

Medium Term Financial Strategy (MTFS)

Cabinet Member for Finance and Commissioning

Date: 14 September 2023

Agenda Item:

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Key Decision? YES

Local Ward All Wards

Members

Lichfield
district council

**Overview and
Scrutiny
Committee**

1. Executive Summary

- 1.1 The ability to deliver the outcomes set out in the **Lichfield District Council Strategic Plan**, and beyond, is dependent on the resources available in the MTFS.
- 1.2 The MTFS was approved by Council on 28 February 2023, and this is refreshed each year to:
 - Remove the previous financial year and in this MTFS this is 2022/23
 - Formally add the new financial year and in this MTFS this is 2027/28
 - Refresh and update assumptions to reflect the latest information available.
- 1.3 The MTFS is the overall budget framework and consists of the Revenue Budget, Capital Strategy and Capital Programme, Earmarked Reserves and General Reserves.
- 1.4 There have been reports to Cabinet and Council that have updated the MTFS since its initial approval.
- 1.5 The Treasury Management Strategy Statement and Annual Investment Strategy are also important components of the MTFS. These components, under the Constitution are the responsibility of the Audit and Member Standards Committee and therefore will be considered by that Committee as part of the development of the Draft MTFS.
- 1.6 The timetable for consideration of the various elements of financial planning is shown in detail at **APPENDIX A** and the elements related to MTFS development are summarised below:

Date	Meeting	Topics	
Budget Consultation (July to December)	04/07/2023	Cabinet	Budget timetable, Budget principles, MTFS update, Budget consultation and Budget assumptions for 2024/25
	14/09/2023	Overview and Scrutiny	To review the Draft Medium Term Financial Strategy
	10/10/2023	Cabinet	An update on the Draft Medium Term Financial Strategy
	14/11/2023	Overview and Scrutiny	To review the Draft Medium Term Financial Strategy
	05/12/2023	Cabinet	Set the Council Taxbase for 2024/25
	11/12/2023	Overview and Scrutiny	Meeting to consider Service and Financial Planning Proposals
	30/01/2024	Overview and Scrutiny	To review the Draft Medium Term Financial Strategy
	01/02/2024	Audit and Member Standards Committee	To review the Treasury Management Strategy Statement
	06/02/2024	Cabinet	To recommend the Medium Term Financial Strategy and Council Tax increase to Council
	27/02/2024	Council	Approve the Medium Term Financial Strategy, updated Local Council Tax Support Scheme and set the Council Tax

- 1.7 There remains an inherently high level of uncertainty surrounding the Local Government Finance regime, the current economic climate and its impact on the cost of living plus other potential Government Policy changes.
- 1.8 The Council has a statutory duty to undertake budget consultation, set a balanced budget and to calculate the level of Council Tax for its area.
- 1.9 The Approved Capital Programme together with a projection for 2027/28 from the longer term capital investment model, is also included for consideration.

2. Recommendations

- 2.1. To provide views to Cabinet in relation to:
- Revenue Budget and Capital Investment priorities.
 - The potential level of the District's Council Tax increase for 2024/25.

3. Background

The Medium Term Financial Strategy (MTFS)

- 3.1. Council approved the MTFS (Revenue and Capital) 2022-27 on 28 February 2023 which covers the financial years 2022/23 to 2026/27 (with a further projection for 2027/28 prepared by Finance for forward planning purposes).
- 3.2. The MTFS includes:
- **The Revenue Budget** related to the day to day delivery of the Council's services such as waste collection
 - **General Reserves** related to the amount of money available to balance the budget in the short term or fund short term initiatives
 - **The Capital Programme** and its financing for longer term expenditure in relation to the Council's assets, such as property.
- 3.3. The Revenue Budget and Capital Programme are connected by:
- Any financing of the Capital Programme from the Revenue Budget
 - The repayment of borrowing and the receipt of income from investments
 - Expenditure, income, and savings resulting from capital investment.
- 3.4. The Council updates its Budget forecasts at 3, 6 and 8 month intervals.
- 3.5. To assist in understanding the level of uncertainty or risk present, in relation to the Local Government Funding Regime, we allocate each financial year a risk rating:
- **Low** – all significant components of the Local Government Funding Regime are known and understood
 - **Medium** – all significant components of the Local Government Funding Regime are known although there is some uncertainty around how specific elements will operate
 - **High** – there is uncertainty around all significant components of the Local Government Funding Regime.

MTFS Budget Principles

- 3.6. To assist in preparing the MTFS, in common with several Councils, a set of principles were established to guide the preparation and management of the MTFS.
- 3.7. Council, on 15 October 2019, approved the budget principles identified at **APPENDIX B**.

MTFS Budget Assumptions

- 3.8. There are several key cost, income and demand drivers at a corporate level that are likely to influence the level and cost of services provided and therefore the budgets contained in the MTFS.
- 3.9. These key cost, income, and demand drivers (with significant negative changes shaded in red and significant positive changes shaded in green) initially identified for the MTFS are at **APPENDIX B**.

Local Government Finance Update

Local Government Finance Reform

- 3.10. The Strategic Risk Register includes a risk in relation to the availability of finance.
- 3.11. In April 2023, this risk is inside the risk appetite however there remains considerable uncertainty due to:
- The uncertainty around Local Government Finance Reform
 - The residual impact of COVID-19 on the MTFS including areas such as car parking
 - The current economic climate and its impact on the cost of living
 - The geo-political events increasing inflationary pressures in the economy
- 3.12. Local Government Finance Reform remains the most significant area of uncertainty and includes Social Care Funding and Reform, New Homes Bonus, Business Rates and Needs and Resources (Fair Funding).
- 3.13. The MTFS assumes, based on Government Policy, that Finance reform is to be implemented in 2025/26. It also assumes based on expert advice, District Councils generally and specifically Councils such as Lichfield DC who are classed as relatively 'low need' i.e., population size, levels of deprivation and other factors and 'high tax base' i.e., a £1 Council Tax increase raises higher levels of income compared to others, will be detrimentally impacted by these changes through lower funding.
- 3.14. The timescales for implementation in 2025/26 are challenging and it is the first year following a general election. Therefore, the likelihood is that implementation will be in 2026/27 or in a later financial year.
- 3.15. Any delay in the implementation of reform would likely result in additional income should New Homes Bonus, Funding Guarantee and Business Rates growth elements all be retained in the current form.
- 3.16. The Funding Gap in 2025/26 is currently projected to be **£1,616,000** and therefore the first call for any additional resources must be to balance the budget and negate the use of general reserves.
- 3.17. The content of the Local Government Finance Settlement for 2025/26 will not be confirmed until December 2024/February 2025.

The Office for Local Government (Oflog)

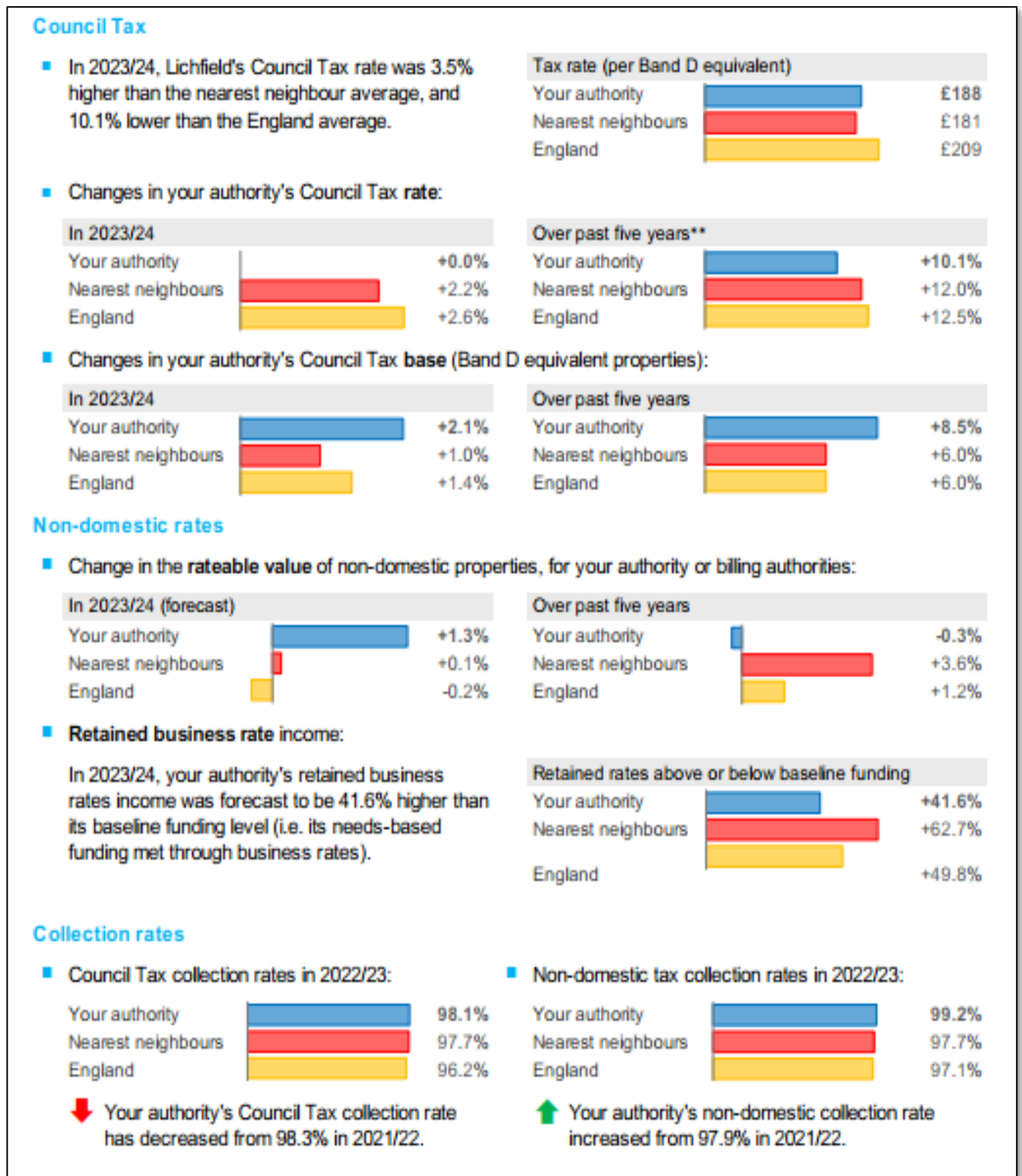
- 3.18. In July 2023 the Government established Oflog, a new performance body for local government. To better understand local government performance, a clearer view of what good performance entails as well as tell-tale signs of those on the road to serious failure needs to be attained.
- 3.19. Oflog will improve the transparency of local government performance through the publication of carefully selected data on the new Local Authority Data Explorer to foster accountability. Oflog will initially focus on bringing existing data together through the Local Authority Data Explorer.
- 3.20. Data Explorer is a new online tool which brings together a selection of existing metrics that is available at different levels of local authority. Further improvements will be made, as these metrics are developed.
- 3.21. The initial metrics specific to District Councils compared to CIPFA Nearest Neighbours, District Councils and South Staffordshire District Council is shown at **APPENDIX C** and in summary below:

Metric	Lichfield DC Position
Non-ringfenced reserves as a % of Net Revenue Expenditure	Within Median Range
Non-ringfenced reserves as a % of Service Spend	Marginally Higher than Median Range
Total Core Spending Power Per Dwelling	Within Median Range
Level of Band D Tax Rates	Within Median Range
Council Tax Revenue per Dwelling	Within Median Range
Debt Servicing (cost of finance) as a % of Core Spending Power	Within Median Range
Total Debt (borrowing and finance leases) as a % of Core Spending Power	Within Median Range

- 3.22. It is important to understand the use of earmarked reserves for Place Shaping activity and a replacement waste fleet in 2025/26 assumed to be funded through a debt type arrangement will impact on the Council's position in future releases of these metrics.

