



Lichfield
District Council

Annual budget book

2025/26

Contents

Introduction	3 to 4
The Medium Term Financial Strategy (MTFS)	5 to 7
The Revenue Budget	8 to 12
The Capital Budget	13 to 15
Treasury Management	15 to 18
Reserves	19 to 21
CIPFA Resilience Index	21 to 22
Council Tax Requirement	23 to 25
Service Controllable Budgets for 2025/26	
• Chief Executive	26
• Chief Operating Officer	27
• Director -- Resident and Business	28
• Director – Finance, Regulation and Enforcement	29
Strategic Priority Controllable Budgets for 2025/26	
Active Communities	30
Prosperous Communities	31
Green Communities	32
Confident Communities	33
Internal Services	34

If you have any comments on the Annual Budget Book 2025/26 or would like any further information please contact:

Finance

Lichfield District Council

Council House

Frog Lane

Lichfield

Staffordshire

WS13 6YY

Telephone: 01543 308000

E-mail: finance@lichfielddc.gov.uk

Further information is also available on the Council's website:

www.lichfielddc.gov.uk

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 2025/26, included in the **Medium Term Financial Strategy (MTFS)**, were **approved by Full Council at its meeting on 25 February 2025**. The same meeting also set the council tax for 2025/26.

This approval was undertaken following final scrutiny of the MTFS by Overview and Scrutiny Committee on 28 January 2025, the Treasury Management Strategy by Audit and Member Standards Committee on 6 February 2025 and approval by Cabinet on 11 February 2025. The full process is explained 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 (DEFERRED)
	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

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 planning process and its Governance is shown below:

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	→			
Mid Year Treasury Management Report	→	November		
			←	Money Matters as at 30 September
		December	←	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	→	September		
Key:				
Pink = internal timelines				
Blue = Cabinet				
Salmon = Cabinet & Overview and Scrutiny Committee				
Amber = Overview and Scrutiny Committee				
Green = Audit Committee				
Purple = Council				

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 **2025/26, 2026/27, 2027/28 and 2028/29**. It was approved by Full Council on 25 February 2025.

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 Final Local Government Finance Settlement for 2025/26

The 2025/26 final local government finance settlement was received on 3 February 2025, was for one year only and is based on the Spending Review 2021 (SR21) funding levels, updated for the 2024 Autumn Budget announcements and the Local Government Policy Statement for 2025/26.

The main headlines impacting this Council are set out below:

- **Targeted deprivation fund (“Recovery Grant”).** £700m was announced in the 2024 Autumn Budget, and this has now been reduced to £600m. The grant will be highly targeted towards authorities with the highest levels of deprivation, and it will “go to places where, weighted by population, deprivation outweighs council tax raising ability” – **no grant received by LDC.**
- **Settlement Funding Assessment (SFA)** will be indexed in the usual way. Revenue Support Grant will increase in line with the Consumer Price Index (CPI) (1.7%), and the Baseline Funding Level (BFL) will be uplifted in line with the increase in the standard business rates multiplier. Under-indexing (of the small business rates multiplier) will be funded through grant.
- **Council Tax Band D thresholds.** These will be 2.99% core and 2% Adult Social Care Precept. **Shire districts will be able to increase by the higher of 2.99% or £5 – for LDC 2.99% is higher.**
- **Minimum Funding Guarantee (MFG).** The methodology used to calculate MFG will be changed: the threshold will be set at 0% (rather than 4% in 2024-25), and it will “take account of council tax levels”. (The government expects that every authority will have more resources in 2025-26 than in 2024-25 – but for some, this will only be when income from the pEPR scheme is included.
- **Services Grant.** This grant will be abolished in 2025-26.
- **Rural Services Delivery Grant (RSDG).** This grant will be abolished in 2025-26 – **no grant received by LDC.**
- **New Homes Bonus (NHB).** NHB will be continued into 2025-26 but abolished in 2026-27.
- There will continue to be “**no negative RSG**”.
- **Various grants will be rolled into RSG** in 2025-26.

The statement confirms that there will be a full package of **funding reforms in 2026-27**, and that this will be the start of a multi-year settlement. The funding reforms will build on “the previous government’s” Fair Funding Review, and there will also be a full baseline reset. The statement is careful to note that they “will move gradually towards an updated system” and will consult on “possible transitional arrangements”.

Additional income of £1.1bn from the **Extended Producer Responsibility for packaging (pEPR)** will be received by local authorities in 2025-26. pEPR payments will not be included within Core Spending Power and will “not be factored into any payments councils receive for the funding floor in 2025-26”.

Funding for local authorities for the increase in **employers’ National Insurance Contributions (ENICS)** will be announced alongside the provisional settlement. Funding will only be for the direct costs affecting local authorities (i.e. not for third-party ENICS costs).

The **flexible use of capital receipts** will be extended until 2030. Authorities will also be able to capitalise redundancy costs.

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 2025/26 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.

There were no changes from the Provisional to Final Settlement in 2025/26 for this Council in relation to Core Spending Power.

However, in the Final Settlement, a different methodology has been used to allocate compensation for the increase in Employers National Insurance to the ones identified in the Provisional Settlement. This new basis has reduced the projected grant by **£100k per annum** and this has therefore increased the Funding Gap from 2026/27 onwards.

The comparison of the Core Spending Power (CSP) using the comparative Settlement for 2024/25 to the Final Settlement in 2025/26 and the Approved Budget for 2025/26 is shown below:

	Core Spending Power		Variance	Approved Budget 2025/26
	Comparative 2024/25	Final 2025/26		
Retained Business Rates - Baseline	£2,296,616	£2,323,258	£26,642	£2,329,000
Grants Rolled In	£19,258	£0	(£19,258)	£0
Revenue Support Grant	£112,884	£134,024	£21,140	£106,000
Business Rates Cap Grant	£438,438	£457,992	£19,554	£512,000
Assumed Council Tax	£7,929,182	£8,273,699	£344,517	£8,175,000
New Homes Bonus	£1,188,722	£676,658	(£512,064)	£0
Services Grant	£14,779	£0	(£14,779)	£13,000
Domestic Abuse Safe Accommodation Grant	£35,055	£35,528	£473	£0
Funding Guarantee / Floor Grant	£614,171	£748,418	£134,247	£1,450,000
Core Spending Power Elements	£12,649,105	£12,649,577	£472	£12,585,000
% Increase in Core Spending Power			0.0%	

The Final Settlement outcome is in line with the assumptions used in the Approved MTFS of (**£12,585,000¹**). This means that the level of uncertainty for 2025/26 can remain at **Medium**.

