

ANNEX A: PRESSURES & EFFICIENCIES

SUMMARY

	2023/24	2024/25	2025/26	2026/27	2027/28	
	£m	£m	£m	£m	£m	£m
a) Brought forward budget	1,039.0	1,080.5	1,120.2	1,188.7	1,246.5	

Pressures

Directorate	Pressure					Total
	2023/24	2024/25	2025/26	2026/27	2027/28	
	£m	£m	£m	£m	£m	£m
Adult Social Care	52.6	38.2	45.5	48.1	29.5	213.9
Public Service Reform and Public Health	0.1	0.0	0.0	0.0	0.0	0.2
Children, Families and Lifelong Learning	38.7	11.6	11.1	10.2	10.3	81.9
CFL - DSG High Needs Block	0.0	0.0	0.0	0.0	0.0	0.0
Environment, Transport and Infrastructure	14.9	4.8	3.0	3.8	3.9	30.4
Surrey Fire & Rescue Service	6.4	1.2	0.2	0.6	0.9	9.3
Customer and Communities	1.6	0.8	0.8	0.8	0.9	5.0
Prosperity, Partnerships and Growth	0.2	0.0	0.0	0.0	0.0	0.3
Commns, Public Affairs & Engagement	0.1	0.1	0.1	0.1	0.1	0.4
Resources	8.9	2.6	2.6	2.7	2.7	19.6
Central Income and Expenditure	1.8	11.6	24.6	7.6	4.6	50.2
b) Total Pressures	125.1	71.0	88.1	73.9	53.0	411.0

Efficiencies

Directorate	Efficiency					Total
	2023/24	2024/25	2025/26	2026/27	2027/28	
	£m	£m	£m	£m	£m	£m
Adult Social Care	(19.8)	(14.1)	(10.5)	(9.9)	(2.9)	(57.2)
Public Service Reform and Public Health	0.0	0.0	0.0	0.0	0.0	0.0
Children, Families and Lifelong Learning	(10.4)	(6.9)	(5.1)	(3.9)	(4.1)	(30.4)
CFL - DSG High Needs Block	(22.2)	0.0	0.0	0.0	0.0	(22.2)
Environment, Transport and Infrastructure	(3.5)	(2.2)	(0.6)	(0.3)	(0.3)	(6.8)
Surrey Fire & Rescue Service	(0.9)	(0.2)	0.0	(0.4)	0.0	(1.5)
Customer and Communities	(1.0)	(0.3)	(0.2)	(0.2)	(0.2)	(1.9)
Prosperity, Partnerships and Growth	(0.1)	0.0	0.0	0.0	0.0	(0.1)
Communications, Public Affairs & Engagement	(0.0)	0.0	0.0	0.0	0.0	(0.0)
Resources	(6.3)	(3.1)	(2.3)	(0.5)	(0.5)	(12.7)
Central Income and Expenditure	(19.3)	(4.6)	(1.0)	(1.0)	(1.0)	(26.9)
c) Total Efficiencies	-83.6	-31.3	-19.6	-16.1	(9.0)	-159.8

Indicative Budget Requirement (a + b - c)	1,080.5	1,120.2	1,188.7	1,246.5	1,290.4	251.2
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d) Indicative funding increase / (reduction)	27.1	19.6	-5.6	-6.2	(5.0)	29.9
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Remaining Gap (b - c - d)	14.4	19.9	74.3	63.9	48.9	221.4
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*Columns and rows may not sum throughout the annex due to the impact of minor rounding discrepancies

