



Annual Budget Book 2023/24

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Introduction

The purpose of the **Annual Budget Book** is to inform residents, customers, Members and other interested parties how Lichfield District Council proposes to spend its revenue and capital budgets on services. It also provides an understanding of the current financial position facing the Council both for the coming year and looking towards the future.

The information presented in this document is based on controllable budgets and therefore excludes any recharges between different areas within the Council. The Budget Book provides an overall summary of the revenue budget, details of the approved council tax for the year, treasury management, the capital programme (budget), and information relating to the Council's reserves. It also shows the main components of the budget for each Service Area and for each Strategic Priority.

The document is produced in a manner that is intended to be easy to understand, and shows how the Council will use its resources to deliver the outcomes set out in **the Lichfield District Council Strategic Plan**.

The revenue and capital budgets for 2023/24, included in the **Medium Term Financial Strategy (MTFS)**, were **approved by Full Council at its meeting on 28 February 2023**. The same meeting also set the council tax for 2023/24.

This approval was undertaken following final scrutiny of the MTFS by Overview and Scrutiny Committee on 8 February 2023, the Treasury Management Strategy by Audit and Member Standards Committee on 2 February 2023 and approval by Cabinet on 14 February 2023.

The MTFS identifies the investment and resources necessary to deliver the Strategic Plan. One of the key functions of the Finance and Commissioning Team is to produce, update and monitor the Council's Medium Term Financial Strategy (MTFS).

In terms of Governance, Overview and Scrutiny Committee scrutinise the Revenue Budget, Capital Programme and Reserve Levels and Audit and Member Standards Committee scrutinise the Treasury Management Strategy, Capital Programme and Financing prior to approval by Cabinet and Full Council.

The activities and budgets assigned to each service area are based on the Target Operating Model. Therefore any subsequent changes within the model will result in activities and their associated budgets being transferred.

The Financial management process and its Governance is key in terms of the Finance Team’s work and this is shown diagrammatically below:



The Medium Term Financial Strategy (MTFS)

The ability to deliver the outcomes set out in the **Strategic Plan** is dependent on the resources available over the life of the plan. Therefore, the Council prepares a **Medium Term Financial Strategy (MTFS)**. This covers how we will use reserves, our investments, and our approach to council tax and how we deploy our capital. It also looks at the medium term given the cost pressures we are likely to face and how these could be financed. The MTFS covers revenue and capital expenditure for the four financial years **2023/24, 2024/25, 2025/26 and 2026/27**. It was approved by Full Council on 28 February 2023.

MTFS Budget Principles and Assumptions

To assist in preparing the Medium Term Financial Strategy, in common with a number of Councils, a set of principles were established to guide the preparation and management of the MTFS.

Council, on 15 October 2019, approved the budget principles identified below:

- 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.

The Provisional and Final Local Government Finance Settlement for 2023/24

Introduction

The Provisional Local Government Settlement was announced on 19 December 2022 (earlier than forecast), the Secretary of State for the Department for Levelling Up, Housing and Communities (DLUHC), Rt. Hon. Michael Gove MP, released a written statement to Parliament on the provisional local government finance settlement 2023-24. The final settlement was announced on 6 February 2023.

The 2023-24 local government finance settlement is for one year only and is based on the Spending Review 2021 (SR21) funding levels, updated for the 2022 Autumn Statement announcements.

The main points impacting this Council are set out below:

- **Council Tax** – As previously announced, the council tax referendum limit will be 2.99% for local authorities. The provisional and Final settlement confirmed that districts will be allowed to apply the higher of the referendum limit or £5.
- **Business Rates Retention** – As previously announced, the government has changed the inflation measure used to increase the local government funding amount within the Settlement Funding Amount (SFA). CPI (September increase of 10.1%) has been used, instead of RPI (September increase of 12.6%).
- **Revenue Support Grant** – For those authorities still receiving RSG, this has been increased by 10.1%, in line with what would have been the increase to the multiplier; there have also been existing grants worth £78m rolled into the RSG amounts.
- **Top Up/Tariff Adjustments (Negative RSG)** – As in previous years, the government has decided to eliminate the negative RSG amounts.
- **Local Government Funding Reform** – As per the previously published Policy Statement, the Review of Relative Needs and Resources ('Fair Funding Review') and a reset of Business Rates growth will not be implemented in the next two years.

Specific Grants

- **Reduced: Services Grant (Previously the 2022/23 Services Grant)** – This grant has been reduced from £822m to £464m. This reduction is due to the cancellation of the increase in National Insurance Contributions and to move funding to the Supporting Families programme. The methodology for the grant remains unchanged.
- **Reduced: New Homes Bonus** - The 2023/24 allocations have been announced at £291m; a reduction of £265m on 2022/23. There have been no changes to the design of the scheme for 2023/24, with a single year's new allocation. The large reduction in funding from the scheme is due to all prior years' legacy payments having now been paid.
- **Abolished: Lower Tier Services Grant** – This grant (worth £111m in 2022/23) has been removed and replaced by the Minimum Funding Guarantee of 3% for 2023/24.
- **New: Funding Guarantee** – This £136m grant replaces the Lower Tier Services Grant. This grant is intended to provide a funding floor for all local authorities, so that no local authority would see an increase in Core Spending Power that is lower than 3% (before assumptions on council tax rate increases but includes those on Council Tax base).

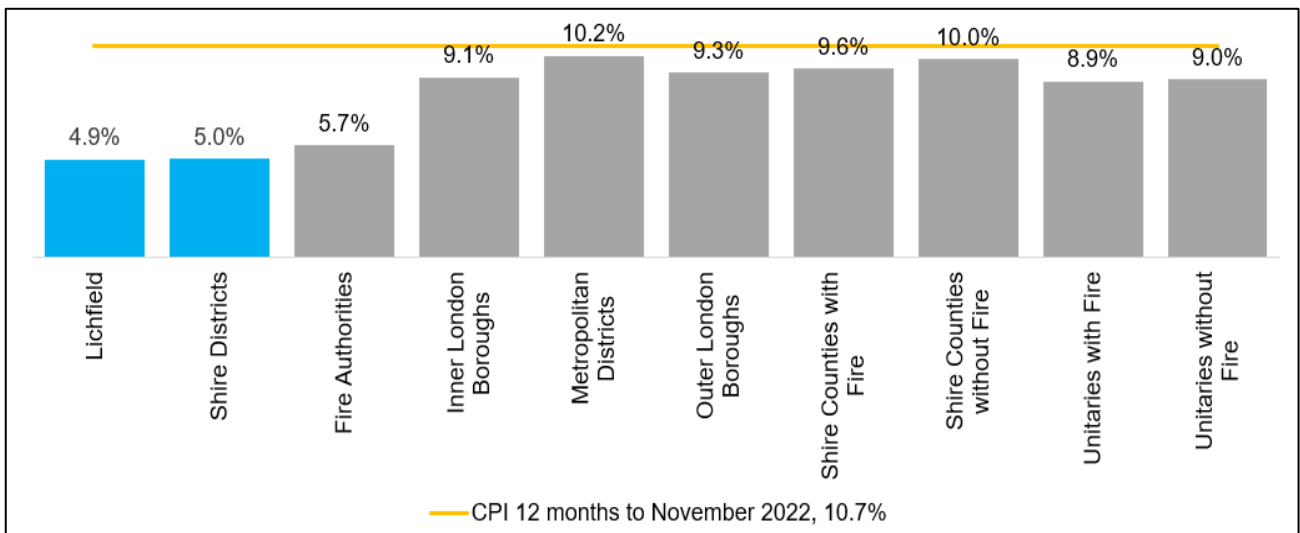
Government Core Spending Power Analysis

The Government analyses Local Government Funding using its preferred measure of Core Spending Power. There are several key points to make in relation to this measure:

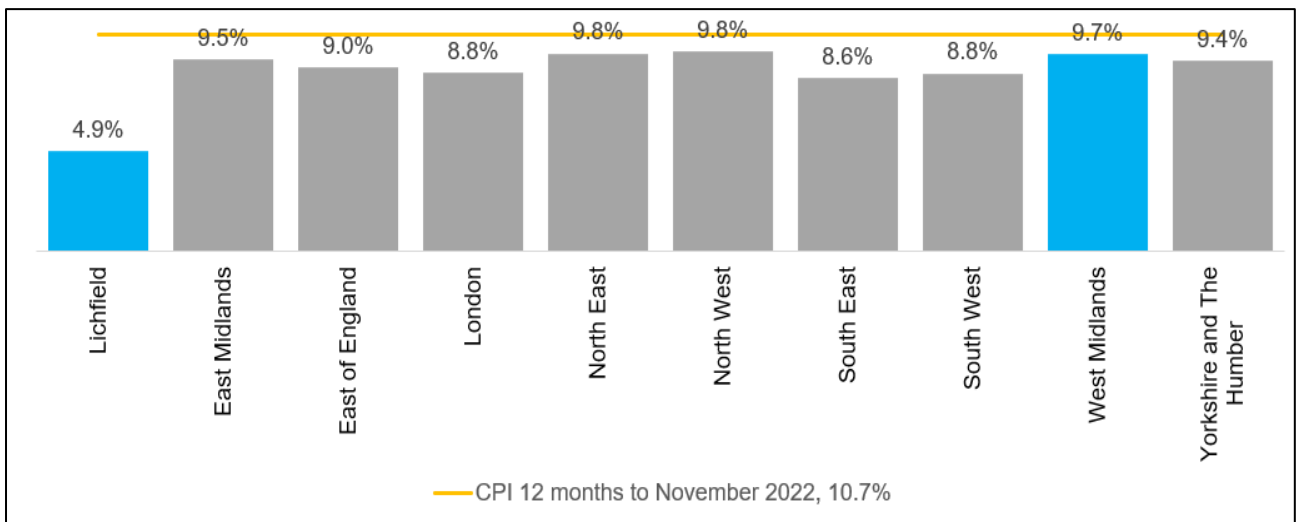
- It excludes any Business Rate Growth above the Government Set Baseline.
- It assumes average Council Tax base growth and that all Councils will utilise the maximum available Council Tax increase – for this Council in 2023/24 it is 3% (2.99% for modelling purposes).
- It excludes any other local income sources such as the benefits of Business Rate Pooling and previous year Collection Fund surpluses or deficits.