However, the financial benefits at this stage, impact on 2025/26. Most key income streams (Business Rates, Review of Needs and Resources/Fair Funding and New Homes Bonus) will be reviewed for implementation in 2026/27 (assumed in the Approved MTFS) or later. Therefore, the level of uncertainty from **2026/27** remains as **High**.

¹ Total Funding for 2025/26 assuming a Council Tax increase of 1.99% was projected to be (£14,057,000) less the local element of Business Rates Growth of (£1,472,000) equals Core Spending Power equivalent of (£12,585,000).

The Revenue Budget

Cabinet was presented with a Draft Revenue Budget on 10 October 2024, and this has been 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 Final Local Government Finance Settlement for 2025/26 with finance reform assumed to be implemented in 2026/27.
- Any significant inflationary or other changes identified from the detailed review of base budgets.

Three funding scenarios have been prepared. 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/Income Projections	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
Total Service and Financial Planning & Other Bids		74	130	132	134
Approved Funding for the Leisure Centre from the Collection Fund		884	0	0	0
Revenue Contributions to the Capital Programme 2028/29		680	0	0	0
Additional income from Car Parking Fees - assumed from 1 April		(28)	(35)	(43)	(50)
Garden Waste fees additional Income - from 1 January		(28)	(32)	(39)	(46)
Additional Revenues Collection Capacity		92	86	88	90
Building Control Partnership Increase		61	0	0	0
Other Bids Localised Transport Initiatives		150	150	150	0
Other Bids Us Girls Programme		30	30	30	0
Capital Programme Funding		24	298	100	0
Transfer to Earmarked Reserve - 26/27 and 27/28 Capital		398	(298)	(100)	0
Transfer to Earmarked Reserve - 26/27 and 27/28 Revenue		435	(180)	(180)	0
Minimum Revenue Provision - Housing		0	35	35	35
Loss of Investment Income - Housing		61	61	60	58
Income from LWMTS/Savings in Temporary Accommodation		(61)	(96)	(95)	(93)
Other		(29)	0	0	0
Treasury Management		(355)	(598)	(381)	84
Forward Funding for BRS Projects		228	245	245	23
Housing and Homeless Grant above the budget level		(473)	0	0	0
Housing and Homeless less funding for Temporary Accommodation		175	0	0	0
UKSPF Spend		876	0	0	0
UKSPF Grant		(876)	0	0	0
Employers National Insurance		303	305	308	312
Employers National Insurance Grant/Contributions		(135)	(136)	(137)	(138)
Extended Producer Responsibility - Spend/Reserve		958	0	0	0
Extended Producer Responsibility - Grant		(958)	0	0	0
Sub Total		2,486	(35)	174	408

Included in Approved Budget

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

Central Scenario Funding Projections	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
Retained Business Rates Baseline Funding		6	5	5	5
Retained Business Rates Growth Allowance		69	(88)	(145)	(163)
Revenue Support Grant inc. Rolled in Grants		(28)	(103)	(103)	(101)
Business Rates Cap Grant		(173)	0	0	0
Services and Green Plant & Equipment Grant		(8)	0	0	0
Funding Guarantee/Floor Grant		702	0	0	0
Transitional Funding		0	(249)	(269)	0
New Homes Bonus		(677)	0	0	0
Collection Fund (Surplus)/Deficit		(1,549)	0	0	0
Council Tax Income		(40)	(15)	(10)	(3)
Sub Total		(1,698)	(450)	(522)	(262)

Included in Approved Budget

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 (surpluses and transfers to General Reserves are enclosed with brackets) together with scenarios based on more optimistic and more pessimistic funding assumptions are shown in summary below:

Updated Central Scenario Funding Projections	2024/25	2025/26	2026/27	2027/28	2028/29
	£000	£000	£000	£000	£000
Approved Funding Gap		(788)	1,273	2,299	3,418
Updated Expenditure/Income Projections		2,486	(35)	174	408
Updated Central Scenario Funding Projections		(1,698)	(450)	(522)	(262)
Updated Central Scenario Budget Funding Gap		0	787	1,951	3,564
More Optimistic Scenario Impact on General Reserves		(212)	(82)	590	1,701
More Pessimistic Scenario Impact on General Reserves		1,116	2,993	4,556	5,320

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

- The inclusion of an assumption of a pay award of **2%** in 2025/26.
- 2025/26 is the final year of the 2022 three year pension valuation and a new valuation will take place in 2025 to determine contribution levels. This could mean significant savings in contributions for 2026/27 to 2028/29 however at this stage the budgeted figures are used.
- The inclusion of an annual central inflation provision budget that averages **£250,000**.
- The inclusion of service and financial planning and other bids related to:

Bid	2025/26	2026/27	2027/28	2028/29
	£	£	£	£
IRP Increase in Member Allowances	10,000	10,000	10,000	10,000
Localised Transport Initiatives	150,000	150,000	150,000	0
US Girls programme	30,000	30,000	30,000	0
Regulation of Private Sector Housing - x 2 officers	44,000	100,000	102,000	104,000
Policy – climate change	20,000	20,000	20,000	20,000
Total Service and Financial Planning & Other Bids	254,000	310,000	312,000	134,000

