

SLHD Management Fee

	2018/19 £000s	2019/20 £000s	2020/21 £000s	2021/22 £000s
Management fee	27,629	28,828	29,642	30,416
Growth items				
Legislation changes	5			
Inflationary increases				
Pay award	543	500	500	500
Superannuation	137	137	137	137
Increments	23	25	25	25
Inflation	212	212	212	212
Removal of 5 year temporary funding		-60	-100	
SLHD Efficiencies				
Efficiencies delivered	-194			
Reinvestment in services	194			
Future efficiency target		-206	-100	
Future investment in services		206	100	
Virements				
Energy efficiency certificates	84			
Welfare Reform Fund	195			
Total Management Fee	28,828	29,642	30,416	31,290

Details of the growth bids are;

Legislation Changes - Energy Performance Certificates (EPCs) are now required for shops

Pay award - 2% pay award with effect from 1 April 2018

Superannuation - The pension fund was revalued in 2016. Employers contribution increases from 12.4% in 2017/18 to 13.2% in 2018/19 and 13.9% in 2019/20. It has been assumed that this will increase to 14.5% in 2020/21 and 15.2% in 2021/22, these figures are subject to the next triannual valuation in 2019. Auto enrolment was also introduced with effect from 1 October 2017.

Increments - the overall net increase paid to staff.

Inflation - the increase cost for contracted goods and services. .

Removal of 5 year temporary funding - on 18 June 2014 Cabinet agreed a five year increase of £160k per annum in resources to fund the refurbishment costs of St Leger House (formerly Concorde House). This funding has been removed from the management fee as the refurbishment costs are written off.

SLHD Efficiencies

Efficiencies delivered - the following staffing posts have been deleted; one head of service, two service managers and two back office posts (total savings £171k). A contract with an external supplier is now being delivered in-house which saves £23k. These savings have been reinvested into front line services to sustain tenancies and collect rent and also into the improvement of our digital services.

Future Savings and Efficiencies - St Leger homes have estimated that when universal credit (UC) has been fully implemented an additional £23.8m will need to be collected from tenants each year which has previously been paid directly from housing benefit. It is estimated that the collection of this rent will require an additional 20 staff, the appointment of these staff will be phased in to match the rollout of UC. St Leger homes will deliver efficiencies through improved working practices and cost savings to fund these additional staff.