

2024/25 draft budget and Future Tandrige Programme Update

Strategy and Resources Committee Thursday 30 November 2023

Report of: Chief Executive and Chief Finance Officer (S151)

Purpose: For decision

Publication status: Unrestricted

Wards affected: All

Executive Summary:

This report sets out a Draft Budget for 2024/25, accompanied by an update on the Future Tandrige Programme (FTP).

The Draft Budget for 2024/25 and the Medium-Term Financial Strategy (MTFS) is brought to this Committee to inform councillors of the current budget position for the Council. The final version will be approved by Full Council on 8 February 2024. Details of the current budget gap, budget pressures and savings proposals are identified in this report. Whilst the budget is balanced at this draft stage, this position may change as pressures and savings are refined over the course of December.

The report will discuss the national and local context of the budget setting process, organisational and Committee updates, aligned to the financial strategy and give details of the budget assumptions and principles.

It provides:

- The budgetary context, in terms of the timetable to deliver the budget and an update on the likely financial position and scale of savings required.
- A Draft Budget, for use as the basis consideration by policy Committees in January and ultimately by Full Council in February.
- An update of progress in Operations and Waste since the update to the Community Service Committee in September.
- An update on the Digital / Customer Service Transformation and the work being carried out to deliver the scope in the business case approved in June 2023.

- An update on commercial activities being developed.
- An update on the Corporate Plan.
- Next steps on Future Tandridge Programme following consideration / approvals along with the lead-in to the final budget to be approved by Full Council on 8 February 2024.

This report supports the Council's priority of: Building a better Council.

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Recommendations to Committee:

In respect of the Draft Budget, that Committee:

- A. Approves the Draft Budget for 2024/25 and Medium-Term Financial Strategy to 2026/27, set out in Appendix A. This will form the basis of reports to each Policy Committee in January.
- B. Approves the following elements to form the basis of the budgets to be finalised during the January Committee cycle:
 - The Budget Pressures (set out in section 6 and Appendix B)
 - The overall savings plan (set out in section 7 and Appendix B), noting that further consideration may be required pending the Local Government Finance Settlement or if any further budget pressures emerge.
- C. Approves the gross Council Tax Base for 2024/25, determined at 39,603.3 after taking account of the Council's agreed Council Tax Support Scheme and the net Council Tax Base for 2024/25 is determined at 39,128.0 after adjustment by 1.2% to allow for irrecoverable amounts, appeals and property base changes. Refer to Section 8 of Appendix A and Appendix G.

In respect of the wider Future Tandridge Programme, that Committee:

- D. Notes the progress to date on:
 - Developing a Commercial strategy and activities to support commercial opportunities.
 - Developing an approach to commissioning and continuous improvement.
 - Delivering the Future Tandridge Programme, the direction of travel for the Service Reviews and associated savings targets for 2023/24 included in Appendix C and section 4.
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Reason for recommendations:

As a public body, the Council is required to set a balanced and deliverable budget and to demonstrate value for money in all its services, while operating in an uncertain and restrained financial environment.

The Council is legally obliged to set a balanced budget for 2024/25 which will include details of the proposed savings and pressures. It is good practice to present a Draft Budget in advance to set out progress, outline the scale of the challenge and the work needed over the next two months to finalise the budget.

This report builds on the papers presented to Council on 9th February 2023 and to this Committee on 29th June 2023 and 28th September 2023.

The Future Tandridge Programme, service reviews and the commissioning and continuous improvement programme are the mechanism for delivering value for money, providing assurance that services are specified to deliver to an agreed quality within available funding.

1. Introduction

- 1.1. This covering report sets out an update on the Budget Setting timetable for 2024/25. The Draft Budget 2024/25 and Medium-Term Financial Strategy to 2026/27 is set out in Appendix A and supporting documents. The covering report also provides the regular update to Committee on progress in delivering the Future Tandridge Programme.

