

## Detailed Service Pressure Projections 2025/26

(Cost and demand increases above assumed inflation)

Service Area	Pressure type	Brief reason for Cost, Demand or Income Pressure	Projection £'000
<b>Families, Children &amp; Learning:</b>			
<b>FCL Demand Led Budgets:</b>			
Child Agency Placements - Demand	Demand	The overall numbers of children in care have reduced over the last 3 years, bucking the national trend. This has mainly been in the younger cohort, under 10's and we have seen an increase in the number of adolescents both in care and coming into care. At the same time significant reductions in the care budget have been achieved and are on target to be achieved this year. However the rising number of adolescents in care alongside the reduction in budget now create a budget pressure. potential savings have been identified to reduce the numbers of children requiring expensive agency placements reducing this figure by 5 FTE children.	92
Child Agency Placements - Unit Cost	Cost	Significant increase in average unit cost of residential home placements due to market sufficiency pressures and increasing needs of young people.	1,150
Children's Disability Agency Placements - Demand	Demand	The post pandemic period has put increasing pressure on families leading to greater number of children with disabilities entering care due to family breakdowns and crisis. The Personal Assistant workforce shortage is also having an impact as families have less ongoing support within their own home.	653
Children's Disability Agency Placements - Unit Cost	Cost	Significant increase in average unit cost of residential home placements due to market sufficiency pressures and the increasing complex needs of young people.	363
Home To School Transport - Demand	Demand	Increasing numbers of children eligible for Home to school transport linked to growth in EHCPs. 11.6 pupils equates to an increase of 1.8%	795
Home To School Transport - Unit Cost	Cost	Corporate inflation rate for transport is 2%. Prices driven by local taxi market conditions exceed this provision.	130
<b>FCL Other budgets:</b>			
BSO regrading - incremental pressure	Cost	Agreed regrading of business support officers working within Social Care following an HR Review.	0
SEN Casework Officers	Demand	Increase in 1fte SEN casework officer. Growth in EHCPs in the last year is broadly 10%. However, there has been a surge in the last quarter of approximately 53%, this may smooth out over the year. Pressure funding request represents growth in	40

		number of casework officers of only 8.3%. EHCP work is a statutory duty of the LA.	
Shortfall on Schools PFI contract	Cost	The recent rate of inflation has been in excess of that allowed in the PFI model and this has meant costs have increased significantly and that the PFI reserve has been fully used leading to an unavoidable service pressure within the contract.	180
Section 17 (Children with Disabilities)	Demand	The national and local shortage of placements is meaning that we are increasingly supporting parents to have contact with their children with placements outside of the city. This budget is also being used to provide bespoke agency support to children in their homes to prevent them coming into care.	100
Direct Payments	Demand	There is an increasing demand from parents and carers of disabled children requiring an assessment for a financial package of support through Direct Payments. This directly correlates with the national and local increase in the numbers of children diagnosed with neurodiversity or on the pathway for diagnosis.	225
Early help	Demand	Children in Need numbers are increasing. Between 2022/23 and 2023/24 the increase was 13.5% and this is leading to increasing pressure on social care services. To alleviate this pressure investment is needed in early help services to avoid higher cost placements	0
Family Hubs	Loss of grant/partner funding	Loss of Public Health funding. Increasing demand in this area as need increases.	220
Adoption Southeast	Cost	Additional administration costs levied by East Sussex County Council.	51
No Recourse to Public Funds	Demand	Anticipated increase in numbers of families and unaccompanied children needing support and having no recourse to public funds due to changes in legislation.	0
High Needs Block Review	Cost	Change in eligibility of services that are chargeable to the DSG high needs block.	1,726
DSG recharges (HNB usage)	Other	Change in eligibility of services that are chargeable to the DSG high needs block.	1,318
UASC Care Leavers	Loss of grant/partner funding	The Home office grant, given to support the care costs of care leaving UASC may be withdrawn following the introduction of the illegal migration act. Under the act it is highly likely that many of our UASC will not be given leave to remain and therefore support to them as care leavers is expected to be withdrawn under the act.	200
Educational Psychologists (EPs)	Demand	Increase in 1 fte EPs. Growth in EHCPs in the last year is broadly 10%. However, there has been a surge in the last quarter of approximately 53%; this may smooth out over the year. Pressure funding request represents growth in number EP assessments that will need to be undertaken as part of the EHCP process. 1fte represents 7% increase in the permanent EP establishment.	80