The Council's Core Spending Power increase to other comparators is shown below:

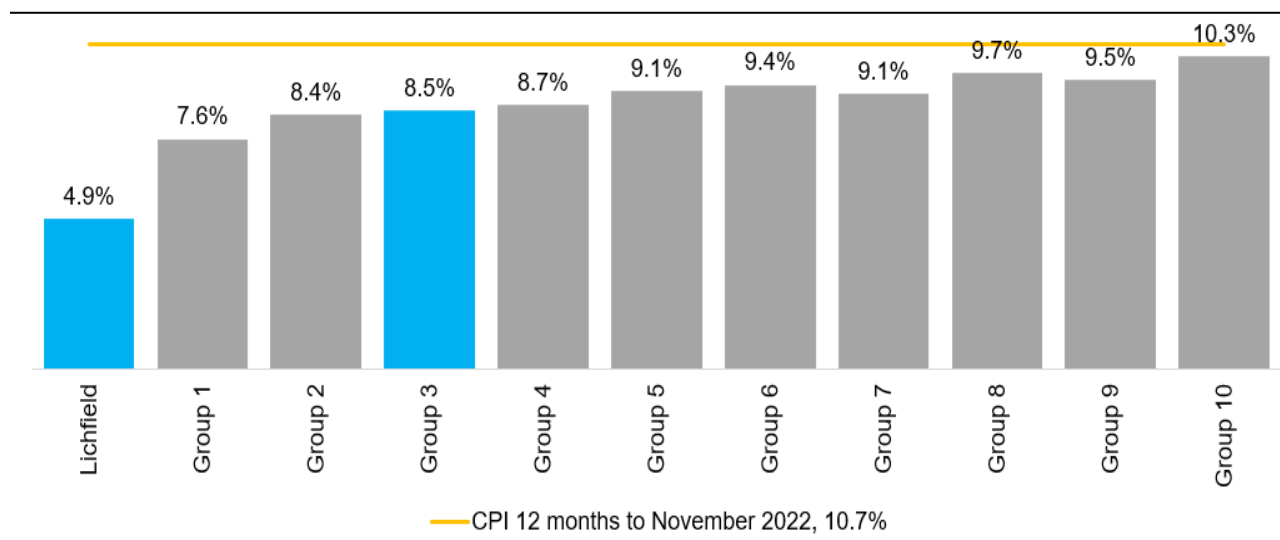
Change in Core Spending Power by Authority Type



Change in Core Spending Power by Region



Change in Core Spending Power by level of Deprivation (IMD deciles)



The comparison of the Core Spending Power from the Final Settlement in 2022/23 to the Provisional and Final Settlement in 2023/24 is shown below:

	Core Spending Power Final 2022/23	Core Spending Power Provisional 2023/24	Variance	Core Spending Power Final 2023/24	Variance
Retained Business Rates - Baseline	£2,117,089	£2,195,837	£78,748	£2,195,965	£78,876
Assumed Council Tax	£7,456,725	£7,797,528	£340,803	£7,797,528	£340,803
Other Grants inc. Funding Guarantee Grant	£564,601	£1,123,621	£559,019	£1,123,492	£558,891
New Homes Bonus	£1,401,106	£992,453	(£408,653)	£992,453	(£408,653)
Core Spending Power Elements	£11,539,521	£12,109,439	£569,918	£12,109,438	£569,917
% Increase in Core Spending Power			4.9%		4.9%

The Provisional Settlement is subject to the outcome of consultation and the Council responded to this consultation on 10 January 2023 in advance of the deadline of 16 January 2023. The Final Settlement was published on 6 February 2023 with no major changes to the Provisional Settlement.

The Provisional and Final Settlement is in line with the assumptions used in the MTFs. This means that the level of uncertainty for 2023/24 and provisionally for 2024/25 can now be reduced to **Medium**.

However, the financial benefits at this stage, impact on 2023/24 and provisionally for 2024/25. The majority of key income streams (Business Rates, Review of Needs and Resources/Fair Funding and New Homes Bonus) will be reviewed for implementation potentially in 2025/26. Therefore, the level of uncertainty from **2025/26** remains as **High**.

The Revenue Budget

The Revenue Budget was updated to reflect:

- The inclusion of updated projections from the 8 month Money Matters Report.
- The inclusion of financial implications from any further Approved Reports.
- The Provisional and Final Local Government Finance Settlement with the ‘windfall’ benefit recommended to be transferred to the Strategic Priorities earmarked reserve.
- Any significant inflationary or other changes identified from the detailed review of base budgets.

As in previous years, three funding scenarios have been prepared based on the following assumptions:

Funding Stream	Key Assumptions
Business Rates & Grants	
Business Rates Baseline Funding Level	Projected by expert with Finance Reform from 2025/26
Business Rates Growth	Council Business Rate income projections
Services Grant, Funding Guarantee Grant and Transitional Grants	From 2025/26 there will be different levels of transitional grant funding to mitigate the impact of Finance Reform
New Homes Bonus	
Central	Retained until 2025/26, central housing growth and then abolished
More Optimistic	Retained in its current format with higher levels of housing growth
More Pessimistic	Retained until 2025/26, lower housing growth and then abolished
Council Tax	
Central	Projected housing growth, 0% in 23/24, 1.99% in 24/25 then 1.99% annual Council Tax increases
More Optimistic	Higher housing growth and annual 2.99% Council Tax increases
More Pessimistic	Lower housing growth and annual Council Tax freeze

The estimated inflation and budget variations for all scenarios (with additional income or savings enclosed by brackets) compared to the approved Medium Term Financial Strategy are shown below:

Updated Expenditure Projections	2022/23	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000
Updated inflation pressures		0	0	0	0
Additional cost of £5m borrowing for the leisure centre		0	153	147	141
Underwriting rent for former Debenhams		12	0	0	0
External Audit projected fee increase		86	86	86	86
Transitional protection related to the TOM		20	10	0	0
Budget pressures including lower rents less savings		41	66	254	154
Inclusion of a cost of living contingency budget		50	50	0	0
Inclusion of an in year contingency/growth budget		100	100	0	0
Business Rate Revaluation Savings		(30)	(30)	(30)	(30)
One year delay in borrowing £5m for the leisure centre		0	(447)	10	10
Sub Total		279	(12)	467	361

The central scenario funding changes (with additional income enclosed by brackets) compared to the approved Medium Term Financial Strategy are shown below:

Updated Central Scenario Funding Projections	2022/23	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000
Retained Business Rates Baseline Funding		(397)	(533)	(18)	1
Retained Business Rates Growth Allowance		(726)	(478)	765	781
Rolled in Grants		(106)	(114)	0	0
Business Rates Cap Grant		(680)	(671)	0	0
Services Grant		(82)	(82)	0	0
Funding Guarantee Grant		(561)	(582)	0	0
Transitional Funding		0	0	(747)	(782)
New Homes Bonus		(992)	(570)	0	0
Collection Fund (Surplus)/Deficit		(368)	0	0	0
Council Tax Income		79	77	66	(9)
Sub Total		(3,833)	(2,953)	66	(9)

Modelled Changes and their Impact on the Revenue Budget and the Funding Gap

The Revenue Budget central scenario modelled changes and their impact on the Funding Gap together with scenarios based on more optimistic and more pessimistic funding assumptions are shown in summary below:

Updated Central Scenario Funding Projections	2022/23	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000
Approved Funding Gap		1,121	1,076	1,122	1,783
Updated Expenditure Projections		279	(12)	467	361
Updated Central Scenario Funding Projections		(3,833)	(2,953)	66	(9)
New Leisure Centre & Community Infrastructure Levy		0	0	(39)	(232)
Updated Central Scenario Budget Funding Gap		(2,433)	(1,889)	1,616	1,903
Transfer settlement 'windfall' to Strategic Priorities Reserve		2,433	1,889	0	0
Projected Central Scenario Impact on General Reserves		0	0	1,616	1,903

More Optimistic Scenario Impact on General Reserves
More Pessimistic Scenario Impact on General Reserves

0	0	(39)	139
0	0	2,952	3,485

The key features of the proposed central scenario Revenue Budget are:

- The inclusion of capital financing costs based on current interest rates for **£5,000,000** of internal borrowing to finance the replacement leisure centre from 2025/26 onwards (a year later than previously estimated), leisure centre operating and lifecycle costs, savings and CIL income.
- The inclusion of additional budgets to address budget pressures related to external audit fees, property rentals and salary transitional protection for changes resulting from the implementation of the Target Operating Model.
- The inclusion of Business Rate savings for Council owned properties as a result of the Business Rate Revaluation from 1 April 2023.
- The proposed inclusion of a specific cost of living contingency budget of **£50,000** in 2023/24 and provisionally in 2024/25.
- The proposed inclusion of an in year more general contingency/growth budget of **£100,000** in 2023/24 and provisionally in 2024/25.
- In line with the approach applied in the last financial year, the proposed transfer of the 'windfall' income from the Provisional and Final Local Government Settlement to the Strategic Priorities Reserve of **£2,433,000** in 2023/24 and **£1,889,000** provisionally in 2024/25.
- A **Council Tax Freeze** for 2023/24 and modelled increases of **1.99%** for 2024/25 and then **1.99%** for each subsequent year. The impact over the four years of this approach compared to the Approved Budget and a maximum **2.99%** increase in 2023/24 and 2024/25 and then annual **1.99%** increases is shown below (income or additional income is enclosed by brackets):