2. Budget timetable update

- 2.1 The 2024/25 Budget Process will culminate on the 8 February 2024, when Council is scheduled to discuss and approve the budget and MTFs. The Constitution determines that the Strategy & Resources Committee (S&R) "shall consider the aggregate of all Committee estimates and, after making such amendments as it thinks fit, submit the aggregate estimates to the Council for approval, together with recommendations as to the Council Tax to be levied for General Fund expenditure." For 2024/25, S&R is scheduled for the 30 January 2024. An indicative timetable leading up to that point was set out in June, including plans to engage with the other Policy Committees. Progress to date is set out below.

Time Period / Date	Activity / Milestone	Progress
29 June 2023	2024/25 Budget Process Report to S&R Committee	Complete
July – September 2023	Initial estimates of Pressures and Savings developed: Review of fees and charges Review of commercial opportunities Early digital gains Commissioning benefits and associated savings Savings from service reviews	Complete: A process has been identified to review fees and charges, commercial opportunities are long listed, and initial savings plans have been developed.
August – September 2023	Engagement with Members on 2024/25 initial Pressures, Savings, Fees and Charges	Complete. Fees and charges will be subject to consultation in December
September 2023	Committee Cycle – FTP update and progress on identifying 2024/25 savings	Complete
October – November 2023	Engagement with Members on 2024/25 Draft Budget	Complete: this phase of informal engagement consisted of a review of proposals by MRG and a budget briefing to all Members on the 31 st October
30 November 2023	2024/25 Draft Budget and Capital Programme, including Tax Base to S&R	This report
December 2023	Expected publication of Local Government Finance Settlement – finalisation of funding estimates, finalisation of pressures and savings.	
December 2023 to January 2024	Engagement with Members on 2024/25 Final Budget including Fees & Charges Engagement with residents and Business Rate payers on 2024/25 Budget	
January 2024	Committee Cycle – 2024/25 Final Budget, Capital Programme and Medium-Term Financial Strategy	

Time Period / Date	Activity / Milestone	Progress
30 January 2024	2024/25 Final Budget, Capital Programme and Medium-Term Financial Strategy to S&R Committee	
8 February 2024	2024/25 Final Budget, Capital Programme and Medium-Term Financial Strategy to Council	

3. Content of the Draft Budget

The Draft Budget 2024/25 and Medium-Term Financial Strategy to 2026/27 is set out as Appendix A. It includes the following sections:

1. Introduction
2. Strategic context
3. Committee overviews
4. Budget principles
5. Revenue budget headlines
6. Budget pressures
7. Savings
8. Funding
9. Reserves Update and Financial Resilience
10. Draft Capital Programme
11. Medium Term Financial Strategy Update
12. 2023/24 Financial Performance
13. Next steps

4. Future Tandrige Programme

- 4.1 This section of the report updates the Committee on the Future Tandrige Plan.

The programme approach was set out in the report to the Strategy and Resources Committee on 1 February 2022.

This identified two broad phases:

Phase 1 - mobilisation and design – c6 months

Phase 2 – delivery – c12 months

Phase 2 of the programme was approved by the Strategy and Resources Committee on 29th September 2022 with funding of resources required to deliver the approved programme objectives.

Phase 2 – approach to delivery

Through the delivery phase, the governance and workstream structure for the programme has been shaped as follows, with Member engagement and consultation throughout.

The development of the leadership and organisational development workstreams will continue to be overseen through the **Target Operating Model (TOM) Development Group** along with the overall development of the operating model. This group will be chaired by the Chief Executive and will, in set the guiding principles for the development of the FTP.

As change projects are approved for delivery these will be overseen by the **Programme and Benefits Delivery Board** which is chaired by the Chief Finance Officer.

- 4.2 Below is a brief recap on the 5 workstreams that will form the Programme structure through Delivery:

Leadership

- Senior Management restructure – building a new senior management team equipped to lead and deliver the Future Tandrige Programme and its outcomes.
- Corporate Plan – the development of a new corporate vision and a new Corporate Plan to guide the Council from 2024.