Family Hubs - Cleaning contracts	Cost	New pressure identified - Significant increase in the cost of the cleaning contract over the last year for Family Hubs.	79
Impulse & Aspire Contracts	Cost	IT&D has reported an escalation in costs related to software licensing for two systems.	186
<b>Total FCL 2025/26 Pressures</b>			<b>7,588</b>
<b><i>Housing, Care &amp; Wellbeing:</i></b>			
<b><i>ASC Demand Led Budgets:</i></b>			
Adults with Learning Disabilities	Demand	Increase in numbers of adults with learning disabilities requiring services driven primarily by transitions from children's services.	877
Adults with Learning Disabilities	Cost	There have been significant increases in the average unit costs of placements for adults with learning disabilities. This is the ongoing impact of the period of high inflation and associated costs of delivering services including; rising operational costs, living wage increases, pension costs, increased insurance premiums and the challenges of recruiting sufficient staff. This is against the backdrop of increasing complexity of needs.	2,869
Physical support 18-64	Demand	There are a number of ongoing initiatives designed to reduce the demand for funded services within adult social care. These appear to be relatively successful, and it is currently anticipated that no additional pressure funding will be required in 2025/26.	-317
Physical support 18-64	Cost	There have been significant increases in the average unit costs of placements. This is the ongoing impact of the period of high inflation and associated costs of delivering services including; rising operational costs, living wage increases, pension costs, increased insurance premiums and the challenges of recruiting sufficient staff. This is against the backdrop of increasing complexity of needs.	330
Physical support 65+	Demand	There are a number of ongoing initiatives designed to reduce the demand for funded services within adult social care. These appear to be relatively successful, and it is currently anticipated that no additional pressure funding will be required in 2025/26	255
Physical support 65+	Cost	There have been significant increases in the average unit costs of placements. This is the ongoing impact of the period of high inflation and associated costs of delivering services including; rising operational costs, living wage increases, pension costs, increased insurance premiums and the challenges of recruiting sufficient staff. This is against the backdrop of increasing complexity of needs.	459
Memory & Cognition	Demand	There are a number of ongoing initiatives designed to reduce the demand for funded services within adult social care. These appear to be relatively successful, and it is currently anticipated that no additional pressure funding will be required in 2025/26	-376

