

Medium Term Financial Strategy (MTFS)

Cabinet Member for Finance and Commissioning

Date: 8 October 2024

Agenda Item:

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Key Decision? YES

Local Ward All Wards

Members



Lichfield
District Council

Cabinet

1. Executive Summary

- 1.1 The ability to deliver the outcomes set out in **Lichfield District 2050**, is in part dependent on the resources available in the MTFS.
- 1.2 The MTFS was approved by Council on 27 February 2024, and this is refreshed each year to:
 - Remove the previous financial year and in this MTFS this is 2023/24
 - Formally add the new financial year and in this MTFS this is 2028/29
 - 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 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 (October to December)	30/07/2024	Cabinet	Budget timetable, Budget principles, MTFS update, Budget consultation and Budget assumptions for 2025/26
	02/10/2024	Overview and Scrutiny	To review the Draft Medium Term Financial Strategy
	08/10/2024	Cabinet	An update on the Draft Medium Term Financial Strategy
	02/12/2024	Overview and Scrutiny	To review the Draft Medium Term Financial Strategy
	03/12/2024	Cabinet	Set the Council Taxbase for 2025/26
	28/01/2025	Overview and Scrutiny	To review the Draft Medium Term Financial Strategy
	06/02/2025	Audit Committee	To review the Treasury Management Strategy Statement
	11/02/2025	Cabinet	To recommend the Medium Term Financial Strategy and Council Tax increase to Council
	25/02/2025	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 that has been heightened with the General Election and therefore the likelihood of Government Policy changes is significant.
- 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 including a projection for Business as Usual capital investment in 2028/29 taken from the longer term capital investment model, is also included for consideration.

2. Recommendations

- 2.1 To note the current position on the development of the MTFs and the next steps.
- 2.2 To note the feedback from the Overview and Scrutiny Committee on 2 October 2024.
- 2.3 To identify any Revenue Budget and Capital Investment priorities including the approach to using 'windfall' income from the Local Government Finance Settlement for 2025/26 to fund Business-as-Usual; capital investment in 2028/29.
- 2.4 To recommend to Council that a new project is added to the Capital Programme in 2024/25 of **£50,000** for changing room refurbishment at Burntwood Leisure Centre. The funding will be provided by the Leisure Centres Compensation Reserve.

3. Background

The Medium Term Financial Strategy (MTFS)

- 3.1. Council approved the MTFs (Revenue and Capital) 2023-28 on 27 February 2024 which covers the financial years 2023/24 to 2027/28 (with a further projection for 2028/29 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 and Earmarked Reserves** related to the amount of money available to balance the budget in the short term, manage risks 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 updated 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 Reform

- 3.10. The Strategic Risk Register includes a risk in relation to the availability of finance.
- 3.11. In July 2024, this risk is inside the risk appetite however there remains considerable uncertainty due to:
- The uncertainty around Local Government Finance Reform
 - 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 2026/27. 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. 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.
- 3.15. The assumption that Finance Reform will be implemented in 2026/27 means there is no Funding Gap projected for 2025/26 with income currently projected to exceed net expenditure by **(£1,231,000)**. However, should the Business-as-Usual Capital investment in 2028/29 detailed later in this report of **£680,000** be funded by this projected income, then the contribution to general reserves would be **(£551,000)**. As part of the refreshment of the MTFs, further options to fund Council priorities from this projected contribution to general reserves can also be developed and considered.
- 3.16. The Government has announced an Autumn Budget on 30 October 2024 and the launch of the next Spending Review which will settle 2025/26 budgets alongside the Budget and conclude the multi-year Spending Review in spring 2025.
- 3.17. The Local Government Finance Settlement for 2025/26 will not be confirmed until December 2024/February 2025.

Benchmarking - Local Taxation

- 3.18. The Council subscribes to the LG Futures financial intelligence toolkit that provides a wide range of financial planning and benchmarking information.
- 3.19. Local taxation (Council Tax and Business Rates) is a key area of Local Government Finance and therefore LG Futures produces a specific report.
- 3.20. The detailed information is included at **APPENDIX C** with a summary provided below:

Council Tax

- 3.21. Compared to Nearest Statistical Neighbours and English District Councils:
- In 2024/25, Lichfield DC's Band D Council Tax Rate increased by **2.7%** which is lower than Nearest Neighbour average of **3.1%** and lower than the English Average of **3.0%**.
 - Over the past 5 years, Lichfield DC has increased its rate by **9.8%** which is lower than the Nearest Neighbour Average of **12.4%** and the English Average of **12.8%**.
 - Over the past 5 years, Lichfield DC has increased its Taxbase in Band D equivalents by **8.2%** which is higher than the Nearest Neighbour Average of **5.8%** and the English Average of **5.7%**. This increase will be a product of both the level of housing growth, the Council Tax band assigned to new houses, and the reductions resulting from exemptions and discounts such as single person discount and Local Council Tax Support.
 - In 2023/24, Lichfield DC's collection rate is **98.4%** which is higher than the Nearest Neighbour average of **97.7%** and higher than the English Average of **96.2%**.

Business Rates

3.22. Compared to Nearest Statistical Neighbours and English District Councils:

- Over the past 5 years, Lichfield DC has increased its Rateable Value by **(0.9%)** which is lower than the Nearest neighbour Average of **3.6%** and the English Average of **0.9%**. The change will be the product of growth in properties, demolitions, changes in use, the revaluation on 1 April 2023 and the level of success with Business Rate Appeals.
- The Council's Government set Baseline Funding Level for 2024/25 is **(£2,296,616)**. This is the level of needs based funding met through business rates. In addition, the Council can retain an element of growth above this level and based on the NNDR1 Government Return, this growth is assessed to be **(£944,000)** which is **41.1%** of the Baseline Funding Level. This compares to the Nearest neighbour Average of **65.6%** and the English Average of **52.3%**. The level of growth included in the MTFs will be a product of gross income less reliefs, appeals and bad debt provisions.
- In 2023/24, Lichfield DC's collection rate is **99.5%** which is higher than the Nearest Neighbour average of **98.2%** and higher than the English Average of **97.4%**.

Benchmarking - Unit Costs for 2024/25

3.23. In addition to the Local Taxation benchmarking information, LG Futures also produces a Unit Cost report. This report uses the Revenue Budget information included in the Revenue Estimates (RA) Government return and a series of cost drivers such as the number of residents to calculate unit costs.

3.24. The Council's Revenue Budget for 2024/25 and its presentation in the return is shown at **APPENDIX C**.

3.25. Based on the service areas contained in the Revenue Estimates (RA) return, and compared to nearest statistical neighbours, the unit costs for 2024/25 show:

- **Highways and Transport** and **Housing** are in the **bottom 20%** of unit costs.
- **Cultural and Related Services, Environmental & Regulatory Services** and **Planning and Development Services** are in the **bottom 40%** of unit costs.
- **Central Services** is in the **bottom 60%** of unit costs.

