

SLHD Management Fee

	Note	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s
Management fee		32,724	34,206	35,093	35,789
Growth items					
Inflationary increases					
Pay award	1	561	570	580	590
National Insurance	1	188			
Superannuation	2	0	200	0	0
Increments	3	59	50	50	50
Inflation	4	969	400	400	400
Cyber security	5	38			
Efficiencies delivered	6	-333	-333	-334	0
Total Management Fee		34,206	35,093	35,789	36,829

Details of the growth bids are;

1. Pay award - 2% pay award with effect from 1 April 2022 and then 2% in each of the following years.

1. National Insurance - The cost of the new Health & Social Care tax.

2. Superannuation - The pension fund was revalued in 2019. Employers contribution increased from 13.9% in 2019/20 to 16.0% in 2020/21. It has been assumed that there will be a further 1% increase in 2023/24.

3. Increments - the overall net increase paid to staff.

4. Inflation - the increased costs for contracted goods and services. Inflation is calculated for each individual budget line and the vast majority of budgets have not been inflated, examples of some of the inflationary increases are materials at 5% (£300k), gas at 55% (£147k), electricity at 38% (£104k) fuel at 20% (£91k), SLAs at 3.25% (£112k) and ICT contracts at 3% (£15k).

5. Cyber Security - This is SLHD's share of the increased costs for cyber security.

6. Efficiencies Delivered - efficiency targets agreed to repay the cost of investment in new IT systems.