Appendix 4 – Service Budgets 2025-26 and Analysis of Movements 2024-25 to 2025-26

Adults Health and Communities - Housing Demand	**£'000**	**£'000**
Current Approved Budget 2024/25		**11,027**
Pay Inflation - 3% estimated but budget held corporately pending final agreement	TBC	
Price Inflation - included in pressures below		
Pressures		
Due to market challenges and increased demand, the cost of temporary accommodation is increasing. Overall cost projections take into account; the predicted number of households accessing temporary accommodation, the landlord charges and amounts recoverable, any predicted rise in charges, the expected movement out of temporary accommodation based of historic performance trends and any specific schemes and initiatives that provide additionality either in movement or reduced unit cost (our mitigations). Additional budget requirement to fund these pressures has been identified (as reported in November 2024).	12,097	
		12,097
Net Budget Reductions		
More Cost-Effective Sources of Temporary Accommodation (TA) - The delivery of this saving is through the combination of a number of initiatives to reduce the overall cost of homes secured for temporary accommodation and to increase the amount of Local Housing Allowance recouped by the Council. Key initiatives to reduce our reliance on expensive nightly-paid accommodation include entering into longer term leases for properties; delivering a housing acquisition programme of 250 homes per annum and modernising the Council's rent setting policy for TA to ensure the Council is maximising the amount that it is legally entitled to recoup within housing benefit rules.	(2,600)	
		(2,600)
Other Adjustment		
Additional Homelessness Grant.		**(2,971)**
Total Change in Spending		**6,526**
Draft Budget 2025/26		**17,553**

Adults Health and Communities - Adult Social Care and Public Health	**£’000**	**£’000**
Current Approved Budget 2024/25 Adults Social Care & Public Health	**96,284**	
Current Approved Budget 2024/25 Housing Related Support	**9,824**	
Total Current Approved Budget 2024/25		**106,108**
Pay Inflation - 3% estimated but Budget held corporately pending final agreement	TBC	
Price Inflation - included in pressures below		
Pressures		
Previously assumed Adult Social Care (ASC) Purchasing Budgets – increased budget for demographic pressures, Inflation and COVID Legacy costs	9,350	
Adult Social Care faces a number of challenges which affect total numbers in the population who may have eligible needs. Demography, multiple health conditions, including lifelong conditions, age of individuals and other socio-economic factors, where the increase in numbers with a long-term care package accounts for approximately 50% of the pressure. Additional budget requirement to fund these pressures has been identified (as reported in November 2024).	15,160	
Revised service pressures based on latest number of people supported, increase from London Living Wage, Employer NI and CPI (January 2025).	6,430	
		30,940
Net Budget Reductions		
Savings and Efficiencies 2024	(1,222)	
Integrating Connected Communities - Further development of the Adult Social Care locality model and prevention approach: there is an opportunity to integrate the Connected Communities model and rationalise resources across the directorate.	(700)	

Adults Health and Communities - Adult Social Care and Public Health	**£’000**	**£’000**
Housing Related Support Contract Savings - A review of contract provision across Housing Related Support has enabled a proposal of multiple lower value savings opportunities. These will be achieved by natural wastage (pausing recruitment or not recruiting to vacant posts), streamlining service delivery, exploring options for consolidating office space usage by commissioned services and ceasing delivery of small value contracts where we have clear data to show low utilisation rates.	(412)	
Connected Care Review - To review the delivery model for the Connected Care Service to identify alternate options for enhanced service offer and sustainability, selecting and implementing the most appropriate model to ensure this vital service best meets the needs of residents and is sustainable.	49	
Developing Community Support model - Building on Locality model and in collaboration with NHS, Housing, Public Health, voluntary and community sector, review and refresh our focus on prevention and early intervention, supporting residents to access community services which can best meet their needs and reduce demand on statutory services. This will also include a review the Adult Social Care’s ‘front door’ to include information advice as to eligibility, how residents access the Service, progress from contact to assessment and then to receiving and reviewing support – at each stage of the residents’ journey, reviewing how a digital response can inform improved demand management, more timely responses, reduce administrative burdens on staff and inform cost reductions.	(181)	
Review of the Council’s Reablement model to ensure that it is consistently focused on maintaining independence and supports safe and well-planned hospital discharge for a wide range of our residents.	(100)	
Supported Living Contract - Releasing efficiencies through a new contract model for Supported Living that moves away from spot purchasing through a ‘Dynamic Purchasing System’ and onto a framework with agreed pricing and uplifts.	(400)	
		(2,966)
Other Adjustment		
Increases in Social Care Grant		**(4,540)**
Total Change in Spending		**23,434**
Draft Budget 2025/26		**129,542**

