

Southend Care - Financial Business Plan - June 2021

Trade Year		Yr5	Yr6	Yr7	Yr8	Yr9
Financial Year		2021-22	2022-23	2023-24	2024-25	2025-26
		Forecast	Forecast	Forecast	Forecast	Forecast
		£'000	£'000	£'000	£'000	£'000
a1	Council - Income	(8,058)	(8,120)	(8,154)	(8,169)	(8,169)
a2	Other income (incl Private Sales)	(155)	(1,480)	(1,823)	(2,147)	(2,541)
a	Total Turnover	(8,213)	(9,601)	(9,977)	(10,315)	(10,709)
<u>Council Commissioned Services</u>						
	Direct operating costs - employees	6,781	6,172	6,197	6,208	6,242
	Other direct operating costs	643	617	630	642	655
	SBC commercial rent charge Priory New build	-	595	595	595	595
	Overheads	686	629	641	654	667
	Sub total - Council Commissioned Services	8,110	8,014	8,063	8,100	8,160
<u>Private Services</u>						
	Direct operating costs - employees		1,062	1,263	1,465	1,673
	Other direct operating costs		112	127	140	157
	Overheads		108	128	149	169
	Sub total - Private Services		1,281	1,518	1,754	2,000
	Total Costs	8,110	9,295	9,581	9,854	10,159
b	Total In Year Gross (Profit) / Loss	(102)	(306)	(396)	(462)	(550)
	In Year application of Retained Profit	(60)	0	0	0	0
c	Business Plan targetted Surplus	(162)	(306)	(396)	(462)	(550)
b / a	Total % (In Year Gross (Profit)/ Loss) / Turnover	-1.2%	-3.2%	-4.0%	-4.5%	-5.1%
d	In Year Gross (Profit) / Loss Council Services	(102)	(107)	(91)	(69)	(9)
	In Year Gross (Profit) / Loss Private Services	-	(199)	(306)	(393)	(541)
	Corporation Tax on Private Services			58	75	103
e	In Year Net (Profit) / Loss Private Services	0	(199)	(248)	(318)	(438)
d / a1	Total % (In Year (Profit)/ Loss) / Turnover - Council Services		-1.3%	-1.1%	-0.8%	-0.1%
e / a2	Total % (In Year (Profit)/ Loss) / Turnover - Private Services		-13.4%	-13.6%	-14.8%	-17.2%
As at Jun 2021	In Year savings returned to Council	(133)	(565)	-	-	-
22/23 + Indicative until confirmed	& Cumulative ongoing total (incl Previous years)	(233)	(798)	(798)	(798)	(798)
other Indicators (FY1 only)	Other income as a % of total income	1.9%	15.4%	18.3%	20.8%	23.7%
	Head office as a % of total income	8.4%	7.7%	7.7%	7.8%	7.8%

Key notes

* Turnover - reflects the current contracts in place and targetted additional private income

* Direct operating costs for former SBC employees, continues to reflect the efficiencies gained through natural turnover and conversion of replacing previous Council staff who tupe'd over to the Southend Care from Year 1 employed on Southend Care's own terms & conditions

* The commercial rent charge Priory new build - is a new charge to the Company from the Council

* Planned savings to be returned to the Council, reflects the planned direct saving commitment to the Council.