Organisational and Workforce change

- Implementing leaner management and service structures to deliver the new operating model.
- Creation of a workstream that delivers the staffing savings as determined by the service reviews.
- Developing a consolidated People Plan to support the delivery of the FTP.

Operations Transformation

- A project team in place to deliver the recommendations set out in the business case approved in September 2022

Digital and Customer Services Transformation

- A project team established to take forward the recommendations in the Digital and Customer Services transformation project, to deliver the contents of the business case approved in June 2023.

Service Improvement Plans Delivery

- A workstream overseeing the delivery of the remaining service improvement plans and their associated savings.

Further funding to continue Phase 2 was approved in June 2022 and September 2022. This will enable delivery of the Digital and Operations Transformations and the forecasted savings for 2023/24. An update against the total funding for the delivery phase of £500k is provided in Appendix F. This is unchanged from the previous report to Committee. Work is now in progress to develop the plans to deliver the savings identified in the draft budget report for 2024/25.

4.3 Summary of Service Reviews

A summary of savings overview for 2023/24 and review of each service review is included in Appendix C.

4.4 Senior Management restructure

On the 13 September 2023, the Chief Executive launched a senior management restructure, consultation completed on 20th October. The new structure will take effect from 1 December and will be communicated to Councillors.

Over a two-year period, a management structure saving of £450k was identified as part of the Future Tandridge Programme and £170k was to be delivered from the current phase.

Along with delivering the savings, the purpose of the restructure is to provide the Council with a stable and balanced senior management team focussed on the delivery of priorities. Management resource is directed towards services that are visible to residents.

The main changes are summarised as follows:

- Creation of Director of Resources post and new directorate to bring together responsibility for corporate resources – Finance, Exchequer, Revenues and Benefits, IT, Human Resources, Customer Services, Assets and Regeneration. Within the directorate, the creation of a new post – Head of Assets and Regeneration
- Deletion of Head of Transformation and Business Support post
- Creation of Transformation Programme Director post (funded from the Future Tandridge Programme for 12-24 months) to work with the senior leadership team to deliver the Council's approach to transformation, including leading strategic change programmes including the Future Tandridge Programme and directing the digital transformation programme and consequent requirements of organisational change.

As reported to the last committee meeting, the Chief Planning Officer is progressing with the recruitment of senior posts to significantly strengthen the overall planning service.

4.5 Commercial activities update

A Commercial Strategy is being drafted which will provide Heads of Service and staff with a suitably formalised structure to guide their strategy on commercialisation.

Three key areas will be explored during development of the commercial strategy:

- The way that current services to residents are monitored and evaluated to ensure continuous delivery of business as usual is integrated into the commercial strategy
- How current pipeline income generating ideas will be developed
- How new income generating services will be identified and developed

The commercial strategy will be developed by EMT, and key officers. Members will then be consulted on key areas of the strategy, in particular their appetite for risk and their view on the emerging opportunities.

In the meantime, the Council is mobilising to take advantage of more immediate and obvious opportunities (such as in Revenues and Benefits).

4.6 Commissioning and continuous improvement

As part of embedding continuous improvement into all services in the Council a commissioning and continuous improvement cycle is now being developed by a group of senior officers. This cycle will be used to guide officers through the steps required to review and improve a service, from initial analysis, through specifications for the service, options appraisal and implementation of the selected delivery model. The cycle also covers the review process, managing contracts and internal services and monitoring the performance of services against their objectives. Improvement activities will be reviewed for lessons learned to help improve the Council's approach.

Particularly where services are outsourced, organisations risk losing expertise in the subject matter area, eroding the capacity to successfully manage the contract. Steps are underway to develop an intelligent client model at the Council, to ensure there is a consistent approach to contract and supplier management, whether internally or externally provided. An intelligent client model ensures that the Council has the capacity to oversee contractors (or internal departments) effectively to manage the delivery of work – providing assurance that it is delivered to an acceptable standard, timescale and cost, in line with the terms of the contract.

