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Adults & Health Select Committee

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

7 December 2023

OUR PURPOSE

OUR PEOPLE

OUR ORGANISATION

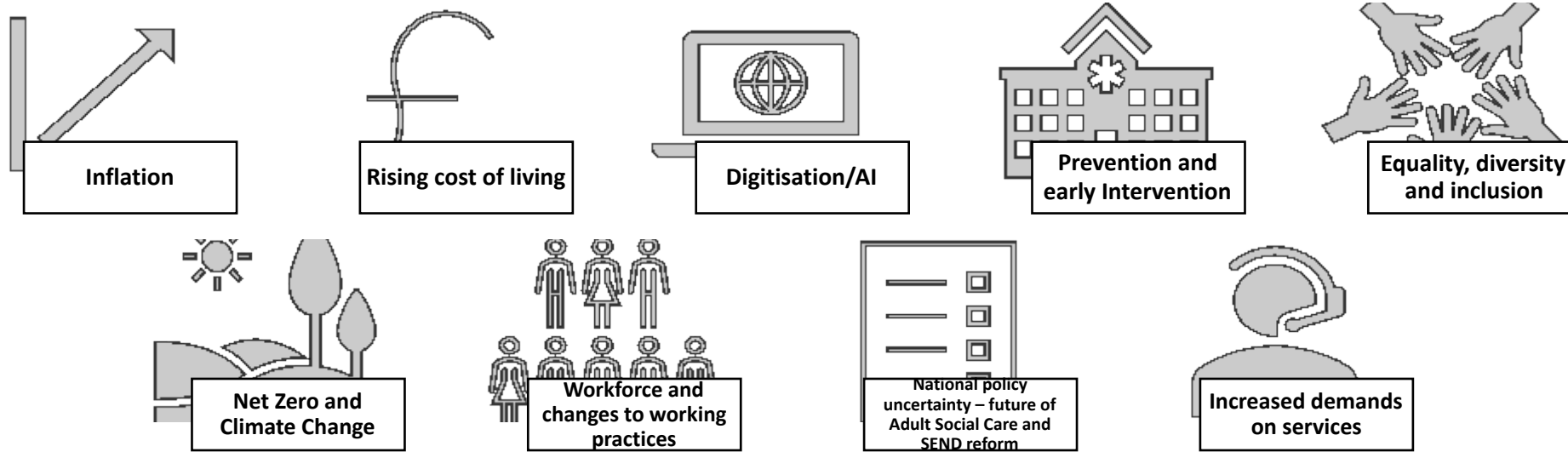
Purpose & Content

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

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

Strategic Content

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



Delivering priorities, ensuring no one is left behind

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

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



Budget Consultation & Engagement – Phase 1 approach

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

How we gathered this insight

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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 - Context

- The budget is framed by each Directorate's medium-term ambitions which are guided by our overarching mission of **no one left behind**.
- Directorates have been developing a list of efficiencies to help close the budget gap in response to huge pressures and increases in demand. In some cases, this means reshaping the way services operate, with some of these changes having potentially disproportionate impacts on some groups of residents. Directorates have therefore been developing equality analyses to assess these potential impacts and outlining what mitigations will be put in place.

However, **the majority of the council's spend is directed towards supporting some of Surrey's most vulnerable residents**. This may mean decisions that could disproportionately impact certain groups will be taken to protect more vulnerable ones. Positive impacts on these groups are also captured by the equality analysis.

- **Equality analysis is one of many factors taken into account when setting the budget.** As it continues to be iterated, and the broader context changes, it is very challenging at this stage to provide definitive analysis. This does not mean issues that arise through this process are not considered as the budget develops.

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 (expected before Christmas).