ADULTS SOCIAL CARE

Pressures

Pressure	Description	Net Pressure					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
2022/23 care package carry forward pressure	This pressure represents the extent to which it is currently estimated that full year care package commitments will be above the 2022/23 care package budget by 31st March 2023 factoring planned mitigations in the remainder of the year	7.4					7.4
Pay inflation	Estimated costs of pay inflation	5.4	2.5	2.6	2.6	2.7	15.8
Other staffing budget changes	Changes to the Adult Social Care's staffing budget requirement beyond inflation to pay bands.	0.9					0.9
Price inflation (care packages & contracts)	The budgeted cost of price inflation planned to be paid to care providers across all of the care packages and contracts that Adult Social Care funds. Based on known and estimated inflationary pressures, the latest budget position plans for uplifts of 7.1% (23/24), 5.3% (24/25) and 3.7% (25/26 - 27/28) for care homes and 7.7% (23/24), 6.0% (24/25) and 4.3% (25/26 - 27/28) for all other care types	27.5	23.6	18.1	19.1	20.1	108.3
Care package demand	The estimated cost of young people transitioning each year from Children's, Families and Learning services to Adult Social Care, plus estimated demand based on demographic growth for all other ASC client groups. Continued higher levels of demand for Mental Health services following the pandemic have been included.	6.0	7.9	7.6	7.1	6.4	35.0
Community equipment demand	Adult Social Care's share of the modelled cost of increased provision of Community Equipment over the life of the MTFs mitigated by expected cost efficiencies secured through the new Community Equipment Store contract that went live in April 2022.	0.1	0.1	0.2	0.3	0.3	1.0
Discharge to Assess	The additional cost to the Council beyond Adult Social Care's current budget of the impact of the end of national funding for Discharge to Assess (D2A) which ended on 31st March 2022.	5.3					5.3
Liberty Protection Safeguards	The potential additional cost of meeting requirements of new legislation that would replace current Deprivation of Liberty Safeguards regulations. The timing of when this legislation may be introduced remains unclear.		4.1	3.1	0.0	0.0	7.2
Adult Social Care Charging and Fair Cost of Care reforms	The latest mid point assessment of the potential gap between the additional cost impact caused by the ASC Charging Reforms and the funding SCC may receive towards these costs. Pressures are profiled based on the delayed implementation date of October 2025. This assumes any fee increases required as part of the government's Fair Cost of Care (FCoC) agenda will be limited to within whatever FCoC funding Surrey receives.			14.0	19.0		33.0
Total Pressures		52.6	38.2	45.5	48.1	29.5	213.9