Local Taxation

- 3.23. The Council subscribes to the LG Futures financial intelligence toolkit that provides a wide range of financial planning and benchmarking information.
- 3.24. Local taxation (Council Tax and Business Rates) is a key area of Local Government Finance and therefore LG Futures produces a specific report. A more detailed selection of the information contained in this report is shown at **APPENDIX C** and an overall summary of all the information is provided below:



- 3.25. This information together with other relevant information such as appeals levels is used to inform the Council Tax and Business Rates budget assumptions in the Collection Fund.

The Approved and Projected MTFS (Revenue Budget)

3.26. The approved and projected Revenue Budget (including approved changes and a forward projection for 2027/28 from the 25 year model) is shown in detail at **APPENDIX D** and in summary below:

	2023/24		2024/25	2025/26	2026/27	2027/28
	Original Budget £000	Approved Budget £000				
LEVEL OF UNCERTAINTY / RISK	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH	HIGH
Revenue Expenditure	13,815	13,815	13,368	12,368	13,000	13,133
Revenue Funding	(13,815)	(13,815)	(13,368)	(10,752)	(11,097)	(11,363)
Approved Budget Funding Gap	0	0	0	1,616	1,903	1,770
Money Matters 3 months budget pressures	0	476	0	0	0	0
Projected Budget Funding Gap	0	476	0	1,616	1,903	1,770
More Optimistic Scenario	0	476	0	(39)	139	261
More Pessimistic Scenario	0	476	0	2,952	3,485	3,546

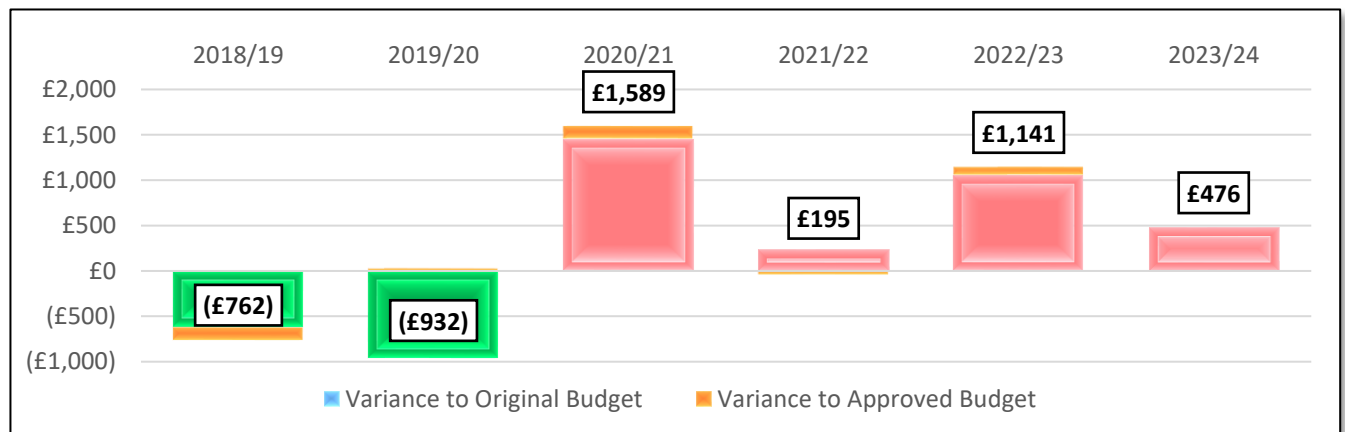
3.27. The table above also shows alternative scenarios where the funding gap varies based on different assumptions utilised primarily in relation to the impact of finance reviews from 2025/26 onwards.

3.28. In the absence of savings or additional income being identified, funding gaps would be funded by available general reserves.

3.29. A balanced revenue budget for 2023/24 was approved by Council based on the delivery of **(£2,499,000)** of savings and additional income proposals and progress is shown at **APPENDIX D**.

3.30. A shortfall of **£476,080** is currently projected and this will be funded by general reserves. A trend of the use of general reserves to balance the revenue budget can be a financial resilience early warning signal.

3.31. The last six years Revenue performance and the impact on general reserves (general reserves used to balance the budget are shown in red) compared to Original and Approved Budgets are below:



3.32. Over the initial five year period, there was a net reduction of **£1,231,000** in general reserves and this is projected to increase to **£1,707,000** with 2023/24. This means there are lower general reserves available to mitigate short term financial shocks, to balance the budget or undertake short term investment.

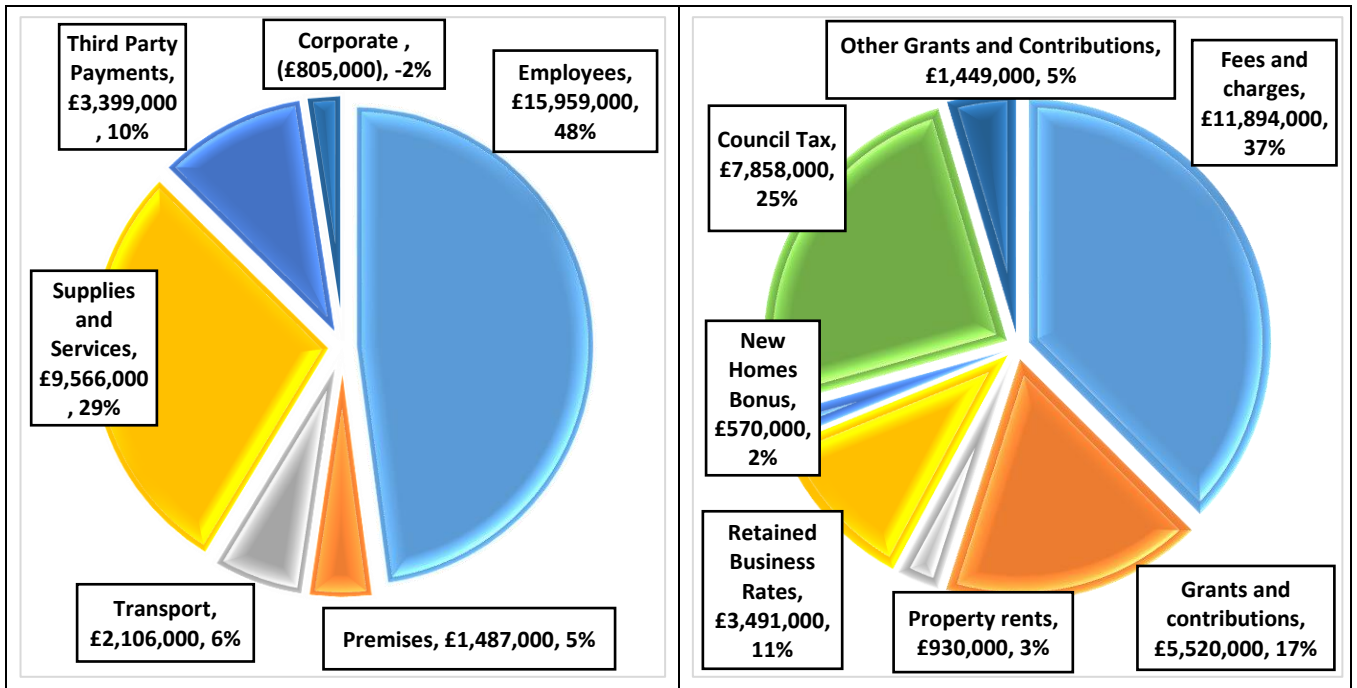
3.33. External financial shocks related to COVID in 2020/21 and 2021/22 necessitated their use to balance the budget. However, from 2022/23 their actual and planned use is in part due to the inflationary climate:

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
Inflation Pressures	363	325	350	605	603	2,246
Modelled additional Council Tax income	(258)	(158)	(244)	(266)	(266)	(1,192)
Net Financial Impact	105	167	106	339	337	1,054

3.34. In 2023/24, as explained above, it is the non or late delivery of savings/income proposals that account for their projected use which can be a more concerning financial resilience related trend if it becomes embedded.

The Approved Revenue Budget in 2024/25

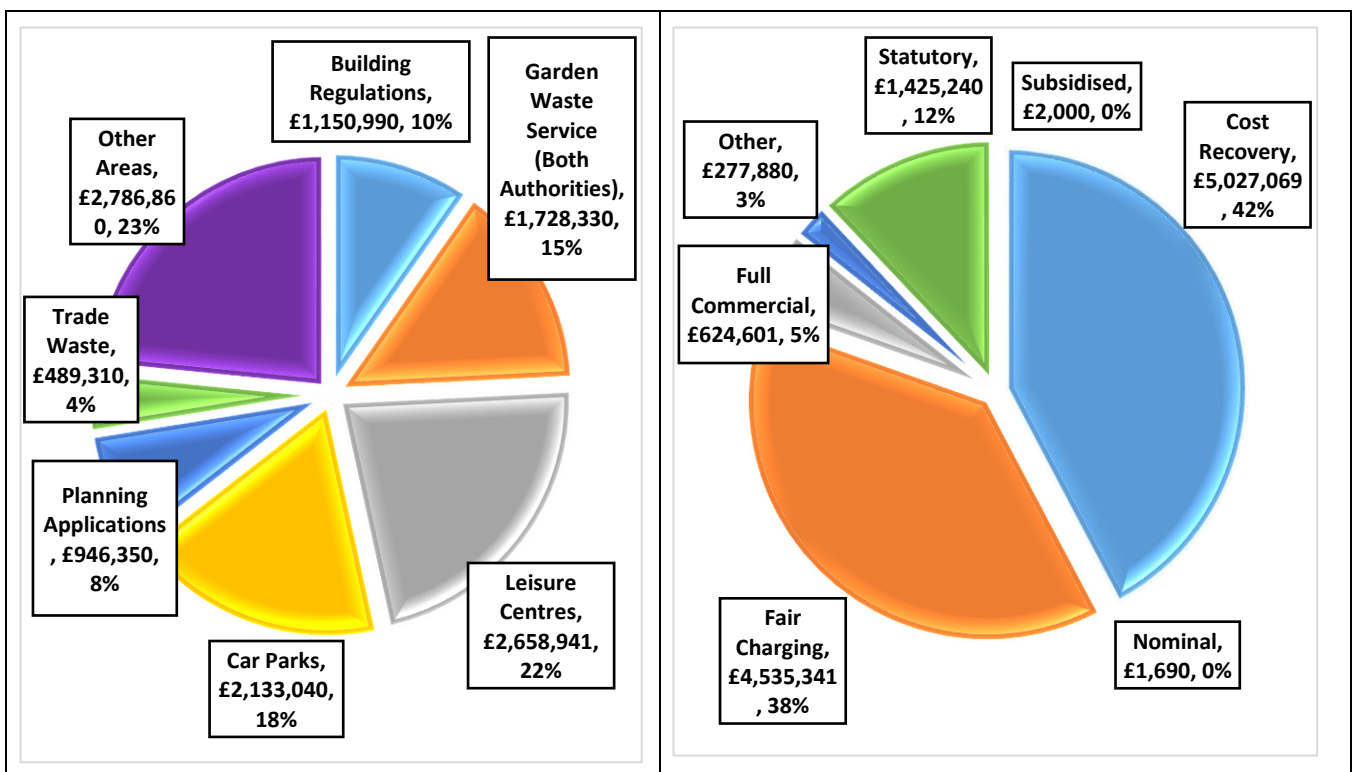
3.35. The Approved Revenue Budget for 2024/25 is shown in detail at **APPENDIX D**. The gross revenue expenditure of **£31,712,000** by type of expenditure and the External income of **(£18,344,000)**, funding of **(£13,368,000)**, that total **(£31,712,000)** for 2024/25 are shown below:



3.36. Fees and charges are assuming a greater significance in terms of funding revenue expenditure that has increased with the insourcing of leisure centres and therefore the level of financial risk is also increasing.