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| | 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)

Adults, Wellbeing & Health Partnership Directorate

Services in the directorate:

- Adult Social Care
- Public Health



Adult Social Care



SURREY
COUNTY COUNCIL

ASC – Summary 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 |

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- ASC’s vision is **supporting people to live their best life**, by connecting to their communities, embracing supportive technology, and accessing joined-up support and care when needed, which delivers what matters to them.
- Almost 90% of spending in ASC is on support for people with care needs or their carers.
 - The biggest challenges for ASC’s budget are managing increased demand for care and maintaining market sustainability within increasingly constrained resources with increasing needs, inflationary pressures and workforce challenges.
 - ASC’s budget strategy seeks to manage these challenges through effective strategic commissioning of services, embracing supportive technology, maximising preventative services, strengths based practice, aligning and integrating where appropriate services with NHS partners, working collaboratively with care providers, expanding care models that promote people’s independence and the developing the right new ASC accommodation to meet ASC demand.

ASC – Identified Pressures

| | | Net Pressures | | | | | |
|---|--|---------------|---------------|---------------|---------------|---------------|-------------|
| Pressure | Description | 2024/25 £m | 2025/26 £m | 2026/27 £m | 2027/28 £m | 2028/29 £m | Total £m |
| Price inflation (care packages & contracts) | Estimated cost of price inflation to ASC providers taking into account forecast increases to key inflation indicators including the NLW & CPI prior to inflation mitigation efficiencies | 33.2 | 24.4 | 25.1 | 26.7 | 28.0 | 137.4 |
| Care package carry forward pressure from 2023/24 | Estimated extent to which care package full year commitments will be higher than the 2023/24 budget at year end and therefore carry forward as a pressure against the 2024/25 budget | 10.3 | | | | | 10.3 |
| Care package demand in future years | 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 and other drivers of demand for Older People, Physical & Sensory Disabilities 25+ Learning Disabilities & Autism 25+ and Mental Health. | 5.3 | 13.3 | 13.6 | 13.8 | 14.3 | 60.3 |
| Community equipment demand | ASC's share of the estimated increased expenditure requirement on the joint community equipment store (a pooled budget with ICB health partners) based on rising demand. | 0.3 | 0.4 | 0.4 | 0.5 | 0.6 | 2.2 |
| Assessed charges debt | Creation of a budget allowance for write offs and increases to the bad debt provision given rising levels of assessed charges debt in the context of increased charging income. | 2.0 | | | | | 2.0 |
| Pay inflation | Estimated cost of pay inflation modelled at 4% 24/25, 3% 25/26 and 2% 26/27, 27/28 & 28/29 | 3.3 | 2.6 | 1.8 | 1.8 | 1.9 | 11.4 |
| End of transformation funding for ASC programmes | Ongoing costs for ASC's Accommodation with Care & Support and Learning Disabilities & Autism programmes formerly funded out of the Corporate Transformation fund and funded temporarily by reserves in 2023/24 | 2.1 | | | | | 2.1 |
| Other staffing budget changes | Pay progression, the cost impact of deleting pay scale 1, non-pay inflation for staffing budgets and increased staffing requirements to meet capacity demands | 1.7 | | | | | 1.7 |
| Closure of Arundel in-house learning disability services | Results in a reduction in FTEs but there is no ASC budget change as the current in-house budget is being transferred in full to the ASC care package budget as the cost of replacement care externally is expected to be broadly the same as the current in-house cost | | | | | | 0.0 |
| Adult Social Care Charging and Fair Cost of Care reforms | Latest estimate of the potential funding gap created by the ASC Charging and Fair Cost of Care reforms based on the latest mid-point of estimated additional costs of the reforms compared to potential government funding based on DHSC funding consultation | | 14.0 | 19.0 | | | 33.0 |
| Increase to Better Care Fund income for Adult Social Care | Additional income to ASC based on the 2 year BCF plan approved by Surrey's Health & Wellbeing Board for the period 2023/24 to 2024/25 | (3.0) | | | | | (3.0) |
| ASC Market Sustainability & Improvement Fund | Published increase to the main MSIF grant, plus SCC's expected MSIF Workforce Fund allocation in 2024/25 | (8.1) | | | | | (8.1) |
| ASC Discharge grant funding | Expected increase to this grant | (1.1) | | | | | (1.1) |
| Total Pressures | | 46.2 | 54.7 | 59.9 | 42.8 | 44.7 | 248.3 |