Continuous Improvement - Training and adoption across the Council

Training will be required to develop officers, firstly EMT, then Key Officer Forum and other officers. All Heads of Service will be responsible for ensuring the approach is embedded and operating correctly in their service areas. Key officers have already been enrolled in Contract Management training provided by the Government Commercial Function.

Building the skills internally to manage contracts and relationships with external suppliers will be vital to enable scrutiny and challenge to ensure the best possible outcomes to service delivery.

Officers are now developing documents and tools and will be agreeing the timetable to roll out the approach across the Council.

4.7 Service review delivery updates

Delivery Risk Overview

The table below sets out progress towards delivering the 2023/24 savings target of £1.7m.

		September	November			Variance
RAG status	RAG rating determination	Total Sept 2023 £000	Staff savings 23/24 £000	Non-Staff savings 23/24 £000	Total Nov 23/24 £000	Movement Sept to Nov £000
	Savings delivered	£856	£553	£408	£961	£105
	Clear plans, realistic timescales	£192	£68	£167	£235	£43
	Some risks to delivery or detailed delivery plan still in development	£545	£0	£272	£272	(£273)
	Significant risks to delivery, delivery plan yet to be agreed	£35	£16	£24	£40	(£5)
	Savings target will not be met this year	£26	£120	£26	£146	£120
	Totals	£1,654	£757	£897	£1,654	£0

This review shows that £961k of savings are marked as complete, i.e. all necessary actions have been taken in order to deliver the saving. This includes £85k of savings achieved as part of the senior management restructure.

A further £235k is marked as green, this relates to delivery of improvements relating to the Southern Building Control Partnership, ongoing work to develop a shared service with RBBC to deliver Revenues and Benefits to other local authorities, along with an element of savings expected in Customer Services.

£26k in Regulatory Services is now marked as unachievable in 2023/24, due to a change in the management leads at Tandridge District Council and Mole Valley District Council and the subsequent need for a reset on the savings proposed. This is likely to be offset by other savings within Regulatory Services to achieve a balanced budget, but the longer-term change is still required and will be pursued in 2024/25. The Deputy Chief Executive is actively discussing savings in this area with counterparts at Mole Valley District Council.

£35k in IT is also marked as unachievable in 2023/2024, with the saving being rephased into 2024/25.

£85k of Senior Management restructure savings has been marked as unachievable for 2023/24 due to a portion of the management structure saving being reinvested into Planning.

The Red element of £40k relates to the remainder of savings planned in Customer Services and Legal savings of £24k which are now being reviewed and plans may need to be revised.

The Amber element of £272k reflects the risks to delivery of savings planned over the remainder of the year. This consists of the following, with further detail in Appendix C:

- £16.5k in Operations and Localities which is marked as amber while the recommendations of Committee on the 9th March are in the process of being fully implemented.
- £150k saving from better utilisation of the Homelessness Grant Funding, where certainty will increase over the course of the year as homelessness levels are tracked.
- £70k of Assets and FM savings, which are partly dependent on increased lettings at the Council Offices, Oxted and Quadrant House in Caterham and transfer of responsibility for maintenance to leaseholders. Although plans are in place for this, certainty will only come with additional lettings. A reserve exists to mitigate this risk.
- £50k in Revenues and Benefits – marked as amber as relies on working with external partners with plans being developed in detail.
- Smaller amounts across the remaining reviews, mainly linked to Phase 3 staffing savings which will become green when the consultation is launched.

Confidence in delivering the amber savings will grow as the year progresses. A summary of progress for each of the service reviews is included in Appendix C, along with a RAG assessment of current confidence in delivery of target savings and the quality and depth of the review undertaken.

4.8 Programme Outcomes Progress Table

To deliver the benefits outlined in the Future Tandrige programme, the key outcomes have been identified and a number of workstreams defined with responsibility for delivering these outcomes. Below is a table that details the key outcomes defined for the programme, the progress made so far to deliver these outcomes and future deliverables and their respective milestones.