ADULTS SOCIAL CARE

Efficiency	Description	Efficiency					
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	Total £m
Front door redesign and strength based Discharge to Assess model to reduce long term care in the community and arising from hospital discharge	Redesign of ASC's front door to ensure a more streamlined and consistent offer to residents, improve signposting and triaging of demand, increase the use of technology enabled care and a strength based approach to support people's independence. To review and adapt how reablement supports the front door. Embed an enhanced strengths based Discharge to Assess model across Surrey to ensure people receive targeted support following hospital discharge to reduce their long term care needs. These measures combined will mitigate demand pressures that would otherwise be incurred.	(2.9)	(4.5)	(5.6)	(5.5)	0.0	(18.5)
Strength based care package reviews - Older People	Ensuring as part of scheduled reviews of people's existing care packages that the current commissioned care and support remains appropriate and is strengths based to promote people's independence and reduce the need for long term support.	(0.4)	0.0	0.0	0.0	0.0	(0.4)
Strength based care package reviews - Physical & Sensory Disabilities		(0.3)	0.0	0.0	0.0	0.0	(0.3)
Strength based care package reviews - Learning Disabilities & Autism		(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(2.0)
Strength based care package reviews - Mental Health		(0.1)	(0.0)	0.0	0.0	0.0	(0.1)
Consistent practice for supporting people with more complex needs	In line with Surrey's home first principle, ensure practice for commissioning care to support people at home is consistent across the county, whilst also recognising that it is not always possible to meet people's needs most appropriately and affordably at home.	(0.3)	(0.3)	0.0	0.0	0.0	(0.6)
Remodel Learning Disabilities & Autism day support services	Continue to move towards a more personalised approach to supporting people during the day, including reducing reliance on institutionalised building based services. This will involve the implementation of the Surrey Choices Changing Days programme which includes a greater level of engagement with existing community services and vocational opportunities.	(0.8)	(0.3)	(0.3)	(0.3)	(0.3)	(1.9)
Strategic shift from Learning Disability / Autism residential care to independent living	Where appropriate and subject to review of people's needs, support people to move from institutionalised residential care to supported independent living services in the community. This will be facilitated through delivering SCC's ambition to drive the development of 500 new supported independent living units, including some on Council owned land.	(0.4)	(0.3)	(0.1)	(0.1)	0.0	(0.9)
Expand affordable Extra Care Housing county-wide offer for Older People	Develop new affordable Extra Care Housing schemes on SCC owned land and secure nomination rights for ASC funded clients. SCC has an ambition to create 725 new affordable Extra Care Housing units by 2030.	0.0	(0.1)	(0.4)	(1.1)	(0.1)	(1.7)
Review and remodel transport arrangements to and from ASC care settings	Reduce the scale of transport to institutionalised building based day services in line with the approach to move towards a more personalised approach to supporting people during the day.	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)
Improved purchasing of Older People nursing/residential placements	Purchase a greater proportion of Older People nursing & residential care placements at SCC's affordable guide prices through effective management of the new Dynamic Purchasing System which went live in 2022/23. The target is to buy 80% of beds at guide prices in 2023/24 rising to 85% from 2024/25.	(1.2)	(2.0)	(1.8)	(0.9)	(0.6)	(6.5)
Maximise usage of block contract residential beds	Increase and maintain average occupancy of the Older People residential care beds that SCC purchases on a block basis to 90%.	(0.8)	0.0	0.0	0.0	0.0	(0.8)
Improved purchasing of Home Based Care packages	Improve the average price at which ASC purchases home based care services by maximising usage of more affordable capacity in the market based on continued development of the Approved Provider List framework that went live in October 2022.	(0.5)	(0.6)	(0.3)	0.0	0.0	(1.3)
Improved purchasing of Learning Disability & Autism 65+ residential care	Ensure the amount ASC pays for appropriately supporting people with a Learning Disability and/or Autism who are aged 65 or over reflects the changes to their support requirements in older age.	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.0)
Review of Older People in-house services	This reflects the decision made by Cabinet in February 2022 to close the 8 Older People residential care homes operated in-house by the Council. This work is in progress with the closure of 3 homes.	(7.6)	(3.8)	0.0	0.0	0.0	(11.4)
Review of Learning Disability in-house services	Efficiencies through transitioning some of the Learning Disability care homes operated in-house by the Council to supported independent living services.	(0.5)	(0.1)	0.0	0.0	0.0	(0.6)
Maximise cost effectiveness of in-house provided Reablement services	Efficiencies planned to be achieved through increasing the volume of client contact hours for the current in-house reablement resources through the implementation of a new rostering system that will substantially reduce deficit hours (contractual hours for which the staff member has not had any specific work assigned to them) and increase numbers of people through the service.	(0.8)	(0.1)	0.0	0.0	0.0	(0.9)
Apply joint S117 funding policy to all ASC funded clients with S117 Aftercare	Ensuring that everyone who ASC support with an active Section 117 Aftercare status is appropriately joint funded across health and social care as agreed in the Section 117 Aftercare joint funding policy thus ensuring additional income.	(1.3)	0.0	0.0	0.0	0.0	(1.3)
Ensure appropriate Continuing Health Care funding	Agree with health partners and then implement a new joint funding policy under the Continuing Health Care framework dictating how people with combined health and social care needs in Surrey are appropriately funded, and ensure anyone with a primary health need is fully funded under Continuing Health Care.	(0.8)	(0.9)	(0.9)	(0.9)	(0.9)	(4.2)
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.	(0.5)	(0.4)	(0.4)	(0.4)	(0.4)	(2.1)
Maximising our income	Maximise cost recovery for the small proportion of ASC's total charging income where the Council has full discretion about the charges it sets.	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)
Total Efficiencies		(19.8)	(14.1)	(10.5)	(9.9)	(2.9)	(57.2)

PUBLIC SERVICE REFORM AND PUBLIC HEALTH

Pressure	Description	Net Pressure					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Pay inflation	Estimated costs of pay inflation	0.2	0.2	0.2	0.2	0.2	0.9
Non-pay inflation	Estimated non pay inflation on PH commissioned services based on the estimated increase to PH Core Grant (3% in 23/24 and 2% thereafter). i.e. the assumption is that inflationary increases on PH contracted services are limited to the increase to Surrey's PH Core Grant	1.0	0.7	0.7	0.7	0.7	3.8
Public Health Grant change	Assumed increases to the PH Core Grant of 3% in 23/24 and 2% thereafter.	(1.2)	(0.8)	(0.8)	(0.8)	(0.9)	(4.6)
Total Pressures		0.1	0.0	0.0	0.0	0.0	0.2

