

APPENDIX 1

FORECAST 2024/25 – Key Cost Assumptions (February 2023)

Description	Assumption	Current Expectation	Expected Impact	
Inflation				
Pay 2023/24 (shortfall)	4.0% (£2.5m)	6.6% (£4.1m)	£1.6m	↑
Pay 2024/25	3.0% (£2.0m)	??%	Each 1% ▲ = £0.7m	↑
Key Contracts	Specific Indexation (e.g. RPI) - £1.0m	?? Next OBR Forecast in Autumn Statement	Each 1% ▲ = £0.2m	↑
ASC Fee Review (Providers)	Assumes NLW of 6.3% (£2.2m)	Assumes NLW of 7.1% (£4.0m)	£1.8m	↑
Demand (Growth in cost)				
Children's Placements 2023/24 (shortfall)	£1.2m	£3.9m	£2.7m	↑
Children's Placements 2024/25	£0m	£0.0m	£0m	▬
CSC to ASC Transitions	£0.9m	£0.7	£0.2m	↓
ASC COVID Legacy	£2.1m	£2.1m	£0m	▬
Home to School Transport 2023/24 (Shortfall)	£0m	£0.3m	£0.3m	↑
Home to School Transport 2024/25	£0m	£0.5m	£0.5m	↑