3.26. Drilling down further into the service areas, the only areas where the Council is in the **top 20%** of unit costs compared to nearest statistical neighbours are:

- **Highways Maintenance** (unit cost based on number of residents) will relate to the maintenance of unadopted roads.
- **Public Transport** (unit cost based on number of residents) – due to the costs of the Bus Station.
- **Open Spaces** (unit cost based on local authority area) – likely to be due to the quantity and quality of open spaces.
- **Other Cultural and related services** (unit cost based on number of residents) – likely to be due to Tourism and Promotion of the District related expenditure.
- **Business Support** (unit cost based on the number of businesses) – due to Business support and properties owned by the Council.
- **Local Tax Collection** (unit cost based on the number of Taxable (Business Rates and Council Tax) properties) likely to reflect the relationship with Housing Benefit administration and the high quality collection performance.

3.27. It is entirely appropriate that due to policy choices by the Council such as the quantity and quality of open space, unit costs could be higher in comparison to nearest Neighbours.

The Medium Term Financial Strategy (MTFS)

- 3.28. The MTFS was approved by Council on 27 February 2024. It is likely that additional investment needs will be identified as the development of the MTFS progresses throughout the financial year in line with the timetable provided in the Executive Summary.
- 3.29. In addition, as part of the development of the MTFS, potential increases in fees and charges will be considered both in the context of inflation (see MTFS budget assumptions) and the achievement of pricing policy objectives.
- 3.30. Council agreed to the use of earmarked reserves for place shaping investment in the District, on the basis that the level would be returned to previous levels. The approach to achieving this objective, will need to be considered in the development of the MTFS.

The Approved Revenue Budget and General Reserves

- 3.31. The Revenue Budget is shown in detail at **APPENDIX D** and the Approved Funding Gap based on approved updates is summarised below:

	2024/25		2025/26	2026/27	2027/28	2028/29
	Original Budget £000	Approved Budget £000	£000	£000	£000	£000
LEVEL OF UNCERTAINTY / RISK	MEDIUM	MEDIUM	HIGH	HIGH	HIGH	HIGH
Net Operating Cost	15,330	15,330	12,826	13,601	13,795	14,388
Revenue Funding	(15,330)	(15,330)	(14,057)	(12,775)	(11,943)	(11,417)
Funding Gap / (Transfer to Reserves)	0	0	(1,231)	826	1,852	2,971

More Optimistic Scenario	244	244	(1,764)	(162)	(49)	800
More Pessimistic Scenario	1,413	1,413	444	3,446	3,965	4,308

- 3.32. The Approved Revenue Budget (excluding accounting charges) for 2025/26 presented in the Revenue Estimates (RA) Government return format is also shown at **APPENDIX D**.
- 3.33. There are a few known budgetary pressures and income opportunities that will need to be considered during the preparation of the Revenue Budget and these are explained below:

The Pay Award for 2024/25

- The MTFS assumes a pay award of **4%** for 2024/25.
- However, the pay demand from the National Joint Council unions was:
 - An increase of at least **£3,000** or **10%** (whichever is greater) on all spinal column points
 - Reviews of the gender, ethnicity and disability pay gaps in local government
 - A two-hour reduction in the working week, with no detriment
 - An additional day of annual leave for personal or well-being purposes
 - A phased approach to reaching a minimum pay rate of £15 an hour in a maximum of two years, sooner if possible
- The National Employers made the following full and final, one-year offer:
 - With effect from 1 April 2024, an increase of **£1,290** (pro rata for part-time employees) to be paid as a consolidated, permanent addition on all NJC pay points 2 to 43 inclusive (ranging from 5.77% on point 2 to 2.50% on point 43).
 - With effect from 1 April 2024, an increase of **2.50%** on all pay points above the maximum of the pay spine but graded below deputy chief officer.
 - With effect from 1 April 2024 an increase of **2.50%** on all allowances.

Driver Pay in the Joint Waste Service

- The national shortage of Heavy Goods Vehicle drivers has necessitated enhanced payments to drivers in the Joint Waste Service. To date the cost of these enhancements has been managed within existing budgets and through the use of earmarked reserves.
- However, the additional cost level now means that a more fundamental review of budgets will need to be undertaken and this may result in a recurring cost pressure.

Vehicle Costs in the Joint Waste Service

- A decision was taken to extend the contract hire arrangement for the current fleet by a further two years until 31 March 2025 pending the procurement of a new fleet.
- This means that the current fleet is operating beyond its planned useful life, resulting in additional maintenance costs.

Homelessness

- The demand for temporary accommodation for the homeless is increasing.
- This increased demand has necessitated the use of units that cost more than Housing benefit Subsidy levels and therefore there is an additional cost to the Council.

Agreed Pricing Approaches

- The MTFS assumes a minimum increase in applicable fees and charges of **2.50%** for 2025/26.
- However, specific pricing approaches for garden waste subscriptions (18 August 2023 & 13 August 2024) and car parking (19 June 2023) were agreed through Cabinet Member decisions.
- The approved pricing approach is based on an increase in fees and charges using the Consumer Price Index (CPI) in July (garden waste) and September to be applied for the new pricing year.
- Any additional income related to these pricing increases is not currently fully assumed in the Revenue Budget from 2025/26.

3.34. The projected level of general reserves based on the Approved MTFS is shown below:

	2024/25		2025/26	2026/27	2027/28	2028/29
	Original Budget £000	Approved Budget £000	Budget £000	Budget £000	Budget £000	Projection £000
LEVEL OF UNCERTAINTY / RISK	MEDIUM	MEDIUM	HIGH	HIGH	HIGH	HIGH
Available General Reserves Year Start	3,836	3,800	3,800	5,031	4,205	2,353
(Funding Gap) / transfer to General Reserves	0	(110) ¹	1,231	(826)	(1,852)	(2,971)
Change in Minimum Level	0	0	0	0	0	0
Available General Reserves Year End	3,836	3,690	4,921	4,095	2,243	(728)
Minimum Level	2,000	2,000	2,000	2,000	2,000	2,000
Approved Budget General Reserves	5,836	5,690	6,921	6,095	4,243	1,272
More Optimistic Scenario	5,592	5,446	7,210	7,371	7,420	6,621
More Pessimistic Scenario	4,423	4,277	3,833	387	(3,378)	(7,686)

3.35. The minimum level of reserves is currently set at **£2,000,000** and this level will be reviewed as part of the development of the Medium Term Financial Strategy.