CHILDREN, FAMILIES AND LIFELONG LEARNING

Pressures

Pressure	Description	Net Pressure					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Children Looked After (CLA) Demand	Combination of expected gross increase in the number of CLA before impacts of new practice models and strategies. Nationally highlighted issues in the provider market are also impacting the number of available placements and in some cases driving the use of higher cost placements.	1.5	2.1	2.4	2.3	2.3	10.6
Children Looked After Inflation	Combination of expected gross increase in the number of CLA before impacts of new practice models and strategies. Nationally highlighted issues in the provider market are also impacting the number of available placements and in some cases driving the use of higher cost placements.	5.5	3.0	1.0	1.2	1.2	11.9
Contract inflation	Expected inflationary increase in contract costs, recalculated to take effect of higher inflation in 22/23 and 23/24. Further update from CF in Sept. This excludes CLA placements and home to school transport which are included in the relevant lines	2.8	0.9	0.9	0.9	0.9	6.4
Pay inflation	Estimated costs of pay inflation	6.0	3.7	3.7	3.8	3.9	21.2
Other	Planned transition of EYES programme team into BAU budget	(0.2)	(0.2)	0.0	0.0		(0.3)
Home to School Transport	Projected increases in demand and inflation	19.2	1.9	1.9	1.9	1.9	27.0
CWD Care	Increased demand in CWD Care pressures in 22/23	2.5					2.5
Vanguard funding	3 year funding agreement which comes to an end in 24/25			1.0			1.0
Recruitment and retention	Additional costs of ASYE scheme, apprenticeships and impact of pay progression	1.3	0.2	0.2			1.7
Total Pressures		38.7	11.6	11.1	10.2	10.3	81.9

Efficiencies

Efficiency	Description	Efficiency					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Children Looked After Demand/inflation - Reunification Project	Reuniting children with their families where appropriate to do so	(0.4)	0.0	0.0	0.0	0.0	(0.4)
Children Looked After Demand/inflation - Impact of new practice models on Looked After Children numbers	High Range demand assumptions from IMPOWER analysis	(2.6)	(2.0)	(1.3)	(1.3)	0.0	(7.2)
EYES/LIFT - Controcc	Financial efficiencies from the introduction of new Childrens IT and payment system	(0.2)	(0.2)	0.0	0.0	0.0	(0.3)
Home to School Transport - Transport	Anticipated efficiencies from changes to policy from Sept 22/23	(2.2)	(0.4)	(0.1)	0.0	0.0	(2.7)
Houses of Multiple occupancy	Efficiencies from supporting care leavers in HMOs purchased and fitted out through the capital programme.	(0.2)	(0.1)	0.0	0.0	0.0	(0.2)
CLA Stretch efficiencies	Stretch efficiency for CLA demand management. Considering expansion of existing efficiencies or other alternative options.	(3.4)	(2.0)	(2.3)	(2.0)	(3.5)	(13.2)
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.	(0.5)	(0.4)	(0.4)	(0.4)	(0.4)	(2.1)
Maximising our income	Maximise cost recovery for the proportion of CFL's total charging income where the Council has full discretion about the charges it sets.	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(1.1)
CLA Capital Programme	Additional capacity created within Surrey homes providing a reduced cost differential with the external residential equivalent	(0.3)	(0.6)	(0.3)	0.0	0.0	(1.2)
Block booking of bed spaces	Potential to block purchase bed spaces in new childrens homes	(0.3)	0.0	0.0	0.0	0.0	(0.3)
Reduction in management headcount	Adjustment to structures based on a review of management levels and expectations of requirements following future Ofsted inspections	(0.2)		(0.5)			(0.7)
Annual procurement plan savings	Estimated 10% reduction on contract costs for Annual Procurement Plan projects. Alternative plan is for 35% which would have significant impact on level of services delivered		(1.0)				(1.0)
Total Efficiencies		-10.4	-6.9	-5.1	-3.9	-4.1	-30.4

CHILDREN, FAMILIES AND LIFELONG LEARNING – HIGH NEEDS BLOCK

Efficiency	Description	Efficiency					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Reduction in HNB offsetting reserve budget	There is no ongoing requirement for the DSG High Needs Block offsetting reserve budget as a result of the safety valve agreement signed at the end of 21/22. This adjustment removes this from the base budget in future years.	(22.2)	0.0	0.0	0.0	0.0	-22.2
Total Efficiencies		-22.2	0.0	0.0	0.0	0.0	-22.2