ASC – Proposed efficiencies summarised by thematic category

| Efficiency category | Efficiencies (see details for all efficiencies on the next slides) | 2024/25 £m | 2025/26 £m | 2026/27 £m | 2027/28 £m | 2028/29 £m | Total £m | G | A | R | Total RAG £m |
|--|--|---------------|---------------|---------------|---------------|---------------|-------------|-------|--------|--------|--------------------|
| Strengths based practice and demand management | Demand management (all client groups) | (2.2) | (3.7) | (4.9) | (5.4) | (5.3) | (21.5) | 0.0 | (2.7) | (18.9) | (21.5) |
| | LD&A strengths based reviews | | | | | | | | | | |
| Changing care models | LD&A day support services | (1.7) | (1.5) | (1.1) | (1.3) | (0.1) | (5.7) | (1.7) | (4.0) | 0.0 | (5.7) |
| | Transport to and from care settings | | | | | | | | | | |
| | LD&A strategic shift from residential care to supported independent living | | | | | | | | | | |
| | Extra Care Housing for Older People | | | | | | | | | | |
| | Out of county care packages | | | | | | | | | | |
| Purchasing of care packages | Older people nursing / residential care | (10.8) | (1.1) | (0.6) | (0.4) | (0.1) | (13.0) | 0.0 | (3.9) | (9.1) | (13.0) |
| | Home based care packages | | | | | | | | | | |
| | Mitigation of ASC price inflation | | | | | | | | | | |
| In-house provided care services | Review of Older People in-house services | (7.4) | 0.0 | 0.0 | 0.0 | 0.0 | (7.4) | (7.4) | 0.0 | 0.0 | (7.4) |
| | Review of LD&A in-house services | | | | | | | | | | |
| | Review of specialist housing in-house services | | | | | | | | | | |
| ASC Workforce redesign | | (1.0) | (1.0) | 0.0 | 0.0 | 0.0 | (2.0) | 0.0 | (2.0) | 0.0 | (2.0) |
| Discretionary services | | (0.4) | 0.0 | 0.0 | 0.0 | 0.0 | (0.4) | 0.0 | (0.4) | 0.0 | (0.4) |
| Total Adult Social Care efficiencies | | (23.5) | (7.3) | (6.7) | (7.1) | (5.6) | (50.1) | (9.1) | (13.0) | (28.0) | (50.1) |

The table above groups the efficiencies in thematic categories. The EIA commentary included after the ASC efficiencies in this presentation has been mapped against these categories.

The next two slides provide a description for each individual efficiency.

ASC – Proposed efficiencies

| | | Efficiency | | | | | | RAG Rating | Potential equality impacts |
|--|--|------------|------------|------------|------------|------------|----------|------------|--|
| Efficiency | Description | 2024/25 £m | 2025/26 £m | 2026/27 £m | 2027/28 £m | 2028/29 £m | Total £m | | |
| Demand management - Older People | Mitigating some of the cost of increased demand for ASC services included in pressures based on the current demand trajectories for each client group through a range of actions including embedding strengths based practice, redesigning the front door, utilising technology enable care services, maximising the benefit of reablement services. | (1.3) | (2.1) | (2.8) | (3.2) | (3.4) | (12.8) | | A combined EIA is being produced across all ASC efficiencies as they have overlapping impacts and mitigations. |
| Demand management - Physical & Sensory Disabilities | | (0.1) | (0.2) | (0.2) | (0.2) | (0.2) | (0.8) | | |
| Demand management - Learning Disabilities & Autism and Transition | | (0.1) | (0.3) | (0.5) | (0.8) | (1.0) | (2.7) | | |
| Demand management - Mental Health | | (0.2) | (0.5) | (0.7) | (0.6) | (0.5) | (2.5) | | |
| Learning Disabilities & Autism strength based reviews | Reviews of additional personalised support for residential care and supported living care packages to check it is still set at an appropriate level for people who are well settled in their care settings | (0.5) | (0.7) | (0.7) | (0.6) | (0.2) | (2.7) | | |
| 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. | (0.3) | (0.3) | (0.3) | (0.3) | | (1.1) | | |
| 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) | | (0.3) | | |
| Strategic shift from Learning Disability / Autism residential care to supported 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. | (0.3) | (0.1) | (0.1) | | | (0.5) | | |
| Expand affordable Extra Care Housing county-wide offer for Older People | Develop new affordable Extra Care Housing schemes and secure nomination rights for ASC funded clients. Ambition to create 725 new affordable Extra Care Housing units by 2030. | | (0.0) | (0.7) | (0.9) | (0.1) | (1.7) | | |