3.37. In 2024/25, fees and charges are budgeted to be **(£11,894,000)** equating to **37%** of the gross revenue expenditure and are projected to increase to **(£12,840,000)** by 2027/28.

3.38. Therefore, to ensure sufficient transparency and oversight in this increasingly important area, the detailed schedule of fees and charges Approved Budgets for 2024/25 and beyond is shown at **APPENDIX F** and in summary by main income stream and pricing policy for 2024/25 below:



3.39. In addition, the fees, and charges budgets (shown as positive values) identified below will be impacted by forthcoming changes detailed below:

	2023/24	2024/25	2025/26	2026/27	2027/28
Garden Waste Service (Both Authorities)	£1,711,640	£1,728,330	£1,734,360	£1,780,320	£1,826,280

Base Income	£938,220	£938,220	£938,220	£938,220	£938,220
Budgeted impact of pricing changes	£84,000	£104,440	£127,300	£135,800	£163,530
Budgeted Garden Waste Service (Lichfield DC)	£1,022,220	£1,042,660	£1,065,520	£1,074,020	£1,101,750

Base Income	£1,741,050	£1,741,040	£1,741,010	£1,741,230	£1,740,630
Budgeted impact of pricing changes	£355,000	£392,000	£389,000	£443,000	£496,000
Budgeted Car Parking	£2,096,050	£2,133,040	£2,130,010	£2,184,230	£2,236,630

Base Income	£946,350	£946,350	£946,350	£946,350	£946,350
Budgeted impact of pricing changes	£0	£0	£0	£0	£0
Budgeted Planning Applications	£946,350	£946,350	£946,350	£946,350	£946,350

- **Garden Waste Service** – There is a Cabinet Member decision to increase the subscription fee for the next subscription window (**included in the budget**) to reflect the additional cost of providing the service and to implement annual increases based on the Consumer Price Index.
- **Car Parking** – There is a Cabinet Member decision to increase fees to seek to incentivise ‘long stay’ users to more appropriate locations to ensure that ‘short stay’ capacity is available at peak time (**included in the budget**) and to implement annual increases based on the Consumer Price Index.
- **Planning Applications (local changes)** - Cabinet on 5 September 2023 approved a report in relation to a planning transformation plan. The plan introduced new discretionary fees and increases in existing discretionary fees to facilitate sustainable improvement in the planning service (**not included in the budget**).
- **Planning Applications (National changes)** – the Government has laid draft regulations which introduce several measures (**not included in the budget**):
 - A 35% increase for major applications and 25% for all other applications.
 - Separately to the regulations, the Government intends to increase fees annually, on the 1 April each year, from 1 April 2025, using the Consumer Prices Index (CPI) from the previous September. Any annual fee increase will be capped at 10%. Where there is deflation, the fee will not be adjusted.
 - Removal of the ‘free go’ repeat planning applications.
 - A fee for prior approval applications relating to development by the Crown on a closed defence site (under Class TA of Part 19 of the General Permitted Development Order 2015), to reflect the work required by local authorities in determining applications.
 - A reduction of the Planning Guarantee for non-major applications from 26 weeks to 16 weeks
 - The income from planning fees will continue to be un-ringfenced. However, the Government expects local planning authorities to protect at least the income from the planning fee increase for direct investment in planning services. Following an increase in planning fees, DLUHC expects that the performance of local planning authorities will improve. This will be monitored through a new planning performance framework to be established in the future.
 - To ensure that the introduction of the national fee increase is not delayed, the Government will continue to develop proposals to double fees for retrospective applications for delivery through regulations at the next available opportunity.

3.40. The full financial implications of these forthcoming changes are being modelled and further details will be provided to a future meeting of this Committee as part of the process for developing the Medium Term Financial Strategy.

The MTFs (Capital Programme)

3.41. The Approved Capital Programme (plus a projection for 2027/28) is shown at **APPENDIX F** and below:

Strategic Priority	Approved Capital Programme					
	2023/24		2024/25	2025/26	2026/27	2027/28
	Original Budget £000	Approved Budget £000	Budget £000	Budget £000	Budget £000	Projection £000
LEVEL OF UNCERTAINTY / RISK	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH	HIGH
Enabling People	9,222	10,032	6,762	939	959	939
Shaping Place	819	1,029	397	6,367	150	357
Developing Prosperity	4,931	7,738	2,632	0	10	0
Good Council	448	549	111	365	405	405
Capital Expenditure	15,420	19,348	9,902	7,671	1,524	1,701
Capital Funding	13,087	16,989	7,477	7,671	1,524	1,064
Borrowing Need	2,333	2,359	2,425	0	0	637
General Capital Receipts	(481)	(199)	(156)	(186)	0	(2)
Housing Capital Receipts	(663)	(821)	(821)	(821)	(821)	(821)
Total Capital Receipts	(1,144)	(1,020)	(977)	(1,007)	(821)	(823)

- 3.42. The Capital Strategy approved by Council on 28 February 2023 included a risk assessment by the Chief Finance Officer.
- 3.43. The risk was assessment as Tolerable (Green) following the inclusion of additional funding for a new Leisure Centre in Lichfield City, the Cinema Development and enabling works for the Birmingham Road Site.
- 3.44. There are however Business as Usual capital investment requirements such as ICT, vehicles and Property Planned Maintenance that will require funding to be identified.
- 3.45. At this stage, the projected level of investment included in the longer-term capital investment model approved by Council on 28 February 2023 of **£1,701,000** has been utilised for 2027/28 in the draft Capital Programme.
- 3.46. There may however be further capital investment needs identified through service and financial planning and other channels.
- 3.47. Any capital investment that cannot be funded by capital receipts, revenue, grants, contributions, or reserves will result in a borrowing need. Any borrowing need will be financed through borrowing, and this will result in additional capital financing costs together with any costs of operation being incurred in the revenue budget.

The MTFs (Revenue Budget), General Reserves and Total Reserves

3.48. The current projected funding gaps are shown in the table below:

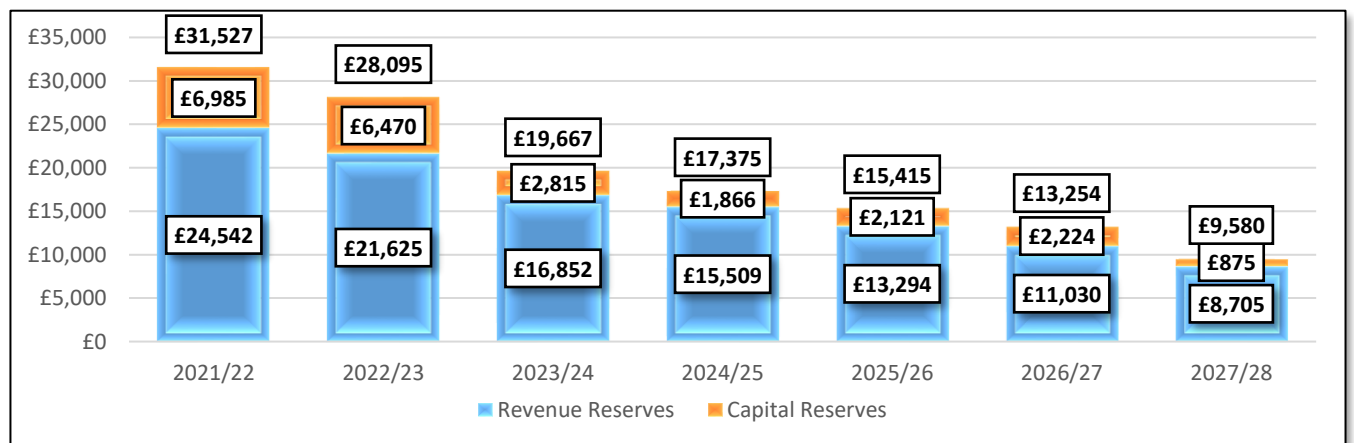
	2023/24		2024/25	2025/26	2026/27	2027/28
	Original Budget £000	Approved Budget £000	Budget £000	Budget £000	Budget £000	Projection £000
LEVEL OF UNCERTAINTY / RISK	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH	HIGH
Underlying Funding Gap	(173)	(173)	(100)	1,051	1,720	1,770
Revenue funding to the Capital Programme	173	173	100	565	183	0
Original and Approved Funding Gap	0	0	0	1,616	1,903	1,770
Under achievement of savings/income	0	476	0	0	0	0
Projected Funding Gap	0	476	0	1,616	1,903	1,770

3.49. The Council has total general reserves available based on the central scenario, to manage the impact of Local Government Finance Reform and other risks such as the inflationary economic environment:

	2023/24		2024/25	2025/26	2026/27	2027/28
	Original Budget £000	Approved Budget £000	Budget £000	Budget £000	Budget £000	Projection £000
LEVEL OF UNCERTAINTY / RISK	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH	HIGH
Available General Reserves Year Start	4,085	4,085	3,609	4,083	2,467	564
Projected Funding Gap	0	(476)	0	(1,616)	(1,903)	(1,770)
Collection Fund Surpluses	0	0	1,067	0	0	0
Increase Business Rates Reserve to safety net level	0	0	(593)	0	0	0
Available General Reserves Year End	4,085	3,609	4,083	2,467	564	(1,206)
Minimum Level	1,900	1,900	1,900	1,900	1,900	1,900
Total Projected General Reserves	5,985	5,509	5,983	4,367	2,464	694
More Optimistic scenario	5,985	5,509	5,983	6,022	5,883	5,622
More Pessimistic scenario	5,985	5,509	5,983	3,031	(454)	(4,000)

3.50. The level of uncertainty together with the level of total general reserves available, mean that the Council will be able to implement a sustainable approach to balancing the budget. The approach can be adapted as more information on Finance Reform and its impact becomes available, including transitional funding.