ENVIRONMENT, TRANSPORT AND INFRASTRUCTURE

Pressures

Pressure	Description	Net Pressure					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Non-Pay Inflation	Expected inflationary increase in contract and related costs. Assumes additional 6.8% catch-up for 22/23, 7.3% for 23/24, 2% thereafter.	11.7	2.6	2.7	2.8	2.8	22.6
Pay inflation	Estimated costs of pay inflation	1.5	0.9	1.0	1.0	1.0	5.4
Environment - Waste - CRC charges	Government is expected to remove ability to charge for DIY materials. Change may not be immediate, and cost will depend on the volume of materials returning to CRCs.		1.1				1.1
Environment - Waste team capacity	Review the waste management team structure		0.6				0.6
Young person's travel scheme	Estimated cost of half price travel scheme for under 20s	0.5					0.5
Works IT system	Replacement system	0.5	(0.0)				0.4
Prior year efficiency	Prior year "marginal gains" have not been delivered	0.4					0.4
Legal Support - Highways & Planning	Additional ongoing resource to support ETI services	0.2					0.2
Active Travel	Maintaining new active travel infrastructure to heightened design standards				0.0	0.1	0.1
Environment - Countryside - ash dieback	Dealing with ash dieback impact on countryside trees, e.g. where they effect public rights of way	0.2		(0.2)			0.0
Environment - Waste volumes	The 2021/22 MTFS reflected increased volumes, e.g. due to home-working, which are assumed to reduce over the period.		(0.4)	(0.4)			(0.7)
Environment - Staffing	Partial reduction in additional resources to support delivery of Greener Futures and Rethinking Waste		(0.1)				(0.1)
Environment - Waste contract reprocurement	Reprocurement costs, to the extent they are not expected to be met from other sources including Transformation Funding.		0.1	(0.1)			0.0
Total Pressures		14.9	4.8	3.0	3.8	3.9	30.4

Efficiencies

Efficiency	Description	Efficiency					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Waste - DMR prices	DMR prices continue to provide a benefit, although historically have been volatile.	(2.0)					(2.0)
Maximising our income	Maximise cost recovery for the proportion of ETI's total charging income where the Council has full discretion about the charges it sets.	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.0)
Waste - Rethinking waste	Review of waste operating model and assess the implications of Government strategy - including extended producer responsibility, deposit return scheme, recycling credits, infrastructure	0.0	(1.0)				(1.0)
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.	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.6)
Concessionary fares volumes	Volumes are lower than budgeted	(0.6)					(0.6)
Planning income and developer funding	Review developer funding (e.g. S106) to identify schemes already delivered, review application of planning fees to cover relevant costs	(0.4)					(0.4)
Parking - expanding on street parking charging	Continuing to expand on street parking charging through parking reviews etc.	(0.3)	(0.1)	(0.1)			(0.5)
Street lighting LED conversion	Energy savings as street lights are converted to LED	(0.3)					(0.3)
Moving Traffic offences	Estimated contribution to highway costs	0.0	(0.3)	(0.1)			(0.5)
Savings & pressures identified during 2022/23	Net position following a number of number of budget adjustments to reflect different savings and pressures.	(0.2)					(0.2)
Insurance claims	Reduction in value of insurance claims	(0.1)					(0.1)
Environment - Countryside - various	Events on the countryside estate, income from property investment, and development of the Basingstoke Canal Centre campsite.	(0.1)	(0.0)	(0.0)			(0.1)
Bus lane enforcement	Expansion of current bus lane enforcement measures improve reliability of public transport services	0.1	(0.1)				(0.1)
Commercialisation & innovation	Advertising on the Highway. Large and Small format	(0.0)	(0.3)				(0.3)
Planning income	Income from Planning Performance Agreements and charges for discretionary services	(0.0)	(0.0)	(0.0)			(0.1)
Waste - Growth in reuse shop income	Continue to expand reuse shop offer at Community Recycling Centres	(0.1)					(0.1)
One off funding (reversal)	Reversal of one-off 22/23 grant funding and income	1.0					1.0
Total Efficiencies		(3.5)	(2.2)	(0.6)	(0.3)	(0.3)	(6.8)

