



SURREY
COUNTY COUNCIL

Balancing Surrey County Council's Budget 2025/26

Consultation Pack

Large Print



1. Balancing the budget for 2025/26

Our mission

Surrey County Council is focused on ensuring Surrey is a uniquely special place where everyone has a great start to 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. This is our guiding mission.

[Our Organisation Strategy 2023 to 2028](#) sets out how we intend to deliver on our mission through our 4 priority objectives.



Our 4 priority objectives as an organisation. Growing a sustainable economy so everyone can benefit; Tackling health inequality; Enabling a greener future; and Empowered and thriving communities

These are central to how we allocate our budget as we deliver high-quality and sustainable services for all.

Every year Surrey County Council must set a balanced budget, outlining how we use the money we have to deliver essential services across the county and support our priority objectives, such as managing the climate emergency and delivering our

ambition of the council to be carbon neutral by 2030 and the county by 2050.

We work to make Surrey a better place, through the wide range of services we're responsible for.

We're here for you

Most of the council's budget is spent on looking after those people who need us most, through Adult Social Care and Children's Services.

A significant portion is also allocated to keeping people safe and preventing or responding to serious incidents, particularly across the Surrey Fire and Rescue Service, Trading Standards, and Environmental Services.

If you want to know more about what we do, you can sign up for the monthly [Surrey Matters e-newsletter](#) for news, updates and events in Surrey

Our draft budget: We want to hear from you

Below you will find a brief overview of our draft budget position and some of the efficiencies identified to help us set a balanced budget at a meeting of the council in February 2025. We want to hear your views on these efficiencies to make sure we are implementing them in the best way possible.

We encourage you to read the information below before submitting your response.

The local government financial climate is extremely challenging. The national picture for public services is one of constrained financial resources. A number of local authorities, across the

country are struggling to balance available funding and the uncertainty of future funding with significantly increasing demand and cost pressures.

The council is experiencing these challenges too, and the financial environment in which we operate requires us to make challenging decisions about the services we provide.

We would like your thoughts on our proposals to set a balanced budget for 2025/26. The draft budget contains a considerable number of efficiencies as well as areas where we are increasing the budget. We would like to hear your views on these proposals to make sure we are implementing them in the best way possible.

This consultation is open from Tuesday 26 November and will close at 11:59pm on Tuesday 31 December.

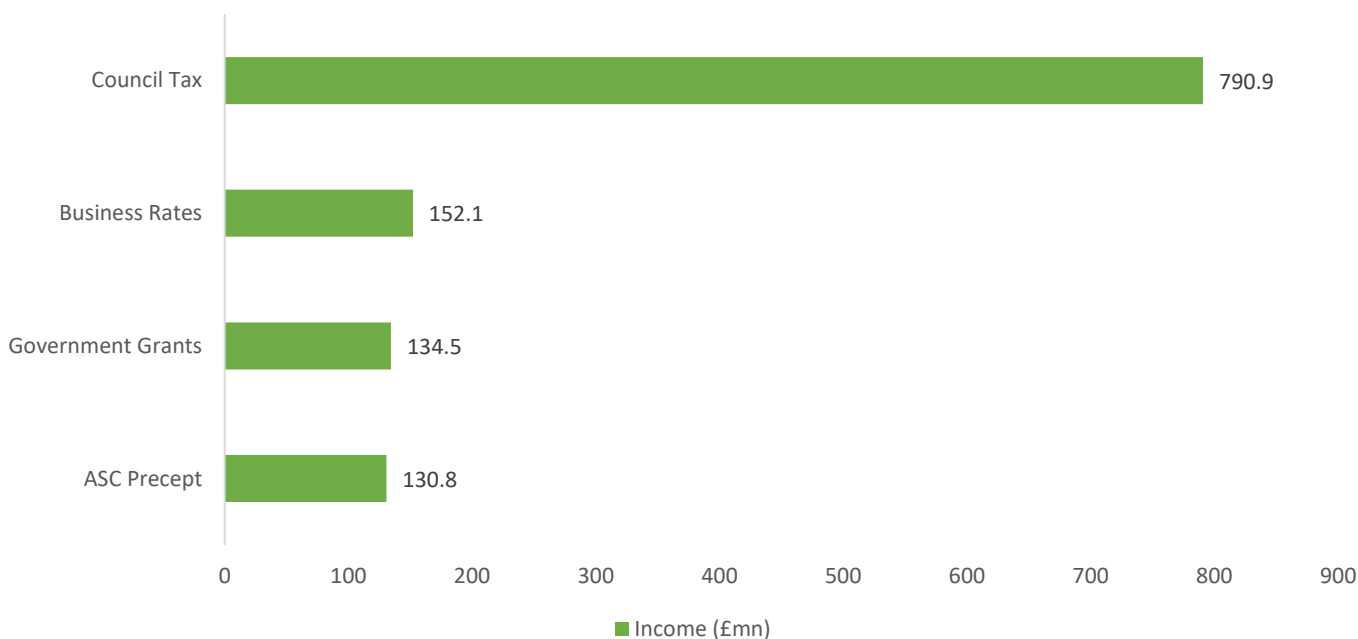
If you would like more details on our draft budget proposals and the specific efficiencies we are proposing, you can read these by using the following link: surreycc.gov.uk/draftbudget2526

