local Community Networks and Your Surrey Fund), our organisational culture and the services we provide.

Financial efficiencies are being realised as Customer Services continue to extend the front-line customer service offer and implement digital enablers to support customers to successfully self-serve, reducing volumes and costs and enabling resources to be focused on priority areas.

In addition, financial efficiencies across the organisation are driven through the ambitious and forward-looking transformation programme, making a significant contribution to achieving the financial sustainability required, so that the Council can deliver priorities, resulting in better outcomes for Surrey residents.

# 2021-26 MTFS Budget Summary

Transformation, Partnerships & Prosperity									
	2019/20 Budget	2019/20 Outturn	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Brought forward budget	14.7	15.3	17.4	17.4	18.1	18.3	18.4	18.4	
Plus growth (inc inflation)				0.9	0.5	0.4	0.4	0.4	2.5
Less identified opportunities				(0.2)	(0.3)	(0.2)	(0.4)	(0.6)	(1.8)
Adjusted Base - Likely Position				18.1	18.3	18.4	18.4	18.1	
Directorate growth				0.7	0.2	0.1	(0.1)	(0.2)	0.7
Indicative share of medium-term gap				0.0	0.4	0.3	0.5	0.3	1.5
Reductions still to find				0.7	0.6	0.4	0.5	0.1	2.2

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Progress has been made in recent months to identify mitigating activities to reduce emerging pressures.

Despite this there remains a gap of £0.7m between the budget proposals for 2021/22 compared to the Council’s currently estimated available funding. This gap increases to £2.2m by 2025/26 based on current modelling of potential changes to the Council’s funding in future years.

The Directorate will continue to challenge assumptions and identify mitigations and further efficiency opportunities to try to bring the budget within available resources.

# Summary of budgeted pressures

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Pressure	2021/22 £m	2021-26 £m	Comments
Economic Development Strategy	0.3	0.5	Requirement to strengthen Economic Development Team to develop and implement Growth Plan
Administration of Community Projects Fund	0.2	0.2	
Communications	0.1		COVID-19 related one-off pressure due to continued increased requirement for communications
Inflation (pay & non-pay)	0.3	1.9	
<b>Total budgeted pressures</b>	<b>0.9</b>	<b>2.5</b>	

# Planned efficiencies

Efficiency Proposal	2021/22 £m	Total MTFS £m	RAG
Customer services channel shift	0.2	0.2	A
HR income opportunity through traded services to schools	0.0	1.2	
DB&I improved processes leading to a reduction in HR&OD FTE	0.0	0.2	