CUSTOMER AND COMMUNITIES

Pressures

Pressure	Description	Net Pressure					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Non-pay inflation	Expected inflationary increase in contract costs	(0.0)	0.1	0.1	0.1	0.1	0.5
Pay inflation	Estimated costs of pay inflation	1.0	0.7	0.7	0.7	0.8	4.0
Coroner - funding	Agreed phased reduction in funding from Surrey Police	0.1	0.0	0.0	0.0	0.0	0.1
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)	0.0	(0.1)
Pay Inflation	Additional 2% pay	0.5	0.0	0.0	0.0	0.0	0.5
Total Pressures		1.6	0.8	0.8	0.8	0.9	5.0

Efficiencies

Efficiency	Description	Efficiency					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Income Strategy	Generate additional income with a particular focus on additional service offers through Registrations plus inflationary uplifts to fees and charges	(0.4)	(0.2)	(0.2)	(0.2)	(0.2)	(1.2)
Service & Cross directorate	Drive efficiencies and reduce costs whilst largely maintaining strategic direction and service delivery. This includes: - Reducing staffing costs through digitalisation and scheduling optimisation of registration services - Staff restructuring in Trading Standards - Not mediating non urgent highways calls through the contact centre - Reducing business support post the introduction of MySurrey. - Reducing spend on Community partnered libraries	(0.5)	(0.2)				(0.7)
One-off funding	Watts Gallery - agreed one-off contribution	(0.1)	0.1				
Total Efficiencies		(1.0)	(0.3)	(0.2)	(0.2)	(0.2)	(1.9)

SURREY FIRE & RESCUE SERVICE

Pressures

Pressure	Description	Net Pressure					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Pay inflation	Estimated costs of pay inflation	2.67	1.14	0.74	0.78	0.80	6.13
Fire - Non Pay inflation	Expected inflationary increase in costs	0.23	0.07	0.07	0.07	0.07	0.51
Training	Increase volume and cost of providing training due to level of BAU staff turnover	0.29					0.29
Fleet costs	Increased costs of operating vehicles	0.20					0.20
Reduction in income	Costs no longer covered through secondments	0.20					0.20
Over the border response	Use of neighbouring Fire authorities to attend Surrey incidents where closer	0.16					0.16
Airwave communications system	Grant not kept pace with costs & grant reduction	0.25					0.25
Fire Pension III Health Charges	Requirement for all officers to meet fitness requirements leading to more ill health retirements. Assumption costs will reduce, but may need smaller residual funding.	0.25	(0.11)		(0.14)		0.00
Recruitment & resilience: incentive package	Incentive package incl. skills (e.g. HGV), notice periods	0.20					0.20
Recruitment & resilience: temporary staffing increase	Multi skilled, agile group to provide cover, 12FTE to end of 2024	0.64	(0.16)	(0.48)			0.00
Recruitment & resilience: management of annual leave	Centralise coordination of staff deployment and annual leave	0.05		(0.05)			0.00
Recruitment & resilience: learning & development	Increase L&D team establishment	0.09					0.09
Recruitment & resilience: new protection skills	Enhance watch commander protection skills to meet new requirements, e.g. post-Grenfell legislation changes.	0.01					0.01
Recruitment & resilience : removal of operational vacancy factor	Requirement to be over operational establishment to allow time to recruit and train staff to be operational. Expected to be 1-2 years to reach this level.	0.40	0.40				0.80
140 day plan	Short term changes required within service	0.38	(0.11)	(0.09)	(0.07)		0.10
Transformation programme continuation	Transition to BAU	0.34					0.34
Total Pressures		6.36	1.23	0.19	0.65	0.87	9.29