2. Our budget: How it works

What we spend our money on and how we're funded

The council spends over £1.2 billion in revenue a year – supporting day-to-day spending - on delivering vital services to Surrey's 1.2 million residents such as Adult Social Care, Children's Services, maintaining roads and pavements, Surrey Fire and Rescue Service, Libraries, Countryside Management and Public Health.

Where the money comes from

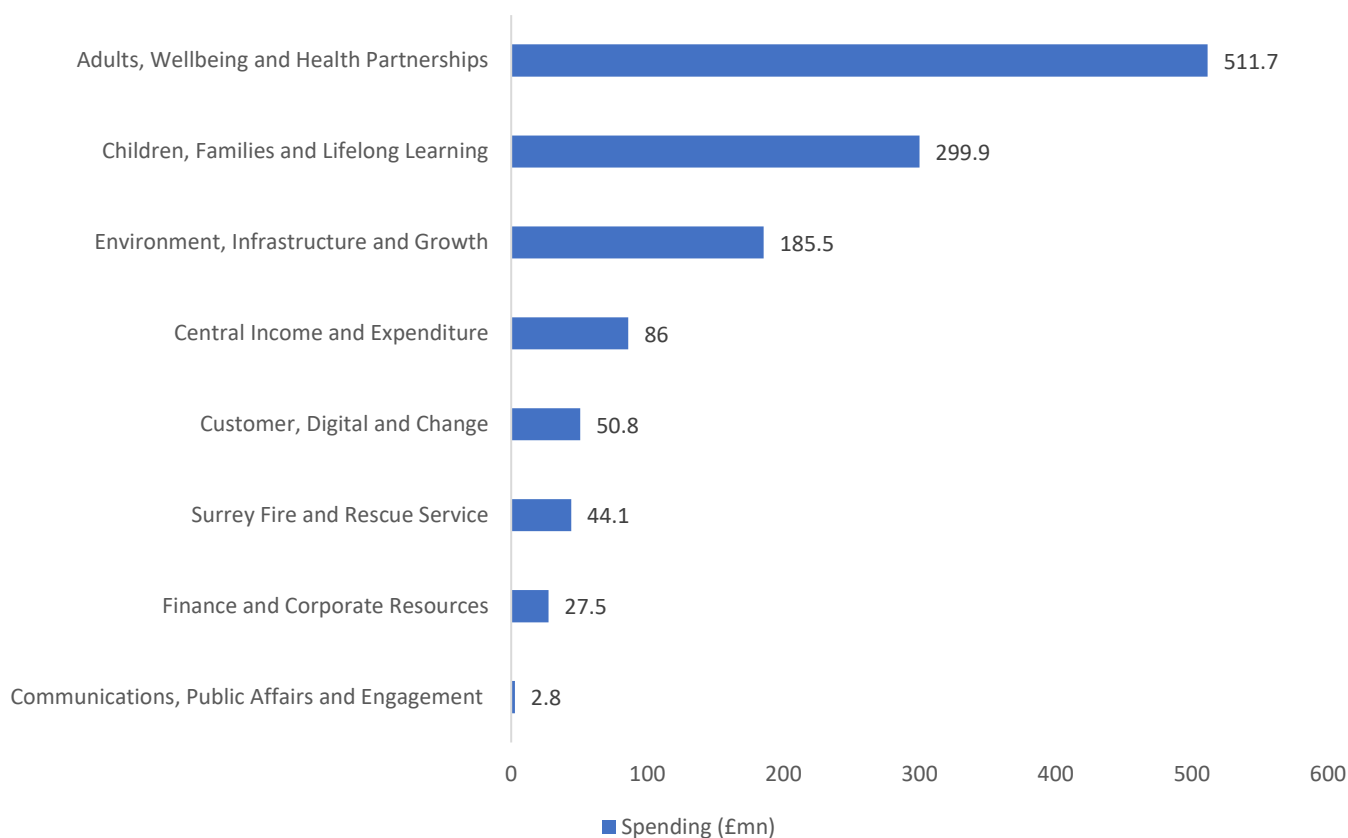


Where the money comes from: Surrey County Council's income in 2023/24. This totals approximately £1.2 billion.

This money comes from a range of different sources. Government grants, Council Tax, charges for different services, business rates, and an adult social care precept. The image below presents the breakdown of funding across these services.

As a local authority, lots of the services we provide are statutory. This means we are required by law to deliver them. We do not have as much discretion in the delivery of statutory services, compared to non-statutory services. A significant proportion of this spending covers Adult Social Care and Children's Services which supports some of the most vulnerable residents in Surrey. The image on the next page illustrates where our spending goes.

Where the money is spent



Where the money is spent: Surrey County Council's spending by directorate as outlined in the Budget 2023/24. This totals approximately £1.2bn net spending.

3. Our proposals for balancing the budget

Revenue budget

Despite coming from a strengthened financial position, the 2025/26 budget and Medium-Term Financial Strategy presents a significant challenge. We are facing a number of specific issues now and into the future. As we prepare the budget for the next 5 years, we will need to consider the following:

- Significant uncertainty over medium term government funding
- Continued and significant price increases in key services (Home-to-school travel assistance, Children's Social Care places, Adult Social Care)

Progress has been made to close the budget gap for 2025/26 – the gap between our income and what we spend - but as of 26 November 2024, **a budget gap of £17.4m remains.**

We might need to draw on all options available to close the gap, i.e. further increases to Council Tax, potential use of reserves, reducing pressures/managing demand, identifying further efficiencies, and lobbying for additional funding from central government.

Directorate contributions

Adults, Wellbeing and Health Partnerships

The Adults, Wellbeing and Health Partnerships directorate encompasses three main services: Adult Social Care, Public Health, and Communities and Prevention. Adult Social Care provides support for adults with disabilities, residents with mental health needs, and older people, assisting over 24,000 residents, and funding care for nearly 13,000. Public Health