ASC – Proposed efficiencies continued

| | | Efficiency | | | | | | RAG Rating | Potential equality impacts |
|--|--|---------------|---------------|---------------|---------------|---------------|-------------|------------|---|
| Efficiency | Description | 2024/25 £m | 2025/26 £m | 2026/27 £m | 2027/28 £m | 2028/29 £m | Total £m | | |
| Out of county care packages | Reducing expenditure on people who are receiving care funded by SCC outside of Surrey through either transferring to the host local authority where appropriate, ensuing appropriate funding from local health commissioners or supporting people to move back into Surrey with better outcomes at lower cost. | (1.0) | (1.0) | | | | (2.0) | | A combined EIA is being produced across all ASC efficiencies as they have overlapping impacts and mitigations |
| Improved purchasing of Older People nursing/residential placements | Purchase 80% of Older People nursing & residential care placements at SCC's affordable guide prices and limit the cost of placements purchased above guide prices through effective management of the SCC's Dynamic Purchasing System. | (1.5) | (1.1) | (0.6) | (0.4) | (0.1) | (3.7) | | |
| 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 dynamic purchasing system | (0.2) | | | | | (0.2) | | |
| Mitigation of Adult Social Care price inflation | Reduction on the gross budgeted price inflation on care packages and contracts through mitigating actions which include working closely with the provider sector on models of care and costs of service delivery. | (9.1) | | | | | (9.1) | | |
| Review of Older People in-house services | The final savings related to the completion of the closure of 8 Older People residential care homes operated in-house by the Council following the Cabinet decision in February 2022. | (6.1) | | | | | (6.1) | | |
| Review of Learning Disability in-house services | The remaining full year effect of efficiencies achieved through the conversion of services at the Rodney and Landgown sites from residential to supported independent living | (0.3) | | | | | (0.3) | | |
| Review of in-house services to specialist housing settings | ASC is ceasing to provide in-house staffing resources in some specialist housing settings. Care packages with external ASC providers will be sourced for people in these settings with eligible needs under the Care Act. | (1.0) | | | | | (1.0) | | |
| Workforce redesign | To be identified through ASC's workforce redesign programme | (1.0) | (1.0) | | | | (2.0) | | |
| Discretionary services | Removal of budgets for discretionary services where there is not clear evidence that they are preventing care package demand | (0.4) | | | | | (0.4) | | |
| Total Efficiencies | | (23.5) | (7.3) | (6.7) | (7.1) | (5.6) | (50.1) | | |