Efficiencies

Efficiency	Description	Efficiency					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Automatic Fire Alarm (AFA) Policy	Further EXPAND the Automatic Fire Alarm (AFA) Policy by STOPPING response to all or some AFA Incident Types. Needs to link to revised Making Surrey Safer Plan (MSSP)	(0.01)					(0.01)
Animal Rescue Incidents	STOP responding to all or some Animal Rescue Incidents. Needs to link to revised MSSP	(0.01)					(0.01)
Utilisation of Grants	Protection grant & Building Regulation grant. Funding partly used to fund establishment posts	(0.31)					(0.31)
Fire investigation	Options being assessed. Rationalisation of posts.		(0.12)				(0.12)
Capitalisation of staff time: Engineering & operational development	Recharge time bringing fleet into operational use to capital. Plus operational development post	(0.16)					(0.16)
Corporate subscription	Institute of Fire Engineers. Take advice through NFCC liaison instead	(0.06)					(0.06)
Fire Cadets	Stop scheme after current cohort completes. (avoids pressures from expanding scheme)		(0.00)				(0.00)
Utilise new training facilities. Expand L&D to external partners.	Linked to development of Wray park training facilities. Use by other FRS and/or private organisation. New facilities designed for use by two teams at same time.				(0.25)		(0.25)
Expand the use of new Logistics (Engineering) facilities to other users	Linked to development of Wray park workshop facilities. Use by other in services or external partners				(0.10)		(0.10)
Anticipated reduction in overtime requirement following additional recruitment	Linked to increased staffing for centralised team	(0.35)					(0.35)
Stop operational staff rotations	Reduces training requirements	(0.05)	(0.05)				(0.10)
Total Efficiencies		(0.94)	(0.17)	0.00	(0.35)	0.00	(1.46)

PROSPERITY, PARTNERSHIPS AND GROWTH

Pressures

Pressure	Description	Net Pressure					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Pay inflation	Estimated costs of pay inflation	0.03	0.04	0.04	0.04	0.04	0.18
Non-Pay Inflation	Expected inflationary increase in contract costs	0.04	0.01	0.01	0.01	0.01	0.08
Surrey Story	Post to deliver Surrey Story	0.07	0.00	0.00	0.00	0.00	0.07
Additional 2% pay inflation	Expected inflationary increase in salary costs	0.02	0.00	0.00	0.00	0.00	0.03
Total Pressures		0.16	0.05	0.05	0.05	0.05	0.34

Efficiencies

Description	Description	Efficiency					Total £m
		23/24 £m	24/25 £m	25/26 £m	26/27 £m	27/28 £m	
Cease funding for LEP		-0.08					-0.08
Increase vacancy factor to 4%		-0.01					-0.01
Contain price inflation		-0.02					-0.02
Total Efficiencies		-0.11	0.0	0.0	0.0	0.0	-0.11

RESOURCES

Pressures

Pressure	Description	Net Pressure					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Non-Pay Inflation	Expected inflationary increase in contract costs	2.8	1.0	1.0	1.1	1.1	6.9
Non-Pay Inflation	Expected inflationary increase in utilities & maintenance	1.2	0.0	0.0	0.0	0.0	1.2
Pay inflation	Estimated costs of pay inflation	3.6	1.6	1.6	1.6	1.7	10.1
Legal Services	Ongoing demand linked to case volumes require additional capacity/increased external fees	0.4	0.0	0.0	0.0	0.0	0.4
Insurance	Above inflation cost increases and loss of schools income as schools move to academies	0.3	0.0	0.0	0.0	0.0	0.3
Finance	Audit fee - reprourement	0.2	0.0	0.0	0.0	0.0	0.2
Strategy Team	Additional capacity to support Council-wide strategy and enhance ability to support people, place and organisational portfolios	0.2	0.0	0.0	0.0	0.0	0.2
Leadership Office	Changes to staffing structure of Leadership Office	0.2	0.0	0.0	0.0	0.0	0.2
IT&D - Ongoing costs of Technical Advocates	New posts established to help embed new digital and agile ways of working	0.2	0.0	0.0	0.0	0.0	0.2
IT&D - Loss of Income from Data Centre	Loss of income from Data Centre contract as key clients migrate to SaaS solutions.	0.1	0.0	0.0	0.0	0.0	0.1
Total Pressures		8.9	2.6	2.6	2.7	2.7	19.6

