

Appendix 2 - COUNCIL COST AND DEMAND PRESSURES 2021-22 to 2025-26

APPENDIX 2

Department	Service	Cost/Demand Pressure	Best Case					Mid Range Scenario					Worst Case				
			2021-22 £000	2022-23 £000	2023-24 £,000	2024-25 £,000	2025-26 £,000	2021-22 £000	2022-23 £000	2023-24 £,000	2024-25 £,000	2025-26 £,000	2021-22 £000	2022-23 £000	2023-24 £,000	2024-25 £,000	2025-26 £,000
Chief Executive's Unit	Financial Services	Universal Credit "Full" Service went live in Sept 2018, but managed migration has been deferred to 2021 and will not be completed until 2024. The DWP will reduce the Housing Benefit Administration Subsidy they pay to the Council as some claimants come off of Housing Benefit processed by Council staff and go onto Universal Credit processed by the DWP. The Council's caseload has reduced by 14% in the first year of Full Universal Credit but it is hard to predict just how quickly the rest of the working age caseload will migrate from Housing Benefit to Universal Credit between now and 2024. DWP announce funding allocations each December. For 2020/21 we are benefitting from transitional protection. These figures represent our best estimates at this time.	60	120	180	240	300	60	120	180	240	300	60	120	180	240	300
Executive Director - Douglas Hendry	Commercial Services	There is an ongoing need for the Council to manage the activities associated with delivery of the Asbestos Management Plan. An earmarked reserve equivalent to £90k per annum was agreed by the Council in FQ2 2017 which should allow the management arrangements to be funded until the end of FQ2 2020 on the understanding that this provision is the subject of ongoing review. From a budgetary perspective, the best case scenario is that funding of the anticipated staff resource will continue to be required beyond the end of FQ2 2020 with no emergent asbestos related issues. The worst case scenario includes an allowance to deal with non-funded emergent issues associated with the management of asbestos.	28	28	28	28	28	48	48	48	48	48	68	68	68	68	68
Executive Director - Kirsty Flanagan	ICT	Further extend the roll out SKYPE for Business to Education - Cost of two senior engineers necessary for both implementation and ongoing support for an additional 70+sites and 1800 staff accounts.	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Executive Director - Kirsty Flanagan	Financial Services	Oracle EBS Upgrade/Replacement - Additional revenue costs of software support for Financial system. The range reflects a simple upgrade (£80k) to a full ERP installation - note £190k is low end of RFI responses for full ERP High end was £340k	80	80	80	80	80	190	190	190	190	190	340	340	340	340	340
Executive Director - Kirsty Flanagan	Financial Services	Oracle EBS Upgrade/Replacement Backfilling project team resource during replacement Financial system planning, testing & implementation.	50					100					200				
Executive Director - Kirsty Flanagan	HR	Costs for a project team for a new HR system & Backfill. This is a total new system build unlike the financial system.	150					200					250				
Executive Director - Kirsty Flanagan	Waste	Additional costs derived from the current waste model. Note that the treatment of waste going forward has not been fully costed due to uncertainty as to how the council will deal with the Bio Municipal Waste ban and the Deposit Return Scheme.		25	29	26	23		25	29	26	23		25	29	26	23
Executive Director - Kirsty Flanagan	Planning	Local development plan will require to be done under the new Planning legislation which is a revised process from the current one and will have a 10 year life. The new process has 2 stages where there is likely to be a cost pressure - a gate check followed by an examination some time later.			50		50			50		50			50		50
Executive Director - Kirsty Flanagan	Environmental Health	Implementation of Idox system for Digital Performance Management plus transfer of ABC documents to new system.	77					77					77				
Council Wide	Council Wide	Consolidation of Living Wage	444	444	444	444	444	500	500	500	500	500	560	560	560	560	560
Council Wide	Council Wide	General provision for unidentified Cost and Demand Pressures	0	0	0	0	0	250	500	750	1,000	1,250	500	1,000	1,500	2,000	2,500
TOTAL			914	722	836	843	950	1,450	1,408	1,772	2,029	2,386	2,080	2,138	2,752	3,259	3,866