Memory & Cognition	Cost	There have been significant increases in the average unit costs of placements. This is the ongoing impact of the period of high inflation and associated costs of delivering services including; rising operational costs, living wage increases, pension costs, increased insurance premiums and the challenges of recruiting sufficient staff. This is against the backdrop of increasing complexity of needs.	1,655
Mental Health Support	Demand	There are a number of ongoing initiatives designed to reduce the demand for funded services within adult social care. These appear to be relatively successful, and it is currently anticipated that no additional pressure funding will be required in 2025/26	172
Mental Health Support	Cost	There have been significant increases in the average unit costs of placements. This is the ongoing impact of the period of high inflation and associated costs of delivering services including; rising operational costs, living wage increases, pension costs, increased insurance premiums and the challenges of recruiting sufficient staff. This is against the backdrop of increasing complexity of needs.	2,051
<b>ASC Other budgets:</b>			
Social Work Staffing	Cost	Recruitment and retention of Social Workers within adult social care including the cost of resolving the recent industrial dispute.	332
Occupational Therapy Service	Demand	Increased demand for children's and adult's OT services, within the integrated team.	125
Legal charges	Cost	Increasing costs of litigation.	50
<b>Housing Temporary Accommodation:</b>			
More units of EA - spot purchase	Demand	Budget 24/25 for 160 units, current average for year so far 320. Assume will have 256 on average in 25/26 (low est). Cost per night budgeted 24/25 as £54, current average £56.14, estimate 25/26 (low) is £57.82 (only 3% increase on 24/25 est) but 5.8% above corporate inflation of 3%.	2,737
Units of BB	Demand	Savings unmet in 23/24 so number of households remains at 340, budget assumed 261. Assumption is numbers remain static for 25/26 as the service manages the higher demand by equal number of prevention/move on.	1,707
Reduction in PSL TA but inflationary increases for new contracts.	Demand	Landlords are requesting properties back. Numbers declining year on year. Loss of 45 properties 23/24. Budget requires realignment; hence this is a pressure reduction.	-403
RSAP/NSAP	Loss of grant/partner funding	These costs were originally covered by grant. However, already have £138k overspend in 23/24 and 24/25 due to higher inflationary increases. Contracts will be renegotiated from 1/4/25 (after 4 years) and are likely to increase by a further 17% - estimated from recent re-commissioning of rough sleeper services. This assumes same level of NSAP/RSAP funding from DLUHC/Homes England.	146

<b>Housing - Other:</b>			
PSH Fine/other income	Income	Unmet saving - fines pay for the enforcement staff but the income target was not possible to meet.	52
<b>Total HCW 2025/26 Pressures</b>			<b>12,721</b>
<b>City Services</b>			
Public Transport	Other	Commitments agreed in December 2023 committee with budget for match funding to be identified.	97
Concessionary Travel	Change in legislation / new burdens	Price increase due to changes in the concessionary fares calculator resulting in uplifts of 12% on current 1 year fixed deals.	1,000
Public Transport	Cost	Retendering and / or additional costs for School Buses (Longhill) could be between £200k to £400k but shared or required by Families, Children & Learning.	400
Public Transport	Cost	Retendering of wider Supported Services to be in place by March 25, though risk around BSIP funding ending in 24/25.	250
Parking Services	Income	Increases in parking tariffs is showing further demand reductions. Maintaining income tariffs could prevent further demand losses, but inflated income target would need to be removed. Based on 3% inflation of income targets.	1,100
Parking Services	Income	Reduced number of visitors, commuters and residents using parking services assets due to hybrid working post lockdown and alternative cheaper travel. Comparison is between 23/24 and 21/22.	1,000
Network Management	Demand	Growth in annual tree root sites on footways treatments required. £20k Budget only allows for 10 sites per year and there are currently 736 sites in the city where tree roots are making footways inaccessible and creating potential trip hazards.	120
Network Management	Demand	Footway Repairs - The reactive maintenance budget for footways is currently being subsidised by £400k of LTP capital footway budget to support a safe network. This is being delivered as a footway Seek and Fix programme which repairs clusters of defects that are identified by our Highway Inspectors. However subsidising the safety maintenance budget in this way means that we are unable to carry out any footway renewal schemes which means that the condition of our footway network will continue to decline.	400
Network Management	Other	The BHCC Skid Policy has been updated in 2024 to reflect industry best practice and to meet the requirements of the Well-managed Highway Infrastructure Code of Practice. The updated approach will be applied to the annual SCRIM survey output this year which will generate a potential programme of remedial actions that are required to ensure safety on the highway. The costs for this will not be known until the analysis is complete but it is estimated that this could be up to a value of £75k on an annual basis.	75