	Total	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000
Approved Council Tax Income (modelled @ 1.50%)	(£32,225)	(£7,693)	(£7,935)	(£8,190)	(£8,407)
Approved / Modelled Increase		0.00%	1.99%	1.99%	1.99%
Council Tax Band D		£187.85	£191.59	£195.40	£199.29
Approved Council Taxbase		40,534	41,016	41,579	42,233
Modelled MTFs Council Tax Income	(£32,014)	(£7,614)	(£7,858)	(£8,125)	(£8,417)
Change to Approved Budget	£212	£79	£77	£66	(£10)
Council Tax Income @ 2.99% 23/24 and 24/25	(£33,217)	(£7,842)	(£8,172)	(£8,450)	(£8,753)
Change to Approved Budget	(£992)	(£149)	(£237)	(£259)	(£346)

The Revenue Budget using the Central Scenario is shown in summary below:

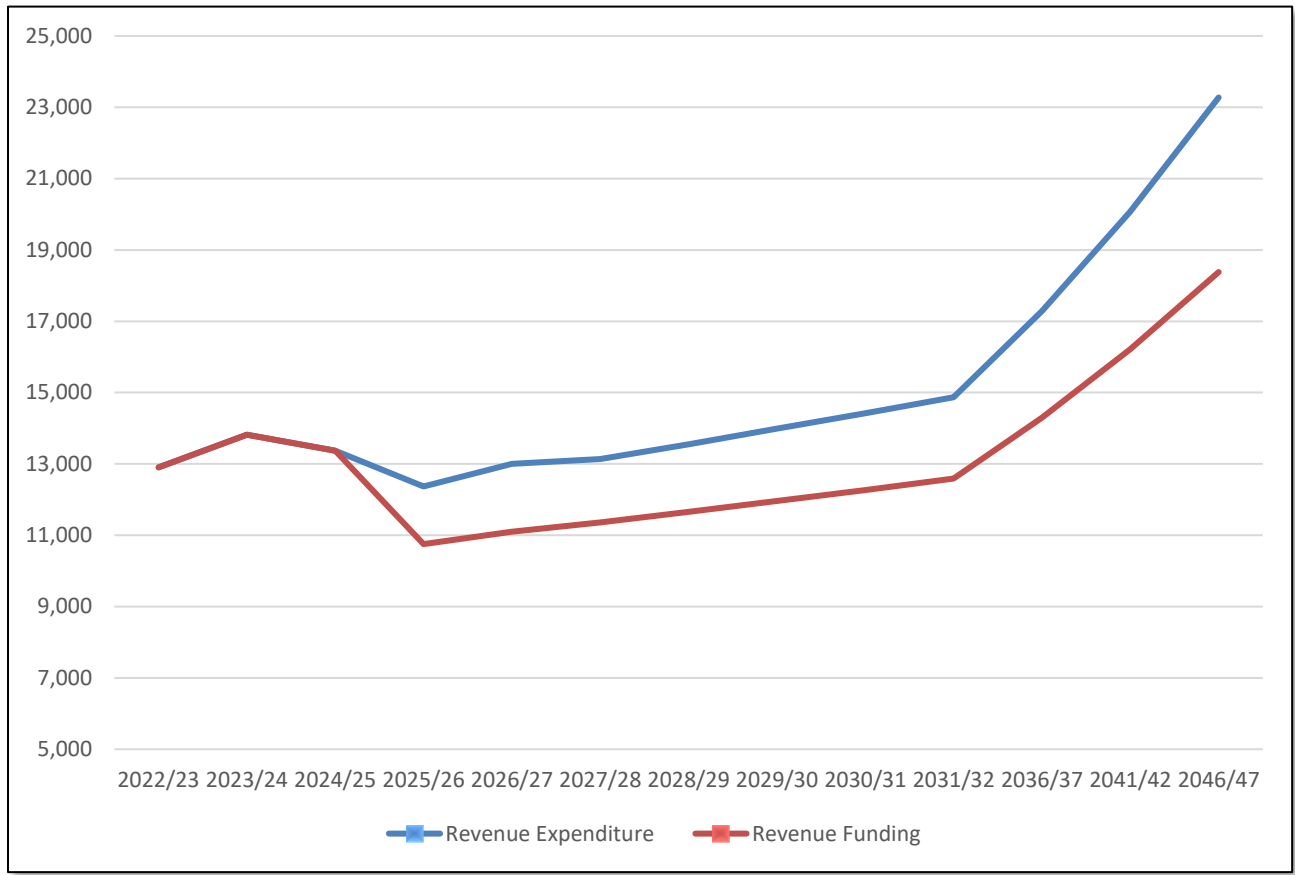
Central Scenario						
	2022/23		2023/24	2024/25	2025/26	2026/27
	Original Budget £000	Approved Budget £000				
LEVEL OF UNCERTAINTY / RISK	MEDIUM	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH
Projected Net Operating Cost excluding 'windfall' transfers	12,551	12,902	11,382	11,479	12,407	13,232
Transfer settlement 'windfall' to Strategic Priorities Reserve	0	0	2,433	1,889	0	0
Projected Net Operating Cost	12,551	12,902	13,815	13,368	12,407	13,232

Retained Business Rates Baseline Funding	(2,117)	(2,117)	(2,196)	(2,359)	(1,881)	(1,899)
Retained Business Rates Growth Allowance	(1,194)	(1,330)	(1,268)	(1,132)	0	0
Rolled in Grants	0	0	(106)	(114)	0	0
Business Rates Cap Grant	(174)	(387)	(680)	(671)	0	0
Lower Tier Services Grant	(95)	(97)	0	0	0	0
Services Grant	(146)	(146)	(82)	(82)	0	0
Funding Guarantee Grant	0	0	(561)	(582)	0	0
Transitional Funding	0	0	0	0	(747)	(782)
New Homes Bonus	(1,401)	(1,401)	(992)	(570)	0	0
Collection Fund (Surplus)/Deficit	32	32	(316)	0	0	0
Council Tax Income	(7,456)	(7,456)	(7,614)	(7,858)	(8,124)	(8,416)
Projected Revenue Funding	(12,551)	(12,902)	(13,815)	(13,368)	(10,752)	(11,097)
Projected Budget Funding Gap	0	0	0	0	1,655	2,135
New Leisure Centre & Community Infrastructure Levy 2022	0	0	0	0	(39)	(232)
Updated Budget Funding Gap	0	0	0	0	1,616	1,903

Business Rates						
Business Rates Reset/Fair Funding Review	No	No	No	No	Yes	Yes
Transitional Funding	No	No	No	No	Yes	Yes
New Homes Bonus						
Band D Housing Growth above the Baseline	451	451	558	343	321	402
Affordable Housing growth	132	132	413	107	103	119
Council Tax						
Modelled Council Tax Increase	1.50%	1.50%	0.00%	1.99%	1.99%	1.99%
Band D Housing Growth	501	501	507	489	567	659

Longer Term Financial Planning

The updated longer term financial plan is shown in the chart below:



A funding gap is projected from 2025/26 onwards and this will mean that subject to the outcome of the local government finance reforms, the identification of options to deliver further sustainable savings/additional income will remain necessary.

A summary of the **Revenue Budget for 2023/24 by Service Area** is shown in the table below, with more detail by Service Area and Strategic Priority in the later sections of this document:

	2023/24 (£000)		
	Gross Expenditure	Gross Income	Net
Chief Executive			
Communications & Marketing	159	(15)	143
Chief Executive and Support	691	0	691
Chief Operating Officer			
Policy & Strategy	1,613	(149)	1,463
Governance	1,093	(24)	1,070
ICT	1,152	(44)	1,108
Major Programmes	132	(121)	10
HR	355	(1)	354
Health & Safety	615	(70)	545
Assistant Director - Customer, Resident and Business Services			
Revenues and Benefits	12,687	(12,446)	241
Digital and Robotics	219	(150)	70
Customer Services	450	0	450
Development Management	1,032	(946)	86
Housing Options	371	(94)	278
Assistant Director (Section 151) - Finance and Commissioning			
Finance	2,031	(20)	2,011
Internal Audit	158	(31)	127
Commissioning and Procurement	250	(8)	242
Property	1,059	(887)	172
Assistant Director - Operations, Regulation and Enforcement			
Operations	11,332	(8,876)	2,455
Regulation & Enforcement	966	(256)	710
Building Control	1,433	(1,615)	(182)
Net Cost of Services	37,797	(25,753)	12,044¹

A summary of the Revenue Budget for 2023/24 by type of spend is shown in the table below:

	2023/24 £000
Employees	15,519
Premises	1,258
Transport	2,080
Supplies and Services	5,995
Transfer to/from Earmarked Reserves	196
Third Party Payments	885
Transfer Payments	11,864
Total Direct Expenditure	37,798
Grants and Contributions	(15,998)
Rent	(850)
Fees and Charges	(8,906)
Net Cost of Services	12,044

¹ The figure of £13.815m on page 12 excludes the transfer to the strategic priorities reserve of £2.433m and corporate items of (£0.662m).

The Capital Strategy

The Capital Strategy sets out the Council's framework for managing the Capital Programme including:

- **Capital expenditure**, including the approval process, long-term financing strategy, asset management, maintenance requirements, planned disposals and funding restrictions.
- **Debt and borrowing and treasury management**, including projections for the level of borrowing, capital financing requirement and liability benchmark, provision for the repayment of debt, the authorised limit and operational boundary for the coming year and the authority's approach to treasury management.
- **Commercial activities**, including due diligence processes, the authority's risk appetite, proportionality in respect of overall resources, requirements for independent and expert advice and scrutiny arrangements.
- **Other long-term liabilities**, such as financial guarantees.
- **Knowledge and skills**, including a summary of that available to the authority and its link to the authority's risk appetite.