3.51. In terms of total usable reserves (revenue and capital), the current projections are shown below:



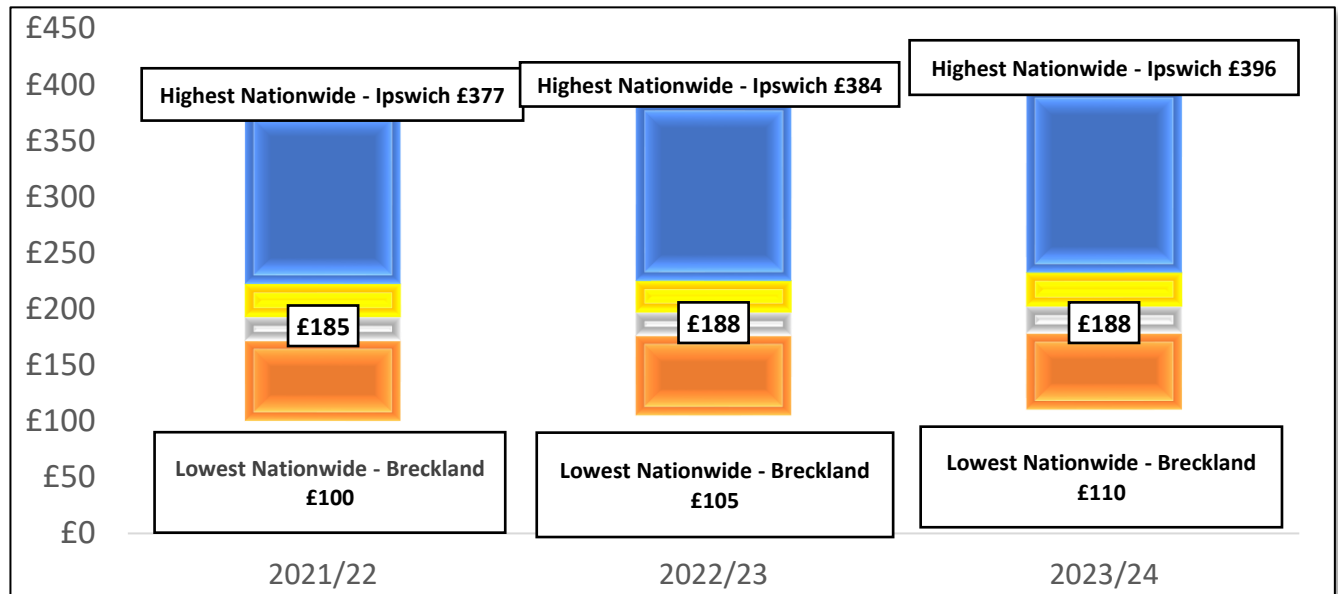
3.52. Total usable reserves reduction in 2022/23 from 2021/22 was **11%** (COVID reserves being the main reason), in comparison, nationally where accounts have been published, the reduction was also **11%**.

3.53. The projections indicate with the use of earmarked reserves for place shaping, capital reserves to fund the Capital Programme and general reserves to potentially balance the revenue budget, total reserves are currently projected to reduce significantly.

3.54. This means there are a reduced level of reserves available to mitigate short term financial shocks, manage financial risks (such as inflation and reduced leisure centre income), balance the budget or undertake short term or capital investment.

The MTFS (Council Tax)

3.55. The Council's Band D Council Tax compared to all District Councils over the last three years is:



3.56. The Approved MTFS modelled that Council Tax would increase annually by **1.99%**.

3.57. There are, however, alternative approaches available and a selection of options have been identified for consideration (projections are based on the Approved Council Taxbase and additional income is enclosed by brackets):

	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000	2027/28 Projection £000
Approved / Modelled Increase	0.00%	1.99%	1.99%	1.99%	1.99%
Approved / Modelled Council Tax Band D	£187.85	£191.58	£195.40	£199.29	£203.25
Approved / Modelled Council Taxbase	40,534	41,016	41,579	42,233	42,718
Approved MTFS Council Tax Income	(£7,614)	(£7,858)	(£8,124)	(£8,416)	(£8,682)

A selection of options available and the impact on Council Tax income is shown below:	
2.99% increase in all years	(£77)
£5 increase in all years	(£52)
1.5% increase in 2024/25 and 2025/26 and then £5	£38
1.5% increase in 2024/25 and 2025/26 and then 1.99%	£38
1.0% increase in all years	£76
Freeze in all years	£153

(£160)	(£250)	(£345)
(£101)	(£150)	(£196)
£78	£33	(£11)
£78	£81	£84
£157	£243	£333
£314	£484	£658

3.58. The Council Tax base will be reviewed based on current information and the updated level will be approved by Cabinet on 5 December 2023.

3.59. In determining the level of Council Tax increase for 2024/25 and beyond, Cabinet and Council will need to take into consideration the following key factors:

- The relevant budget principles approved by Council
- The projected funding gap from 2025/26 onwards, the significant level of uncertainty related to Local Government Finance Reform and the legal requirement to set a balanced budget (considering the level of general reserves)
- The Council's Band D Council Tax and comparisons to other similar authorities
- The assumptions the Government utilises to calculate Core Spending Power in the Finance Settlement and Council Tax Referendum Principles for 2024/25

Alternative Options	In the main, the options are focused on the level of resource allocated to Strategic Priorities, the strategy to be utilised to achieve a balanced budget and the level of Council Tax increase. These options are considered in the Report.
Consultation	<p>There is a duty under S65 Local Government Finance Act 1992 to consult ratepayers (or bodies appearing to represent ratepayers) about proposed expenditure, prior to calculating the Council Tax requirement under S31a (England).</p> <p>It is proposed that consultation project will commence in July 2023 running through to December 2023 with the key objectives of:</p> <ul style="list-style-type: none"> • Reaching wide demographics to encourage contributions from as many groups as possible • Raising awareness of the engagement campaign to demonstrate that this is an open and credible opportunity for people to share their views. • Achieving best ever response rates by deploying tailored messaging to key audiences <p>It is intended that the campaign will facilitate rapid analysis of the results of the consultation in mid December before detailed analysis takes place in January 2024. It is proposed that the consultation be delivered through a combination of both online, printed and face-to-face activities to reach as many people as possible. The online promotion will link to online surveys and questionnaires aimed at residents, businesses and the community/voluntary sector.</p> <p>A series of engagement events/discussions hosted by Cabinet members and council officers with stakeholder audience groups to discuss specific themes e.g. business support, health, sustainability and/or stakeholder issues e.g. businesses, young people will be held over the next six months to garner responses from numerous demographic profiles.</p> <p>Running through the publicity of the consultation will be a narrative to engage stakeholders on the budget setting and funding process for Lichfield district Council to raise awareness of the realities of funding sources, funding levels and the decisions that must be made to deliver a budget for the district.</p> <p>The detailed proposals are shown at APPENDIX G.</p> <p>The implications of different levels of investment have also been further developed based on the views of this Committee following the completion of the budget consultation last year. These implications included greater clarity on the implications and also include fees and charges options.</p>
Financial Implications	These are included in the background section of the report.
Approved by Section 151 Officer	Yes
Legal Implications	<p>No specific legal implications.</p> <p>The recommended changes to the Medium Term Financial Strategy not part of the approved Budget Framework will be required the approval of Full Council.</p>
Approved by Monitoring Officer	Yes

Contribution to the Delivery of the Strategic Plan	The report directly links to overall performance and especially the delivery of the Strategic Plan.
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Equality, Diversity and Human Rights Implications	These areas are addressed as part of the specific areas of activity prior to being included in the Strategic Plan.
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Crime & Safety Issues	These areas are addressed as part of the specific areas of activity prior to being included in the Strategic Plan.
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Data assessment	<p>The ability to deliver the outcomes set out in the Lichfield District Council Strategic Plan, and beyond, is dependent on the resources available in the MTFS. The MTFS identifies the level of resources available and spend necessary to deliver the outcomes across the entire District.</p> <p>However, the application of relevant data and the Social Progress Index can be considered for new budget pressures, savings and income proposals as they are developed.</p>
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Environmental Impact (including Climate Change and Biodiversity).	These areas are addressed as part of the specific areas of activity prior to being included in the Strategic Plan.
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GDPR/Privacy Impact Assessment	There are no specific implications related to the Medium Term Financial Strategy.
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	Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	Current Score (RYG)
Strategic Risk SR1 - Non achievement of the Council's key priorities contained in the Strategic Plan due to the availability of Finance				
A	Council Tax is not set by the Statutory Date of 11 March 2024	Likelihood: Green Impact: Red Severity of Risk: Yellow	Full Council set with reference to when major preceptors and Parishes have approved their Council Tax Requirements.	Likelihood: Green Impact: Red Severity of Risk: Yellow
B	Implementation of the Check, Challenge and Appeal Business Rates Appeals and more frequent revaluations	Likelihood: Yellow Impact: Red Severity of Risk: Red	To closely monitor the level of appeals. An allowance for appeals has been included in the Business Rate Estimates.	Likelihood: Green Impact: Green Severity of Risk: Green
C	The review of the New Homes Bonus regime	Likelihood: Red Impact: Red Severity of Risk: Red	The Council responded to the consultation. In the MTFS, no income is assumed beyond 2024/25.	Likelihood: Red Impact: Yellow Severity of Risk: Yellow
D	The increased Localisation of Business Rates, Business Rate Reset and the Review of Needs and Resources	Likelihood: Red Impact: Red Severity of Risk: Red	To assess the implications of proposed changes and respond to consultations to attempt to influence the policy direction in the Council's favour.	Likelihood: Red Impact: Red Severity of Risk: Red
E	The affordability and risk associated with the Capital Strategy	Likelihood: Yellow Impact: Red Severity of Risk: Red	A property team has been recruited via the Company to provide professional expertise and advice in relation to property and to continue to take a prudent approach to budgeting.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow
F	Sustained higher levels of inflation in the economy	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow	To maintain a watching brief on economic forecasts, ensure estimates reflect latest economic projections and where possible ensure income increases are maximised to mitigate any additional cost.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow

Strategic Risk SR3: Capacity and capability to deliver / adapt the new strategic plan to the emerging landscape

G	The Council cannot achieve its approved Delivery Plan	Likelihood: Yellow Impact: Red Severity of Risk: Red	There will need to be consideration of additional resourcing and/or reprioritisation.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow
H	The resources available in the medium to longer term to deliver the Strategic Plan are diminished	Likelihood: Yellow Impact: Red Severity of Risk: Red	The MTFS will be updated through the normal review and approval process.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow
I	Government and Regulatory Bodies introduce significant changes to the operating environment	Likelihood: Red Impact: Red Severity of Risk: Red	To review all proposed policy changes and respond to all consultations to influence outcomes in the Council's favour.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow

Background documents

- Medium Term Financial Strategy (Revenue and Capital) 2023-27 and the addendum – Cabinet 14 February 2023
- Insourcing Leisure Provision – Cabinet 14 February 2023
- New Leisure Facility at Stychbrook Park – Cabinet 14 February 2023
- Community Infrastructure Levy (CIL) Allocation – Cabinet 14 February 2023
- Medium Term Financial Strategy (Revenue and Capital) 2023-27 – Council 28 February 2023
- Money Matters: 2022/23 Review of Financial Performance against the Financial Strategy – Cabinet 27 June 2023
- Medium Term Financial Strategy – Cabinet 27 June 2023
- Money Matters: Financial Monitoring in 2023/24 – Cabinet 5 September 2023

Relevant web links

The Financial Planning Timetable

The Financial Planning Timetable and Governance Responsibility			
Service and Financial Planning		July	← Medium Term Financial Strategy
		August	
	→	September	← Money Matters as at 30 June
Review Medium Term Financial Strategy	→		
		October	← Medium Term Financial Strategy
Review Medium Term Financial Strategy	→	November	
Mid Year Treasury Management Report	→		
		December	← Money Matters as at 30 September
			← Medium Term Financial Strategy
			← Set Council Taxbase and approve Collection Fund Projections
Review Medium Term Financial Strategy	→	January	
Review Treasury Management and Capital Strategies	→	February	← Money Matters as at 30 November
Approve the Medium Term Financial Strategy and set the Council Tax	→		← Recommend Medium Term Financial Strategy and Council Tax to Council
		March	
		April	
Draft Statement of Accounts	→	May	
		June	← Money Matters as at 31 March
Annual Treasury Management Report	→	July	
		August	
Statement of Accounts (was 31 July but for 2 years extended to 30 September)	→	September	
Key: Pink = internal timelines Blue = Cabinet Salmon = Cabinet & Overview and Scrutiny Committee Amber = Overview and Scrutiny Committee Green = Audit & Member Standards Committee Purple = Council			

MTFS Budget Principals

- Council will consider the medium-term outlook when setting the level of Council Tax to ensure that a sustainable budget position is maintained;
- Council will prioritise funding for statutory and regulatory responsibilities to ensure these are delivered in a way that meets our legal requirements and customer needs
- Council will continue to seek continuous improvement to enable further savings, efficiencies and income gains and provide budgets that are appropriate to service needs
- Council will ensure that all growth in the staffing establishment will be fully understood through robust business cases in order to ensure our resources match service and customer needs. Growth will usually be allowed where costs are offset by external funding, savings or additional income
- Council will not add to other ongoing revenue budgets unless these are unavoidable costs or corresponding savings are identified elsewhere
- Council will use robust business cases to prioritise capital funding so that we have a sustainable Capital Programme that meets statutory responsibilities, benefits the Council's overall revenue budget position, and ensures that existing assets are properly maintained
- Council will maintain an overall level of revenue reserves that are appropriate for the overall level of risks that the organisation faces, in order to overcome any foreseeable financial impact.