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

¹ Projected adverse 3 month financial performance in 2024/25 presented to Cabinet on 10 September 2024.

The Approved Capital Programme

3.37. The Capital Programme including a projection for Business as Usual Capital investment taken from the long term capital investment model is shown in detail at **APPENDIX E** and in summary below:

Strategic Priority	2024/25		2025/26	2026/27	2027/28	2028/29
	Original Budget £000	Approved Budget £000	Budget £000	Budget £000	Budget £000	Projection £000
LEVEL OF UNCERTAINTY / RISK	MEDIUM	MEDIUM	HIGH	HIGH	HIGH	HIGH
Active Communities	8,139	10,925	1,835	0	0	0
Confident Communities	2,398	4,799	1,337	1,320	1,100	1,100
Green Communities	505	2,272	6,600	210	400	387
Prosperous Communities	4,569	10,946	3,999	10	0	0
Internal Services	215	632	191	183	405	680
Capital Expenditure	15,826	29,574	13,962	1,723	1,905	2,167
Capital Funding	12,647	24,695	11,646	1,723	1,905	1,487
Borrowing Need	3,179	4,879	2,316	0	0	680
Usable Capital Receipts	(2,470)	(46)	(77)	(110)	(138)	(138)

The Introduction of Food Waste Collection

- 3.38. It is anticipated that the Joint Waste Service will introduce weekly food waste collections in April 2026. This will require the introduction of approximately 12 additional vehicles and 170,000 caddies. The vehicles required for the Food Waste service have not been included as part of the fleet procurement.
- 3.39. The Department for Environment, Food and Rural Affairs (Defra) have provided capital transitional costs for the introduction of weekly food waste collections to both Councils.
- 3.40. At present, no Government funding has been provided for project management or the operational costs related to these vehicles.
- 3.41. Therefore, it is recommended at this stage, that the Medium Term Financial Strategy is updated to include a new capital project for the procurement of the additional vehicles and caddies fully funded by Government Grant.
- 3.42. It will be necessary to recommend further changes to the Medium Term Financial Strategy when further funding is announced.

Business-as Usual Capital Investment

- 3.43. There are Business-as-Usual Capital Investment requirements such as ICT, vehicles and Property Planned Maintenance that will require funding to be identified.
- 3.44. At this stage, the projected level of investment included in the longer term capital investment model approved by Council on 27 February 2024 of **£2,167,000** has been utilised for 2028/29 in the draft Capital Programme.
- 3.45. This projected level of capital investment is summarised below:

	2028/29 Projection £000
Property Planned Maintenance	230
Bin Purchases	150
Vehicles - Other	237
ICT	175
Disabled Facilities Grants	1,100
Capital Contingency	275
Total	2,167
Better Care Fund Grant	(1,100)
Existing Revenue Budget	(150)
Reserves	(237)
Total Funding	(1,487)
Borrowing Need	680

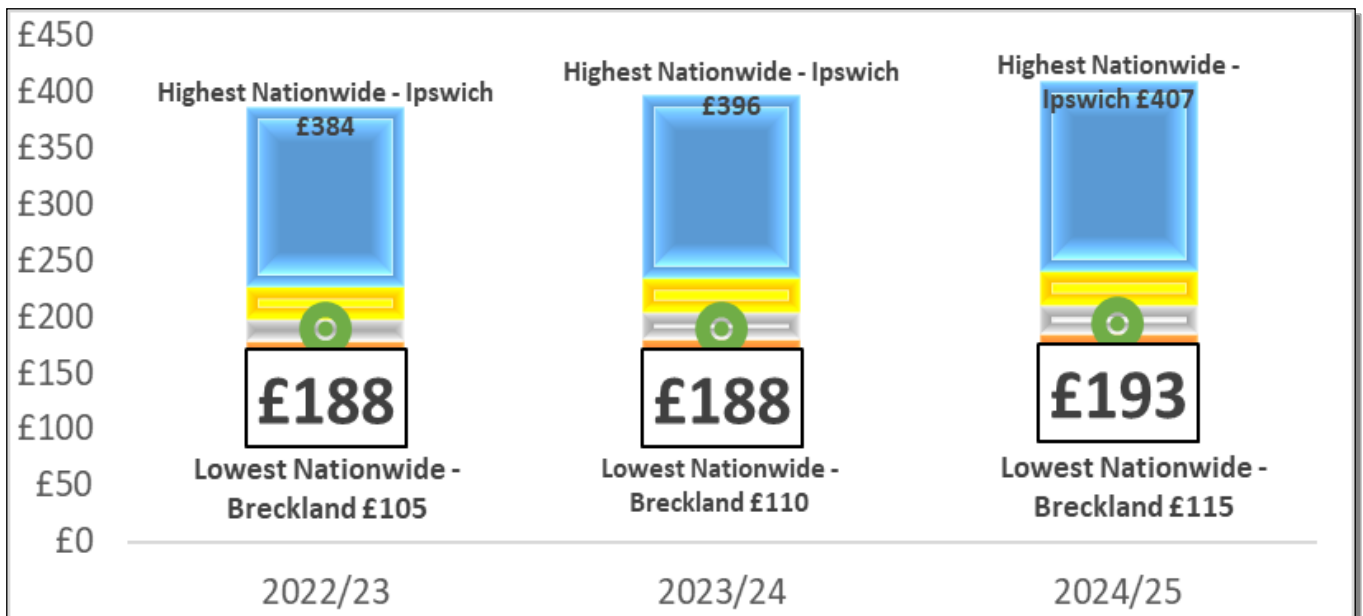
- 3.46. There may however be further capital investment needs identified through service and financial planning and other channels.
- 3.47. Any capital investment that cannot be funded by capital receipts, revenue, grants, contributions, or reserves will result in a borrowing need.
- 3.48. Any borrowing 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.
- 3.49. As was the approach last year, it is recommended that any 'windfall' income is allocated to fund the Business-as-Usual capital investment for 2028/29 rather than utilising borrowing that has additional revenue implications.

Burntwood Leisure Centre Changing Rooms

- 3.50. A project for works to improve the Burntwood Leisure Centre - Changing Rooms. The works will relate to the changing room area, removal of wall tiles in the storeroom and general enhancements to the location.
- 3.51. The funding for this project is to be provided by the Leisure Centre Compensation Reserve, identified in the Money Matters Report to Cabinet on 10 September 2024.

Council Tax

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



- 3.53. The actual Council Tax increase in 2024/25 was **£5** or **2.66%** and the Approved MTFS modelled that Council Tax would increase annually from 2025/26 by **1.99%**.