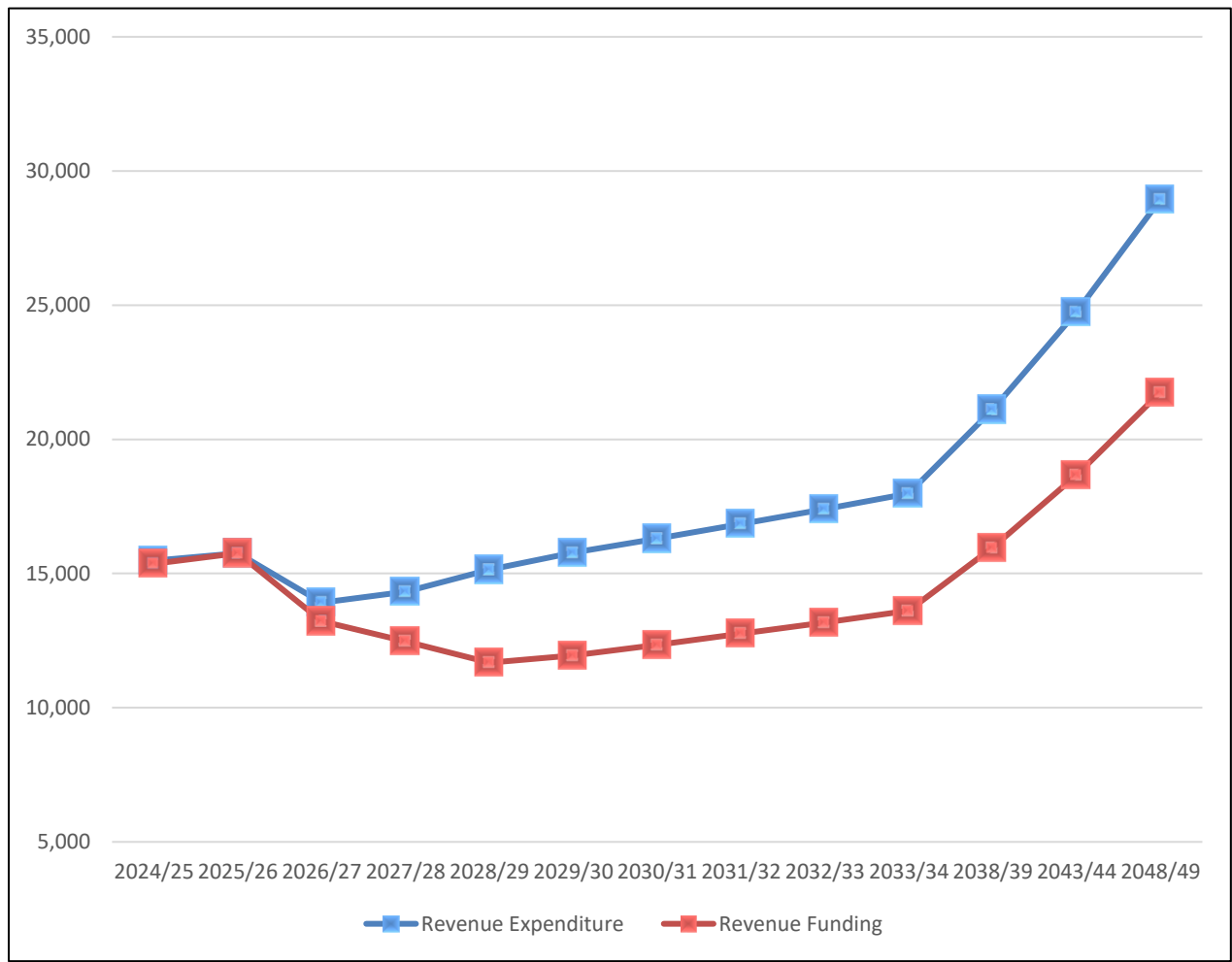
- The inclusion of **£884,000** of funding for the leisure centre approved by Council on 14 May 2024 and funded by an element of the Collection Fund Surplus.
- The transfer of **£680,000** to an earmarked reserve to fund Business-as-Usual Capital Investment in 2028/29 to negate additional borrowing need.
- Additional Car parking income from assumed CPI based price increases on 1 April each year based on the approved Cabinet Member Decision.
- Additional Garden Waste income from assumed CPI based price increases on 1 January each year based on the approved Cabinet Member Decision.
- Additional capacity has been included for the Revenues Team based on additional housing growth and a targeted reduction in arrears levels. This is funded by a reduction in the allowances for bad debts.
- An increase has been included in 2025/26 to reflect the Council's share of the additional cost of the Building Control partnership due to recruitment and retention challenges. At this stage, no increase is assumed beyond 2025/26 because the partnership is being reviewed.

- Additional income from Treasury management is included to reflect higher interest rates and higher investment balances in part due to slippage in the spend of major capital investment schemes such as the leisure centre.
- It is assumed that the capital projects funded by the BRS capital receipt will be undertaken in advance of the capital receipt being received. Therefore, there will be an increase in internal borrowing and reduction in investment income for up to a three year period.
- The Council has received a grant of **(£776,460)** for Housing and Homelessness for 2025/26. However, **£170,910** is already included in the MTFs, £132,390 is Cannock Chase DC's share of Rough Sleeping and prevention Grant, and therefore the additional grant is **(£473,160)**. At this stage, this additional grant is assumed to be used to fund **£254,210** of Temporary Accommodation pressures, **£44,000** of regulation of private sector housing and **£174,950** on Housing, Homelessness and Rough Sleeping.
- The Council has received **(£876,340)** of revenue grant for UKSPF in 2025/26 and this is all assumed to be spent on growth proposals in this Medium Term Financial Strategy.
- The National Insurance grant allocation for 2025/26 is **£105,390**. We must ensure that where necessary contributions from partners are increased to offset the additional employer national insurance cost. At this stage, it is estimated we will receive **(£30,000)** from partners. In addition, LWMTS staff (and any other partners) are not covered by the Government funding and therefore any additional cost will need to be funded from the central inflation provision.
- The Council has received **(£958,000)** of Government Guaranteed revenue grant for Extended Producer Responsibility Grant in 2025/26. This grant is all assumed to be spent on new activities or is transferred to an earmarked reserve to manage volatility and risk in future years when there will be no guarantee and the grant could be part of the overall finance settlement.
- The central scenario models an increase of **2.59%** or **£5** in 2025/26 on the 2024/25 Band D of **£192.85** with **1.99%** subsequent annual increases.
- In addition, scenarios with increases of **0%**, **1.99%** and **2.99%** for 2025/26 with **1.99%** subsequent annual increases have also been modelled.
- The impact of these scenarios over the four years compared to the Approved Budget is:

