

Additional Investments and Unavoidable Cost Pressures

Reference	Justification	2025/26 Total £000
Non-Portfolio and Cross-Organisational Pressures		
01-COP	<p>Staffing Establishment Costs 2025/26 £1.2 million is required for the government's increase to Employers National Insurance Contributions, as announced in the Autumn Budget Statement. Expected to be fully reimbursed by the government. £2.675 million has been provided for a pay award of up to 2.5% and the impact of officers moving through their contractual scale point increments. The actual pay award is not yet known and could result in either a budget surplus or pressure, this estimate is based on the best information currently available. [X-Council: EDFR]</p>	3,875
02-COP	<p>Income Budget Rightsizing Realignment of demand led income budgets across the Council so that income targets are set at a more realistic and achievable level of delivery for the following services. [X-Council: EDFR]</p> <ul style="list-style-type: none"> > Parking Management £260K > Culture and Tourism £183K > Highways and Transport £170K > Regulatory licensing £150K > Land Charges £ 96K > Facilities Hire £ 80K > Education Services £ 33K > Other Services £ 28K 	1,000
03-COP	<p>Vacancy Factor The 2024/25 budget introduced a departmental vacancy factor across the organisation. The majority of local authorities budget on the basis that they will continually have some staff turnover throughout each financial year. A saving is delivered for the period when a role is vacant prior to a new appointment starting. The Council has around 1,800 roles and will always have some roles vacant and out to recruitment. Experience through 2024/25 has shown that the vacancy factor percentage and subsequent savings target has been set too high. This investment will reduce the vacancy saving to around £1.2M, or a vacancy factor of around 2% of the budget for permanent staff [X-Council: EDFR]</p>	815

Reference	Justification	2025/26 Total £000
04-COP	<p>Energy Inflation Costs 2025/26 This amount will be allocated to our Corporate Contingency budget for 2025/26 to potentially fund increases in energy costs as a result of inflation clauses. [X-Council: EDFR]</p>	600
05-COP	<p>Investment, income and financing alignment This reflects all the planned changes to the Capital Programme and accounting requirements in accordance with the range of accountancy codes. The base budget will be set at the estimated right level as part of the medium term financial planning view. [X-Council: EDFR]</p>	460
06-COP	<p>Contractual Inflation (Not Energy Related) This amount will be allocated to our Corporate Contingency budget initially and drawn upon by services throughout 2025/26 to fund increases in contractual costs as a result of inflation clauses. Services will be expected to try to manage their 3rd Party contracts as cash limited budgets at 2024/25 levels wherever possible. [X-Council: EDFR]</p>	400
07-COP	<p>Civic Pride Investment for a range of events/schemes to boost civic pride. [EDAC]</p> <ul style="list-style-type: none"> > City Jam annual event £90K. > An annual Southend City Day on 1 March 2025 (or nearest Saturday in future years) £80K. > Promote volunteering through community outreach, partnerships and sponsored rewards £10K. > Community projects and events celebrating Southend's rich arts, culture and heritage £5K. 	185
08-COP	<p>Levies Essex County Council have notified the Council that the Coroners Court Levy in 2025/26 will increase by 3%, equivalent to £18,000. Notification of Environment Agency and Kent & Essex Fisheries levies has not been received at this time but an estimate of £7,000 has been provided to cover the expected inflationary increases in these levies. [EDFR]</p>	25
Cross-Organisational Pressures Total		7,360

Reference	Justification	2025/26 Total £000
Pressures Specific to Portfolio Services		
Leader: Infrastructure and Corporate Strategy		
01-L	<p>Parking Enforcement Contract A new contract for Parking Enforcement & Operations will commence on 1st February 2025. The current budget for the parking enforcement contract is £1.45m and has only been increased in 2023/24 for inflation and 2024/25 for the approved budget increase in the number of Civil Enforcement Officers. Other than these increases the budget has remained largely the same since the award of the incumbent contract in 2016. However, over the lifespan of the contract, there have been increases in service requirements (such as additional Civil Enforcement Officers, new equipment, and extended operational hours), resulting in rising expenditure. New contract arrangements present an opportunity to ensure that the budget is aligned appropriately with the true cost of contract provision. A reflective budget will invariably ensure the ability to sustain and manage non-compliant behaviours and to optimise the level of parking revenue generated. [EDEP]</p>	800
02-L	<p>Highways Maintenance Additional revenue budget is being allocated for maintenance (including potholes) to relieve the pressure on the capital LTP grant which will allow those funds to be focussed on more long-term benefits, achieving greater value for money. [EDEP]</p>	250
Leader: Corporate Matters and Performance Delivery Total		1,050
Deputy Leader: Planning, Housing and the Local Plan		
01-DL	<p>Temporary Accommodation Temporary accommodation costs budget required due to a 100% increase in the number of people presenting as homeless or at risk of homelessness since 2018/19. [EDEP]</p>	250
Deputy Leader: Planning, Housing and the Local Plan Total		250