3.54. 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):

	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000	2027/28 Budget £000	2028/29 Projection £000
Approved / Modelled Increase	2.66%	1.99%	1.99%	1.99%	1.99%
Council Tax Band D	£192.85	£196.68	£200.60	£204.59	£208.66
Council Taxbase	41,116	41,567	42,161	42,723	43,386
Approved MTFS Council Tax Income	(£7,929)	(£8,175)	(£8,457)	(£8,741)	(£9,053)

A selection of options available and the impact on Council Tax income is shown below:	Total	2025/26	2026/27	2027/28	2028/29
2.99% increase in all years	(£867)	(£81)	(£167)	(£259)	(£360)
£5 increase in all years	(£464)	(£49)	(£95)	(£139)	(£181)
1.5% increase in 2025/26 and 2026/27 and then £5	£158	£39	£81	£39	(£1)
1.5% increase in 2025/26 and 2026/27 and then 1.99%	£291	£39	£81	£84	£87
1.0% increase in all years	£840	£79	£163	£252	£346
Freeze in all years	£1,673	£159	£326	£502	£686

3.55. The Council Tax base will be reviewed based on current information and the updated level will be approved by Cabinet on 3 December 2024.

3.56. In determining the level of Council Tax increase for 2025/26 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 2026/27 onwards, the significant level of uncertainty related to Local Government Finance Reform and the legal requirement to set a balanced budget (taking into consideration 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 2025/26
- The ability of residents to pay increasing levels of Council Tax.

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 and these will be considered as part of the refresh of the Medium Term Financial Strategy.
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>A resident budget consultation project commenced on 1 October 2024 and will run through to 13 December 2024.</p> <p>Overview and Scrutiny Committee were consulted on 2 October 2024 and feedback from this meeting will be provided to Cabinet.</p>
Financial implications	These are included in the background section of the report.
Approved by Section 151 Officer	Yes

Legal implications	No specific legal implications. The recommended Medium Term Financial Strategy is part of the Budget Framework and will therefore require the approval of Full Council.
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. These areas are addressed as part of the specific areas of activity prior to being included in the Strategic Plan.
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EIA logged by Equalities Officer	Yes Equalities Officer confirmed one is required for the Budget Consultation approach.
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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	These areas are addressed as part of the specific areas of activity prior to being included in the Strategic Plan.
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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	New score (RYG)
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Strategic Risk SR1 - Non achievement of the Council's key priorities contained in the Strategic Plan due to the availability of Finance				
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A	Council Tax is not set by the Statutory Date of 11 March 2025	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
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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
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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
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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
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			In the MTFS, a Business Rate Reset/Review of Needs and Resources is assumed from 2026/27. The key assumption is that Local Government resources are refocused based on need using up to date data/ revised formulas. The outcome of these changes is assumed to be that resources move from lower tier to upper tier authorities.	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 / 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	<ul style="list-style-type: none"> • Medium Term Financial Strategy (Revenue and Capital) – Cabinet 6 February 2024 and Council 27 February 2024 • Securing an Anchor Food and Beverage Tenant for the Cinema Complex – Council 16 April 2024 • Delivering Temporary Accommodation for Vulnerable Residents – Council 14 May 2024 • To change the MTFS to Build a Leisure Centre in Lichfield – Council 14 May 2024 • Money Matters: 2023/24 Financial Monitoring – Cabinet 30 July 2024 • Medium Term Financial Strategy (MTFS) – Cabinet 30 July 2024 • Money Matters: 2024/25 Financial Monitoring – Cabinet 10 September 2024
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Relevant web links	
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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 (30 September)	→	September	
Key: Pink = internal timelines Blue = Cabinet Salmon = Cabinet & Overview and Scrutiny Committee Amber = Overview and Scrutiny Committee Green = Audit Committee Purple = Council			

MTFS Budget Principles

- 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						
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Full Time Equivalents	308	308	308	308	308	308
Pay Award	4.00%	4.00%	2.00%	2.00%	2.00%	2.00%
Employers National Insurance	9.36%	9.46%	9.57%	9.66%	9.75%	9.75%
Employers Pension (%)	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%
Employers Pension (Past Service)	£697,040	£716,670	£736,290	£1,131,270	£1,181,270	£1,231,270
Employers Pension (Other)	£108,260	£111,540	£114,920	£118,400	£119,350	£120,300
Non-Contractual Inflation (RPI) (OBR March 24)	7.50%	2.40%	2.20%	2.60%	3.00%	2.90%
Non-Contractual Inflation (CPI) (OBR March 24)	5.70%	1.60%	1.60%	1.70%	2.00%	2.00%
Applicable Fees and Charges (minimum)	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Council Tax Increase (actual/modelled)	0.00%	2.66%	1.99%	1.99%	1.99%	1.99%
Base Rate	5.00%	4.40%	3.50%	3.20%	3.20%	3.20%
Investment Return	4.21%	3.81%	3.50%	3.50%	3.50%	3.50%
Key Demand Drivers						
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Population Projections	106,073	106,432	106,749	107,070	107,398	107,724
Residential Properties	48,909	49,328	49,740	50,293	50,813	51,431
Business Properties	3,033	3,038	3,038	3,038	3,038	3,038
Number of visitors to the district	2,500,000	2,600,000	2,700,000	2,800,000	2,900,000	3,000,000




	% Increase
Population Projections	1.56%
Residential Properties	5.16%
Business Properties	0.16%
Number of visitors to the district	20.00%

Benchmarking - Local Taxation

Council Tax

- In 2024/25, Lichfield's Council Tax rate was 3.2% higher than the nearest neighbour average, and 10.4% lower than the England average.

Tax rate (per Band D equivalent)




Your authority		£193
Nearest neighbours		£187
England		£215

- Changes in your authority's Council Tax rate:

In 2024/25


Your authority		+2.7%
Nearest neighbours		+3.1%
England		+3.0%

Over past five years**




Your authority		+9.8%
Nearest neighbours		+12.4%
England		+12.8%

- Changes in your authority's Council Tax base (Band D equivalent properties):

In 2024/25

Your authority		+1.4%
Nearest neighbours		+1.2%
England		+1.2%

Over past five years

Your authority		+8.2%
Nearest neighbours		+5.8%
England		+5.7%

Non-domestic rates

- Change in the rateable value of non-domestic properties, for your authority or billing authorities:

In 2024/25 (forecast)

Your authority		-0.3%
Nearest neighbours		+0.9%
England		+0.4%




Over past five years

Your authority		-0.9%
Nearest neighbours		+3.6%
England		+0.9%

- Retained business rate income:

In 2024/25, your authority's retained business rates income was forecast to be 41.1% higher than its baseline funding level (i.e. its needs-based funding met through business rates).