As the Council's Chief Financial Officer, I have assessed the current overall risk as **Tolerable (green)**.

The Capital Programme

The Capital Programme was updated to reflect:

- The inclusion of updated projections from the 8 month Money Matters Reports.
- The inclusion of financial implications from any further Approved Reports.
- Any other changes identified from review of the Approved Budget.

The additional capital investment projections included in the Capital Programme are:

Details	Source	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
IT Hardware	25 year model					175
Property Maintenance	25 year model					230
Bin Purchases	25 year model					150
Vehicles	25 year model					165
Disabled Facilities Grants	25 year model					914
Home Repair Assistance	25 year model					25
Building a Better Council IT Provision	Virement	(175)				
Removal of Grant from Coach Park	Update		(500)			
Waste Fleet Replacement	Update		(2,818)		6,000	
Vehicle Replacement Programme	Update		79	117	67	(165)
Leisure Centre	Cabinet	(100)	253	4,547	(100)	
February 2023 CIL Allocations	Cabinet		750	800		

Projected Capital Spend	(275)	(2,236)	5,464	5,967	1,494
External Funding	(7)	2,447	(933)	(6,000)	(939)
Existing Revenue Budgets					(150)
Council Funding	258	(2,612)	(2,106)	33	(405)
Total Funding	251	(165)	(3,039)	(5,967)	(1,494)
Shortfall in Funding & Borrowing Need	24	2,401	(2,425)	0	0

A number of projects contained in the Approved Capital Programme have revenue implications such as operating costs, the cost of debt repayment, revenue funding or savings.

The Capital Programme revenue implications contained in the Approved Budget (at the 8 month's stage of 2022/23) and the revenue implications of additional capital spend are shown below:

Revenue Implications	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Interest on Loan to the LA Company	0	(2)	(2)	(2)	(2)
Friary Grange - Refurbishment	135	135	135	0	0
Coach Park Operation Costs	0	50	50	50	50
Leisure Centre Capital Financing Costs	0	0	0	373	366
Leisure Centre Operating Costs, savings & CIL				35	(161)
Revenue Budget - Bin Replacement	150	150	150	150	0
Revenue Budget - Corporate	0	238	100	565	0
Sub Total - Approved Budget	285	571	433	1,171	253
Revenue Budget - Corporate	0	0	0	0	183
Revenue Budget - Bin Replacement	0	0	0	0	150
Sub Total - Service and Financial Planning	0	0	0	0	333
Capital Programme Total	285	571	433	1,171	586

The Capital Programme is summarised below:

Strategic Priority	Capital Programme					
	2022/23		2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
	Original Budget £000	Approved Budget £000				
LEVEL OF UNCERTAINTY / RISK	MEDIUM	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH
Enabling People	4,792	1,585	9,222	6,762	939	959
Shaping Place	421	864	819	397	6,367	150
Developing Prosperity	1,676	1,405	4,931	2,329	0	10
Good Council	1,064	896	448	240	365	405
Grand Total	7,953	4,750	15,420	9,728	7,671	1,524
Capital Funding	5,604	4,724	13,087	7,303	7,671	1,524
Borrowing Need	2,349	26	2,333	2,425	0	0

General Capital Receipts	(368)	(1,751)	(481)	(166)	(196)	(2)
Housing Capital Receipts	(694)	(1,023)	(663)	(663)	(663)	(663)
Total Capital Receipts	(1,062)	(2,774)	(1,144)	(829)	(859)	(665)

Treasury Management

CIPFA has defined Treasury Management as:

“The management of the organisation’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

The Council is responsible for its treasury decisions and activity. No treasury management activity is without risk. The successful identification, monitoring and control of risk are an important and integral element of its treasury management activities. The main risks to the Council’s treasury activities are:

- Liquidity Risk (Inadequate cash resources)
- Market or Interest Rate Risk (Fluctuations in interest rate levels)
- Inflation Risk (Exposure to inflation)
- Credit and Counterparty Risk (Security of Investments)
- Refinancing Risk (Impact of debt maturing in future years)
- Legal and Regulatory Risk

The Strategy also projects the impact of the Council’s Revenue Budget and Capital Programme on the Balance Sheet position, the current and projected Treasury position, the Prudential Indicators and the outlook for interest rates.

Minimum Revenue Provision Statement 2023/24

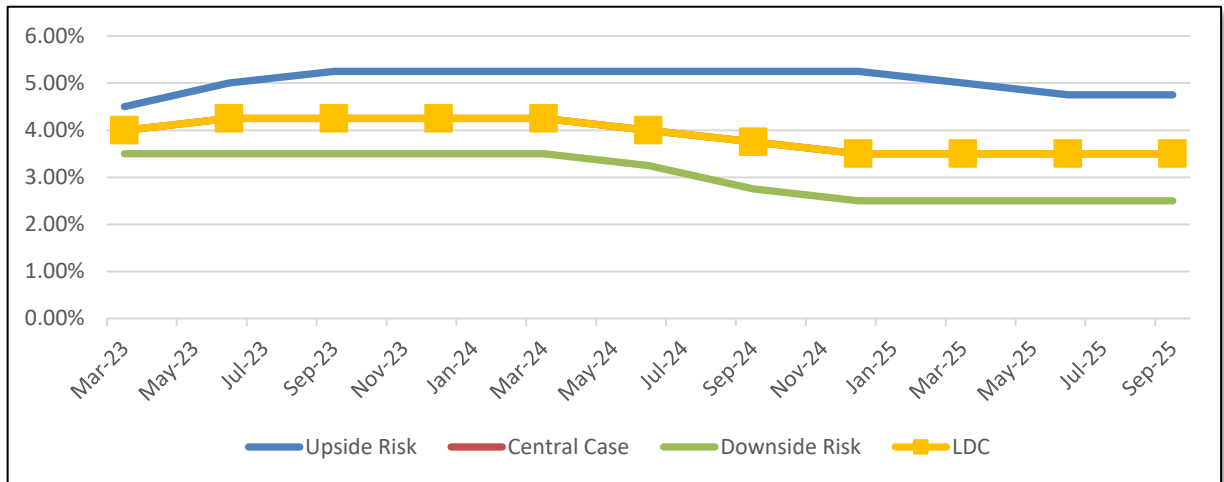
- The Council is required to make prudent provision for debt redemption (known as Minimum Revenue Provision (MRP)) and each year the Council must approve its MRP statement, and this will include an allowance for finance leases that appear on the Council’s Balance Sheet.
- As in previous years, the Council proposes to base its MRP on the estimated life of the asset.

Balance Sheet Projections

- Integrated Revenue and Capital Programme budgets are prepared. These budgets together with the actual Balance Sheet from the previous financial year are used to prepare Balance Sheet projections.
- These Balance Sheet projections are significant in assessing the Council’s Treasury Management Position in terms of borrowing requirement, investment levels and the Investment Strategy.

Treasury Management Advice and the Expected Movement in Interest Rates

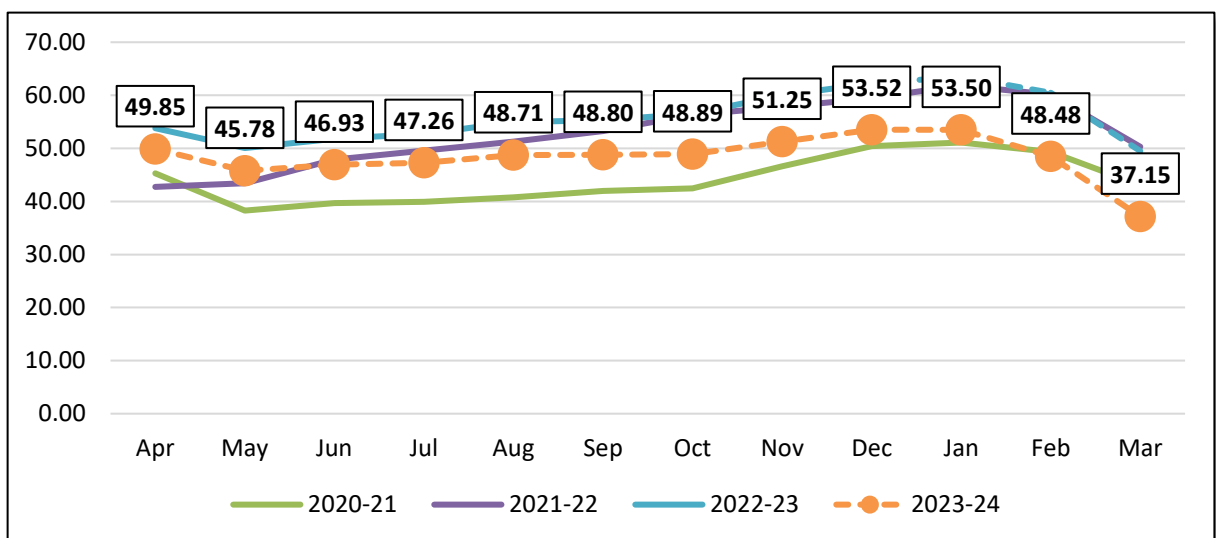
- The Official Bank Rate outlook provided by the Council’s Treasury Advisor, together with the Council’s assumption (also the central case) where interest rates will climb to **4.25%** in June 2023 and then gradually decrease, is shown below:



- The Council assumptions have been used as the basis for preparation of the investment income and borrowing budgets for 2023/24 and future years.

Cash Flow Forecast

- Treasury Management includes the management of the Council’s cash flows as a key responsibility. The cash flow forecast takes account of the income the Council receives including Housing Benefits Grant, Council Tax and Business Rate income and expenditure such as payments to precepting bodies, employee costs and Housing Benefit Payments.
- The graph below shows average investment levels throughout the financial year with a significant reduction in February and March due to minimal Council Tax income being received.