focuses on reducing health inequalities through various services, including those for children, sexual health services, and substance misuse services, while also protecting the public against diseases and environmental hazards. Communities and Prevention coordinates community services to reduce demand on public services, supports the voluntary sector, and manages community funds.

The directorate faces significant challenges due to rising demand, inflation, and legislative changes. To address these, an ambitious transformation programme aims to reduce care package costs by improving reablement services, expanding technology-enabled care, and supporting more people to stay at home. Up to £8 million has been approved for this programme from 2024/25 to 2026/27.

To manage the various financial challenges, the directorate is planning £31.6 million in efficiencies for 2025/26, with £98 million planned through the medium-term to 2029/30. These efficiencies depend largely on the success of the transformation programme, which includes demand management, market shaping, and restructuring community functions. Additional efficiencies outside the programme aim to mitigate price inflation and improve purchasing.

The capital programme includes £60.2 million for affordable housing and specialist care services, £10 million for community projects in 2025/26, and £1.5 million annually for community equipment.

Children, Families and Lifelong Learning

The Children, Families and Lifelong Learning directorate covers all Children's Social Care, corporate parenting and education budgets and provides budgets for all state funded schools

across Surrey. Much of the budget in this directorate relates to the provision of statutory services, including care packages, corporate parent responsibilities, supporting families, and the provision of services for children with additional needs and disabilities both in the home and in school.

Supporting children with additional needs remains a significant challenge for the council. Much of these costs are covered by the high needs block of the dedicated schools grant. Staffing pressures relating to assessments, management and transport costs add to general fund pressures. Despite fewer children in care, the cost of specialist placements continues to rise.

To address these financial pressures, the Children, Families and Lifelong Learning directorate is implementing several efficiencies:

- Reviewing home-to-school travel assistance policies
- Focusing on prevention to reduce the need for statutory social work interventions
- Reunification projects to return children to their families
- Investing in Surrey-owned children's homes and supported accommodation
- Reviewing management structures and non-statutory services

The directorate's capital budget is £2.4 million and supports significant projects in special educational need school provision and supported living for young people.