MTFS Budget Assumptions

Key Cost and Income Drivers						
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Full Time Equivalents	328	308	308	308	308	308
Pay Award	4.00%	4.00%	2.00%	2.00%	2.00%	2.00%
Employers National Insurance	8.87%	9.36%	9.46%	9.57%	9.66%	9.75%
Employers Pension (%)	16.20%	22.00%	22.00%	22.00%	22.00%	22.00%
Employers Pension (Past Service)	£1,206,520	£697,040	£716,670	£736,290	£1,131,270	£1,181,270
Employers Pension (Other)	£109,260	£108,260	£111,540	£114,920	£118,400	£121,880
Non-Contractual Inflation (CPI) (OBR)	9.90%	4.10%	0.60%	0.00%	0.80%	1.70%
Non-Contractual Inflation (RPI) (OBR)	12.70%	6.40%	1.20%	1.00%	2.10%	2.90%
Applicable Fees and Charges (minimum)	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Council Tax Increase (actual/modelled)	1.50%	0.00%	1.99%	1.99%	1.99%	1.99%
Base Rate	2.34%	4.63%	3.39%	3.00%	3.00%	3.00%
Investment Return	2.55%	4.21%	3.81%	3.50%	3.50%	3.50%
Key Demand Drivers						
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Population Projections	105,709	106,073	106,432	106,749	107,070	107,398
Residential Properties	47,939	48,488	49,183	49,918	50,420	50,922
Business Properties	3,040	3,041	3,041	3,041	3,041	3,041
Number of visitors to the district	2,200,000	2,500,000	2,600,000	2,700,000	2,800,000	2,900,000

	% Increase
Population Projections	1.60%
Residential Properties	6.22%
Business Properties	0.03%
Number of visitors to the district	31.82%

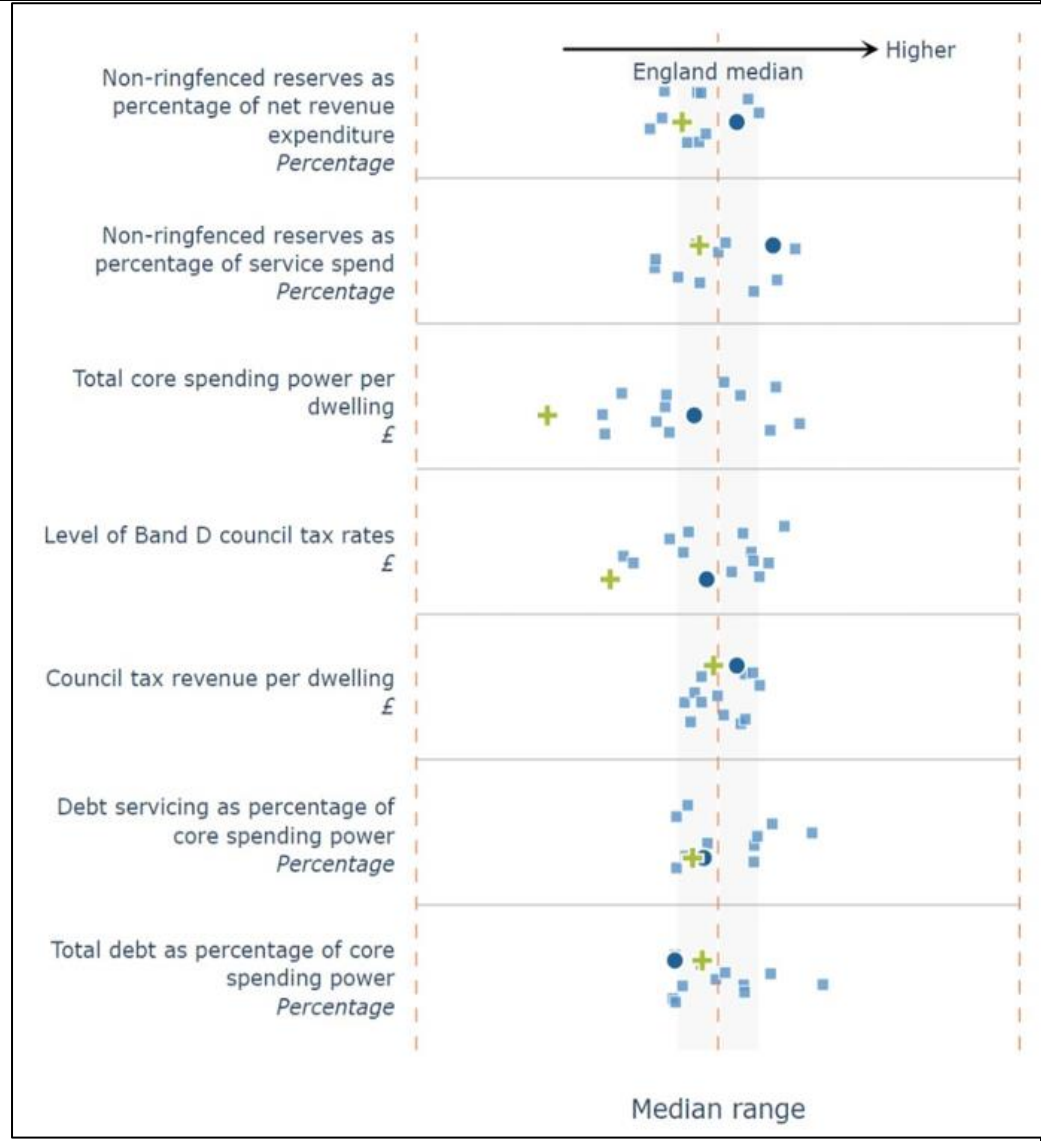
The current inflation projections being using to develop the MTFS at a more granular level are:

	2023/24	2024/25	2025/26	2026/27	2027/28
Salaries & Wages	4.00%	2.00%	2.00%	2.00%	2.00%
Electricity	20.00%	10.00%	10.00%	10.00%	10.00%
Gas	9.00%	10.00%	10.00%	10.00%	10.00%
Water	3.00%	3.00%	3.00%	3.00%	3.00%
Fuel	9.40%	5.00%	5.00%	5.00%	5.00%
ICT Licenses	10.00%	10.00%	10.00%	10.00%	10.00%
Telephone & Mobiles	3.00%	3.00%	3.00%	3.00%	3.00%
Business Rates	3.74%	6.00%	2.00%	2.00%	2.00%
Postage	3.00%	3.00%	3.00%	3.00%	3.00%
Insurances	5.00%	5.00%	5.00%	5.00%	5.00%
Investment Income	4.21%	3.81%	3.50%	3.50%	3.50%

Office for Local Government – Data Explorer
(Lichfield DC = blue dot, South Staffordshire DC = green cross)

Nearest Neighbours

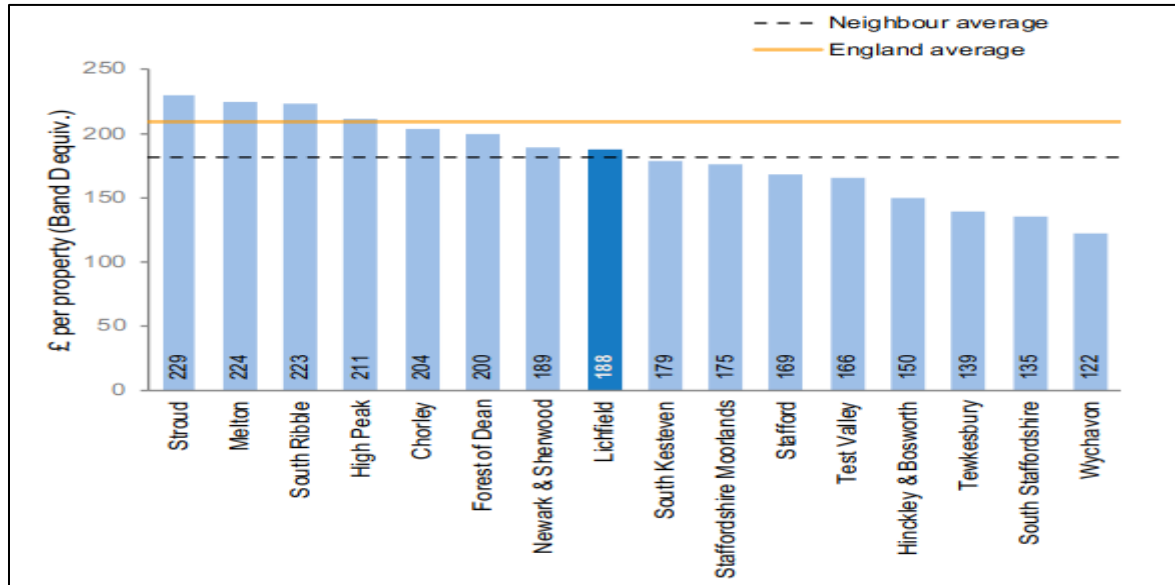
District Councils



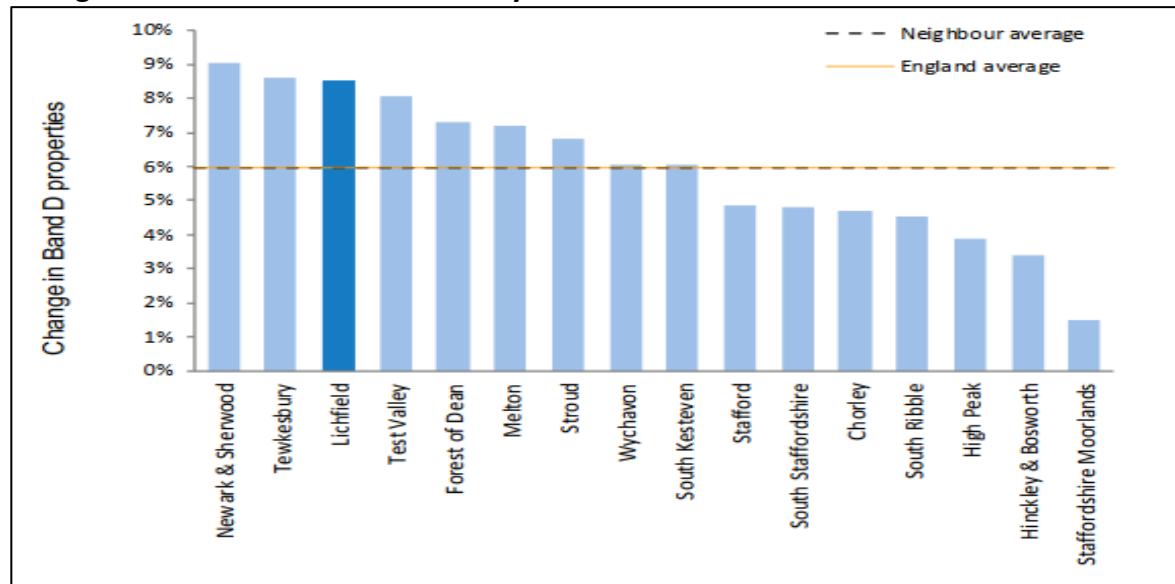
A selection of Local Taxation Information

