

APPENDIX 2

<u>Analysis of Pressures/Savings</u>				
	Estimate 26/27 £m	Estimate 27/28 £m	Estimate 28/29 £m	Estimate 29/30 £m
<b><u>SAVINGS</u></b>				
<b>Savings - Back Office</b>				
People Services - Reduced running costs across services	(0.276)	(0.225)	(0.241)	(0.260)
Resources & Governance - Reduced running costs across services	(0.138)	(0.068)	(0.025)	(0.030)
E,H & CS - Reduced running costs across services	(0.008)	(0.008)	(0.008)	(0.008)
	<b>(0.422)</b>	<b>(0.301)</b>	<b>(0.274)</b>	<b>(0.298)</b>
<b>Savings - Energy</b>				
Corporate Landlord - Reduced gas prices	(0.085)	(0.085)	(0.085)	(0.085)
	<b>(0.085)</b>	<b>(0.085)</b>	<b>(0.085)</b>	<b>(0.085)</b>
<b>Savings - Increased Income</b>				
Investment Returns - Reprofile JV income	(0.182)	(0.189)	(0.331)	0.336
Registrars - Increased fee income from weddings	(0.008)	(0.008)	(0.008)	(0.008)
	<b>(0.190)</b>	<b>(0.197)</b>	<b>(0.339)</b>	<b>0.328</b>
<b>Savings - Other</b>				
Concessionary Fares - Reduced contributions to TVCA	(0.140)	(0.140)	(0.140)	(0.140)
Democratic Services - Reduction in Councillors following review	0.000	(0.084)	(0.093)	(0.095)
Council Wide - Reduction in pension fund contributions	(1.900)	(1.900)	(1.900)	(1.900)
	<b>(2.040)</b>	<b>(2.124)</b>	<b>(2.133)</b>	<b>(2.135)</b>
<b>Savings - Offset Pressures</b>				
Waste Management - Reduced Tonnages	(0.200)	(0.200)	(0.160)	(0.160)
	<b>(0.200)</b>	<b>(0.200)</b>	<b>(0.160)</b>	<b>(0.160)</b>
<b>Savings - Transformation Projects</b>				
People Services - Review of working aged adult packages of care	0.000	(0.750)	(0.750)	(0.750)
	<b>0.000</b>	<b>(0.750)</b>	<b>(0.750)</b>	<b>(0.750)</b>
<b>TOTAL SAVINGS</b>				
	<b>(2.937)</b>	<b>(3.657)</b>	<b>(3.741)</b>	<b>(3.100)</b>

	Estimate 26/27 £m	Estimate 27/28 £m	Estimate 28/29 £m	Estimate 29/30 £m
<b><u>PRESSURES</u></b>				
<b>Increased Demand</b>				
Adults - Packages of Care - Increased overall packages costs	0.841	0.748	0.842	0.842
Adults - Other service demand pressures	0.014	0.014	0.014	0.014
Children's - Packages of Care - Increased overall packages costs	3.590	3.596	1.404	0.630
Children's - Other service demand pressures	0.338	0.347	0.353	0.360
Homeless - Loss of Housing Benefit Subsidy	0.115	0.014	0.019	0.007
Waste Disposal - Increased growth from new builds	0.000	0.000	0.000	0.024
Community Safety - Abandoned cars removal and disposal	0.030	0.030	0.030	0.030
Street Scene - Changes in the law to introduce food waste collection	0.036	0.036	0.037	0.037
Street Scene - Increased service to new build property	0.000	0.000	0.000	0.010
Tree Team - Borough wide tree inspections.	0.025	0.025	0.025	0.025
	<b>4.989</b>	<b>4.810</b>	<b>2.724</b>	<b>1.979</b>
<b>Price Inflation</b>				
Adults - Change in budgeted inflation from 25/26 MTFP	(0.236)	(0.140)	(0.112)	1.094
Economic Growth - Contractual inflation & fixed rental income	0.007	0.010	0.010	0.039
Children's - Change in budgeted inflation from 25/26 MTFP	0.025	0.114	0.204	0.233
Corporate Landlord - Water charges	0.018	0.032	0.047	0.063
Coroners - Increase recharges from Durham CC	0.049	0.051	0.052	0.053
Resources & Governance - Revised inflation from 25/26 MTFP & contractual inflation	0.047	0.047	0.050	0.050
E, H & CS - Contractual inflation & fixed rental income	0.000	0.000	0.000	0.120
Waste Disposal - Contractual inflation	0.089	0.085	0.082	0.128
Corporate Landlord - Increased electricity prices	0.290	0.250	0.197	0.336
Estates - Increased electricity prices	0.021	0.015	0.015	0.016
Corporate Management - Impact of NI changes	0.034	0.035	0.036	0.037
	<b>0.344</b>	<b>0.499</b>	<b>0.581</b>	<b>2.169</b>
<b>Reduced Income</b>				
Hopetown - Lower car parking patronage	0.220	0.220	0.220	0.220
Licensing - Lower take up of licenses	0.065	0.065	0.065	0.065
Land Charges - Realignment of budget based on previous receipts	0.028	0.027	0.027	0.027
Dolphin Centre - Reduced room hire and income during Phase 3 M&E works	0.107	0.033	0.033	0.033
	<b>0.420</b>	<b>0.345</b>	<b>0.345</b>	<b>0.345</b>
<b>Other</b>				
Adult Services - Staff changes	0.112	0.134	0.137	0.164
Street Scene - Vandalism to play areas	0.020	0.020	0.020	0.020
Estates - Feethams House - Reprofile of income	0.000	0.131	0.034	0.034
Financing Costs - Capital financing and lower property fund returns	0.801	0.425	0.232	0.548
Audit Fees - Increases following PSSA	0.043	0.044	0.045	0.045
Cultural Services - Staff changes	0.068	0.069	0.070	0.072
	<b>1.044</b>	<b>0.823</b>	<b>0.538</b>	<b>0.883</b>
<b>Pay Award</b>				
Pay Award 2025/26 - Additional cost of agreed award	0.199	0.205	0.211	0.229
Pay Award 2026/27 - Additional 1% to cover estimated pay award	0.781	0.797	0.813	0.830
	<b>0.980</b>	<b>1.002</b>	<b>1.024</b>	<b>1.059</b>
<b>TOTAL PRESSURES</b>	<b>7.777</b>	<b>7.479</b>	<b>5.212</b>	<b>6.435</b>
<b>TOTAL NET PRESSURES</b>	<b>4.840</b>	<b>3.822</b>	<b>1.471</b>	<b>3.335</b>