Environment, Infrastructure and Growth

Environment, Infrastructure and Growth is a future-focused directorate which aims to shape places, improve the environment and reach sustainability and climate change

targets. Priorities over the Medium-Term Financial Strategy include enhancing financial sustainability, improving bus services, and delivering the Surrey Transport Plan. The directorate provides many “universal services” which many, or all, residents access.

Key service areas include:

- Maintenance and improvement of highways, footways, street lighting and other highway assets
- Public transport
- Waste management, including recycling or disposal of household waste and operation of community recycling centres
- Transport infrastructure and place development
- Countryside
- Planning and development
- Supporting the county’s and council’s response to climate change and carbon reduction
- Provision and maintenance of the council’s land and property estate
- Supporting economic growth

Last year, the directorate had a budget of £187.4 million. This year, the 2025/26 draft budget includes £14.5 million in pressures, mainly from contract inflation, waste management costs, and visual improvements, such as grass-cutting. To address these, efficiencies totalling £2.6 million are being proposed, including retendering waste contracts and maximising income from enforcement activities.

The directorates capital programme, totalling £1.4 billion over five years, includes projects for road and bridge maintenance, transport improvements, waste management infrastructure, and carbon reduction initiatives. Investments in the council’s

property estate aim to support efficient service delivery and staff operations.

Community Protection and Emergencies

The Community Protection and Emergencies directorate aims to prevent emergencies and protect Surrey – focusing attention on those most vulnerable in our communities.

This new directorate includes several core teams including:

- Emergency Management and Resilience – Oversees business continuity planning and response capabilities
- Surrey Fire and Rescue – Responsible for prevention, protection and response initiatives
- Trading Standards – Tackles fraudulent, illegal and unfair trading practices
- Safer Communities – Delivers requirements of the Community Safety Agreement and other statutory responsibilities relating to crime, counter terrorism, domestic abuse, and serious violence

The 2025/26 draft budget includes £1.3 million in pressures for this directorate, mainly relating to estimated pay inflation including nationally agreed firefighter's pay. Efficiencies of £0.8 million are planned, rising to £1.3 million over the medium term, mainly through staffing reviews and shared costs.

The directorate's capital programme of £23 million over five years includes replacing fire engines and other equipment – ensuring that the Surrey Fire and Rescue Service is at the forefront of firefighting and rescue.

Customer, Digital and Change

The recently formed Resources Directorate is made up of Customer, Digital and Change, Finance and Corporate Services and Communications, Public Affairs and Engagement. Customer, Digital and Change manages various services, including Coroner's and Registration, Cultural Services, and IT and Digital. They aim to enhance service delivery and resident experience through innovative practices and digital solutions.

The main budget pressure for 2025/26 is £1.5 million for the Data Strategy and Insights Teams. Efficiencies of £2.6 million are planned, mainly through organisational re-design and customer transformation, including staffing reviews and IT license reductions.

Customer, Digital and Change's capital investment plans include significant investment of £31 million over the next 5 years, in libraries, registration buildings and the mortuary.

Finance and Corporate Services

Finance and Corporate Services includes Finance, Legal and Governance, Internal Audit, Procurement and Fleet Management, Corporate Strategy and Policy, Leadership Office, and Twelve15 (school meals service). They support the council by ensuring compliance with rules and regulations, managing risk, and facilitating strategic planning. They also play a crucial role in external relationships with local and central government, health services, and the voluntary sector. Through strong business partnerships, Finance and Corporate Services drives financial management best practices and accountability.

For 2025/26, Finance and Corporate Services face £1.4 million in inflationary pressures, primarily from staffing costs. Additional pressures include the cost of copyright licences and external audit fees.

To offset these pressures, they have identified £1.4 million in efficiencies, mainly through organisational redesign and staffing reductions in Finance, Legal, Leadership Office, and Corporate Strategy and Policy. Further savings come from reduced legal advocacy costs and re-procurement of a shuttle bus service to the council's head office in Reigate.

Communications, Public Affairs and Engagement

Communications, Public Affairs and Engagement develop strategies to keep residents and staff informed and protect the council's reputation. The directorate aims to ensure that everyone in Surrey feels included and has a voice in policy development.