Council Tax

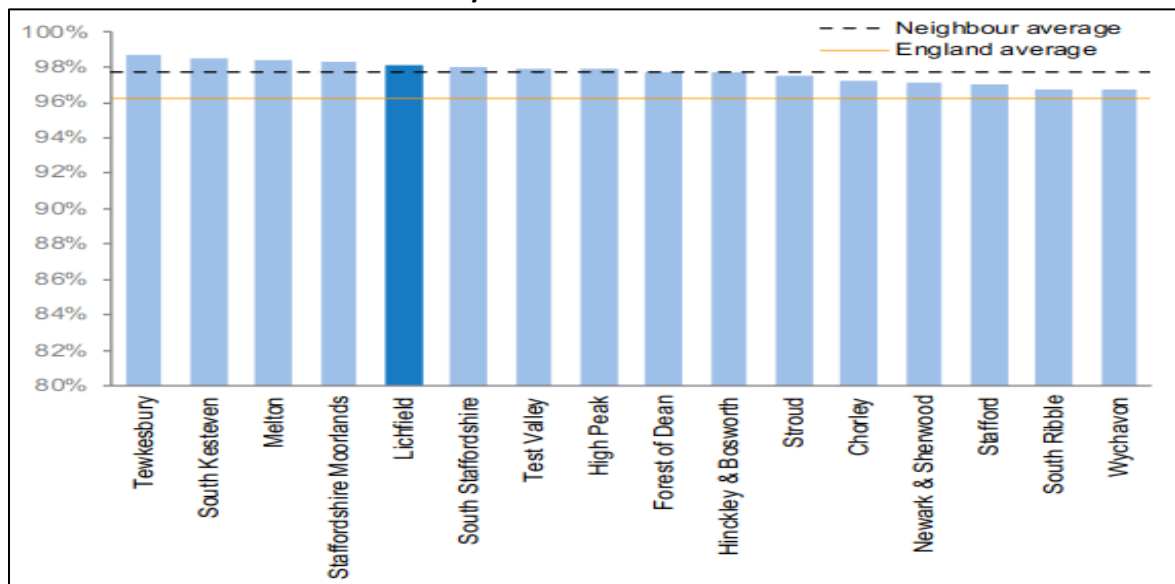
Council Tax Rates compared to Nearest Neighbours for 2023/24



Change in the Taxbase over the last 5 years

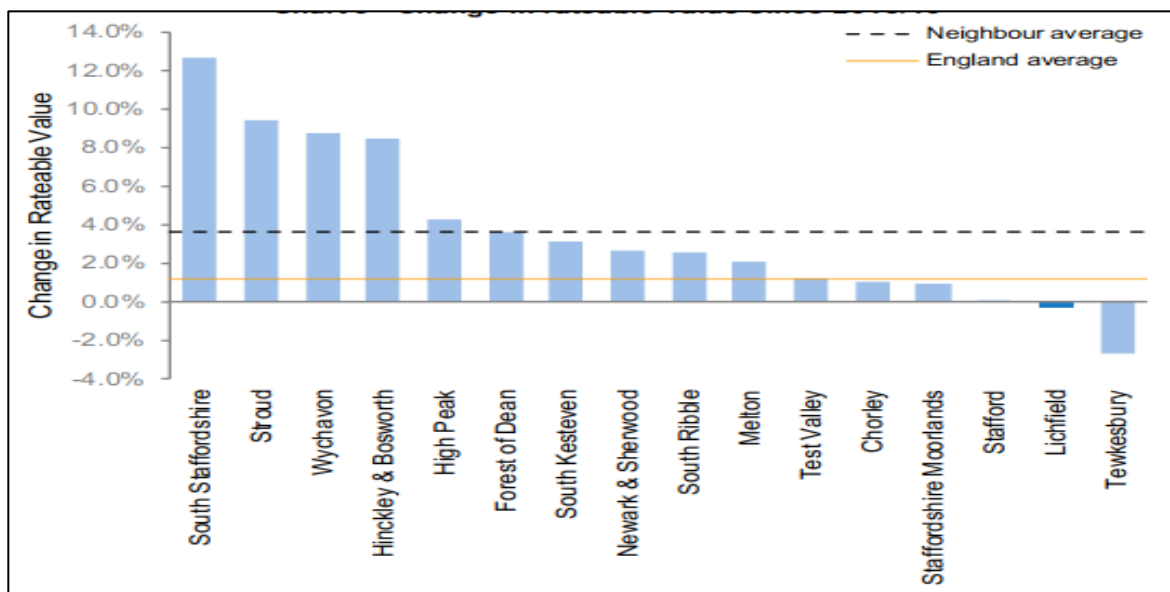


Council Tax Collection Rate in 2022/23

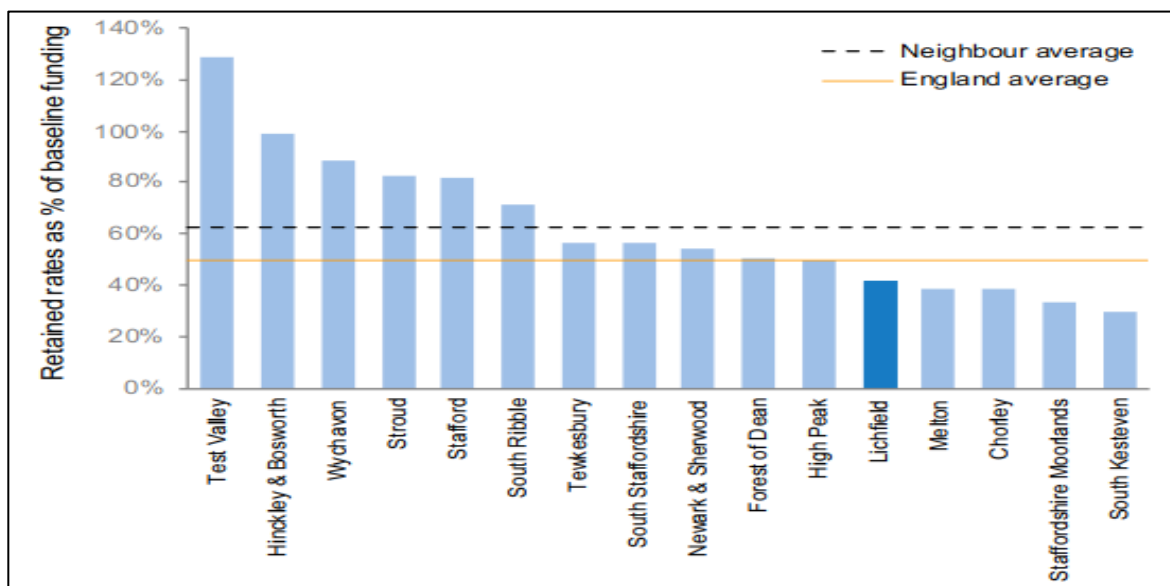


Business Rates

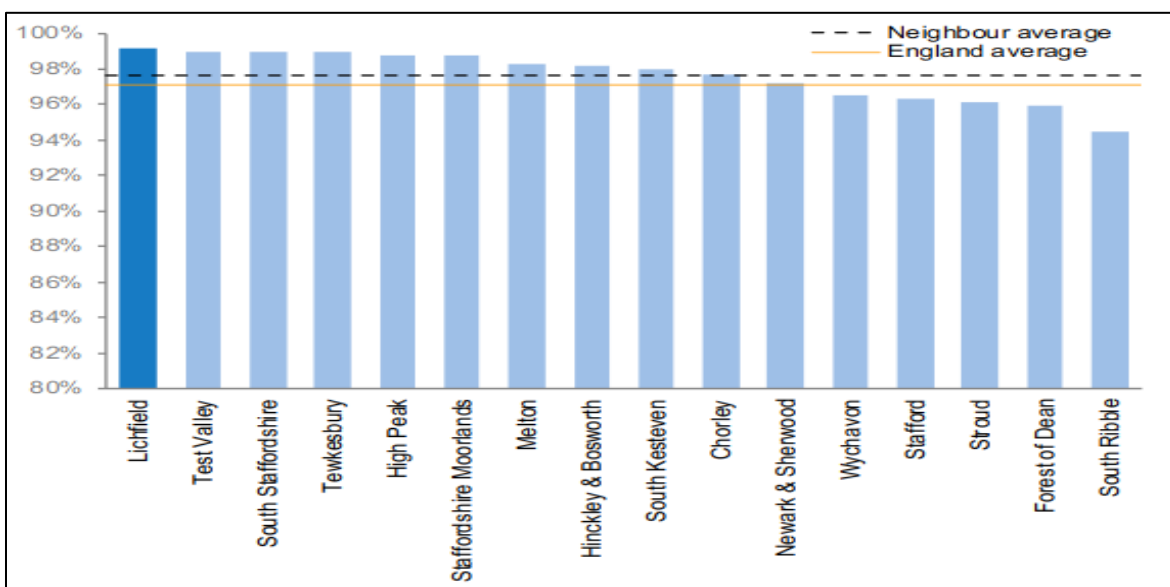
Business Rates Change in Rateable Value over the last 5 Years



Retained Business Rate Income in 2023/24



Business Rates Collection Rate in 2022/23



Approved Revenue Budget

(Includes a projection for 2027/28)

	2023/24 Original Budget 2023/24	2023/34 Approved Budget 2023/34	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Projection
LEVEL OF UNCERTAINTY / RISK	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH	HIGH
Enabling people	1,480	1,837	2,003	1,745	1,780	1,814
Shaping place	4,004	4,321	4,461	4,589	4,684	4,858
Developing prosperity	(721)	(1,023)	(1,284)	(838)	(1,010)	(1,010)
A good council	9,632	9,406	8,993	7,102	7,659	7,856
Net Cost of Services	14,395	14,541	14,173	12,598	13,113	13,518
Corporate expenditure	(580)	(726)	(805)	(230)	(112)	(386)
Net Operating Cost	13,815	13,815	13,368	12,368	13,001	13,132
Retained Business Rates Baseline Funding	(2,196)	(2,196)	(2,359)	(2,287)	(2,333)	(2,379)
Retained Business Rates Growth Allowance	(1,268)	(1,268)	(1,132)	0	0	0
Business Rates Cap	(680)	(680)	(671)	0	0	0
Revenue Support Grant	(106)	(106)	(114)	406	434	462
Services Grant	(82)	(82)	(82)	0	0	0
Funding Guarantee Grant	(561)	(561)	(582)	0	0	0
Transitional Funding	0	0	0	(747)	(782)	(764)
New Homes Bonus - Base Budget	(992)	(992)	(570)	0	0	0
Collection Fund (Surplus)/Deficit	(316)	(316)	0	0	0	0
Council Tax	(7,614)	(7,614)	(7,858)	(8,124)	(8,416)	(8,682)
Total Funding	(13,815)	(13,815)	(13,368)	(10,752)	(11,097)	(11,363)
Transfer to or (from) general reserves	0	0	0	0	0	0
New Homes Bonus (Transfer to general reserves)	0	0	0	0	0	0
Approved Funding Gap	0	0	0	1,616	1,904	1,770