	Total	2025/26	2026/27	2027/28	2028/29
		1.99%	1.99%	1.99%	1.99%
Approved Council Tax Income	(£34,426)	(£8,175)	(£8,457)	(£8,741)	(£9,053)
Approved Council Taxbase		41,523	41,987	42,522	43,145
Council Tax Income @ 0% 25/26 and 1.99%	(£33,623)	(£8,008)	(£8,258)	(£8,530)	(£8,827)
(Higher) / Lower Income to Budget	£803	£168	£199	£211	£226
Council Tax Income @ 1.99% 25/26 and 1.99%	(£34,292)	(£8,167)	(£8,423)	(£8,700)	(£9,003)
(Higher) / Lower Income to Budget	£134	£8	£35	£41	£50
Council Tax Income @ £5 25/26 and 1.99%	(£34,495)	(£8,215)	(£8,472)	(£8,751)	(£9,056)
(Higher) / Lower Income to Budget	(£69)	(£40)	(£15)	(£11)	(£3)
Council Tax Income @ 2.99% 25/26 and 1.99%	(£34,629)	(£8,247)	(£8,505)	(£8,785)	(£9,091)
(Higher) / Lower Income to Budget	(£202)	(£72)	(£48)	(£45)	(£38)

Longer Term Financial Planning

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



A funding gap is projected from 2026/27 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 2025/26 by Service Area** excluding accounting charges, is shown in the table below, with more detail by Service Area and Strategic Priority in later sections:

	Budget 2025/26 (£000)		
	Gross Expenditure	Gross Income	Net Expenditure
Chief Executive			
Chief Executive	243	0	243
Core Services			
Governance	1,296	(24)	1,273
Policy and Strategy	2,370	(992)	1,378
Communications and Marketing	8	(6)	2
HR	308	0	308
Health and Safety	774	(90)	684
Major Programmes	849	(600)	249
Equalities	93	0	93
Chief Operating Officer	159	0	159
IT	1,201	(46)	1,155
Director - Resident and Business Services			
Revenues and Benefits	12,837	(12,116)	721
Building Control	1,648	(1,757)	(109)
Community Safety	152	(60)	92
Operations	13,126	(10,253)	2,872
Housing Options	794	(688)	106
Customer Services	567	0	567
Director Resident and Business Services	135	0	135
Digital and Robotics	300	0	300
Director (Section 151) - Finance, Regulation and Enforcement			
Finance	784	(18)	766
Property	1,912	(953)	959
Regulation and Enforcement	1,172	(234)	938
Leisure Centre Management	3,332	(3,464)	(132)
Development Management	943	(1,041)	(98)
Director Finance Regulation and Enforcement	136	0	136
Corporate Finance	3,947	(207)	3,740
Procurement and Commissioning	317	(8)	309
Internal Audit	169	(31)	138
Net Cost of Services	49,573	(32,588)	16,986

A summary of the Revenue Budget for 2025/26 by type of spend is shown in the table below:

Budget Costs	Budget 2025/26
	£'000
Employees	16,721
Premises	1,381
Transport	2,653
Supplies and Services	12,273
Third Party Payments	4,681
Transfer Payments	11,864
Total Direct Expenditure	49,573
Grants and Contributions	(18,719)
Rent	(1,450)
Fees and Charges	(12,419)
Total Direct Income	(32,588)
Net Cost of Services	16,986

The Capital Strategy

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

- **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.

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	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
IT Hardware	25 year model				175
Property Maintenance	25 year model				230
Bin Purchases	25 year model				150
Vehicles	25 year model				237
Disabled Facilities Grants	25 year model				1,100
Capital Contingency	25 year model				275
Wetside Changing Rooms at BLC	MTFS	400			
Birmingham Road Infrastructure	MTFS	150			
Refit of Retail Unit – Co-op	MTFS	121			
Social Rented Housing	MTFS	2,000			
Contribution to Bus Station	MTFS		500		
Parks Improvements	MTFS	50	50	50	
Greenway	MTFS	250			
Climate Change	MTFS	75	75	75	
Localities Funding	MTFS	75	75	75	
Access to Public Buildings	MTFS	50			
Projected Capital Spend		3,171	700	200	2,167
External Funding / UKSPF		(894)			(1,100)
Existing Revenue Budgets					(150)
Vehicles Replacement Reserve					(237)
Other Reserves		(277)	(200)	(200)	
Capital Receipts					(500)
Housing Capital Receipts		(259)			
Council Funding (see above)					(680)
Total Funding		(1,430)	(200)	(200)	(2,667)
Shortfall in Funding & Borrowing Need		1,741	500	0	(500)

The Council has received (**£198,440**) of capital grant for UKSPF in 2025/26 and this will be spent on growth proposals in this Medium Term Financial Strategy.

A few projects contained in the Approved Capital Programme have revenue implications such as operating costs, capital financing costs for internal borrowing, revenue funding or savings.

The MTFs currently assumes a budget neutral position for the Cinema for Lichfield District until more informed financial projections are provided through the Business Plan. Any future changes following receipt of the Business Plan will be reported in line with the Council's budget monitoring and any budget approvals will be in line with the budget framework.