Retained rates above or below baseline funding

Your authority		+41.1%
Nearest neighbours		+65.6%
England		+52.3%

Collection rates

- Council Tax collection rates in 2023/24:

Your authority		98.4%
Nearest neighbours		97.7%
England		96.2%

- Non-domestic tax collection rates in 2023/24:

Your authority		99.5%
Nearest neighbours		98.2%
England		97.4%

↑ Your authority's Council Tax collection rate has increased from 98.1% in 2022/23.

↑ Your authority's non-domestic collection rate increased from 99.2% in 2022/23.

Benchmarking – Unit Costs 2024/25

The relationship between the Revenue Budget and the Revenue Estimates (RA) Return

Activity	Original Budget			Accounting Charges £000	RA Form Budget £000
	Expenditure £000	Income £000	Net £000		
Highways and Transportation	£995	(£2,290)	(£1,295)	£191	(£1,104)
Housing Services	£12,724	(£12,372)	£351	£898	£1,249
Cultural and Related Services	£4,698	(£3,534)	£1,164	£455	£1,619
Environmental & Regulatory Services	£9,862	(£6,461)	£3,401	£1,259	£4,660
Planning & Development Services	£5,867	(£4,714)	£1,153	£719	£1,871
Central Services	£7,086	(£686)	£6,400	(£2,769)	£3,631
Other Services	£5,460	(£239)	£5,221	(£4,759)	£463
Sub Total Revenue Estimates (RA) Return	£46,692	(£30,296)	£16,396	(£4,007)	£12,389
Services excluded from the RA Form				£4,007	£4,007
Net Cost of Services	£46,692	(£30,296)	£16,396	£0	£16,396

Service Area Summary Unit Cost information for 2024/25 Compared to Nearest Neighbours

Service Area	Budget 2024/25 (£m)	Unit cost*		Difference from nearest neighbour average		Rank out of 16 (1=high)	Units
		Your authority (£ per unit)	NN average (£ per unit)	(%)	(Band)		
Education (exc. schools)	0.000						
Adults' Social Care	0.000						
Children's Social Care	0.000						
Public Health	0.000						
Highways & Transport	-1.104	-10.37	-2.78	-273.2%	●	15th	Residents (all)
Housing (General Fund)	1.249	11.74	17.02	-31.1%	●	14th	Residents (all)
Cultural & Related Services	1.619	15.21	19.97	-23.8%	●	13th	Residents (all)
Environmental & Regulatory Services	4.660	43.79	54.21	-19.2%	●	13th	Residents (all)
Planning & Development Services	1.871	17.58	26.63	-34.0%	●	13th	Residents (all)
Central Services	3.631	34.12	36.07	-5.4%	●	10th	Residents (all)
Other Services	0.463						
Total (excluding schools)	12.389	116.41	156.65	-25.7%	●	15th	Residents (all)
Total (including schools)	12.389	116.41	156.65	-25.7%	●	15th	Residents (all)

Bottom 20% of NN group ●●●●● top 20% of NN group

Highways and Transport

Service Area	Budget 2024/25 (£m)	Unit cost		Difference from nearest neighbour average		Rank (1=high)	Units
		Your authority (£ per unit)	Neighbour average (£ per unit)	(%)	(Band)		
Highways Maintenance	0.037	0.35	0.62	-44.4%	●	4th / 16	Residents (all)
Parking Services	-1.215	-11.19	-4.45	-151.5%	●	15th / 16	Daytime population
Street Lighting	0.014	0.13	0.52	-74.5%	●	7th / 16	Residents (all)
Transport Planning, Policy and Strategy	0.000	0.00	0.10	-100.0%	●	4th= / 16	Residents (all)
Winter Service	0.000	0.00	0.00		●	1st= / 16	Residents (all)
Traffic Management and Road Safety	0.000	0.00	0.00	-100.0%	●	2nd= / 16	Residents (all)
Public Transport	0.060	0.56	0.45	26.0%	●	3rd / 16	Residents (all)
Other Highways and Transport Services	0.000	0.00	0.00		●	1st= / 16	Residents (all)
Total	-1.104	-10.37	-2.78	-273.2%	●	15th / 16	Residents (all)

Bottom 20% of NN group ●●●● top 20% of NN group

Housing

Service Area	Budget 2024/25 (£m)	Unit cost		Difference from nearest neighbour average		Rank (1=high)	Units
		Your authority (£ per unit)	Neighbour average (£ per unit)	(%)	(Band)		
Homelessness	0.798	9,120.00	10,877.99	-16.2%	●	10th / 16	Homeless households
Housing Benefits Administration	0.218	97.89	231.74	-57.8%	●	16th / 16	Housing Benefit claimants
Housing Benefits: Rent Allowances and Rebates	0.000	0.00	16.76	-100.0%	●	8th= / 16	Housing Benefit claimants
Housing Strategy, Advice, Advances etc.	0.233	2.19	2.63	-16.8%	●	10th / 16	Residents (all)
Housing Welfare: Supporting People	0.000	0.00	0.12	-100.0%	●	3rd= / 16	Residents (all)
Other Housing Services	0.000	0.00	0.10	-100.0%	●	4th= / 16	Residents (all)
Total	1.249	11.74	17.02	-31.1%	●	14th / 16	Residents (all)

Bottom 20% of NN group ●●●● top 20% of NN group

Cultural and Related Services

Service Area	Budget 2024/25 (£m)	Unit cost		Difference from nearest neighbour average		Rank (1=high)	Units
		Your authority (£ per unit)	Neighbour average (£ per unit)	(%)	(Band)		
Culture and Heritage	0.151	1.42	3.83	-63.0%	●	9th / 16	Residents (all)
Library Service	0.000	0.00	0.00		●	1st= / 16	Residents (all)
Open Spaces	1.370	41.35	39.18	5.6%	●	3rd / 16	LA area (hectares)
Recreation and Sport	-0.104	-0.98	5.46	-117.9%	●	13th / 16	Residents (all)
Other Cultural and Related Services	0.202	1.90	1.00	89.1%	●	3rd / 16	Residents (all)
Total	1.619	15.21	19.97	-23.8%	●	13th / 16	Residents (all)