Equality Analysis – Adult Social Care



Below is a list of ASC 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 impacts | Mitigations |
|---------------------------------|---|---|--|
| In-house provided care services | <ul style="list-style-type: none">- Staff- Disability- Sex- Carers | Review of Older People, Learning Disability and Extra Care in-house services may disproportionately impact older staff who may find it more challenging to find alternative employment. The on-going pressure to deliver efficiencies may impact staff wellbeing, particularly for those with a disability or underlying mental health condition. | Any review of organisational structure and accountabilities will be supported by HR, formal consultation and SCC change management policies and processes. There is on-going investment in prevention and early intervention, continuous improvement of models of care, looking at creative ways to use technology and commitments to co-design. |
| ASC Workforce redesign | <ul style="list-style-type: none">+ Staff- Disability- Sex- Carers | Workforce redesign may offer new opportunities for staff of all ages to work in different ways and to learn new skills. Changes to the organisation structure or location could mean staff with a disability may find travelling to perform their duties more challenging. | Measures to increase the diversity of the ASC workforce so we have the skills and capacity to respond effectively to the changing population profile and their needs. A variety of communication and engagement methods will be used to ensure staff of all ages and needs are able to access information and respond to it. |
| Discretionary Services | <ul style="list-style-type: none">- Age- Disability | Removing budgets for discretionary services, such as dementia navigators, may mean a loss of support for families and older people living with dementia. There may also be additional demands on the VCFS which may contribute to pressure on all service users. | By continuing to grow staff's knowledge of local community-based resources, efficiencies of discretionary services can be better managed. |

Equality Analysis – Adult Social Care

| Efficiency | Characteristic s impacted (+ Positive, - negative impacts) | Summary of impacts | Mitigations |
|---|---|--|---|
| Strengths based practice and demand management Page 52 | +/- Age +/- Disability +/- Ethnicity + Religion +/- Carers + Staff | Managing demand for services through a range of actions may deliver positive benefits for all service users with a more seamless experience and targeted support offer. Residents will be encouraged to have more detailed discussions to explore their care needs and what support their family, friends and local community can provide. Shifts to informal care and a ‘digital first’ approach may negatively impact older residents and disabled residents. There may also be quality assurance and safeguarding concerns around care provided by family, friends and community networks. Increasing demand may also place additional pressure on the VCFS to support service users. | Ensure people of all ages and those who are digitally excluded are supported through multiple communication channels and in a format or language they understand. Work to co-design and reshape services with service users, carer partners and existing networks. Grow staff knowledge of community-based resources and embed a strengths-based practice. Use Technology Enabled Care to support independent living. Equip staff to support people in taking proportionate risks and follow safeguarding procedures. |
| Changing care models | + Age + Disability | There will be an increase in the availability and range of Extra Care Housing to enable older people to remain independent, in their own homes and in their local community, for longer. People with disabilities will be encouraged to learn new skills and grow their independence through the move to more independent travel arrangements. More people will be offered a setting closer to their family and support network and some moving back into Surrey from out of county placements. | Identify families who are caring for elderly residents and offer effective support and engage them with the family carers network. Ensure support plans are personalised and specific to individual cases. It will also be important to think creatively to ensure the offer works for families. Embedding the Surrey Choices ‘changing days’ programme and expansion of the ‘shared lives’ offer. |
| Purchasing of care packages | - Age + Disability | Decisions around placements may mean older people needing residential/nursing care are offered a setting at a distance from their family and current community networks. Older people may experience anxiety due to these proposed changes. Co-design of services will ensure any new arrangements listen to the voice of those with disabilities and services are shaped to their needs. | Work with the market to grow the provision of independent living accommodation. Commissioners and care providers will continue to co-design services with and listen to the voices of people who use services and their carers. Work will continue to deliver 725 units of affordable Extra Care Housing by 2030 for older people. |

ASC – Capital Programme

The main area of the capital programme relating to ASC is the **Accommodation with Care & Support Strategy** which seeks to drive the development of the right new accommodation to meet ASC demand across the following areas:

- **Extra Care Housing** – target to develop 725 units of new affordable provision by 2030, expected to require capital expenditure of up to £47m over all phases of the programme, with borrowing costs modelled to be fully financed by ASC care package savings.
- **Learning Disability & Autism Supported Independent Living** – leading the development of c. 100 units as part of an ambition to drive 500 new units across the county, expected to require capital expenditure of up to £68m, with borrowing costs modelled to be fully financed by rental income for sites developed on a direct delivery basis and ASC care package savings.
- **Learning Disability & Autism Short Breaks respite care** – developing two new respite settings to meet urgent need for these services, expected to require capital expenditure of c. £12m, with borrowing costs part funded by ASC care package savings and noting the schemes are also expected to generate significant cost avoidance benefits over their life.
- **Mental Health Supported Independent Living** – ambition to develop c. 60 units to meet increased demand for these services. The capital expenditure requirement is subject to ongoing work to try to identify an affordable delivery model for these schemes.