Efficiencies

Efficiency	Description	Efficiency					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
IT&D - efficiencies	Various such as MySurrey implementation resulting in reduced running costs of new system and Jive, reduced councilwide mobile phone savings and additional Fire Service income	(1.1)	0.2	0.0	0.0	0.0	(0.9)
IT&D - Unicorn	Unicorn, new contract as per Cabinet paper, net of annual increased borrowing cost	0.0	(0.3)				(0.3)
Land & Property Agile Transformation	Office building rationalisation, lease cost reductions offset by additional running costs and borrowing costs	(0.8)	(0.9)				(1.7)
Land & Property Indigo Transformation	Review of services	(0.5)	(1.0)	(0.2)			(1.7)
Land & Property efficiencies	Twin track efficiencies from assets, business infrastructure and staffing	(0.6)	(1.0)				(1.6)
Land & Property efficiencies	Variety of measures including improved supply chain management and a review of income generation opportunities	(0.2)		(1.5)			(1.7)
Land & Property energy usage	Contain inflation by reducing energy usage	(0.6)					(0.6)
People & Change - Efficiencies	Various such as Improved processes following MySurrey will lead to a reduction in FTE and increased income	(0.2)	(0.0)	(0.0)	0.0	0.0	(0.3)
Finance efficiencies	Increased income from Commercial work and District & Borough	(0.4)	0.3	0.0	0.0	0.0	(0.1)
Exec Dir of Resources	Vacant post - partnership with Health and digitalisation	(0.1)					(0.1)
Legal & Democratic Services	Administrative saving due to Joint Committees ending	(0.1)					(0.1)
Twelve15 - Transformation Programme efficiencies	Efficiencies relating to staffing restructure and measures to increase customer base/income generation	(0.1)					(0.1)
Twelve15 efficiencies	Income - Increase charge for paid meals by a further 3.8% in April 2023, this is in addition to a 6% increase in September 2022 and will impact parents	(0.3)					(0.3)
Twelve15 efficiencies	Increase volumes of universal free schools meals	(0.1)					(0.1)
Twelve15 efficiencies	Increase charge for universal free school meals by 2% from April. This will impact on schools unless government increases the rate to this level.	(0.2)					(0.2)
Business Operations Transformation	Transformation and MySurrey	(0.3)					(0.3)
Orbis service efficiencies	Efficiencies realised from a comprehensive review of the partner contribution rates.	(0.6)					(0.6)
Orbis Joint Operating Budget	Joint efficiencies to be agreed with Joint Management Board	(0.2)					(0.2)
Maximising our income	Maximise cost recovery for the proportion of Resources total charging income where the Council has full discretion about the charges it sets.	0.0	(0.2)	(0.4)	(0.4)	(0.4)	(1.4)
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.	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.6)
Total Efficiencies		(6.3)	(3.1)	(2.3)	(0.5)	(0.5)	(12.7)

COMMUNICATIONS, PUBLIC AFFAIRS AND ENGAGEMENT

Pressures

Pressure	Description	Net Pressure					Total £m
		23/24 £m	24/25 £m	25/26 £m	26/27 £m	27/28 £m	
Pay inflation	Estimated costs of pay inflation	0.08	0.05	0.05	0.05	0.05	0.28
Non-pay Inflation	Expected inflationary increase in contract costs	0.04	0.01	0.01	0.01	0.01	0.07
Armed Forces - Pay inflation	Expected inflationary increase in salary costs	0.00	0.00	0.00	0.00	0.00	0.01
Total Pressures		0.12	0.06	0.06	0.06	0.06	0.36

Efficiencies

Description		Efficiency					Total £m
		23/24 £m	24/25 £m	25/26 £m	26/27 £m	27/28 £m	
Comms, Public Affairs & Engagement	Contain inflation	-0.03					-0.03
Comms, Public Affairs & Engagement	Increased vacancy factor	-0.02					-0.02
Total Efficiencies		-0.05	0.00	0.00	0.00	0.00	-0.05

CENTRAL INCOME AND EXPENDITURE

Pressures

Pressure	Description	Net Pressure					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Capital Programme financing costs	Additional Minimum Revenue Provision and Interest required to finance the borrowing contained within the Capital Programme.	6.8	11.6	9.6	7.6	4.6	40.2
Corporate Items	Redistribution of prior year budget pressures	(5.0)					(5.0)
Removal of Additional ASC funding				15.0			15.0
Total Pressures		1.8	11.6	24.6	7.6	4.6	50.2

Efficiencies

Efficiency	Description	Efficiency					Total £m
		2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	
Balance of Cross Cutting Efficiencies	Cross Cutting opportunities identified - to be allocated to Directirates once impact is better understood	(4.3)	(4.6)	(1.0)	(1.0)	(1.0)	(11.9)
Estimated Additional ASC Funding		(15.0)					
Total Efficiencies		-19.3	-4.6	-1.0	-1.0	-1.0	-11.9

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