Environment and Resident Experience	**£'000**	**£'000**
Current Approved Budget 2024/25		**12,651**
Pay Inflation - 3% estimated but Budget held corporately pending final agreement	**TBC**	
Price Inflation - included in pressures below		
Pressures		
Write off Savings relating to waste services review due to delayed decision on new provision	1,300	
Write off of savings to increase green waste subscriptions	20	
Benefits Services – reduction in pressure as a result of migration to Universal Credit	(165)	
Write off improved Debt Recovery saving because this does not result in cashable savings	655	
Increase in the budget for bad debts provision for housing benefit claims and review of those in receipt of housing benefit in supported accommodation.	3,500	
Reduction in original 2024/25 assumed pressure for insourcing leisure services	(440)	
		4,870
Net Budget Reductions		
Savings and Efficiencies 2023	(1,663)	
Savings and Efficiencies 2024	(896)	
Parking Fees & Charges Parking and Highways Fees and Charges review to ensure Controlled Parking Zone costs are fully recovered.	(500)	
A review of parking operations to optimise efficiency levels through increased use of technology and changes to deployment plans	(300)	
Reduction in Housing Benefit accommodation costs through creation of a focused team dedicated to providing a more in-depth and ongoing assessment of Housing Benefit Supported Accommodation claims, to ensure high quality, appropriate and compliant supported housing is being provided to residents who need it.	(200)	
Introduce means tested discounting for Leisure Centre memberships and services to ensure access to fitness and leisure is open to all. This replaces the current blanket discount for all customers aged 65 and over but opens up discounts to disabled young people and those on low incomes.	(200)	

Environment and Resident Experience	**£'000**	**£'000**
A range of Management actions: • Directorate service review (£167,000) • Street Lighting - reduced energy costs (£67,000) • Reduction in cost of Out of Hours contract savings (£28,000) • Streamlining paper parking permit processing (£300,000)	(562)	
		(4,321)
Other Adjustment		**0**
Total Change in Spending		**549**
Draft Budget 2025/26		**13,200**

Culture, Strategy and Engagement	**£'000**	**£'000**
Current Approved Budget 2024/25		**30,153**
Pay Inflation - 3% estimated. Budget held corporately pending final agreement	TBC	
Price Inflation. Budget held corporately.		
Pressures		
Increasing cost of Copyright Licensing Authority (CLA) license. Every council has to have a CLA license. The cost of this goes up year on year. A CLA Licence provides blanket permission, protecting the organisation from the risk of legal action for copyright infringement, where an organisation copies from books, journals, magazines or websites.	15	
HR contract inflation and Disclosure Barring Service (DBS) increases	92	
Additional essential IT and digital costs to protect against cyber security and licensing costs	530	
		637
Net Budget Reductions		
Savings and Efficiencies 2023	(50)	
Savings and Efficiencies 2024	(1,435)	
Digital Transformation - Through the Digital Service staffing restructure and a new approach, we now have a team of developers who are developing a roadmap of digital opportunities across different directorates, already adding up to almost half of the current target of £2.8m. We can now propose going further with digital transformation savings for the Council, with a target of £2m per year for each of 2026/27 and 2027/28 from across the Council. We are also already reducing the cost of our digital estate through contract and licence reductions and can propose a further £200k for 2025/26, to come from Digital Service budgets	(200)	

Culture, Strategy and Engagement	**£'000**	**£'000**
Culture - Review discretionary culture budgets, which support cultural organisations in the borough through grant funding and commissioning to deliver the Council's civic and cultural programmes. Any potential impacts will be carefully managed and phased towards the end of the MTFS period to allow time to plan for mitigations and development of alternative funding streams.	(25)	
New Local Membership - The proposal is not to renew our membership of the New Local think tank. Membership provides access to policy advice, a network of other Councils with shared aspirations and values and a number of events each year which officers have attended. However, membership is not essential.	(20)	
Residents Survey - We currently undertake a formal, independent residents survey every three years. This is the only resident research we do and which is undertaken by a specialist polling company from a representative sample of residents. The cost of the survey is approximately £75,000. The relatively high cost comes from the survey being conducted in person by researchers knocking on doors. This is the 'gold standard' used for research as it captures residents who would not answer the phone or respond to online questionnaires. The proposal is to remove the annual budget provision (£25k pa) and in future a business case would need to be made during the budget round for the resources to undertake a resident's survey.	(25)	
Digital - Service Desk - Efficiencies have already been made in the way the internal Digital Service desk is run as part of a major restructure of the Digital Service to deliver savings this year, however a review has identified additional measures to reduce staff demand on the service desk further. Most queries are to do with forgotten passwords or problems with the remote VPN security system so changing our approach to password management and using the Microsoft integral VPN rather than our current separate system should reduce demand significantly and enable a saving to be made.	(100)	
Registrars - Statutory fees that we can charge for Registrar Services have increased. The full impact of the increased fees will be seen in 2024/25 and if the current level of demand remains, an additional £90,000 of income will be achieved annually.	(90)	
		(1,945)
Other Adjustment		
Net Change in Budget		**(1,308)**