Public Health



SURREY
COUNTY COUNCIL

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 |

Report

The Public Health (PH) service is funded by a ringfenced grant. Surrey’s PH grant in 2023/24 is £40.9m. £35.7m of this is allocated to fund preventative services commissioned by the PH service and the remaining £5.2m is allocated to services delivered or commissioned by other parts of the council, that contribute to meeting PH outcomes with the remit of the grant criteria. Surrey’s PH grant is expected to increase by only £0.5m (1.2%) in 2024/25.

The Public Health service budget is mainly spent on preventative services. The 3 biggest service areas of 0-19 healthy children services, substance misuse and sexual health account for £28m of the budget.

PH’s budget strategy seeks to maximise the collective population benefits of the services it commissions to meet Health & Wellbeing Board priorities within constrained resources, with Surrey receiving a very low level of PH funding.

Public Health – Identified Pressures & Proposed Efficiencies



| Pressure | Description | Net Pressures | | | | | |
|----------------------------------|--|---------------|---------------|---------------|---------------|---------------|-------------|
| | | 2024/25 £m | 2025/26 £m | 2026/27 £m | 2027/28 £m | 2028/29 £m | Total £m |
| Pay inflation | Pay inflation on Public Health staff at SCC assumed rates (24/25: 4%, 25/26: 3% and 26/27 +: 2%) | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.6 |
| Public Health contract inflation | Contract inflation on Public Health commissioned contracts | 0.8 | 0.7 | 0.7 | 0.7 | 0.7 | 3.5 |
| Total Pressures | | 1.0 | 0.9 | 0.8 | 0.8 | 0.8 | 4.1 |

| Efficiency | Description | Efficiency | | | | | | RAG Rating | Equality Analysis |
|--|--|---------------|---------------|---------------|---------------|---------------|-------------|------------|-------------------|
| | | 2024/25 £m | 2025/26 £m | 2026/27 £m | 2027/28 £m | 2028/29 £m | Total £m | | |
| Mitigation of Public Health contract inflation | Limiting or avoiding inflationary uplifts where they are not a fixed contractually or changing service delivery outside of fixed contracts to mitigate inflation pressures | (0.5) | | | | | (0.5) | | No EIA required. |
| Total Efficiencies | | (0.5) | 0.0 | 0.0 | 0.0 | 0.0 | (0.5) | | |

Phase 1 budget engagement

Detailed results



SURREY
COUNTY COUNCIL

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) |
|--|--|
| <div><div>1. Better roads and pavements</div><div>2. Making communities safer</div><div>3. Providing care for adults and children</div><div>4. Better public transport</div><div>5. Reducing waste and increasing recycling</div><div>6. Protecting and enhancing the countryside and biodiversity</div><div>7. Supporting local businesses</div><div>8. Reinvigorating town centres and high streets</div><div>9. Access to education and skills</div><div>10. Promoting better health and wellbeing</div><div>11. Stronger community relations</div></div> | <div><div>1. Providing care for adults and children</div><div>2. Promoting better health and wellbeing</div><div>3. Stronger community relations</div><div>4. Access to education and skills</div><div>5. Better public transport</div><div>6. Making communities safer</div><div>7. Protecting and enhancing the countryside and biodiversity</div><div>8. Better roads and pavements</div><div>9. Reinvigorating town centres and high streets</div><div>10. Reducing waste and increasing recycling</div><div>11. Supporting local businesses</div></div> |



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.