All activity within the communications and engagement strategy is aligned to help the council deliver its strategic objectives, and ultimately help ensure that no one in Surrey is left behind.

For 2025/26, Communications, Public Affairs and Engagement faces a forecasted inflationary pressure of £0.1 million, primarily due to staffing costs, which make up 90% of the budget. Staffing efficiencies are expected to deliver £0.2 million in savings.

You can read more detail about each Directorate's current proposed efficiencies for 2025/26 as they are presented in the November Cabinet report using the following link:

surreycc.gov.uk/pressuresefficiencies2526

Council Tax

The draft budget assumes a Band D rate increase of 2.99% on the core Council Tax. This would result in an annual Council Tax increase of £52.58 for Band D properties. There is no

assumed increase to the adult social care precept at this stage. The proposed increase is currently below the anticipated maximum allowable by Government without the requirement to hold a referendum.

Council tax represents around 76% of the council's total resources in 2024/25 and therefore decisions about Council Tax levels make a significant difference to future funding levels. It is important that Council Tax rises are considered in terms of the impact on both next financial year and future years, alongside balancing this with the impact on residents. In addition, when calculating Core Spending Power and in some grant allocation calculations, Government assumes increases in Council Tax to the maximum amount allowable. This means that where councils do not increase Council Tax to the maximum allowable, their funding can be disproportionately impacted.

Decisions to increase Council Tax are not made lightly and balance the need to provide sustainable services for the most vulnerable, with a recognition of the pressures on household finances, particularly during times of increased cost of living. Council Tax may increase beyond the current modelled rate to help close the residual budget gap.

Capital budget

Over recent years the council's capital ambition and delivery has grown significantly. Our aspirations remain high and the draft Capital Programme for 2025/26 – 2029/30 proposes ongoing investment in priority areas such as highways infrastructure, improving the condition of our property estate, flood alleviation schemes, creating additional school places including for children with special educational needs and

disabilities, the green agenda, transforming our libraries and investing in adult social care accommodation.

The challenge of developing an affordable capital programme that effectively delivers the council priorities has grown. Despite our continued ambitions, uncertainty around future government funding settlements and the economic environment remain. The recent high inflation environment and increases to interest rates have made the delivery of capital schemes more expensive and have increased the cost of financing borrowing. In order to sustain our financial resilience, we have re-set our capital expenditure approach, significantly reducing the proposed capital borrowing requirement, to ensure the affordability, proportionality and sustainability of our capital programme in the medium term.

More detail on our capital programme proposals can be read using the following link: surreycc.gov.uk/capitalprogramme2526

4. Supporting residents

As a council we are committed to supporting our residents and ensuring that No One is Left Behind and that we support the most vulnerable in Surrey.

We know people are struggling with their household budgets and we are committed to supporting people with the cost of living.

We have to carefully balance the demands on residents' budgets with our duties to deliver services to those who need us most.

We appreciate that any rise in Council Tax creates additional challenges for some of our residents, but support is available to people who really need it. Our [online welfare hub](#) signposts to financial, health and wellbeing support services and guidance.

Council Tax support is also available through District and Borough councils:

- [Elmbridge Borough Council](#)
- [Epsom and Ewell Borough Council](#)
- [Guildford Borough Council](#)
- [Mole Valley District Council](#)
- [Reigate and Banstead Borough Council](#)
- [Runnymede Borough Council](#)
- [Spelthorne Borough Council](#)
- [Surrey Heath Borough Council](#)
- [Tandridge District Council](#)
- [Waverley Borough Council](#)
- [Woking Borough Council](#)

Alternative formats

Alternative versions of the survey can be found in the related documents section on Surrey Says. If you require the survey in a different format, language or in hard copy (including a stamped addressed envelope to return the survey), please contact Surrey County Council as follows:

- **Telephone:** 03456 009 009 (9am to 5pm, Monday to Friday, excluding bank holidays)
- **Textphone (via Relay UK):** 18001 03456 009 009
- **Text (SMS):** 07860 053 465
- **British Sign Language:** www.surreycc.gov.uk/bsl
- **Email:** contactcentre@surreycc.gov.uk

If you are completing this survey electronically, it can be returned to:

- contactcentre@surreycc.gov.uk

Alternatively, it can be returned by post to the following address:

Surrey County Council
Budget Consultation
11 Woodhatch Road
Cockshot Hill
Reigate
RH2 8EF