Draft Budget 2025/26		**28,845**
Placemaking and Housing	**£'000**	**£'000**
Current Approved Budget 2024/25		**5,803**
Pay Inflation - 3% estimated. Budget held corporately pending final agreement	TBC	
Price Inflation. Budget held corporately.		
Pressures		
Write off savings associated with Heads of Terms Lease income	70	
Work on the Full Business case for the implementation of the Corporate Property Model has indicated that there are significant budget pressures on the operational costs relating to our operational buildings.	1,500	
Carbon Management write off of pre agreed savings	90	
Fleet write off of pre agreed savings	50	
		1,710
Net Budget Reductions		
Savings and Efficiencies 2021	(70)	
Savings and Efficiencies 2024	(798)	
		(868)
Other Adjustment		
Net Change in Budget		**842**
Draft Budget 2025/26		**6,645**

Children's Services	£'000	£'000
Current Approved Budget 2024/25		**64,031**
Pay Inflation - 3% estimated. Budget held corporately pending final agreement		
Price Inflation - included in pressures below		**0**
Pressures		
Subject Access Requests (SARS) cost pressures	20	
Previously assumed Children's Social Care inflation and demand pressures	660	
Loss in funding through the reclassification of the High Needs Block funding (HNB). The HNB can no longer be used to support Education Psychology statutory Service and there is a need for an increase in staff numbers to meet increase in demand.	859	
Loss in High Need Block Funding as HNB can no longer contribute towards a Statutory Assessment Team and there is a need for an increase in staff numbers to meet increase in assessments.	475	
Increase in the number of children requiring home to school transport and increase in the price of transport.	1,439	
Increase in the number and cost of high-cost placements to support looked after children and those requiring Council's support.	3,085	
		6,538
Net Budget Reductions		
Savings and Efficiencies 2024	(860)	
Pendarren House - This proposal is for Pendarren Activity Centre to become fully self- funded and therefore reduce the Council's contribution.	(25)	
		(885)
Other Adjustment		
New Children's Social Care Delivery Grant.		**(1,330)**
Net Change in Budget		**4,323**
Draft Budget 2025/26		**68,354**

Finance Procurement and Audit (includes Chief Executive)	**£’000**	**£’000**
Current Approved Budget 024/25		**7,035**
Pay Inflation - 3% estimated. Budget held corporately pending final agreement	TBC	
Price Inflation. Budget held corporately.		
Pressures		**0**
Net Budget Reductions		
Savings and Efficiencies 2024	(300)	
Savings and Efficiencies 2024	(250)	
		(550)
Other Adjustment		
Net Change in Budget		**(550)**
Draft Budget 2025/26		**6,485**

Corporate Budgets	£'000	£'000
Current Approved Budget 2024/25		**65,246**
Pay Inflation - 3% estimated but Budget held corporately pending final agreement	5,000	
		5,000
Pressures		
Write off of Open Banking saving proposal	300	
Increase in levy for Concessionary Fares levy forecast increase	1,332	
Increase in Corporate Contingency	2,234	
Non Pay Inflation	410	
Creation of Feasibility Studies budget to support the capital programme	1,000	
Levies forecast increase at 2%	2,049	
Other minor adjustments	90	
Pension forecast	1,413	
Redundancy Provision for Redundancy costs Forecast	1,250	
Increase in Capital Financing Budget requirement	6,886	
Reserve movements	4,252	
		21,216
Net Budget Reductions		
Cross Council Savings - to be allocated out before 1.4.2025		**(13,410)**
Other Adjustment		**2,922**
Total Change in Spending		**15,728**
Draft Budget 2025/26		**80,974**