

**Appendix :7.1** SCL 5 year financial projections and assumptions  
**Southend Care Financial Business Plan 2023/2024 and Future 5 years**

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>Contract Uplift for 2023/24 = 4.5% (1% + 3.5%)</b>						
		<i>Forecasted inflation / CPI</i>				
		5%	3%	2%	2%	2%
	<b>Consolidated</b>					
Income	10,644,918	11,022,414	11,352,320	11,578,856	11,809,922	12,045,609
Employees	8,650,355	9,192,895	9,370,158	9,550,133	9,738,644	9,935,536
Premises	1,221,585	1,249,414	1,268,693	1,283,517	1,298,776	1,314,484
Transport	90,863	95,406	98,268	100,234	102,238	104,283
Supplies & Services	824,647	935,879	963,956	983,235	1,002,900	1,022,958
Third Party Payments	37,856	39,749	40,941	41,760	42,595	43,447
Net Profit/(Loss)	(180,388)	(490,929)	(389,697)	(380,023)	(375,231)	(375,098)
£ 738,122 Reserves at end of 2022/23						
Forecasted Reserves at end of year	£ 557,734	£66,805	-£322,892	-£702,915	-£1,078,146	-£1,453,245

**Assumptions:**

**Income**

**BLOCK CONTRACT** : SCC proposed uplift of 4.5% for current year and then tracking Inflation/CPI each year  
 Non SCC income assumed to be based on current levels with annual inflationary increases

<b>Employee costs</b>		2022	2023	2024	2025	2026	2027	2028
<b>NMW</b>	£	9.50	10.42	11.16	11.72	12.30	12.92	13.57
				7.1%	5%	5%	5%	
<b>RLW</b>	£	9.90	10.90	11.80	12.39	13.01	13.66	14.34
				8.3%	5%	5%	5%	

All other staff receive 2% annual increase. The assumptions on NMW and RLW are based on Govt statement aim to get to 1/3 of average earnings by 2024.

**Other Costs**

Non employee costs up by inflation (excluding Rent)

Efficiency savings of £176,000 realised by end of 2023/24

£290k additional costs, rent increases, new rents, rates, Insurance and IT costs etc

SCL have achieved approx £300k per annum reduction in costs in past 12 months through deleting Manager and admin posts and some ancilliary posts, redundancies, restructures etc. Over 10 WTE.