Reconciliation of the Original Budget Funding Gap to the Projected Funding Gap

	Cabinet or Decision Date	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Original Budget Council 14/02/2023		0	0	1,616	1,904	1,770
Budget Monitoring in 2023/24						
Money Matters	05/09/2023	476	0	0	0	0
Projected Budget		476	0	1,616	1,904	1,770

Savings and Additional Income Proposals Monitoring in 2023/24

No	Saving	MTFS Target 2023/24	Green - achieved or likely to be achieved	Amber - risk to full achievement	Red - risk to achievement or achieved in later years	Comments on Amber and Red items
	Achieved Savings	1,704,000	1,704,000			
21	Vacancy savings	150,000		150,000		Monitored during the year
26	Garden Waste Price increase	84,000		21,000	63,000	Cabinet Member Decision
30	Car Parking Charges	355,000		147,920	207,080	Cabinet Member Decision
4	LED lighting / Car park	5,000			5,000	Not yet implemented
17	Golf course	80,000			80,000	Not yet implemented
23	IT savings	100,000			100,000	Not yet implemented
32	Introduce a departure charge to all bus companies using Lichfield Bus Station.	21,000			21,000	Not yet implemented
	Total	2,499,000	1,704,000	318,920	476,080	

Total Green and Amber Progress	2,022,920
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Shortfall to MTFS Target	476,080
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Approved Revenue Budget in 2024/25

	2024/25 £000
Gross Expenditure (Exc. Housing Benefits)	£31,712
External Income (Exc. Housing Benefits)	(£18,344)
Net Revenue Expenditure	£13,368
Revenue Funding	(£13,368)
Approved Budget Funding Gap	£0

Savings Proposals	£0
Sub Total Savings/Income Delivery Pressures	£0

Projected Funding Gap	£0
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Sales, Fees and Charges Approved Budgets

	2023/24	2024/25	2025/26	2026/27	2027/28
Cost Recovery					
Abandoned Vehicles	(£500)	(£500)	(£500)	(£500)	(£500)
Active Lichfield	(£1,080)	(£1,110)	(£1,110)	(£1,110)	(£1,110)
Beacon Park	(£73,590)	(£75,350)	(£75,350)	(£77,350)	(£79,350)
Building Control Register EIR	(£14,510)	(£14,510)	(£14,510)	(£14,510)	(£14,510)
Building Regulations-Chargeable Account	(£1,113,290)	(£1,136,480)	(£1,158,830)	(£1,181,640)	(£1,204,930)
Burntwood Leisure Centre	(£113,507)	(£111,679)	(£123,622)	(£132,096)	(£138,755)
Burntwood Parks	(£4,790)	(£4,880)	(£4,880)	(£5,030)	(£5,180)
Bus Station	(£21,000)	(£21,000)	(£21,000)	(£21,000)	(£21,000)
Civic Services	(£3,100)	(£3,100)	(£3,100)	(£3,100)	(£3,100)
Closed Circuit Television	(£1,000)	(£1,000)	(£1,000)	(£1,000)	(£1,000)
Communications and Information	(£5,400)				
Community Lottery	(£12,000)	(£12,000)	(£12,000)	(£12,000)	(£12,000)
Corporate Debt Recovery	(£6,210)	(£10,300)	(£10,300)	(£10,300)	(£10,300)
Corporate Management	(£2,020)	(£1,510)	£670	£1,240	£1,810
Democratic Services	(£18,750)	(£18,750)	(£18,750)	(£18,750)	(£18,750)
District Council House	(£3,400)	(£3,400)	(£3,400)	(£3,400)	(£3,400)
ICT	(£4,500)	(£4,500)	(£4,500)	(£4,500)	(£4,500)
Environmental Protection	(£7,230)	(£7,230)	(£7,230)	(£7,230)	(£7,230)
Food Safety	(£17,290)	(£17,620)	(£17,620)	(£18,120)	(£18,620)
Friary Grange Leisure Centre	(£2,373)	(£2,330)	(£2,606)	(£2,802)	(£2,956)
Grounds Maintenance	(£292,820)	(£325,290)	(£325,290)	(£325,290)	(£325,290)
Health and Safety	(£190)	(£190)	(£190)	(£190)	(£190)
Housing Enforcement and Licensing	(£1,500)	(£1,500)	(£1,500)	(£1,500)	(£1,500)
Housing Options and Homelessness	(£9,000)	(£9,000)	(£9,000)	(£9,000)	(£9,000)
Investment Properties	(£10,920)	(£10,920)	(£10,920)	(£10,920)	(£10,920)
Joint Waste Service	(£1,711,640)	(£1,728,330)	(£1,734,360)	(£1,780,320)	(£1,826,280)
Joint Waste Service	(£5,060)	(£5,060)	(£5,060)	(£5,060)	(£5,060)
Licensing	(£211,920)	(£211,920)	(£211,920)	(£211,920)	(£211,920)
Lichfield Car Parks	(£1,000)	(£1,000)	(£1,000)	(£1,000)	(£1,000)
Lichfield Parks	(£3,160)	(£3,200)	(£3,190)	(£3,180)	(£3,170)
Lichfield Tourism Information	(£14,250)	(£14,510)	(£14,510)	(£14,510)	(£14,510)
Local Land Charges - LDC	(£310,740)	(£316,600)	(£322,620)	(£330,720)	(£338,820)
Leisure Invest to Save	(£2,270)	(£3,360)	(£4,490)	(£5,650)	(£6,810)
Planning Applications	(£58,860)	(£58,860)	(£58,860)	(£58,860)	(£58,860)
Plant Lane Depot	(£3,500)	(£3,500)	(£3,500)	(£3,500)	(£3,500)
Promotion of District	(£6,900)	(£7,030)	(£7,030)	(£7,030)	(£7,030)
Revenue Collection	(£211,150)	(£211,150)	(£211,150)	(£216,850)	(£222,550)
Spatial Policy and Delivery Service	(£12,150)	(£12,370)	(£12,370)	(£12,670)	(£12,970)
Stowe and Minster Pools	(£920)	(£950)	(£950)	(£950)	(£950)
Street Cleansing	(£122,690)	(£124,860)	(£124,860)	(£128,060)	(£131,260)
Street Naming and Numbering	(£39,860)	(£40,190)	(£40,190)	(£41,140)	(£42,090)
Tours	(£5,400)	(£5,540)	(£5,580)	(£5,620)	(£5,660)
Trade Waste Collection - Recycling	(£80,430)	(£81,230)	(£82,040)	(£82,860)	(£83,680)
Trade Waste Collection - Refuse	(£403,260)	(£403,260)	(£403,260)	(£403,260)	(£403,260)
Cost Recovery Total	(£4,945,130)	(£5,027,069)	(£5,073,478)	(£5,173,258)	(£5,271,661)
Fair Charging					

APPENDIX E

	2023/24	2024/25	2025/26	2026/27	2027/28
Beacon Park	(£34,000)	(£34,000)	(£34,000)	(£34,000)	(£34,000)
Burntwood Leisure Centre	(£1,782,117)	(£1,740,747)	(£1,927,318)	(£2,060,933)	(£2,166,910)
Friary Grange Leisure Centre	(£641,483)	(£623,824)	(£697,741)	(£750,184)	(£791,406)
Investment Properties	(£7,960)	(£7,960)	(£7,960)	(£7,960)	(£7,960)
Joint Waste Service	(£80,030)	(£80,030)	(£80,030)	(£80,030)	(£80,030)
Lichfield Car Parks	(£2,011,790)	(£2,048,780)	(£2,045,750)	(£2,099,970)	(£2,152,370)
Fair Charging Total	(£4,557,380)	(£4,535,341)	(£4,792,799)	(£5,033,077)	(£5,232,676)
Full Commercial					
Burntwood Leisure Centre	(£153,649)	(£150,913)	(£168,794)	(£181,481)	(£191,453)
Friary Grange Leisure Centre	(£29,982)	(£29,448)	(£32,937)	(£35,413)	(£37,359)
LWMTS	(£61,000)	(£273,000)	(£200,000)	(£200,000)	(£200,000)
Leisure Centre Contract	(£171,240)	(£171,240)	(£171,240)	(£171,240)	(£171,240)
Full Commercial Total	(£415,871)	(£624,601)	(£572,971)	(£588,134)	(£600,052)
Nominal					
Investment Properties	(£1,500)	(£1,500)	(£1,500)	(£1,500)	(£1,500)
Public Conveniences	(£190)	(£190)	(£190)	(£190)	(£190)
Nominal Total	(£1,690)	(£1,690)	(£1,690)	(£1,690)	(£1,690)
Other					
Digital Team	(£149,600)	(£152,700)	(£157,400)	(£162,530)	(£168,750)
Major Projects	(£121,260)	(£125,180)	(£129,060)	(£133,230)	(£137,520)
Other Total	(£270,860)	(£277,880)	(£286,460)	(£295,760)	(£306,270)
Statutory					
CIL	(£39,060)	(£39,060)	(£39,060)	(£39,060)	(£39,060)
Civil Parking Enforcement	(£84,260)	(£84,260)	(£84,260)	(£84,260)	(£84,260)
Electoral Registration	(£1,760)	(£1,760)	(£1,760)	(£1,760)	(£1,760)
Environmental Protection	(£12,280)	(£12,280)	(£12,280)	(£12,280)	(£12,280)
Housing Enforcement and Licensing	(£5,000)	(£5,000)	(£5,000)	(£5,000)	(£5,000)
Joint Waste Service	(£390,570)	(£390,570)	(£390,570)	(£390,570)	(£390,570)
Planning Applications	(£741,490)	(£741,490)	(£741,490)	(£741,490)	(£741,490)
Planning Fee Increase	(£146,000)	(£146,000)	(£146,000)	(£146,000)	(£146,000)
Trade Waste Collection - Recycling	(£4,820)	(£4,820)	(£4,820)	(£4,820)	(£4,820)
Statutory Total	(£1,425,240)	(£1,425,240)	(£1,425,240)	(£1,425,240)	(£1,425,240)
Subsidised					
Public Conveniences	(£2,000)	(£2,000)	(£2,000)	(£2,000)	(£2,000)
Subsidised Total	(£2,000)	(£2,000)	(£2,000)	(£2,000)	(£2,000)
Grand Total	(£11,618,171)	(£11,893,821)	(£12,154,638)	(£12,519,159)	(£12,839,589)

The Approved Capital Programme

(Includes a projection for 2027/28)