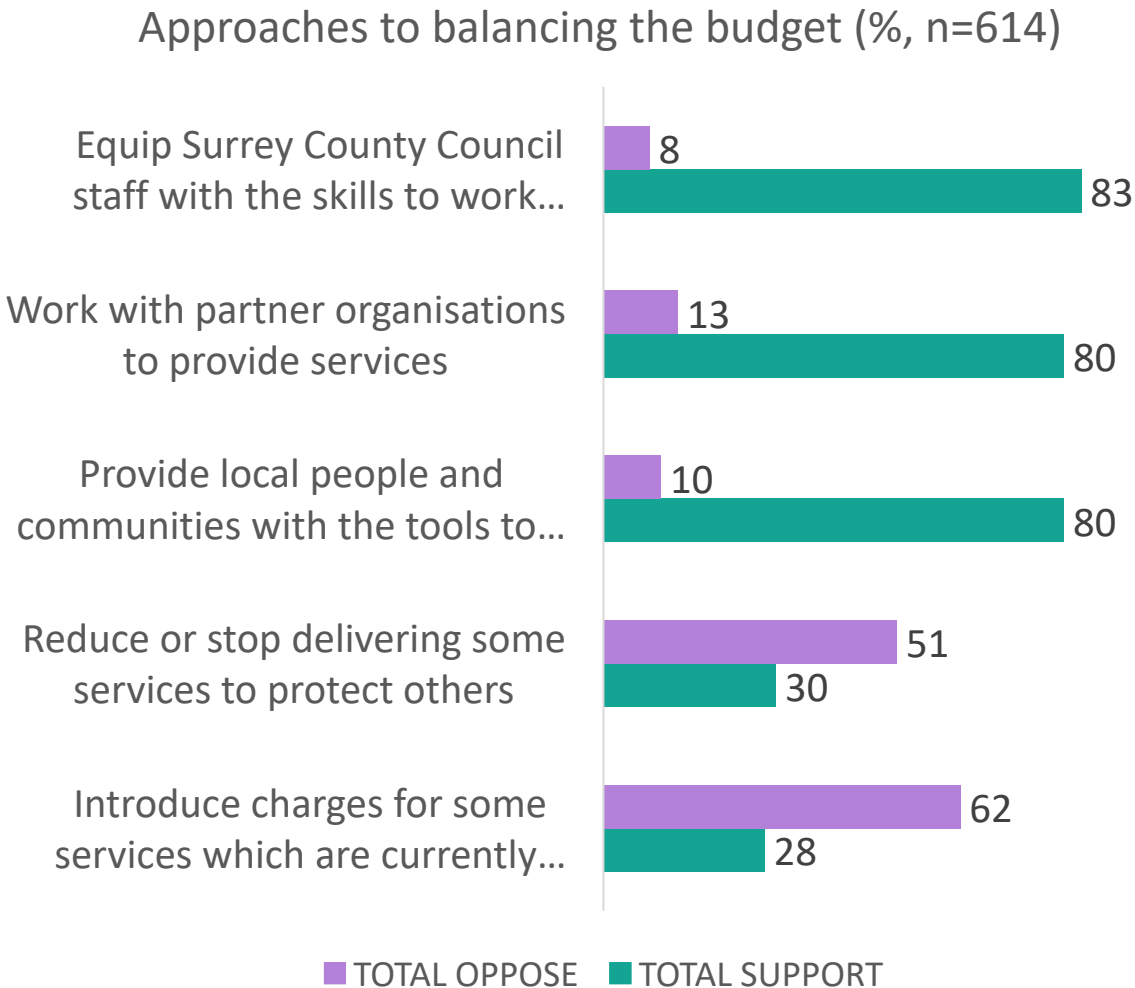
- 58% of residents wanted resources to be allocated for the benefit of the majority of residents in Surrey.
- 33% wanted resources allocated to services that benefitted those with the greatest needs. Respondents aged 18 to 25 and organisations were more likely to support this view.
- 65% of residents 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