Reference	Justification	2025/26 Total £000
Climate, Environment and Waste		
01-CEW	Waste Contract The contract has now been awarded, and this is the value of investment required in the annual budget to meet the agreed cost of the new contract which commences on 1st April 2025. [EDEP]	4,400
Climate, Environment and Waste Total		4,400
Community Safety		
01-COSAFE	Public Toilets The contract has now been awarded to South Essex Property Services (SEPS), and this is the value of investment required in the budget to meet the agreed cost. SEPS are a subsidiary of South Essex Homes, which is wholly owned by the Council. [EDEP]	400
02-COSAFE	Interpretation and Translation The demand for interpretation and translation services to support residents accessing council services is currently higher than the assigned budget for this service. The majority of the spend is on live face to face or video interpreters for Children's social care, where there is limited opportunity to find more cost-effective solutions. [EDSC]	35
Community Safety Total		435
Culture, Tourism and Business		
01-CTB	Events Dedicated budget to enable multiple city wide and Pier focussed events as well as funding towards key partner events for the city. [EDAC]	100
02-CTB	Pier Nighttime Security This investment is required to pay for night security at the Pier to safeguard the site when it is closed. [EDAC]	85
Culture, Tourism and Business Total		185

Reference	Justification	2025/26 Total £000
Children, Young People and SEND		
01-CYPS	<p>Children's Social Care: Placements Pressure Increase budget to the benchmarking average of the 2024/25 Children Social Care – Looked after Children services budget (including placements), when compared to statistical neighbouring boroughs. This includes the permanent investment of the 2024/25 Social Care Grant increase into Children's placements. [EDCPH]</p>	3,250
02-CYPS	<p>Children's Transport Increase budget to offset the pressures in home to school transport due to an increase in Education Health and Care and Children's Social Care transport to take children the Council cares for to family time with their family members. [EDCPH]</p>	800
03-CYPS	<p>Children's Social Care: Residential Permanent investment into the operation of SCC's purchased children's home and children's care home fees, overspend reductions for these were included in the 2024/25 budget package (OSR-09 and OSR-10) but these are not considered achievable. [EDCPH]</p>	450
04-CYPS	<p>Children's External Care Placements Four additional permanent officers to support the Council with both the brokerage and contract management of Children's External Care placements. As reported throughout 2024/25, cost pressures are significant in Children's External Residential care placements and demand for placements continues to be high, this investment is intended to support capacity within the brokerage and contract management and help deliver cost pressure savings in both residential care and supported accommodation. [EDCPH]</p>	225
Children, Young People and SEND Total		4,725

Reference	Justification	2025/26 Total £000
Finance, Assets and Investments		
01-FAI	Concessionary Fares The local ambition is to encourage more people to use sustainable transport (cycling & walking) as well as public transport. The budget for 2025/26 has been restated to reflect the current upward trend in the estimated number of journeys. [EDEP]	550
02-FAI	Financial Services Local Government has seen an ever increasing financial challenge and complexity to the financial advice that is needed for the Council. This investment will be used to strengthen the resilience and capability of the Finance team by adding another finance business partner to the team. Benchmarking indicates that the overall cost of Financial Services for the Council remains below the average level for unitary authorities. [EDFR]	90
03-FAI	Counter Fraud To maintain and enhance a robust and proportionate response to dealing with instances of fraud locally an additional investigator is required. Fraud is a significant risk across the local government sector and the Council is committed to continuing the good performance provided to date. [EDFR]	55
04-FAI	Energy Team Create a permanent role within the property team focussed on delivering energy efficiency and cost savings, using monitoring and reporting of energy consumption and carbon emissions to help the Council track progress and make informed decisions across its estate. [EDFR]	50
Finance, Assets and Investments Total		745

Reference	Justification	2025/26 Total £000
Regeneration and Major Projects		
01-RMP	Legal Services Current capacity in Legal Services is not sufficient to manage increasing demand particularly for Social Care cases. Additional permanent investment is required to meet this statutory requirement and avoid relying on more expensive external support. [EDSC]	150
Regeneration and Major Projects Total		150
Social Care and Healthier Communities		
01-SCHC	ASC Provider Inflationary Uplift: National Living Wage and National Insurance Contributions Annual uplift negotiations linked to living wage inflation and potential impact of new NI contributions on the adult social care market. [EDAC]	3,500
02-SCHC	ASC Demographic Demand: Transitions, Older People and Working Age Adults Every year the number of people eligible for adult social care increases. This increase is made up of people receiving services as children who turn 18 and are eligible for adult social care (transitions), adults of working age and older people who become newly eligible for support through a change in personal circumstances, and people whose needs increase as a result of increased frailty or complexity. This amount is calculated from known costs for children turning 18, and a set of assumptions about population change for older people and adults of working age. [EDAC]	1,450
03-SCHC	Adults Structural Deficit Considerations Alignment of the 2025/26 budget with pressures that have been recognised and reported during 2024/25. Areas addressed are assessments related to mental health capacity of service users and inflated costs of care packages. This includes the permanent investment of the 2024/25 Social Care Grant increase into Adults Social Care. [EDAC]	800
Social Care and Healthier Communities Total		5,750
Total Pressures Specific to Portfolio Services		17,690

Reference	Justification	2025/26 Total £000
	Cross-Organisational Pressures	7,360
	Leader: Infrastructure and Corporate Strategy	1,050
	Deputy Leader: Planning, Housing and the Local Plan	250
	Climate, Environment and Waste	4,400
	Community Safety	435
	Culture, Tourism and Business	185
	Children, Young People and SEND	4,725
	Finance, Assets and Investments	745
	Regeneration and Major Projects	150
	Social Care and Healthier Communities	5,750
	Unavoidable Cost Pressures Total	25,050