Project	Approved Capital Programme (R=>500k, A=250k to 500k and G=<250k)						Total £000	Corporate
	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000	2027/28 Projection £000			
New Build Parish Office/Community Hub	92	0	0	0	0	92	0	
Burntwood Leisure Centre Sinking Fund Projects	144	0	0	0	0	144	59	
Friary Grange - Short Term Refurbishment	134	0	0	0	0	134	0	
Replacement Leisure Centre	5,123	4,647	0	0	0	9,770	400	
Accessible Homes (Disabled Facilities Grants)	1,796	1,272	914	914	914	5,810	0	
Decent Homes Standard	97	0	0	0	0	97	0	
Energy Insulation Programme	22	22	25	25	25	119	0	
Unallocated S106 Affordable Housing Monies	264	21	0	0	0	285	0	
Vehicle Replacement Programme - Env Health	0	0	0	20	0	20	0	
Conversion of 36a Bore Street	492	0	0	0	0	492	360	
Streethay Community Centre	850	0	0	0	0	850	0	
Changing Places Fund	36	0	0	0	0	36	0	
Zip Wire in Burntwood	30	0	0	0	0	30	0	
Burntwood Community Hub	250	0	0	0	0	250	0	
Climbing Wall at Burntwood Leisure Centre	50	50	0	0	0	100	0	
Pre-school soft play facility at Burntwood Leisure C	50	50	0	0	0	100	0	
Adventure Golf at Beacon Park	150	150	0	0	0	300	0	
Obstacle Course at Beacon Park	0	150	0	0	0	150	0	
Paddle Tennis courts	200	200	0	0	0	400	0	
New 3G Pitch in Lichfield	200	200	0	0	0	400	0	
Mavesyn Ridware Village Hall Play Area	5	0	0	0	0	5	0	
Fence at Chasetown Memorial Bowling Green	10	0	0	0	0	10	0	
Fradley BMX Pumptrack	33	0	0	0	0	33	0	
Upgrading electrical heating in St Stephens Church	4	0	0	0	0	4	0	
Enabling People Total	10,032	6,762	939	959	939	19,631	819	
Loan to Council Dev Co.	150	0	0	0	0	150	0	
Lichfield St Johns Community Link (CIL)	35	0	0	0	0	35	0	
Lichfield Public Conveniences	40	0	0	0	0	40	40	
Vehicle Replacement Programme (Waste)	0	0	6,000	0	0	6,000	0	
Bin Purchase	150	150	150	150	150	750	0	
Dual Stream Recycling	31	0	0	0	0	31	0	
Vehicle Replacement Programme (Other)	318	247	217	0	207	989	255	
Falkland Road Fosseyway Canal Walk	260	0	0	0	0	260	0	
Burntwood Public Conveniences	45	0	0	0	0	45	0	
Shaping Place Total	1,029	397	6,367	150	357	8,300	295	
Vehicle Replacement Programme (Car Parks)	0	0	0	10	0	10	0	
Coach Park	349	0	0	0	0	349	288	
Car Parks Variable Message Signing	130	0	0	0	0	130	0	
Pay on Exit System at Friary Multi Storey	2	0	0	0	0	2	0	
Pay on Exit System at Lombard Street	150	0	0	0	0	150	0	
Electric Vehicle Charge Points	80	0	0	0	0	80	0	
BRS Enabling Works	1,070	0	0	0	0	1,070	0	
Cinema Development	3,795	1,929	0	0	0	5,724	828	
32-44 Bakers Lane	1,582	0	0	0	0	1,582	1478	
Incubator Space	0	403	0	0	0	403	-143	
New 3G Pitch at Chasetown Football Club	100	0	0	0	0	100	0	
Small scale investment in micro and small	50	150	0	0	0	200	0	
Development and promotion of the visitor econ.	25	75	0	0	0	100	0	
Active travel enhancements in the local area	25	75	0	0	0	100	0	
Incubator Phase 3	380	0	0	0	0	380	80	
Developing Prosperity Total	7,738	2,632	0	10	0	10,380	2,531	
Property Planned Maintenance	133	61	190	230	230	844	614	
IT Infrastructure	254	50	175	175	175	829	554	
ICT Hardware	0	0	0	0	0	0	0	
Building a Better Council	77	0	0	0	0	77	77	
Committee Audio-Visual Hybrid Meeting Platform	85	0	0	0	0	85	85	
Good Council Total	549	111	365	405	405	1,835	1,330	
Approved Capital Programme	19,348	9,902	7,671	1,524	1,701	40,146	4,975	

Funding Source	Approved Capital Programme					
	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
Capital Receipts	3,299	73	0	222	0	3,594
Capital Receipts - Housing	360	0	0	0	0	360
Revenue - Corporate	173	100	565	183	0	1,021
Corporate Council Funding	3,832	173	565	405	0	4,975
Grant	2,839	2,561	939	939	914	8,192
Section 106	692	133	0	0	0	575
CIL	1,645	800	0	0	0	2,445
Reserves	7,831	3,660	17	30	0	11,538
Revenue - Existing Budgets	150	150	150	150	150	750
Leases	0	0	6,000	0	0	6,000
Internal Borrowing	2,359	2,425	0	0	0	4,784
Total	19,348	9,902	7,671	1,524	1,064	39,259
External Borrowing	0	0	0	0	637	637
Total Funding	19,348	9,902	7,671	1,524	1,701	40,146

Reconciliation of the Original Capital Programme to this Approved Capital Programme

	Cabinet or Decision Date	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
Original Budget Council 28/02/2023		15,420	9,728	7,671	1,524	0	34,343
Approved Changes							
Slippage from 2022/23	27/06/2023	1,566	(272)				1,294
Allocation of S106 Monies	24/02/2023	42					42
Burntwood Leisure Centre	27/06/2023	85					85
Cabinet Member Briefing Note - Re-allocation of funding for Chasetown Memorial Park	27/03/2023	10					10
A Cinema for Lichfield District	27/06/2023	1,875	146				2,021
Rural England Prosperity Fund	27/06/2023	100	300				400
Money Matters Quarter 1 ¹	05/09/2023	250					250
Long Term Model	28/02/2023					1,701	1,701
Approved Capital Programme		19,348	9,902	7,671	1,524	1,701	40,146

¹ Assumes approval by Council.



YOUR COUNCIL. YOUR BUDGET 2024.

LET US KNOW WHAT MATTERS MOST TO YOU

This is YOUR opportunity to shape council budgets in 2024 and beyond

Budget Consultation Plan - July to December 2023

It is proposed that consultation project will commence in July 2023 running through to December 2023 with the key objectives of:

- Reaching wide demographics to encourage contributions from as many groups as possible
- Raising awareness of the engagement campaign to demonstrate that this is an open and credible opportunity for people to share their views.
- Achieving best ever response rates by deploying tailored messaging to key audiences

It is intended that the campaign will facilitate rapid analysis of the results of the consultation in mid December before detailed analysis takes place in January 2024.

It is proposed that the consultation be delivered through a combination of both online, printed and face-to-face activities to reach as many people as possible. The online promotion will link to online surveys and questionnaires aimed at residents, businesses and the community/voluntary sector.

A series of engagement events/discussions hosted by Cabinet members and council officers with stakeholder audience groups to discuss specific themes e.g. business support, health, sustainability and/or stakeholder issues e.g. businesses, young people will be held over the next six months to garner responses from numerous demographic profiles.

Running through the publicity of the consultation will be a narrative to engage stakeholders on the budget setting and funding process for Lichfield district Council to raise awareness of the realities of funding sources, funding levels and the decisions that have to be made to deliver a budget for the district.

- The communications plan will aim to achieve over 7000 individual engagements.
- It will use digital and physical strategies to meet a wide audience profile.
- The campaign message will build on the campaign title; **Your Council. Your Budget 2024. Your Say Counts.**
- The campaign will launch in July 2023 and completed in December of the same year.
- It will drip-feed each week with messaging related to the response achieved.
- Messaging targeted key demographics will be deployed, using appropriate media for the audience.
- It will seek to provoke with searching, challenger questions designed to garner a response

Target Demographic	Platforms Deployed
Residents Lichfield	Newsletter, owned and earned socials, paid socials, press, posters, local printed versions
Schools and Colleges	Direct email, careers sessions
Businesses	E-bulletin, business groups, socials, press, posters, local printed versions
Retired, non-digitally savvy, out of city	Newsletter, posters, ads in Lichfield Live and Advertiser and City Life, Local groups, Ambassadors
Care Homes	Direct email to home, In person presentations
Young families	Socials, podcasts, blog, press, posters, local printed versions, social groups
Under 25s	Blogs, Podcasts, SMS, Whatsapp

This year will see tailored communications going out to several key groups including those listed above. These represent datasets that we have access to with GDPR compliant authority where appropriate or we can target them through groups on social platforms and direct engagement with managers and business owners where appropriate.

The campaign will seek to acquire more authorised contacts during this process to facilitate this and future communications projects.

Budget Consultation Plan - July to December 2023

In 2022 we elicited over 7000 responses through a concerted engagement campaign and the intention is to replicate this again for 2023.

We want to reach as **many people as possible** and therefore it is recommended that we adopt a similar approach deploying the slider budget platform **DeLib at a cost of £4995 plus vat.**

If a less costly approach is required we can build a survey in a platform that we already own but the ability to use a slider would not be available and choices would be made only by selection. It would not be as interactive as the DeLib option which we feel generated interest in 2022 so more people engaged when compared to previous years. This option would all be delivered in house at no additional cost.

We will drive people to the platform through online engagement, face-to-face meetings and guided events where we can give residents access to laptops and support so that they can engage via the platform.

For those residents who are not comfortable with a digital survey, we will create **printed versions of the survey** and we will place them in Village Halls, Parish offices, libraries and the District Council House with supporting posters. When people have completed these they can drop them off at Lichfield District Council House, or post them, and we will input the information directly into the DeLib platform to ensure consistency of reporting and to facilitate extraction of accurate data.

There will be more room this year for ensuring that people can give their opinions, ideas and comments that we can review and will support the budget process.

Your Council. Your Budget 2024. Your Say Counts.
Comms Planning H2 2023 - draft

	JULY					AUGUST				SEPTEMBER				
	w/c	3	10	17	24	31	7	14	21	28	4	11	18	25
BUDGET ENGAGEMENT	Draft Issue for Discussion	Comms Collateral Created <i>Your Council Your Budget Your Say Counts</i>	Comms Collateral Ready • Press • Socials • Newsletters • Printed	Launch of Engagement Programme - The Scale of the Challenge Press Website Social Newsletter	Invitation to F2F event - Phase 1 Press Website Social Newsletter	Secondary School Engagement Career Advisors Sixth Form Session What is your opinion?	Launch of Engagement Programme Press Website Social Newsletter	F2F Event Phase 1 F2F Press Website Social Newsletter	Business Groups Intro Clr Pullen visit and presentation - encourage to get involved	Update on volume of engagements Press Website Social Newsletter	Challenger questions posed Press Website Social Newsletter	Challenger responses Press Website Social Newsletter	Challenger questions posed Press Website Social Newsletter	
	OCTOBER				NOVEMBER			DECEMBER						
	w/c	2	9	16	23	30	6	13	20	27	4	11	18	
BUDGET ENGAGEMENT	Update on volume of engagements Press Website Social Newsletter	<i>Your Council Your Budget Your Say Counts</i> Poster sites in and around Lichfield	<i>Your Council Your Budget Your Say Counts</i> Website Social	Resident Newsletter Business Enews	Invitation to F2F event - Phase 2 Press Website Social Newsletter	<i>Your Council Your Budget Your Say Counts</i> Challenger questions posed	<i>Your Council Your Budget Your Say Counts</i> Challenger responses	F2F Event - Phase 2 F2F Press Website Social Newsletter	Business Newsletter Newsletter	F2F Feedback - volume to date Your Last Chance to have a say	2023 budgets are being built with your feedback	Thankyou and Happy Christmas		

Every week an updated communication will be sent out - tailored to the audience.

There will be some overlap naturally in the audiences that are available to us but the messages will all align but there will be specific messaging crafted for each audience so that it resonates with each group and provokes engagement.

The messaging will also take into account the planned communications calendar for the key themes for the rest of 2023; ensuring that the messages are aligned and appropriate for the current landscape. The timings might change according to other news stories that might impact the level of engagement.