- The planned monthly cash flow forecast for the 2023/24 financial year has been used to calculate the investment income budget. The key components of this calculation are the average level of investment balances and the rate or yield achieved.

- The Treasury Management estimates for 2023/24 for both investment income and borrowing are shown in the table below:

Treasury Management	2023/24	
	Original Budget	
	Investment Income	Borrowing
Average Balance	£48.76m	£1.08m
Average Rate ²	4.09%	2.59%

Gross Investment Income	(£1,963,270)	
Property Fund Transfer to Reserves	£22,000	
DIF Transfer to Reserves	£132,000	
Corporate Revenue funding Capital		£238,000
External Interest		£29,000
Internal Interest		£1,000
Minimum Revenue Provision (Exc. Finance Leases)		£47,000
Net Treasury Position	(£1,809,270)	£315,000
	(£1,494,270)	

- The gross investment income been estimated as **(£1,963,270)** and this equates to **14%** of The Council's total funding of **(£13,815,000)** in 2023/24.

Investment Strategy Report for 2023/24

- The investment strategy meets the requirements of statutory guidance issued by the government in January 2018. It focuses on how the Authority invests its money to support local public services and earns investment income from any commercial investments.

² Budgeted average rate for the entire financial year.

Reserves

There are **two types** of reserve:

- The **General Reserve** is primarily held as a contingency to provide the Council with operational funds and as a safeguard against financial risks.
- **Earmarked Reserves** have been built up over time to provide funding for specific activities in line with the Council's medium term aims and objectives. These can be for both Capital and Revenue purposes.

General Reserves

It remains prudent for the Council to maintain an adequate 'working balance' or Minimum Level that is part of its general reserves. A risk assessment approach in line with Best Practice that has been updated to take account of the challenging economic environment is used to determine the required Minimum Level and the level of general and earmarked reserves.

The Chief Finance Officer (CFO) has been involved throughout the entire budget process, including revising the MTFs, input to the drafting of the budget, the ongoing financial monitoring and reporting process, evaluation of investments and savings, engagement with Members of the Cabinet and Overview and Scrutiny Committee, advising colleagues, the strategic choices activities, challenge and evaluation activities, and scrutiny of the budget.

I am of the opinion for a Council of this size, and with our recent record of prudent spending, effective Risk Management, robust budgeting and effective Budget monitoring and control, a revised General Minimum Reserve level of **£1,900,000** is adequate.

It is important to note that the level for 2023/24 has increased because of the economic climate. This involves changes to specific risks such as leisure centre contract performance and collection performance. In addition, several risks such as Business Rates have specific earmarked reserves and specific budget risk-based reductions related to income streams including sales, fees and charges have been incorporated within the MTFs.

Projected General Reserves

The total projected level of general reserves is shown below using the central scenario together with projections using the more optimistic and pessimistic budget scenarios:

	2022/23		2023/24	2024/25	2025/26	2026/27
	Original Budget £000	Approved Budget £000	£000	£000	£000	£000
LEVEL OF UNCERTAINTY / RISK	MEDIUM	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH
Available General Reserves Year Start	5,246	5,246	4,475	4,175	4,175	2,559
Money Matters Quarter 1	0	(1,050)	0	0	0	0
Change in Minimum Level	0	0	(300)	0	0	0
(Funding Gap) / transfer to General Reserves	0	0	0	0	(1,616)	(1,903)
New Homes Bonus in excess of the 'Cap'	280	280	0	0	0	0
Available General Reserves Year End	5,526	4,475	4,175	4,175	2,559	656
Minimum Level	1,600	1,600	1,900	1,900	1,900	1,900
Central Scenario General Reserves	7,126	6,075	6,075	6,075	4,459	2,556
More Optimistic scenario	7,126	6,075	6,075	6,075	6,114	5,975
More Pessimistic scenario	7,126	6,075	6,075	6,075	3,123	(363)

There is currently an unprecedented level of uncertainty in relation to Local Government Finance with several planned reforms. This unprecedented uncertainty has been amplified by the impact of the COVID-19 pandemic and the current economic climate.

Financial planning in these circumstances with any degree of certainty is incredibly difficult especially when it is not clear when or if any of the planned reforms will be implemented.

However, the scenarios in this report provide an indication of the impact on the MTFS from the use of different assumptions. The three scenarios utilised all currently project a funding gap in 2025/26 and up to 2026/27. The projected funding gaps are principally due to:

- The projected impact of the Review of Needs and Resources (formerly the Fair Funding Review) and the review of Business Rate Baselines where resources are likely to be redistributed from District Councils to Upper Tier authorities. These reviews reflect the need for additional funding to address the increasing demographic demands in adult social care and children's services.
- The additional costs related to delivering existing services such as inflation, pension costs, an increasing population, and more properties.
- The desire to deliver new or enhanced often discretionary services such as a replacement leisure centre.

A replacement leisure centre costing **£10,000,000**, funded by internal borrowing, Section 106 and Earmarked Reserves, has been included in the MTFS. The estimated capital financing cost of **£373,000** impacting from 2025/26 onwards (a year later than estimated) for a budgeted period of 25 years has also been included in the Approved Revenue Budget.

The use of internal borrowing is recommended as part of the funding strategy because it is currently lower cost, it can be repaid without penalty, and it reduces credit and counterparty risk because investments are reduced.

It is very important therefore to highlight that funding gaps are projected from 2025/26 onwards based on finance reform being implemented by Government. Therefore, savings and additional income options will still need to be identified and a commitment to their delivery will be required should these projections reflect the actual form and impact of finance reform.

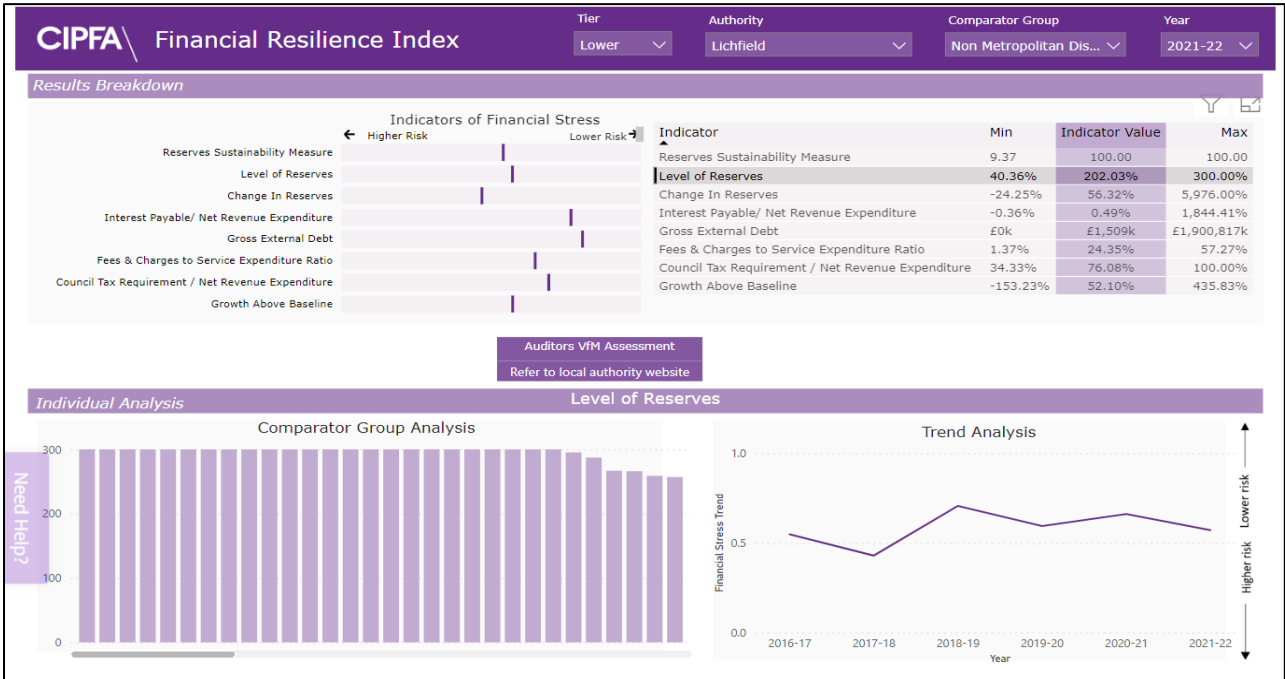
Earmarked Reserves

A review of the level of Earmarked Reserves has been undertaken as part of the process of identifying funding for the cinema development and through the annual Budget. The projected levels are shown in the Balance Sheet Projections. Ongoing review of Earmarked Reserves takes place as part of the Money Matters Reports in line with the approved earmarked reserves policy to ensure we are only holding funds for known and essential purposes.