The Capital Programme revenue implications contained in the Approved Budget (at the 8 month's stage of 2024/25) and the revenue implications of additional capital spend are shown below:

Revenue Implications	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
Friary Grange - Refurbishment	135	0	0	0	0
New Leisure Centre Capital Financing Costs	0	0	373	366	359
New Leisure Centre Operating Costs	0	0	39	(35)	(85)
New Leisure Centre Sinking Fund	0	0	0	50	100
Savings Reinvested	(100)	(100)	(100)	(100)	(100)
Community Infrastructure Levy 2022	(173)	(100)	(100)	(100)	(100)
New Leisure Centre & CIL Risk/Uncertainty Allowance	273	608	(7)	(6)	(3)
A Cinema for Lichfield District - Income	0	(600)	(600)	(600)	(600)
A Cinema for Lichfield District - Sinking Fund	0	254	254	254	254
A Cinema for Lichfield District - Expenditure/Uncertainty	0	346	346	346	346
Revenue Budget – Jet Wash Equipment	12	0	0	0	0
Revenue Budget - Bin Replacement	190	150	150	150	0
Revenue Budget - Corporate	870	565	183	612	0
Sub Total - Approved Budget	1,207	1,123	538	937	172
Revenue Budget - 3 year forward funding BRS projects	0	228	222	222	0
Revenue Budget - Earmarked Reserves	0	0	0	0	680
Revenue Budget - Bin Replacement	0	0	0	0	150
Sub Total - Service and Financial Planning	0	228	222	222	830
Capital Programme Total	1,207	1,351	760	1,159	1,002
Revenue Budget - 3 year forward funding Bus Station	0	0	23	23	23
Housing Minimum Revenue Provision	0	35	35	35	35
Housing Investment Income Foregone	61	61	60	58	57
Housing Income	(61)	(96)	(95)	(93)	(92)
Revised Capital Programme (after growth allocated)	1,207	1,351	783	1,182	1,025

The Capital Programme is summarised below:

Strategic Priority	Capital Programme					
	2024/25		2025/26	2026/27	2027/28	2028/29
	Original Budget £,000	Approved Budget £,000	Budget £,000	Budget £,000	Budget £,000	Budget £,000
LEVEL OF UNCERTAINTY / RISK	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH	HIGH
Active Communities	8,139	5,231	8,001	0	0	0
Confident Communities	2,398	4,090	5,649	1,320	1,100	1,100
Green Communities	505	709	10,982	565	590	250
Prosperous Communities	4,569	6,802	8,492	585	75	0
Internal Support Services	215	542	296	183	405	680
Capital Expenditure	15,826	17,374	33,420	2,653	2,170	2,030
Capital Funding	12,647	17,374	21,248	2,153	7,006	2,530
Borrowing Need	3,179	0	12,172	500	(4,936)	(500)

General Capital Receipts	(387)	(465)	(102)	(135)	(163)	(163)
Housing Capital Receipts	(979)	(409)	0	0	0	0
Total Capital Receipts	(1,366)	(874)	(102)	(135)	(163)	(163)

The Borrowing Need identified in the Capital Programme of £12,172,000 is related to:

- The approved new Leisure Centre - **£5,000,000**.
- The approved cinema development - **£495,000**.
- Forward funding the BRS projects temporarily using internal borrowing for up to three years pending the capital receipts being received of **£4,936,000** and **£500,000**.
- Social Housing - **£1,741,000**.

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:

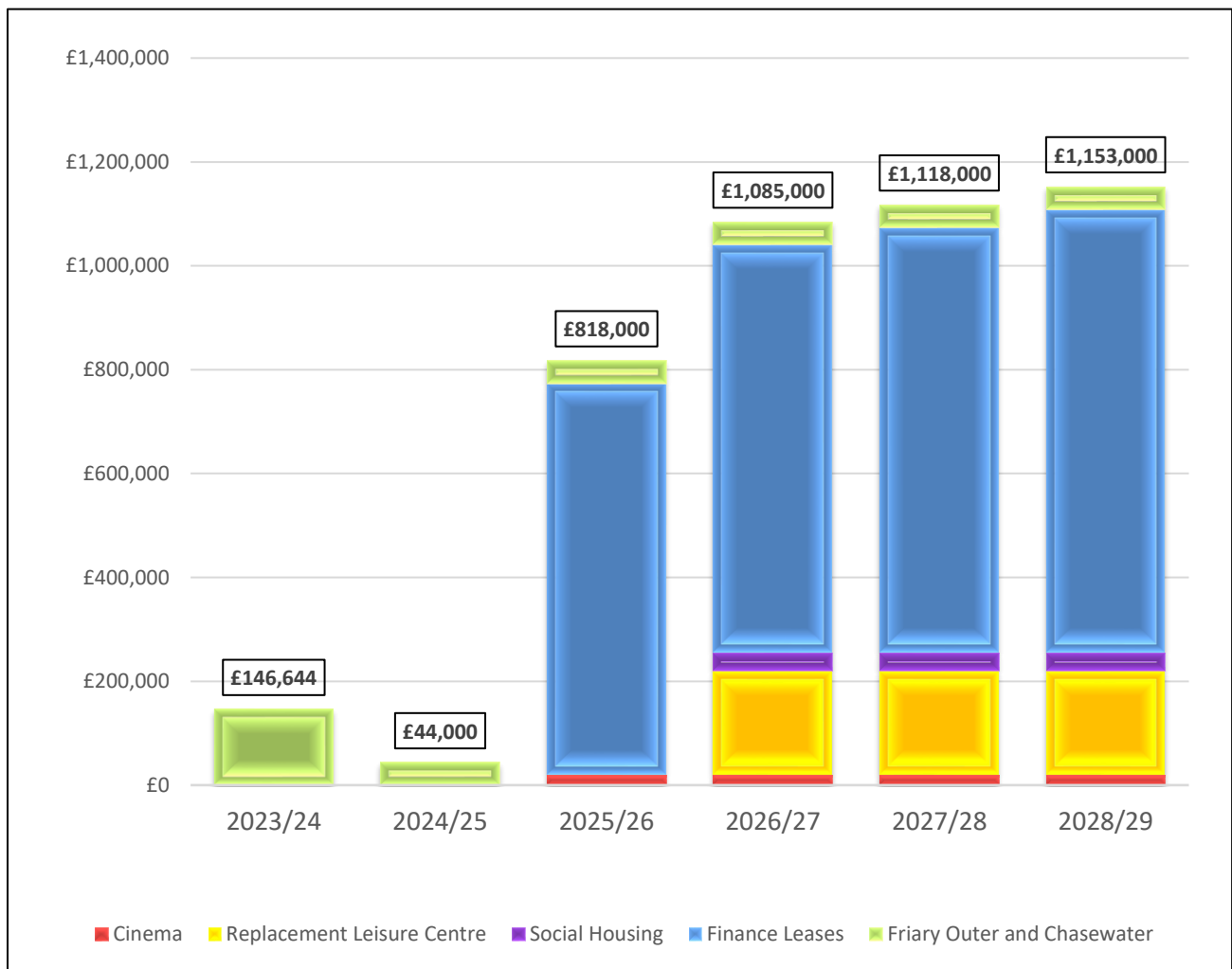
- Liquidity Risk (Inadequate cash resources)
- Market or Interest Rate Risk (Fluctuations in interest rate levels)
- Inflation Risk (Exposure to inflation)
- Credit and Counterparty Risk (Security of Investments)
- Refinancing Risk (Impact of debt maturing in future years)
- Legal and Regulatory Risk