Workstream	Owner	Outcome	Deliverable	Progress to date	Next steps	Changes
Vision and strategy	D Ford G Valenza TOMDG	Approved Corporate Plan. Service planning and delivery embedded, linked to Corporate Plan	Corporate plan	Stakeholder meetings, Member workshop, resident surveys and documenting of emerging themes Jun23	Draft plan for review – Jan 2024 Feb 2024 – align plan with service plans and objectives Launch new plan = July 2024	
Leadership	D Ford TOMDG	Fewer, more capable managers. Structure clearly linked to Corporate Plan.	Clear Senior Management Structure to deliver Council priorities	Phase 1 – December 2022	Phase 2 – Consultation launched September 2023 Implementation 1st December 2023	
Commissioning /Continuous improvement	D Ford M Hak-Sanders TOMDG	All internal and external services operate to clear specifications with performance metrics which are actively managed, developed and improved Commissioning structure fully in place and operational	Continuous improvement including commissioning process and business partnering	Continuous improvement approach drafted including Principles proposed Guides, templates and processes defined – July – present	Ongoing analysis of shared service opportunities (market analysis data) – Sept-Dec 2023 Skills and capabilities analysis – Oct 2023 Business partnering approach being drafted– beginning Dec 2023 Key officer Training – Jan 2024 Timetable in place – Nov 2023 Training and behaviours rollout – beginning Jan 2024	Define roles and governance- Jan 2024 EMT
Support services	D Ford EMT TOMDG	Service Plans identify needs in advance. Resources are directly linked to requirements. Business Partnering is the norm.	Business partnering across all support services.	Continuous improvement approach drafted, business partnering will be a part of the delivery model improve phase. Business Partnering embedded for Finance	Part of the continuous improvement rollout Dec 2023 onwards	

4.8 Programme Outcomes Progress Table

Workstream	Owner	Outcome	Deliverable	Progress to date	Next steps	Changes
FTP Phase 2 - Service reviews	M Hak-Sanders Prog Delivery & benefits board	New Target Operating Model	Continuous improvement approach including commissioning best practice Develop intelligent client skills and capabilities	Service improvements implemented as reported in Appendix B	Further service review improvements – March 2024	
Operations Transformation	T Pearson-Rose Prog Delivery & benefits board	Delivering operations, localities and Waste in the most cost effective and best way for our residents as detailed in the business case approved in September 2022	GM Options appraisal Waste review Long term strategic plan for playgrounds, pavilions and toilets	Grounds maintenance options appraisal – options finalised and taken to committee for approval – September 23	Grounds Maintenance Market engagement complete – outcomes being assessed Delivery model timetable for October 2024 onwards in development. Street Cleansing/HRA – review in progress	
Digital & Customer transformation	M Hak-Sanders Prog Delivery & benefits board	Resident / customer self-service / online access. Integrated systems across key functions such as Planning, Housing and Customer Services	Website redesign My account resident self-service including Planning, Housing and Customer service functions Integrated internal council line of business systems ChatBot for residents Upgraded telephony system	Business case approved – March 2023 Digital project manager in place – April 2023 Implementation partner selected – August 2023 - Telephony solution selected – August 2023 - Licences agreed with Salesforce – August 2023 - Implementation partner engaged – Sep 23	Upgraded Telephony system – Jan/Feb 2024 MyAccount – June 2024 Chatbot for residents – Sep 2024 Integrated internal Council line of business systems using Mulesoft - TBC Internal Testing and user acceptance testing. Out of scope dependency items – data cleansing, chatbot scripts, website refresh - planning in progress	Telephony go-live moved from Dec23 to Feb24