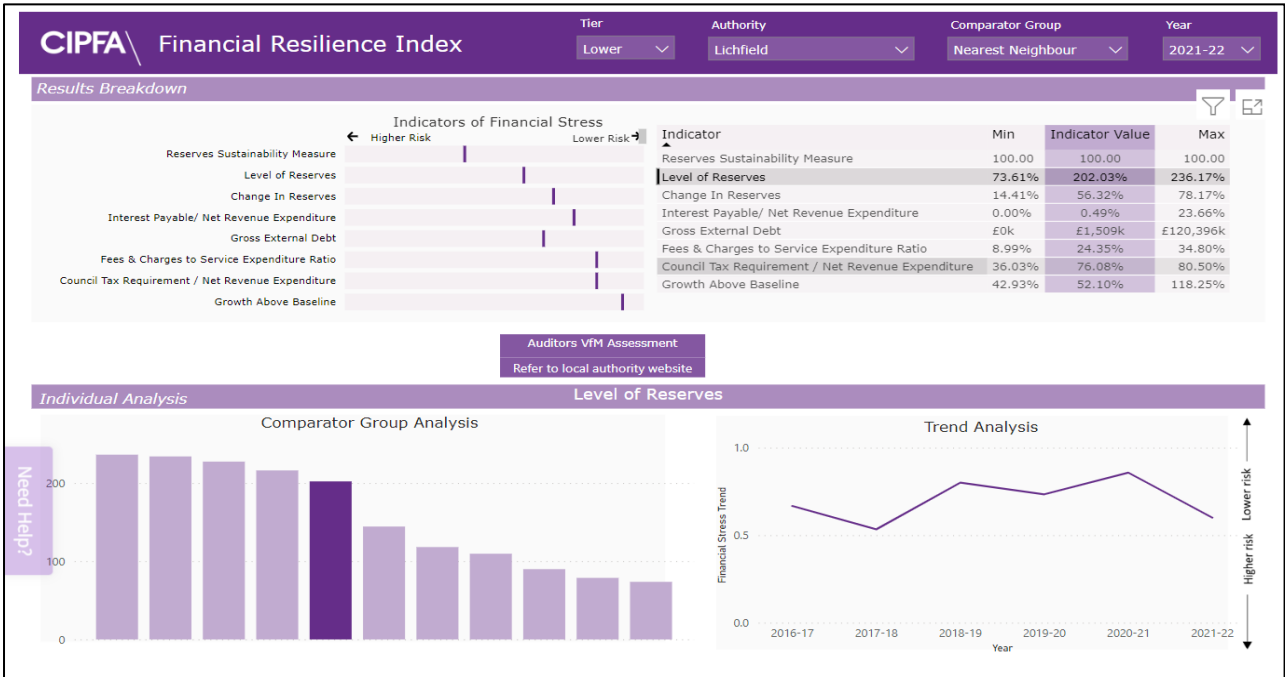
The CIPFA Resilience Index

The Chartered Institute of Finance and Accountancy (CIPFA) provided the fourth release of its Financial Resilience Index in December 2022. Lichfield DC's information compared to all District Councils and Nearest Neighbours using a range of measures associated with financial risk is shown below.

District Councils

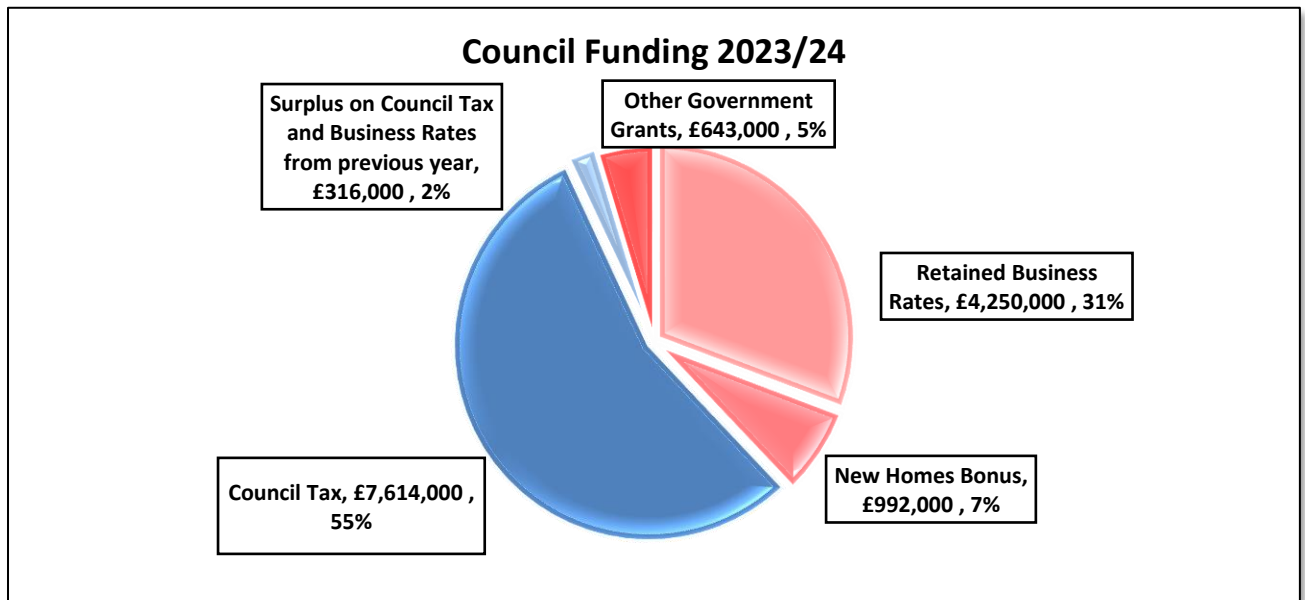
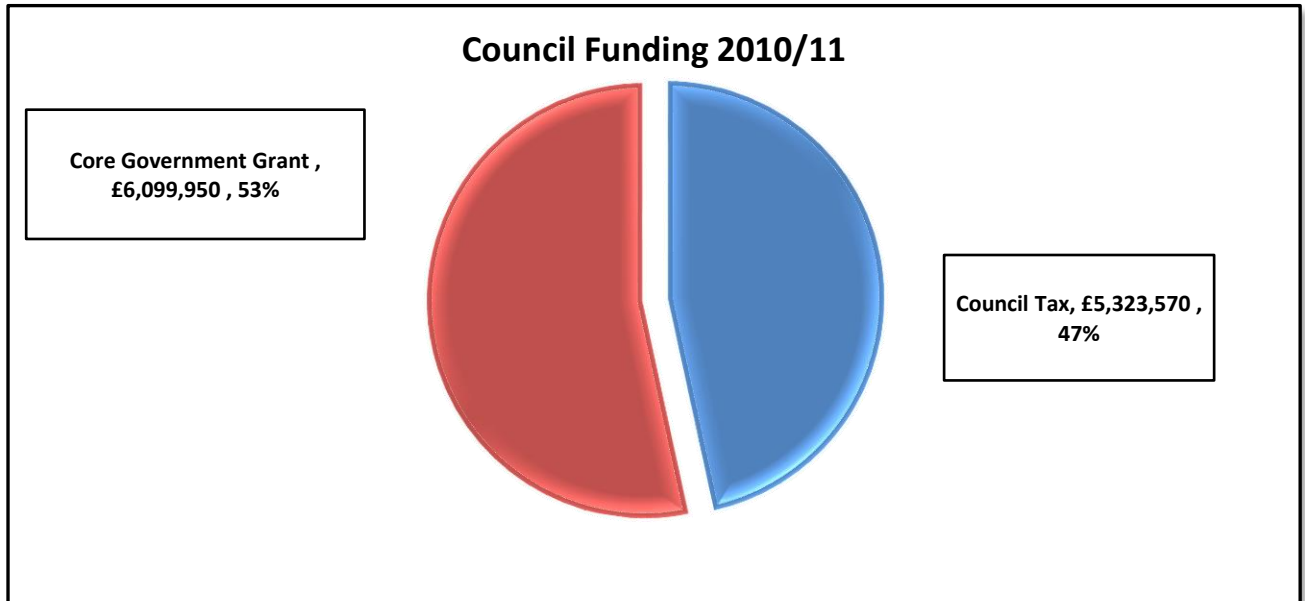


Nearest Neighbours



Council Tax Requirement

In 2023/24, **Council Tax** is 55% of the money that the Council receives (excluding fees and charges). The two graphs below show how Council services (after fees and charges and excluding income transferred to corporate reserves) were funded in 2010/11 and how they are funded in 2023/24 to illustrate the changes:



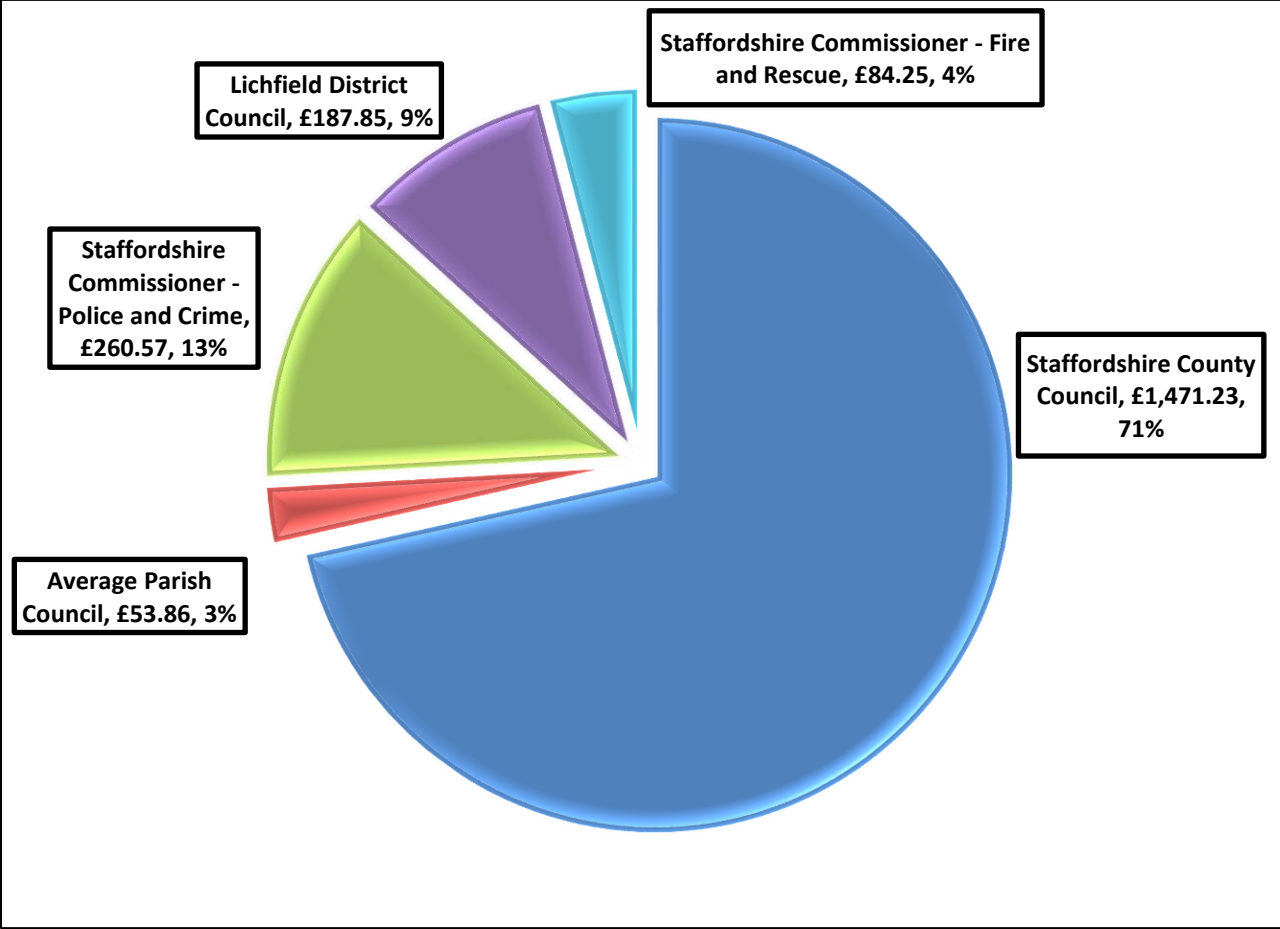
A summary of the Revenue Budget for 2023/24 by Strategic Priority in the format included in the Council Tax Leaflet is shown in the table below:

Expenditure and Funding	2022-23 (last Year)	2023-24 (this year)		
	Our net spend was planned to be £'000	Our net spend is set to be £'000	Amount per Person £	Amount per Band D Property £
Enabling People - Leisure Centres, Community Grants, Environmental Health, Homelessness	1,513	1,480	£14.23	£36.51
Shaping Place - Waste Collection, Recycling, Pools, Open Spaces, Street Cleansing, Planning Policy, Housing Benefits, Housing Strategy & Advice	4,083	4,004	£38.50	£98.79
Developing Prosperity - Land Charges, Tourism, Garrick Theatre, Car Parks, Trade Waste Collection, Development Management & Building Control, Economic Development	(436)	(721)	(£6.93)	(£17.79)
A Good Council - Local Tax Collection, Elections, Corporate Costs	6,463	7,849	£75.47	£193.65
The Impact of COVID-19 - Response and ongoing impact	377	0	£0.00	£0.00
Other MTFS Savings and Bids	(1,523)	(650)	(£6.25)	(£16.04)
Net Cost of Services	10,477	11,962	£115.03	£295.12
Corporate and funding for Capital Expenditure	(198)	(580)	(£5.58)	(£14.31)
Windfall Income allocated to Strategic Priorities	1,993	2,433	£23.39	£60.02
Transfer to General Reserves	280	0	£0.00	£0.00
Net Expenditure	12,551	13,815	£132.84	£340.82
Business Rates	(3,311)	(3,464)	(£33.31)	(£85.46)
New Homes Bonus	(1,401)	(992)	(£9.54)	(£24.47)
Other Grants	(415)	(1,429)	(£13.74)	(£35.25)
(Surplus) or Deficit on the collection of Council Tax and Business Rates from the previous year	32	(316)	(£3.04)	(£7.80)
Amount to be raised from Council Tax	£7,456	£7,614	£73.21	£187.85

The Council Tax for 2023/24

The Council Tax for a property consists of a number of components according to the varying services provided to the household. The total Council Tax consists of an element for Lichfield District Council and amounts for Staffordshire County Council (the largest amount), Staffordshire Commissioner – Police and Crime, Staffordshire Commissioner – Fire and Rescue and Parish Councils.

The 2023/24 **Band D** Council Tax for each body is shown in the chart below:



Chief Executive

The Chief Executive budget incorporates the costs for the Chief Executive and support.

The **Revenue Budget for 2023/24** is shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Employees	794	Chief Executive and Support	691
Premises	0		
Transport	3	Communications and Information	141
Supplies & Services	52	Central Reprographics	2
Transfer to/from Earmarked Reserves	0		
Third Party Payments	0		
Transfer Payments	0		
Total Expenditure	849		
Grants & Contributions	(10)		
Fees & Charges	(5)		
Total Income	(15)		
Net Direct Expenditure	834	Net Direct Expenditure	834

The **Capital Budget for 2023/24** is shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Loan to Council Dev Co.	93	Reserves	(93)
Total Project Budgets	93	Total Funding	(93)

Chief Operating Officer

The areas under the Chief Operating Officer provide professional advice, infrastructure and support the needs of the Council and to help it to develop and support its strategic objectives. The area is key in supporting the 'one council' ethos and in reinforcing strong corporate governance through the development of plans, strategies and policies which support new ways of working and transformation. The areas that come under the Chief Operating Officer are:

- Policy and Strategy
- Governance
- Information and Communication Technology
- Major Programmes
- Human Resources
- Health and Safety

The **Revenue Budget for 2023/24** is shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Employees	2,902	Policy & Strategy	1,463
Premises	24	Governance	1,070
Transport	30	ICT	1,108
Supplies & Services	1,814	Major Programmes	10
Transfer to/from Earmarked Reserves	2	HR	354
Third Party Payments	187	Health & Safety	545
Transfer Payments	0		
Total Expenditure	4,959		
Grants & Contributions	(129)		
Fees & Charges	(280)		
Total Income	(409)		
Net Direct Expenditure	4,550	Net Direct Expenditure	4,550

The **Capital Budget for 2023/24** is shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
New Build Parish Office/Community Hub	30	Corporate Revenue	(25)
Lichfield St Johns Community Link (CIL)	35	Capital Receipts	(1,300)
Staffordshire Countryside Explorer (CIL)	0	S106	(151)
Streethay Community Centre	600	CIL	(1,645)
Falkland Road Fosseyway Canal Walk	260	Internal Borrowing	(2,333)
Burntwood Community Hub	250	Reserves	(5,854)
New 3G Pitch at Chasetown Football Club	100	Grants & Contributions	(250)
IT Infrastructure	235		
Replacement Leisure Centre	5,087		
Coach Park	300		
BRS Enabling Works	685		
Cinema Development	3,326		
Climbing Wall at Burntwood Leisure Centre	50		
Pre-school soft play facility at Burntwood Leisure Centre	50		
Adventure Golf at Beacon Park	150		
Obstacle Course at Beacon Park	0		
Paddle Tennis courts	200		
New 3G Pitch in Lichfield	200		
Total Project Budgets	11,558	Total Funding	(11,558)

Customer, Resident & Business

This service is key in providing support and guidance to all customers, residents and businesses focussed on the following functions:

- Revenues and Benefits
- Digital and Robotics
- Customer Services
- Development Management
- Housing Options

The **Revenue Budget for 2023/24** is shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Employees	2,454	Revenues and Benefits	241
Premises	0	Digital and Robotics	70
Transport	34	Customer Services	450
Supplies & Services	455	Development Management	86
Transfer to/from Earmarked Reserves	(47)	Housing Options	278
Third Party Payments	0		
Transfer Payments	11,864		
Total Expenditure	14,760		
Grants & Contributions	(12,292)		
Rent	(21)		
Fees & Charges	(1,322)		
Total Income	(13,636)		
Net Direct Expenditure	1,124	Net Direct Expenditure	1,124

The **Capital Budget for 2023/24** is shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Accessible Homes (Disabled Facilities Grants)	1,615	Grants & Contributions	(1,840)
Decent Homes Standard	97	S106	(154)
Energy Insulation Programme	22		
Unallocated S106 Affordable Housing Monies	260		
Total Project Budgets	1,994	Total Funding	(1,994)

Finance and Commissioning

S151 of the Local Government Act 1972, requires local authorities to make arrangements for the proper administration of their financial affairs, and appoint a Chief Finance Officer to have responsibility for those arrangements. At Lichfield District Council this role is undertaken by the Assistant Director – Finance and Commissioning.

This service provides business support in the following areas:

- Production of the MTFs
- Budgeting, Budgetary Control and VAT
- Maintaining Financial Procedure Rules
- Provision of Financial Advice/Financial Risk Management
- Financial Systems Management and Development
- Treasury Management and Banking
- Collection Fund Accounting for Council Tax and Business Rates
- Creditors and Financial Support including Income Management
- Internal Audit
- Procurement and Commissioning
- Property

The **Revenue Budget for 2023/24** is shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Employees	1,619	Finance	2,011
Premises	575	Internal Audit	127
Transport	163	Commissioning and Procurement	242
Supplies & Services	515	Property	172
Transfer to/from Earmarked Reserves	111		
Third Party Payments	516		
Transfer Payments	0		
Total Expenditure	3,498		
Grants & Contributions	(57)		
Rent	(798)		
Fees & Charges	(90)		
Total Income	(946)		
Net Direct Expenditure	2,552	Net Direct Expenditure	2,552

The **Capital Budget for 2023/24** is shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Burntwood Leisure Centre Sinking Fund Projects	69	Burntwood Sinking Fund	(69)
Property Planned Maintenance	213	Corporate Revenue	(213)
Conversion of 36a Bore Street	542	Capital Receipts	(360)
Incubator Space	300	Grants & Contributions	(482)
Total Project Budgets	1,124	Total Funding	(1,124)

Operations, Regulation and Enforcement

This area encompasses the following services:

- **Streetscene** - Grounds Maintenance, Street Cleansing, Public Conveniences, Fleet Services
- **Parks and Open Spaces** - Managing and Maintaining Beacon, Lichfield and Burntwood Parks, including Co-ordinating Events and Activities in the Parks
- **Leisure Centres** - On 1 February 2018, the Council outsourced the day to day operations of its leisure centres in Burntwood and Lichfield. These services are now being insourced to the Company.
- **Waste Services**
 - **Domestic** – Provision of Residual, Organics and Dry Recycling Collections to Residential Properties in both Lichfield District and Tamworth Borough
 - **Commercial** – Provision of Trade Waste and Recycling Collections to Businesses in Lichfield
 - **Other for Both Lichfield and Tamworth** - Collections of Bulky Waste, Bin Deliveries, Servicing High Rise Apartments, Assisted Collections
- **Regulatory Services**
- **Enforcement Activity**

The **Revenue Budget for 2023/24** is shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Employees	7,749	Operations	2,455
Premises	660	Regulation & Enforcement	710
Transport	1,850	Building Control	(182)
Supplies & Services	3,160		
Transfer to/from Earmarked Reserves	130		
Third Party Payments	182		
Transfer Payments	0		
Total Expenditure	13,731		
Grants & Contributions	(3,509)		
Rent	(31)		
Fees & Charges	(7,208)		
Total Income	(10,747)		
Net Direct Expenditure	2,983	Net Direct Expenditure	2,983

The **Capital Budget for 2023/24** is shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Bin Purchase	150	Revenue - Existing Budgets	(150)
Vehicle Replacement Programme (Other)	281	Reserves	(501)
Pay on Exit System at Lombard Street	150		
Electric Vehicle Charge Points	70		
Total Project Budgets	651	Total Funding	(651)

Strategic Priority – Enabling People

Enabling people

- to help themselves and others
- to collaborate and engage with us
- to live healthy and active lives

The Revenue and Capital Budgets for 2023/24 are shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Employees	1,509	Leisure Centre Management	(141)
Premises	13	Invest to Save	(2)
Transport	31	Friary Grange Refurbishment	85
Supplies & Services	734	Active Lichfield	100
Transfer to/from Earmarked Reserves	(127)	Get Into It	(15)
Third Party Payments	85	Burntwood Leisure Centre	2
Transfer Payments	0	Partnerships and Policy	266
		Community Safety	85
		PCC Funding	0
		Regulation and Enforcement	186
		Climate Change Initiatives	50
		Community Lottery	10
		Miscellaneous Properties	(16)
		Housing Options and Homelessness	262
		Housing Register	32
		Environmental Health - Holding Account	2
		Housing Enforcement and Licensing	55
		Food Safety	188
		Environmental Protection	304
		Closed Circuit Television	165
		Emerg Planning and Business Continuity	29
		Licensing	(54)
Total Expenditure	2,245		
Grants & Contributions	(169)		
Rent	(21)		
Fees & Charges	(463)		
Total Income	(652)		
Net Direct Expenditure	1,593	Net Direct Expenditure	1,593

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
New Build Parish Office/Community Hub	30	Burntwood Sinking Fund	(69)
Burntwood Leisure Centre Sinking Fund Projects	69	Corporate Revenue	(25)
Replacement Leisure Centre	5,087	Capital Receipts	(535)
Accessible Homes (Disabled Facilities Grants)	1,615	Grants & Contributions	(2,272)
Decent Homes Standard	97	S106	(305)
Energy Insulation Programme	22	CIL	(1,250)
Unallocated S106 Affordable Housing Monies	260	Internal Borrowing	(2,333)
Conversion of 36a Bore Street	542	Reserves	(2,433)
Streethay Community Centre	600		
Burntwood Community Hub	250		
Climbing Wall at Burntwood Leisure Centre	50		
Pre-school soft play facility at Burntwood LC	50		
Adventure Golf at Beacon Park	150		
Paddle Tennis courts	200		
New 3G Pitch in Lichfield	200		
Total Project Budgets	9,222	Total Funding	(9,222)

Strategic Priority – Shaping Place

Shaping place

- to keep it clean, green and safe
- to protect our most valuable assets
- to make sure sustainability and infrastructure needs are balanced

The **Revenue and Capital Budgets for 2023/24** are shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Employees	6,260	Removal of Travellers	0
Premises	179	Operations	105
Transport	1,728	Parks Management	86
Supplies & Services	2,372	Beacon Park	378
Transfer to/from Earmarked Reserves	87	Burntwood Parks	88
Third Party Payments	23	Lichfield Parks	8
Transfer Payments	11,864	Stowe and Minster Pools	9
		The Benefits Service	(136)
		Housing Benefits - Payments	(64)
		Housing Strategy and the Enabling Role	193
		Joint Waste Service	1,933
		District Highways	18
		Abandoned Vehicles	1
		Street Lighting	4
		Public Conveniences	80
		Domestic Waste Collection	(48)
		Grounds Maintenance	322
		Streetscene Management	183
		Street Cleansing	537
		Spatial Policy and Delivery Service	272
		CIL	(39)
		Conservation and Listed Buildings	98
		Local Plan	90
		Environmental Improvements and Regenerat	0
		Ecology Offset Grant	(14)
		Ecology and Bio Diversity	112
		Arboriculture	110
		Street Naming and Numbering	(38)
Total Expenditure	22,513		
Grants & Contributions	(15,387)		
Rent	(26)		
Fees & Charges	(2,813)		
Total Income	(18,225)		
Net Direct Expenditure	4,288	Net Direct Expenditure	4,288

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Loan to Council Dev Co.	93	Revenue from Existing Budgets	(150)
Lichfield St Johns Community Link (CIL)	35	CIL	(295)
Bin Purchase	150	Reserves	(374)
Vehicle Replacement Programme (Other)	281		
Falkland Road Fosseyway Canal Walk	260		
Total Project Budgets	819	Total Funding	(819)

Strategic Priority – Developing Prosperity

Developing prosperity

- to encourage growth
- to enhance the District for visitors
- to invest in the future

The Revenue and Capital Budgets for 2023/24 are shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Employees	2,670	Supporting the Visitor Economy	0
Premises	892	Cinema	12
Transport	141	Museum Artefacts	2
Supplies & Services	1,028	Garrick Theatre SPA	150
Transfer to/from Earmarked Reserves	193	Lichfield Tourism Information	12
Third Party Payments	309	Tours	(3)
Transfer Payments	0	Events	20
		Group Travel Partnership	1
		Promotion of District	132
		District Council House	303
		Non Investment Properties	(251)
		Bus Station	15
		Multi Storey car park	0
		Lichfield Car Parks	(1,306)
		District Car Parks	6
		Civil Parking Enfcment-Parking Enfcment	9
		Plant Lane Depot	102
		Trade Waste Collection - Refuse	(157)
		Trade Waste Collection - Recycling	(10)
		Investment Properties	(335)
		Incubator Spaces	(180)
		LWMTS	315
		Local Land Charges - LDC	(23)
		Building Control Register EIR	(15)
		Property Services Management	79
		Corporate Landlord	139
		Other Planning and Development	1
		Planning Fee Increase	0
		Planning Applications	86
		Building Regulations-Chargeable Account	(286)
		Building Control - Administration	241
		Building Control - Management	77
		Building Regs - Non Chargeable Account	(176)
		ERDF Grants	0
		Business Support and Investment	66
		Commonwealth Games	0
		Major Projects	(2)
Total Expenditure	5,233		
Grants & Contributions	(177)		
Rent	(803)		
Fees & Charges	(5,228)		
Total Income	(6,208)		
Net Direct Expenditure	(975)	Net Direct Expenditure	(975)

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Coach Park	300	Capital Receipts	(940)
Pay on Exit System at Lombard Street	150	Grants & Contributions	(300)
Electric Vehicle Charge Points	70	CIL	(100)
BRS Enabling Works	685	Reserves	(3,591)
Cinema Development	3,326	Internal Borrowing	0
Incubator Space	300		
New 3G Pitch at Chasetown Football Club	100		
Total Project Budgets	4,931	Total Funding	(4,931)

Strategic Priority – A Good Council

A good Council that

- is financially sound, transparent and accountable
- is innovative and customer focussed
- has respect for everyone

The Revenue and Capital Budgets for 2023/24 are shown below:

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Employees	5,079	Chief Executive and Support	578
Premises	173	MTFS Budgets	0
Transport	181	London Bridge	0
Supplies & Services	1,861	Lichfield District Youth Council	20
Transfer to/from Earmarked Reserves	43	Communications and Information	141
Third Party Payments	468	Financial Services	452
Transfer Payments	0	Shared Financial Mgmt Information System	60
		Corporate Management	444
		External Audit	138
		Treasury Management	111
		Procurement	92
		Assistant Director – Finance and Commissioning	112
		Corporate Debt Recovery	(5)
		Corporate Costs-Non Distributable Costs	805
		Insurance Administration	464
		Internal Audit Services	127
		Revenue Collection	445
		Central Reprographics	2
		Central Postage	33
		Governance Team	357
		Shared Legal Service	164
		Members	300
		Civic Services	16
		Election Expenses	48
		Electoral Registration	166
		Customer Services	417
		HR Services	265
		Health and Safety	81
		Apprenticeships	0
		Other HR Services	89
		E-Business and Information Strategy	599
		Telephones	79
		Digital Team	1
		JADU	69
		IDOX System	92
		IT Licenses	376
Total Expenditure	7,806		
Grants & Contributions	(265)		
Rent	0		
Fees & Charges	(403)		
Total Income	(668)		
Net Direct Expenditure	7,138	Net Direct Expenditure	7,138³

³ The total of £7.849m on page 24 excludes the (£0.650m) MTFS savings and income Budgets and other corporate budgets of (£0.061m).

Budget Costs	Budget 2023/24 £'000	Budget Costs	Budget 2023/24 £'000
Property Planned Maintenance	213	Corporate Revenue	(213)
IT Infrastructure	235	Capital Receipts	(185)
		Reserves	(50)
Total Project Budgets	448	Total Funding	(448)