

## Appendix 5: Breakdown of projected budgetary implications

	2025/26	2026/27	2027/28	3-year period 2025/26-2027/28	Comments
<b>COST ESTIMATES</b>					
Projected employee costs	260,000	0	0	260,000	Assumes four-months (April-July) staffing costs under the Option 3/5 scenario set out in the February 2025 Cabinet report's financial assumptions. However staff numbers have continued to fall and underspend from the staffing budget is being employed to secure interim third-party support from Careium, Stockport Homes and Colchester Helpline as necessary during the transition period.
Projected other costs	118,000	0	0	118,000	Assumes, worst case scenario, that other costs including supplies and services, transport and premises costs extend over the whole of the 2025/26 financial year with certain contracts/obligations having to be honoured by TDC over an extended period beyond the transfer date. It is likely that the outturn cost for 2025/26 will be lower than this estimate.
<b>Total expenditure</b>	<b>378,000</b>	<b>0</b>	<b>0</b>	<b>378,000</b>	Assumes costs do not continue into years 2026/27 and 2027/28 following the transfer to Colchester Helpline in 2025/26.
<b>INCOME ESTIMATES</b>					
Service-user (fee-payer) income	(186,000)	0	0	(186,000)	Estimated 2025/26 service-user income for a four-month period April-July up to estimated transfer date. From date of transfer, this income will go to Colchester Helpline.
Income from third-party contracts/services	(11,000)	0	0	(11,000)	Estimated 2025/26 income from remaining 11 third-party contracts/services for a four-month period April-July. These contracts/services will come to an end in August 2025, potentially post-transfer. Potential need for a one-off payment to Helpline to honour these services in the weeks post transfer to final termination.
Other income	(4,000)	0	0	(4,000)	Estimated income over four-month period from other sources.
Charge to HRA	(22,000)	0	0	(22,000)	Re-charges to the HRA which includes cost of addressing provision to TDC sheltered housing schemes over a four-month period.
<b>Total income</b>	<b>(223,000)</b>	<b>0</b>	<b>0</b>	<b>(223,000)</b>	Assumes no service-user customer income to TDC for Careline services beyond August 2025.
<b>NET POSITION</b>	<b>155,000</b>	<b>0</b>	<b>0</b>	<b>155,000</b>	
<b>AGAINST SERVICE BUDGET</b>	<b>(132,000) *</b>	<b>(152,000) **</b>	<b>(152,000) **</b>		* For 2025/26, current budget of circa £287,000 per annum reflects the Option 3/5 scenario in the February 2025 Cabinet report, taking into account inflation. ** For 2026/27 and 2027/28, budget assumption is £152,000 (for Out of Hours/CCTV services only) based on Option 2 in the February 2025 Cabinet report (see comments under Transition Service Payment below).
	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>3-year period</b>	<b>Comments</b>

				2025/26-2027/28	
<b>ESTIMATED ONE-OFF IMPLEMENTATION/TRANSITION COSTS</b>					
Transition Service Payment	490,000	0	0	490,000	Based on an estimated fee quote discussed with Amphora (subject of further negotiation) to cover cost of Out-of-Hours/Sheltered Housing/CCTV monitoring over a 2 year and 9-month (33 month) period from July 2025 to March 2028 (up to anticipated date of creation of a Unitary authority). If annualised, this cost is circa £178,000 per annum – which equates broadly with TDC's own research and estimates, albeit above (by around 17%) the assumption of £152,000 included within Option in the February 2025 Cabinet report – but is subject to further clarification and negotiation.
Digitisation Contribution	210,000	0	0	210,000	Based on a 50% contribution towards the upgrade and replacement of 1,100-1,200 service-users' devices and potentially upgrading systems within sheltered schemes to be compatible with systems operated by Helpline – subject to further exploration.
Disturbance Travel Allowance Financial Contribution	20,000	0	0	20,000	One-off cost for 2025/26 to assist TDC staff transferring to Helpline with travel costs for 12 months as part of a smooth transition. Final cost dependent on how many staff transfer to Helpline and travel implications.
Legal costs	10,000	0	0	10,000	Costs include external legal support for drafting the legal agreement.
JonTek/UMO service-user data transfer	10,000	0	0	10,000	Cost for transferring service-user data from the UMO system used by Careline to the JonTek system used by Helpline.
Contract resolution payment	4,000	0	0	4,000	Potential payment to Helpline to serve remaining third-party contracts in the short period between service transfer and termination.
<b>Total one-off cost</b>	<b>744,000</b>	<b>0</b>	<b>0</b>	<b>744,000</b>	
<b>AGAINST ONE-OFF BUDGET</b>	<b>(2,000)</b>	<b>0</b>	<b>0</b>		Against agreed one-off implementation/transition budget of £746,000. The choice of a one-off Transition Service Payment for Out-Of-Hours/Sheltered Housing/CCTV) as opposed to an annual fee payment makes up a large proportion of the proposed one-off expenditure that would otherwise be met through service budgets on an annual basis.
<b>OVERALL PROJECTED POSITION FOR THREE-YEAR PERIOD 2025/26-2027/28</b>				<b>(438,000)</b>	Based on an overall budgetary assumption of £1.337m (made up of £591,000 service budget for the three years 2025/26, 2026/27 and 2027/28 and £746,000 one-off implementation/transition budget). The projected net cost of the proposals in the emerging Transition Plan is estimated at £155,000 revenue + £744,000 on-off expenditure which gives a positive overall three-year net position of circa £(438,000).