4.8 Programme Outcomes Progress Table

Workstream	Owner	Outcome	Deliverable	Progress to date	Next steps	Changes
Organisational design	Mark Hak-Sanders TOMDG	Smaller, more agile organisation. Capabilities are defined, invested and developed. Talent is identified and developed	People plan Skills matrix Job description review	Appraisals for all staff – March 2023 EMT behaviours now in place and cascaded to staff as part of appraisal process – March 2023 JDs reviewed in each success restructure.	Engage Org Design resource. through shared role with RBBC Skills matrix in development with Key Officer Forum	
Culture	D Ford EMT TOMDG	'One team' Council. Pay and reward linked to performance. Modern, agile ways of working	Develop pay and reward scheme – integrated into appraisal process Performance management - Training and development Staff forum set-up	Key officer forum in place – April 2023 Staff forum in place – July 2023	Pay and reward scheme – Mar 2024 Performance management - Training and development.	
Process and Data	Lead to be identified	More routine processes are simpler and automated. Data is used to drive insight and improvement.	Data insights strategy Service specifications for all services Data usage across services	Reviewing service specifications as part of Continuous improvement process.	Data insights strategy – tbc Service specification data as part of continuous improvement approach – date tbc Develop customer experience and insight data – date tbc	

This table will be regularly updated to reflect progress and provided in future Strategy and Resources Committee papers.

5. Committee updates

5.1 Strategy and Resources Committee and corporate updates

Digital Transformation

The technical foundations for the Digital Transformation workstream are currently being laid, with the assistance of our implementation partner (technical experts); the team are installing the core elements as detailed in the approved Digital Business case. Concurrently, we are preparing for Member engagement on design elements and strategies to help shape the final implementation. The Digital Transformation programme is managed as a series of smaller projects/deliverables each with its own set of suppliers and stakeholders. A notable addition to the original Digital Transformation business case has been the inclusion of the telephony upgrade project.

As a result of the business analysis and readiness assessments carried out in the planning phases of the Digital Transformation programme, several out-of-scope dependencies were identified, and projects have commenced with the relevant service areas and forums to address these. A key example of this is data cleansing to reduce the risk of duplicate resident or business records.

A Digital Transformation Risk Register and RAID log have been set up to ensure adequate risk management, this has been done in accordance with the approved Project Initiation Document and following the usual FTP Governance. Risks are reviewed on a fortnightly basis by the Digital project board at the project board meetings that are now led by the Digital project lead.

The Digital Transformation programme is currently tracking in line with the high-level delivery schedule and budgets.

Since the update provided in the September 2023 Strategy & Resource Committee paper, the following progress has been made in the Digital workstream:

- MuleSoft API engine has been installed and set up/configuration is in progress
- Chatbot design and user experience sessions are in progress with Customer Services and Policy and Communications, a functional demo environment is expected soon
- External website design consultants have been conducting analysis and identifying key areas for improvement

- MyTandridge Account technical architecture and data structures have been designed at high level and are being built out in test salesforce environment
- Replacement telephony solution is being designed and built to our specifications by supplier
- Telephony training is being designed and scheduled
- Recruitment of technical business analyst resource
- Engagement strategy; a final draft will be circulated to the Project board for review and feedback ahead of being shared with Members for review
- Communications plan has been compiled

The main focus for the coming months will be to deliver the replacement telephony solution and progress the technical MVP builds to an early, demonstratable, Minimum Viable Product (MVP) stage for feedback and development, including with Members. A proposed timetable for Member engagement has been drafted and shared with the Member Reference Group.

5.2 Community Services and Housing Committee updates

Grounds Maintenance

Work is now progressing on developing specifications and reviewing the market, in advance of the implementation of a new delivery model in preparation for go-live in October 2024.

To support delivery of Grounds Maintenance and other services, an intelligent client model will be set up at Tandridge, this will provide the following regardless of delivery models:

- Strong contract and supplier management
- Mutually agreed service objectives and expected outcomes
- Clearly defined service specifications and expected outcomes
- Trust and good working relationship
- SMART Key Performance Indicators built into the service
- Regular performance reviews
- Actively monitoring work whether internal or externally delivered
- Expectation of check and challenge with supplier
- All above form part of the commissioning and continuous approach being developed by officers.

Developing the intelligent client model will require resourcing in the next phase of transformation investment.

Work is in progress on a review of the HRA delivery model, to understand the delivery model and future shape of the service. An update will be provided in future Committee papers.