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 2025/26

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. The estimated MRP chargeable during the MTFS is shown below:



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.

The total revenue and capital growth proposals funded from the previous growth budget of **£1,036,830**, UKSPF Revenue of **£876,340**, UKSPF Capital of **£198,440** and Housing and Homelessness Funding of **£218,950** totalling £2,330,560 are shown below:

Total Available Resources		(2,330)
Less: Allocated to Housing Priorities		219
Available Resources (Non Housing)		(2,111)

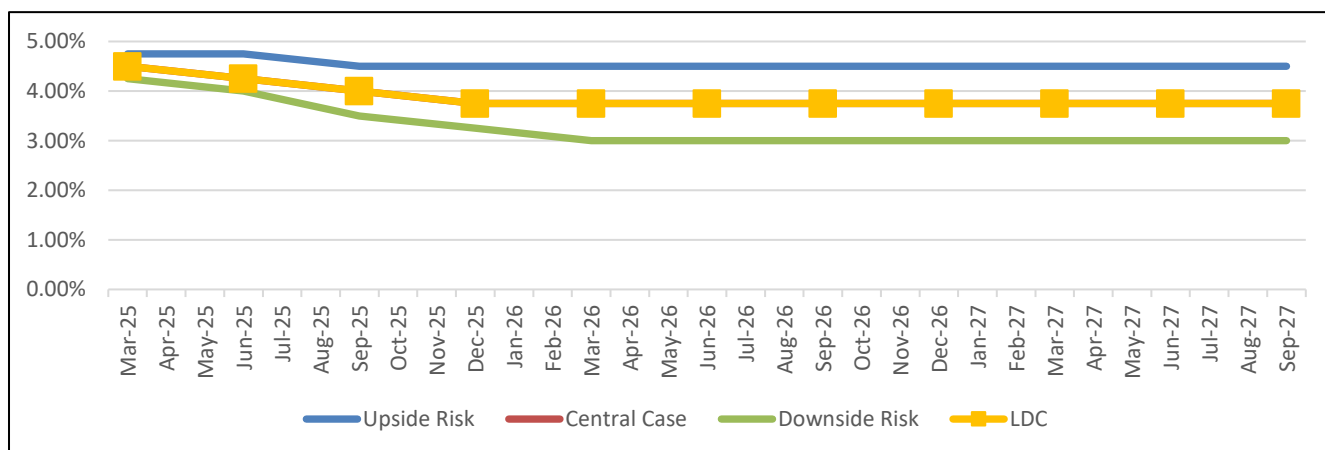
Project and Spend Nature of Revenue or Capital		illustrative Cost £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
Wetside Changing Rooms at BLC	C	400	400			
Birmingham road infrastructure	C	150	150			
Refit of retail unit - Co-op	C	121	121			
Localised Transport Initiatives	R	450	150	150	150	
US Girls programme	R	90	30	30	30	
Parks Improvements	C	150	50	50	50	
Greenway	C	250	250			
Climate Change	C	225	75	75	75	
Localities Funding	C	225	75	75	75	
Access to Public Buildings	C	50	50			
Total Growth		2,111	1,351	380	380	0

UKSPF - Revenue	R	(876)	(876)			
UKSPF - Capital	C	(198)	(198)			
Growth Budget	B	(1,037)	(1,037)			
Total Funding		(2,111)	(2,111)	0	0	0

Timing to be managed through a reserve		0	(760)	380	380	0
---	--	----------	--------------	------------	------------	----------

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 decrease from March 2025 is shown below:

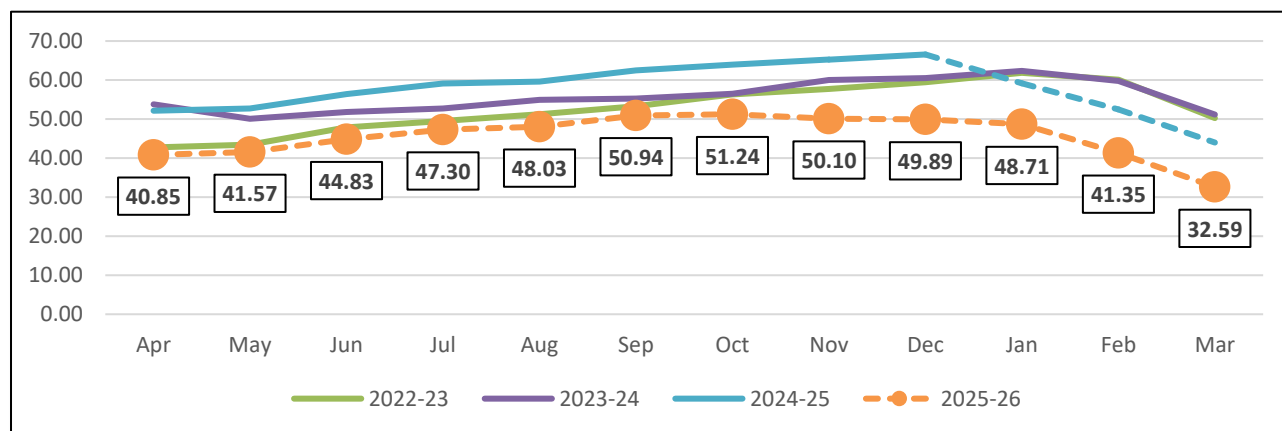


The Council assumptions have been used as the basis for preparation of the investment income including income foregone from internal borrowing for 2025/26 and future years.