Bottom 20% of NN group ●●●● top 20% of NN group

Environmental and Regulatory Services

Service Area	Budget 2024/25 (£m)	Unit cost		Difference from nearest neighbour average		Rank (1=high)	Units
		Your authority (£ per unit)	Neighbour average (£ per unit)	(%)	(Band)		
Cemetery, Cremation and Mortuary Services	0.000	0.00	0.24	-100.0%	●	11th = / 16	Residents (all)
Community Safety	0.399	3.75	3.22	16.3%	●	6th / 16	Residents (all)
Regulatory Services	1.237	11.62	10.84	7.2%	●	6th / 16	Residents (all)
Street Cleansing	0.475	4.38	9.28	-52.9%	●	14th / 16	Daytime population
Waste Collection	1.370	30.94	42.20	-26.7%	●	9th / 16	Number of households
Waste Disposal & Recycling*	1.296	32.85	29.50	11.3%	●	7th / 16	Waste collected (household)
Trade Waste & Waste Minimisation*	-0.117	-2.85	0.10	-3048.0%	●	15th / 16	Waste collected (all)
Other Environmental and Regulatory Services	0.000	0.00	2.39	-100.0%	●	14th = / 16	Residents (all)
Total	4.660	43.79	54.21	-19.2%	●	13th / 16	Residents (all)

Bottom 20% of NN group ●●●● top 20% of NN group

Planning and Development Services

Service Area	Budget 2024/25 (£m)	Unit cost		Difference from nearest neighbour average		Rank (1=high)	Units
		Your authority (£ per unit)	Neighbour average (£ per unit)	(%)	(Band)		
Building Control	-0.023	-34.02	223.08	-115.3%	●	15th / 16	Planning decisions
Business Support	0.292	53.04	-67.26	178.9%	●	2nd / 16	Number of businesses
Community Development	0.291	2.73	3.07	-10.9%	●	8th / 16	Residents (all)
Economic Research and Development	-0.097	-0.91	9.86	-109.2%	●	15th / 16	Residents (all)
Planning Policy	0.764	7.18	6.59	9.0%	●	5th / 16	Residents (all)
Environmental Initiatives	0.000	0.00	0.53	-100.0%	●	7th = / 16	Residents (all)
Development Control	0.644	952.66	1,192.98	-20.1%	●	11th / 16	Planning decisions
Total	1.871	17.58	26.63	-34.0%	●	13th / 16	Residents (all)

Bottom 20% of NN group ●●●● top 20% of NN group

Central Services

Service Area	Budget 2024/25 (£m)	Unit cost		Difference from nearest neighbour average		Rank (1=high)	Units
		Your authority (£ per unit)	Neighbour average (£ per unit)	(%)	(Band)		
Coroners Court Services	0.000	0.00	0.00		●	1st = / 16	Residents (all)
Corporate and Democratic Core	1.699	15.96	19.12	-16.5%	●	8th / 16	Residents (all)
Emergency Planning	0.063	0.59	0.54	10.6%	●	5th / 16	Residents (all)
Local Tax Collection	1.103	21.72	15.71	38.3%	●	3rd / 16	Taxable properties
Non-Distributed Costs	0.420	3.95	5.38	-26.6%	●	8th / 16	Residents (all)
Other Central Services	0.346	3.25	3.68	-11.6%	●	12th / 16	Residents (all)
Total	3.631	34.12	36.07	-5.4%	●	10th / 16	Residents (all)

Bottom 20% of NN group ●●●● top 20% of NN group

The Approved Revenue Budget

(Includes a projection for 2028/29)

	2024/25		2025/26	2026/27	2027/28	2028/29
	Original	Approved	Budget	Budget	Budget	Projection
	£000	£000	£000	£000	£000	£000
LEVEL OF UNCERTAINTY / RISK	MEDIUM	MEDIUM	HIGH	HIGH	HIGH	HIGH
Active Communities	30	103	(19)	(264)	(338)	(359)
Confident Communities	1,888	1,922	2,008	2,096	2,183	2,264
Green Communities	4,230	4,305	4,376	4,487	4,685	4,856
Prosperous Communities	(811)	(420)	(585)	(709)	(711)	(594)
Internal Services	11,059	10,486	8,150	8,438	8,094	8,947
Net Cost of Services	16,396	16,396	13,930	14,048	13,913	15,114
Corporate expenditure	(1,066)	(1,066)	(1,104)	(446)	(118)	(726)
Net Operating cost	15,330	15,330	12,826	13,602	13,795	14,388
Retained Business Rates Baseline Funding	(2,297)	(2,297)	(2,329)	(2,360)	(2,392)	(2,426)
Retained Business Rates Growth Allowance	(1,474)	(1,474)	(1,472)	(337)	(334)	(330)
Business Rates Cap Grant	(490)	(490)	(512)	0	0	0
Revenue Support Grant	(113)	(113)	(106)	320	352	386
Services Grant	(13)	(13)	(13)	0	0	0
Funding Guarantee Grant	(596)	(596)	(1,450)	0	0	0
Transitional Funding Grant	0	0	0	(1,941)	(828)	6
New Homes Bonus - Base Budget	(1,189)	(1,189)	0	0	0	0
Collection Fund (Surplus)/Deficit	(1,229)	(1,229)	0	0	0	0
Council Tax	(7,929)	(7,929)	(8,175)	(8,457)	(8,741)	(9,053)
Total Funding	(15,330)	(15,330)	(14,057)	(12,775)	(11,943)	(11,417)

Approved Funding Gap / (Transfer to Reserves)	0	0	(1,231)	826	1,852	2,971
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Business Rates						
Business Rates Reset/Fair Funding Review	No	No	No	Yes	Yes	Yes
Transitional Funding	No	No	No	(5.00%)	(5.00%)	(5.00%)
New Homes Bonus						
Band D Housing Growth above the Baseline	672	672	224	217	355	320
Affordable Housing growth	283	283	84	83	111	104
Council Tax						
Modelled Council Tax Increase	£5.00	£5.00	1.99%	1.99%	1.99%	1.99%
Band D Housing Growth	419	419	416	557	524	623
Band D Housing Growth (%)	1.61%	1.61%	0.86%	1.38%	1.29%	1.47%

Net Cost of Service Approved Budgets for 2025/26 (excluding Accounting Charges) based on the Revenue Estimates (RA) Government Return Service Areas