5.3 Housing

Voids/Housing repairs

The Voids & Housing Repairs project has been initiated and will follow the continuous improvement approach. A Project Initiation Document to identify scope, resources and begin writing system specifications is being drafted with project team identified and regular project meetings now scheduled.

5.4 FTP Risk update

As part of the governance on the Future Tandridge programme, all programme and project level risks are recorded in a risk register. Programme risks are reviewed and updated regularly. Fortnightly meetings are also in place with the EMT stakeholders to review progress and discuss and agree mitigating actions against risks to delivery highlighted by the EMT.

Key projects maintain their project level risks in project RAID logs, where risks, actions, issues and decisions are logged.

The latest programme risk register can be found in Appendix H.

6. Comments of the Chief Finance Officer (S151)

With no real clarity on Government funding over the medium-term, our working assumption is that financial resources will continue to be constrained. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium-term.

It is a legal obligation that the Council sets a balanced budget for 2024/25. This relies on the identification of sufficient savings to meet spending pressures and any funding reductions. Drawing on already low General Fund reserves to cover a shortfall in savings is not a sustainable option and would only be used as an absolute last resort. The Council needs to build, rather than draw on reserves to safeguard its medium-term financial stability.

The Section 151 Officer confirms that the 2024/25 Draft Budget and MTFS is based on reasonable assumptions, taking into account all known material, financial and business issues and risks and is confident that if the principles and recommendations set out in this report are adopted that a balanced budget can be set for 2024/25.

7. Comments of the Head of Legal Services

At this stage, the purpose of the report in terms of the draft Budget is to raise awareness. The budget remains fluid and subject to on-going iteration. As set out in the recommendations, each Committee with budgetary responsibility will receive its budget for consideration in January 2024.

However, the budget is based on assumptions about the future which are more volatile than usual in the current economic climate. The main risks are that planned efficiency savings may not be achieved and expenditure not contained within approved budgets due to the impact of rising inflation and constraints on suppliers.

This report also sets out details of savings proposals, from the large to smaller but still significant savings. It appears that no stone is being left unturned when identifying savings to be able to close the financial gap and balance the books.

The Council is likely to emerge from this process with fewer employees and a requirement to be clear about what it can and cannot do in the future. It should be noted that the Council needs to deliver certain services as a statutory requirement and has limited scope to influence how these services are delivered.

The Council therefore faces challenges in managing the financial risks and in delivering a balanced budget over the MTFS period. Both the MTFS and the FTP will have to continue to undertake robust monitoring and will need to remain flexible to respond to changing circumstances.

8. Equality

- 8.1. The Council has specific responsibilities under the Equality Act 2010 and Public Sector Equality Duty. Part of this is to ensure that the potential effects of decisions on those protected by the equalities legislation are considered prior to any decision being made.
- 8.2. Section 149 of the Equality Act 2010, provides that a public authority must, in the exercise of its functions, have due regard to the need to:
 - eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the EA;
 - advance equality of opportunity between persons who share a relevant protected characteristic (as defined by the EA) and persons who do not share it;

- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 8.3. The three parts of the duty applies to the following nine protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status apply to the first part of the duty.
- 8.4. Members should have due regard to the public-sector equality duty when making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome.
- 8.5. Officers will review proposed budget changes against the initial equalities screening tool prior to finalisation.

9. Climate Change implications

- 9.1. There are no direct impacts on environmental aspects in this budget report. Climate change implications will be assessed as part of any changes to Service provision through a business case process.

10. Background papers

- Strategy & Resources Committee - June 2023 – [Future Tandridge programme and 2024/25 budget setting process](#)
- Strategy & Resources Committee - September 2023 – [Future Tandridge programme](#)

Appendices:

Appendix A – Draft Budget report

Appendix B – Budget Pressures and Savings

Appendix C – Summary of Service Review updates

Appendix D – FTP Programme highlight report – October 2023

Appendix E – FTP Programme roadmap

Appendix F – Programme Resource forecast

Appendix G – Council Tax Base

Appendix H - FTP Risk Register

Appendix I - Glossary