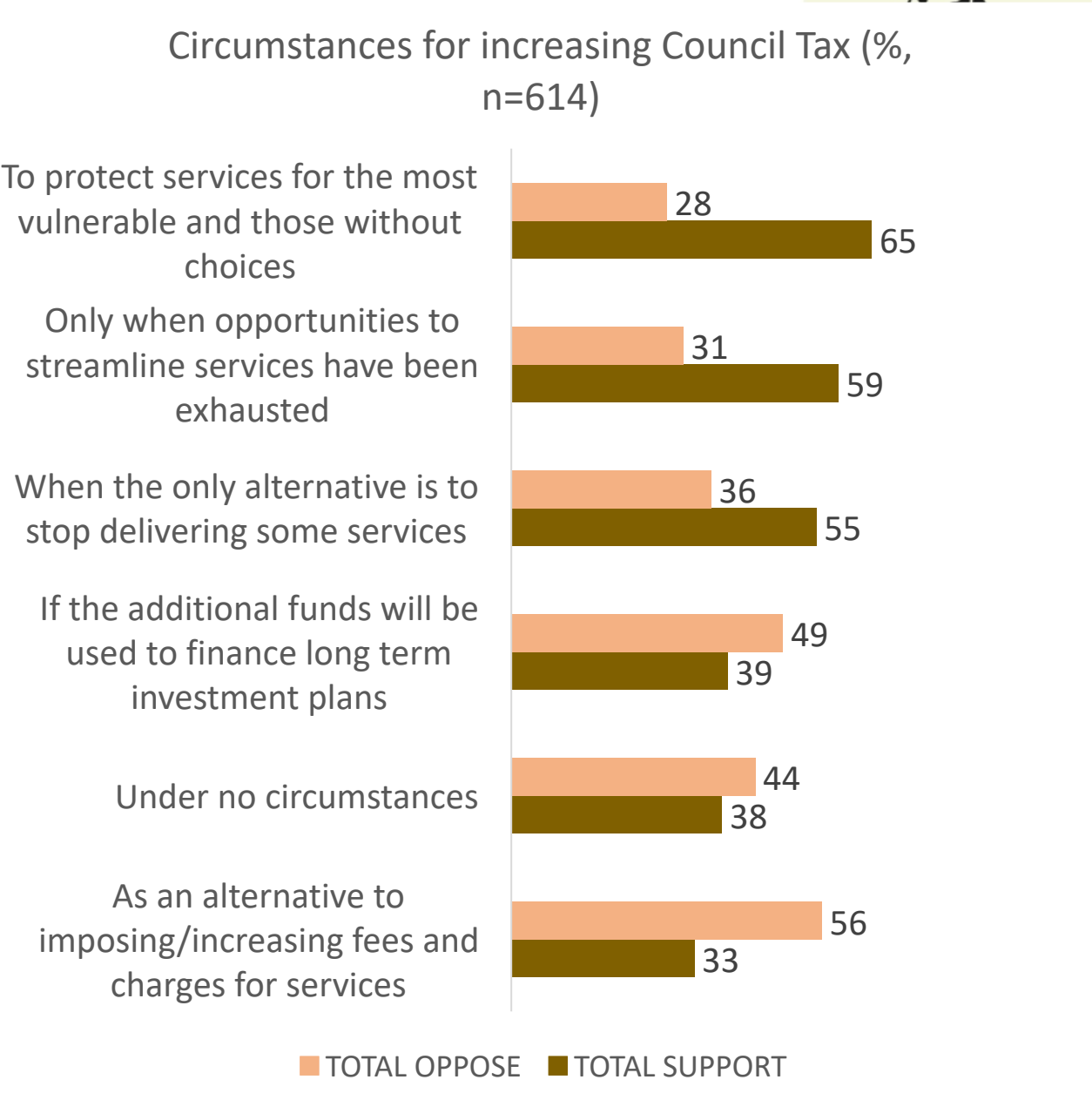
- Residents were asked about the extent to which they would support or oppose tactics the council could use to help balance the budget.
- Most residents support SCC equipping staff with the skills to work together with communities and partners to deliver services across Surrey (83%); working with partner 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%).



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

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%).



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