Activity	Approved Budget 2025/26		
	Expenditure	Income	Net
District Highways	£18,550	£0	£18,550
Street Lighting	£4,260	£0	£4,260
Lichfield Car Parks	£854,520	(£2,202,750)	(£1,348,230)
District Car Parks	£6,840	£0	£6,840
Civil Parking Enforcement	£93,100	(£84,260)	£8,840
Bus Station	£38,480	£0	£38,480
Sub Total Highways and Transportation	£1,015,750	(£2,287,010)	(£1,271,260)
Housing Register	£99,940	£0	£99,940
Housing Strategy and the Enabling Role	£259,040	£0	£259,040
Miscellaneous Properties	£5,000	(£5,000)	£0
Housing Options and Homelessness	£454,740	(£179,910)	£274,830
The Benefits Service	£70,040	(£145,290)	(£75,250)
Housing Benefits - Payments	£11,864,400	(£11,928,010)	(£63,610)
Sub Total Housing Services	£12,753,160	(£12,258,210)	£494,950
Museum Artefacts	£2,370	£0	£2,370
Garrick Theatre SPA	£75,000	£0	£75,000
Parks Management	£90,090	£0	£90,090
Beacon Park	£544,280	(£138,300)	£405,980
Burntwood Parks	£120,850	(£4,880)	£115,970
Lichfield Parks	£15,950	(£7,890)	£8,060
Stowe and Minster Pools	£10,150	(£1,380)	£8,770
Grounds Maintenance	£758,450	(£339,690)	£418,760
Active Lichfield	£88,450	(£13,060)	£75,390
Get Into It	£40,390	(£25,000)	£15,390
Leisure Centre Contract	£26,710	£0	£26,710
Leisure CIL Projects	£370,000	(£470,000)	(£100,000)
Burntwood Leisure Centre	£2,228,384	(£2,177,018)	£51,366
New Leisure Centre at Stychbrook Park	£733,286	(£817,002)	(£83,716)
Leisure - Other	£0	(£4,490)	(£4,490)
Lichfield Tourism Information	£25,860	(£14,510)	£11,350
Tours	£2,940	(£5,580)	(£2,640)
Group Travel Partnership	£1,000	£0	£1,000
Sub Total Cultural and Related Services	£5,134,160	(£4,018,800)	£1,115,360
Food Safety	£279,840	(£17,150)	£262,690
Environmental Protection	£351,300	(£19,510)	£331,790
Housing Enforcement and Licensing	£57,610	(£7,700)	£49,910
Regulation and Enforcement	£84,770	£0	£84,770
Public Conveniences	£79,380	(£2,190)	£77,190
Licensing	£160,700	(£207,310)	(£46,610)
Community Safety	£79,350	£0	£79,350
PCC Funding	£59,914	(£59,914)	£0
Closed Circuit Television	£209,570	(£1,000)	£208,570
Abandoned Vehicles	£1,000	(£500)	£500
Streetscene Management	£143,880	£0	£143,880
Street Cleansing	£693,300	(£146,000)	£547,300

Activity	Approved Budget 2025/26		
	Expenditure	Income	Net
Joint Waste Service	£7,627,760	(£5,642,390)	£1,985,370
Domestic Waste Collection	(£48,090)	£0	(£48,090)
Trade Waste Collection - Refuse	£257,220	(£403,260)	(£146,040)
Trade Waste Collection - Recycling	£77,820	(£86,860)	(£9,040)
Sub Total Environmental & Regulatory Services	£10,115,324	(£6,593,784)	£3,521,540
Building Regulations-Chargeable Account	£1,132,285	(£1,277,180)	(£144,895)
Building Control Register EIR	£0	(£14,510)	(£14,510)
Building Control - Administration	£274,210	£0	£274,210
Building Control - Management	£81,170	£0	£81,170
Building Regs - Non Chargeable Account	£0	(£354,335)	(£354,335)
Street Naming and Numbering	£2,000	(£41,020)	(£39,020)
Planning Fee Increase	£146,000	(£146,000)	£0
Planning Applications	£982,390	(£895,060)	£87,330
Planning Enforcement	£112,600	£0	£112,600
Spatial Policy and Delivery Service	£338,350	(£12,370)	£325,980
CIL	£0	(£39,060)	(£39,060)
Conservation and Listed Buildings	£55,990	£0	£55,990
Local Plan	£90,000	£0	£90,000
Ecology Offset Grant	£0	(£13,750)	(£13,750)
Ecology and Bio-Diversity	£175,770	£0	£175,770
Arboriculture	£67,320	(£500)	£66,820
Masterplan - Project Support - Legal	£30,000	£0	£30,000
Lichfield Joint Venture	£600,000	(£600,000)	£0
Masterplan - Commercial Property Advice	£90,000	£0	£90,000
District Council House	£466,974	(£335,570)	£131,404
Plant Lane Depot	£122,050	(£5,780)	£116,270
Major Projects	£127,470	£0	£127,470
Partnerships and Policy	£316,500	£0	£316,500
Community Lottery	£21,700	(£12,000)	£9,700
Non-Investment Properties	£8,000	(£121,560)	(£113,560)
Investment Properties	£21,820	(£362,370)	(£340,550)
Business Support and Investment	£11,220	£0	£11,220
Sub Total Planning & Development Services	£5,273,819	(£4,231,065)	£1,042,754
Chief Executive and Support	£239,610	£0	£239,610
Corporate Management	£1,084,180	£670	£1,084,850
External Audit	£185,030	(£18,000)	£167,030
Treasury Management	£116,450	£0	£116,450
Members	£315,580	£0	£315,580
Civic Services	£18,430	(£3,100)	£15,330
JADU (Website)	£79,110	£0	£79,110
Revenue Collection	£782,980	(£344,840)	£438,140
Emergency Planning and Business Continuity	£28,770	£0	£28,770
Local Land Charges - LDC	£300,920	(£322,620)	(£21,700)
Election Expenses	£48,990	£0	£48,990
Electoral Registration	£174,760	(£1,760)	£173,000
Corporate Costs-Non Distributable Costs	£851,210	£0	£851,210
Sub Total Central Services	£4,226,020	(£689,650)	£3,536,370

APPENDIX D

Activity	Approved Budget 2025/26		
	Expenditure	Income	Net
Sub Total Revenue Estimates (RA) Return	£38,518,233	(£30,078,519)	£8,439,714

Operations	£83,040	£0	£83,040
Financial Services	£426,258	£0	£426,258
Financial Information System	£64,710	£0	£64,710
Procurement	£228,432	(£8,100)	£220,332
Finance and Commissioning	£119,030	£0	£119,030
Corporate Debt Recovery	(£20)	(£4,090)	(£4,110)
Insurance Administration and Premiums	£507,600	£0	£507,600
Internal Audit Services	£165,670	(£31,000)	£134,670
Chief Operating Officer	£137,810	£0	£137,810
Central Reprographics	£2,000	£0	£2,000
Central Postage	£72,160	£0	£72,160
Governance Team	£532,240	(£18,750)	£513,490
LWMTS	£843,910	(£100,000)	£743,910
Corporate Landlord	£64,146	£0	£64,146
Operations, Regulation and Enforcement	£118,320	£0	£118,320
Equalities	£45,470	£0	£45,470
Customer Resident and Business Services	£118,320	£0	£118,320
Customer Services	£440,250	(£200)	£440,050
Health and Safety	£156,990	(£72,760)	£84,230
Apprenticeships	£93,000	£0	£93,000
Other HR Services	£94,390	£0	£94,390
E-Business and Information Strategy	£566,010	(£4,500)	£561,510
Digital Team	£202,740	£0	£202,740
IDOX System (Land Charges)	£100,880	£0	£100,880
IT Licenses	£546,560	£0	£546,560
Sub Total Services that are Recharged	£5,729,916	(£239,400)	£5,490,516