City Clean - Street Cleansing	Cost	Price increases due to market sufficiency pressures and rising contractor costs following retendering exercises.	160
City Clean - Collections (Bulky Waste)	Change in legislation / new burdens	Growth in workloads required by legislation changes of separating out upholstered furniture for bulky collections. Additional staff and vehicles required to adhere to legislation.	263
City Clean - Enforcement	Income	Reduced FPNs issued to generate income to cover costs of the Environment Enforcement service. Low value FPNs such as littering FPNs issued down 339 transactions and high value FPNs such as Industrial and Commercial Waste receptacle offences down 939 transactions.	80
City Clean - Collections	Demand	Growth in bin replacements as current bin infrastructure reaches end of life. Statistics still being collected though on average there are c10,000 bin replacements per year of different capacities including communal replacements. Total budget available is £137K. 23/24 spend was £445k and 22/23 spend was £195K.	450
City Clean - Collections	Change in legislation / new burdens	Requirement to implement and pilot food waste collection to meet a new statutory duty from 1 April 2026.	1,400
City Clean – Environmental Services	Demand	Increase cost of maintaining and cleansing the public realm including weed removal, graffiti removal and other maintenance.	600
CDR - Development Planning	Income	Reduced number of Planning applications and Building Control Fees due to economic climate/cost of living for residents considering major renovations. Statistics still being collected.	750
CDR - Economic Development	Other	Committed expenditure in Economic Development does not have budget to cover the spend following the savings allocation for 23/24. This includes costs for £37k ED contribution to BIPC, £12k living wage, £1.8k vacancy survey.	51
Property - Facilities Management & Building Services	Other	Increasing pressures as a result of facilities management requirements including AV technician support for democratic services and corporate offices, helpdesk function for corporate landlord portfolio, and contractor management and compliance needs relating to the corporate landlord portfolio.	150
Property - Facilities Management & Building Services	Demand	Growth in requirement of reactive maintenance of facilities. £1m permanent pressure funding to ensure appropriate Reactive Maintenance and Compliance. £750k minimum pressure funding if we keep doing the “essential H&S only” approach.	750
Property - Facilities Management & Building Services	Cost	Price increases due to Security contract uplift for real living wage. Uplift percentage is based on 24/25 uplift rates of 10%.	250
Property - Estates	Other	Increases in Business Rates Rateable Value greater than uplifted budget by 16% accounting for £218,000 pressure on our existing operational assets. Vacant units	400

		within commercial accommodation that are difficult to let are resulting in pressures of £237,000 due to Business Rates falling to the authority.	
Property - Estates	Other	Savings on vacating 3rd & 4th floors of Barts is not achieving savings put forward as this was based on a headline rent and estimated occupational savings. The headline rent is expected to be achieved in year 4 of the tenancy when the incentive period has ended and the tenant's business is established. Occupational costs have not reduced as estimated and service charge costs are greater than estimated. Total savings agreed was £485k (£175k in 23/24 and £310k in 24/25).	150
<b>Total City Services 2025/26 Pressures</b>			<b>9,896</b>
<b>Corporate Services</b>			
Policy & Comms - corporate subscriptions	Demand	Corporate Subscriptions (e.g. LGA, Living Wage Foundation, LGiU, Core Cities, etc) are paid by PPS. No permanent funding is allocated for these items which were previously met from one-off resources no longer available.	85
Policy & Comms - partnership funding	Loss of grant/partner funding	NHS (CCG/ICB) previously contributed to B&H Connected but recently withdrew funding due to their own cost pressures.	35
Policy & Comms - Corporate digital platform (Your Voice)	Demand	Pressure funding for PPS team to support the council's new engagement platform (Your Voice).	10
LDS - Democratic	Cost	The estimated cost of the revised Members Allowance Scheme is £1.051m; the current scheme cost is estimated at £0.949m and therefore this represents an increase of £0.102m, or 10.7%. Member allowances were frozen in 2022/23 and 2023/24.	102
LDS - Legal	Income	Loss of income for legal work as part of Accountable Body services to Coast to Capital LEP as the LEP transfer will be complete by April 2025.	44
CMPI - Customer Feedback Team	Demand	36% increase (290 stage 2s, additional 76) in stage 2 complaints causing significant reduction in compliance with the response times (reduced from 70% to 60% against our target of 80%). Benchmarking work completed taking account of Ombudsman workload/FTE (Ombudsman investigators on a higher salary than our managers). Risk to reputation, Ombudsman involvement/escalation, political priority, and unable to meet statutory requirements.	55
Finance	Cost	External Audit fee increase due to the re-tender of the national sector-wide contract. Costs were expected to increase in response to the Redmond Review and the challenging state of LG audit.	220
HROD - Health & Safety	Other	Permanent appointment of specialist Asbestos Resource; this regulatory requirement role will be specialist lead providing strategic advice as well as	57