Net Cost of Services	£44,248,149	(£30,317,919)	£13,930,230
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The Approved Capital Programme

(Includes a projection for 2028/29)

Project	(R=>500k, A=250k to 500k and G=<250k)						Total £000	Corporate
	2024/25	2025/26	2026/27	2027/28	2028/29			
	£000	£000	£000	£000	£000			
Friary Grange - Short Term Refurbishment	107	0	0	0	0	107	0	
Replacement Leisure Centre	9,032	1,835	0	0	0	10,867	375	
Climbing Wall at Burntwood Leisure Centre	100	0	0	0	0	100	0	
Pre-school soft play facility at Burntwood LC	37	0	0	0	0	37	0	
Adventure Golf at Beacon Park	300	0	0	0	0	300	0	
Padel Tennis courts	195	0	0	0	0	195	0	
New 3G Pitch in Lichfield	800	0	0	0	0	800	0	
Mavesyn Ridware Village Hall Play Area	5	0	0	0	0	5	0	
Burntwood Tennis/Netball Court	100	0	0	0	0	100	0	
Elford Sportsfield Pavilion Refurbishment	10	0	0	0	0	10	0	
Skateboard Facility at Burntwood LC	106	0	0	0	0	106	0	
Fradley Community Recreational Area	68	0	0	0	0	68	0	
Football Pitch and Car Park at Burntwood	26	0	0	0	0	26	0	
Fencing for Pitch at BLC	39	0	0	0	0	39	0	
Active Communities Total	10,925	1,835	0	0	0	12,760	375	
Lichfield Public Conveniences	40	0	0	0	0	40	40	
Disabled Facilities Grants	1,041	1,337	1,300	1,100	1,100	5,878	0	
Delivering Temporary Accommodation	2,157	0	0	0	0	2,157	979	
Vehicle Replacement - Env Health	0	0	20	0	0	20	0	
Burntwood Public Conveniences	45	0	0	0	0	45	0	
Conversion of 36a Bore Street	489	0	0	0	0	489	360	
Streethay Community Centre	725	0	0	0	0	725	0	
Burntwood Community Hub	245	0	0	0	0	245	0	
Developing Fradley's visual identity	57	0	0	0	0	57	0	
Confident Communities Total	4,799	1,337	1,320	1,100	1,100	9,656	1,379	
Vehicle Replacement Programme (Waste)	0	6,000	0	0	0	6,000	0	
Bin Purchase	150	150	150	150	150	750	0	
Vehicle Replacement Programme (Other)	275	450	60	250	237	1,272	407	
Electric Vehicle Charge Points	80	0	0	0	0	80	0	
Food Waste Collections	1,767	0	0	0	0	1,767	0	
Green Communities Total	2,272	6,600	210	400	387	9,869	407	
Vehicle Replacement (Car Parks)	0	0	10	0	0	10	0	
Coach Park	100	0	0	0	0	100	39	
Pay on Exit System at Lombard Street	143	0	0	0	0	143	0	
BRS Enabling Works	1,068	0	0	0	0	1,068	0	
Cinema Development	7,424	3,999	0	0	0	11,423	1,757	
Incubator Space	216	0	0	0	0	216	-158	
32-44 Bakers Lane	1,582	0	0	0	0	1,582	1,478	
Investment in micro and small enterprises	200	0	0	0	0	200	0	
Development and promotion of the visitor	100	0	0	0	0	100	0	
Active travel enhancements	100	0	0	0	0	100	0	
Refreshing the Meeting Space at Old Mining	13	0	0	0	0	13	0	
Prosperous Communities Total	10,946	3,999	10	0	0	14,955	3,116	
Property Planned Maintenance	323	16	8	230	230	807	577	
IT Infrastructure	224	175	175	175	175	924	699	
Committee Audio-Visual Hybrid Meetings	85	0	0	0	0	85	85	
Capital Contingency	0	0	0	0	275	275	0	
Internal Services Total	632	191	183	405	680	2,091	1,361	
Approved Capital Programme	29,574	13,962	1,723	1,905	2,167	49,331	6,638	

Funding Source	Approved Capital Programme					
	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
Capital Receipts	3,084	0	0	0	0	3,084
Capital Receipts - Housing	1,339	0	0	0	0	1,339
Revenue - Corporate	855	565	183	612	0	2,215
Corporate Council Funding	5,278	565	183	612	0	6,638
Grant	3,275	3,762	1,300	1,100	1,100	10,537
Shared Prosperity Fund	1,269	0	0	0	0	1,269
Rural Shared Prosperity Fund	400	0	0	0	0	400
Section 106	1,809	0	0	0	0	1,809
CIL	1,882	0	0	0	0	1,882
Reserves	10,632	1,169	90	43	237	12,171
Revenue - Existing Budgets	150	150	150	150	150	750
Sinking Fund	0	0	0	0	0	0
Leases	0	6,000	0	0	0	6,000
Internal Borrowing	4,879	2,316	0	0	0	7,195
Total	29,574	13,962	1,723	1,905	1,487	48,651
External Borrowing	0	0	0	0	680	680
Total Funding	29,574	13,962	1,723	1,905	2,167	49,331

Reconciliation of the Original Capital Programme to this Approved Capital Programme

	Cabinet or Decision Date	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	Total £000
Original Budget Council 27/02/2024		15,826	14,136	1,945	1,905	0	33,812
Approved Changes							
Allocation of S106 Funds	08/12/2023	23					23
Securing an anchor F&B tenant for the Cinema Complex	09/04/2024	1,700					1,700
Skateboard facility at Burntwood Leisure Centre	09/04/2024	106					106
Leisure Centre in Lichfield	14/05/2024	1,347					1,347
Delivering temporary accommodation for vulnerable residents	14/05/2024	979					979
Reallocation of Fradley Section 106 funds	29/05/2024	125					125
Allocation of S106 funding to sport pitch provision in Burntwood	18/07/2024	65					65
Slippage from 2023/24	30/07/2024	7,162					7,162
Collection of Food Waste	30/07/2024	1,767					1,767
Reprofiling of Property capital budgets	30/07/2024	396	(174)	(222)			0
New 3G Pitch for Lichfield	30/07/2024	78					78
Projections for 2028/29							
Long Term Model	27/02/2024					2,167	2,167
Approved Capital Programme		29,574	13,962	1,723	1,905	2,167	49,331