		leading on operational delivery. The ongoing absence of this expertise remains a gap in the council's compliance arrangements.	
HROD - Unions - GMB	Other	A negotiated position has resulted in a reduction of 1 FTE facilities time support rather than the proposed 2 FTE reduction related to an approved 2024/25 budget saving, therefore creating a budget pressure. This is split 0.5 FTE per union.	48
HROD - Unions - Unison	Other	A negotiated position has resulted in a reduction of 1 FTE facilities time support rather than the proposed 2 FTE reduction related to an approved 2024/25 budget saving, therefore creating a budget pressure. This is split 0.5 FTE each between HROD and City Clean (where part of the budget is held).	24
HROD - L&D	Loss of grant/partner funding	If a local decision by FCL is made with ESCC ceasing the Step Up to Social Work programme it will reduce funding for 3 x Professional Education Consultants post for FCL potentially making these posts unsustainable. Impacting capacity for student placements and NQSW induction year.	20
HROD - Recruitment Team	Loss of grant/partner funding	New safer staffing officer post created in recruitment team, transferred into the team from Business Operations when DCS and DASS agreed to the ongoing need for the post to be focussed on DBS checking and rechecking. Agreement was made to permanent funding from Adults and Children's, but funding has not been transferred to pressure falling to HROD.	35
IT&D - Enterprise Technology	Other	Requirement to provide 150 Microsoft co-pilot licences (additional to the Microsoft licence agreement).	46
IT&D - Enterprise Technology	Cost	The current Crown Commercial Service DTA MOU expires this year. Crown Commercial Services are in the process of renegotiating the agreement with Microsoft. When licenses are renewed next year, it will be under the new DAT24 MOU. The likelihood is a 15% price increase in the Microsoft license costs will occur. Precise cost will not be known until this negotiation is completed. The price increase included here is in line with the price increase that happened at the last DTA MOU and contract renewal.	190
Finance	Cost	Income pressures related to: Schools Forum refusal to accept increased charges. Planned HRA increase recharge not achievable. Loss of GBEB recharge. Loss of core Accountable Body LEP funding.	100
IT&D Traded Service	Other	The targeted efficiency for the Schools Traded Service for 24/25 was only part met. This was due to the unsuccessful consultation to reduce team headcount. The pressure is the residual unmet saving. A review of schools' demand and needs (type of service) and cost overheads will be undertaken during Q4 24/25 and Q1 25/26 to identify a business proposal to remove the general fund contribution .	326



<b>Total Corporate Services 2025/26 Pressures</b>			<b>1,397</b>
<b>Centrally-held Budgets</b>			
HB Subsidy	Demand	The pressure relates to a benefit type for vulnerable tenants which is not fully subsidised by HB Subsidy Grant. Action taken last year was expected to lead to a reduction in this pressure but data from early forecasts suggests that the pressure is continuing to grow. This will be investigated and reviewed when there is sufficient data to make a full forecast of the overall Housing benefit Subsidy Budget.	300
<b>Total Centrally-held 2025/26 Pressures</b>			<b>300</b>
<b>Total All Service Pressures 2025/26</b>			<b>31,902</b>