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 (in £m) 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 2025/26 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 planned monthly cash flow forecast for the 2025/26 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 2025/26 for both investment income and borrowing are shown in the table below:

Treasury Management	2025/26	
	Original Budget	
	Investment Income	Borrowing
Average Balance	£39.23m	£0.90m
Average Rate	4.01%	2.59%
Gross Investment Income	(£1,573,040)	
Corporate Revenue Funding Capital		£565,000
Earmarked Reserve		(£490,000)
External Interest		£23,260
Minimum Revenue Provision (Exc. Finance Leases)		£244,200
Net Treasury Position (excluding Forward Funding option)	(£1,573,040)	£342,460
	(£1,230,580)	

The gross investment income (excluding the potential 3 year forward funding of projects) been estimated as **(£1,573,040)** and this equates to **10%** of The Council's total funding of **(£15,755,000)** in 2025/26.

Investment Strategy Report for 2025/26

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.

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 **£2,000,000** is adequate.

It is important to note that the level for 2025/26 has remained at the 2024/25 assessed level. In addition, several risks such as Business Rates have specific earmarked reserves and specific budget risk based allowances related to inflation have been incorporated within the MTFS.

There is a potential that project risk related to the Greenway Project may need to be managed through self-insurance by setting aside reserves. However, until the insurance company complete their review of the project risk register, proposed mitigations including the projected costs and identify the risks they are prepared to insure together with the premium cost, I am at this stage unable to quantify the level of reserves that will be required.

The risk management approach for the Greenway Project will therefore need to be identified in a future report to Cabinet and Council.

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:

	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	MEDIUM	HIGH	HIGH	HIGH
Available General Reserves Year Start	3,836	3,800	3,690	3,690	2,903	952
Change in Minimum Level	0	0	0	0	0	0
(Funding Gap)/transfer to General Reserves	0	(110)	0	(787)	(1,951)	(3,564)
Earmarked Reserves	0	0	0	0	0	0
Available General Reserves Year End	3,836	3,690	3,690	2,903	952	(2,612)
Minimum Level	2,000	2,000	2,000	2,000	2,000	2,000
Central Scenario General Reserves	5,836	5,690	5,690	4,903	2,952	(612)
More Optimistic Scenario	5,836	5,690	5,902	5,984	5,394	3,693
More Pessimistic Scenario	5,836	5,690	4,574	1,581	(2,975)	(8,295)

There is currently a significant ongoing level of uncertainty in relation to Local Government Finance with several planned reforms and the ongoing economic environment.

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. Two of the three scenarios utilised currently project a funding gap in 2026/27 and beyond. 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 and the Cinema for Lichfield District.

The repayment of internal borrowing for the leisure centre of **£5,000,000**, Housing of **£1,741,000** (£2m less uncommitted Housing Capital Receipts) and potentially for the cinema of **£495,000** will be a long term financial commitment for the Council.

Therefore, it is very important therefore to highlight that in the event funding gaps do result from finance reform, to mitigate the risk of a statutory notice, focused on the inability to deliver a balanced budget, a robust and deliverable savings plan will need to be agreed together with a commitment to its delivery.

In addition, the Government has announced that Local Government will be reorganised in two tier areas into Unitary Councils with a population of 500,000 or more. It is unknown what financial implications will arise in the period prior to the new structure being implemented in 2028 or later.

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.

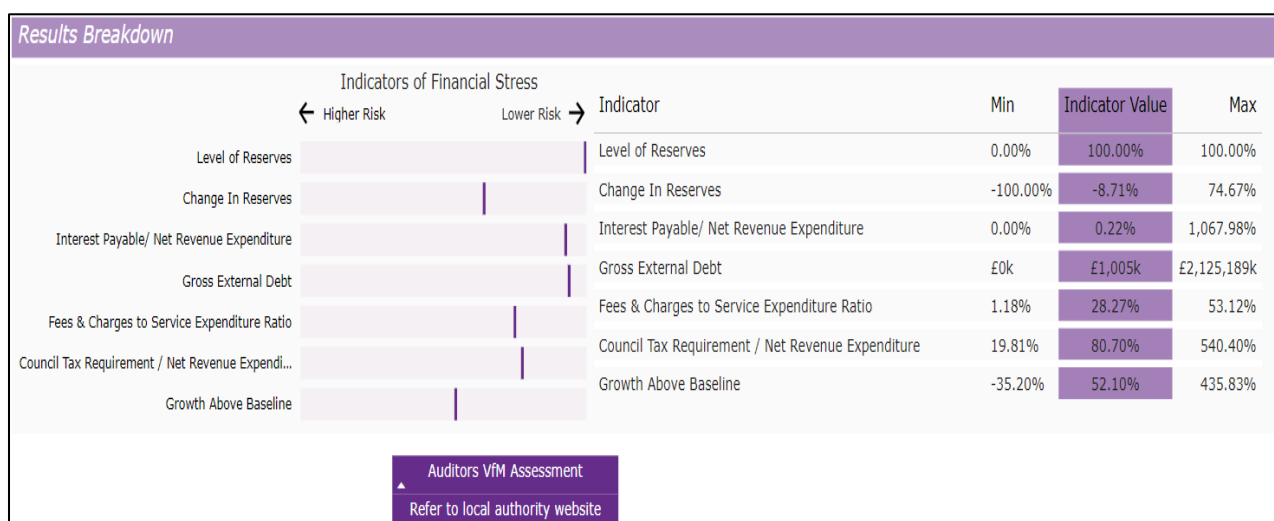
The Balance Sheet projections in the MTFS are shown below:

	2023/24 Actual £000s	2024/25 Budget £000s	2025/26 Budget £000s	2026/27 Budget £000s	2027/28 Budget £000s	2028/29 Budget £000s	2023/29 Change £000s
Earmarked Reserves Unrestricted	(14,818)	(8,908)	(6,312)	(6,146)	(6,186)	(5,555)	9,264
Earmarked Reserves Restricted	(3,193)	(1,272)	(1,059)	(1,059)	(1,059)	(1,059)	2,133

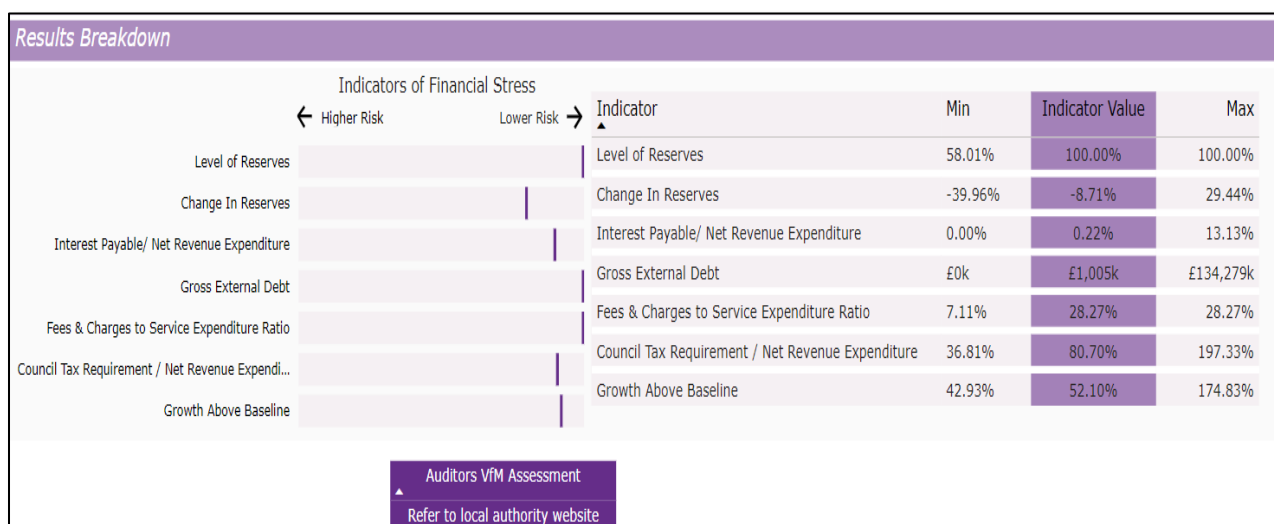
The CIPFA Resilience Index

The Chartered Institute of Finance and Accountancy (CIPFA) provided the sixth release of its Financial Resilience Index in December 2024. Lichfield DC's information compared to all District Councils and Nearest Neighbours using a range of measures associated with financial risk is shown below.

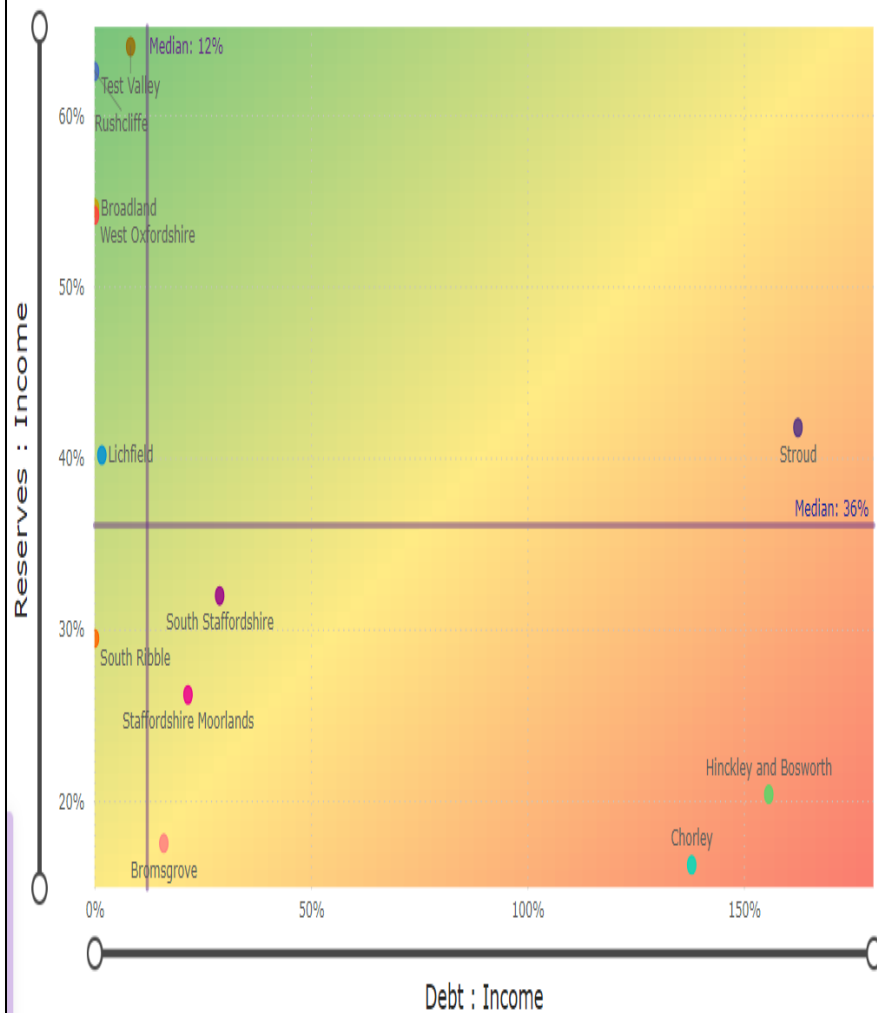
District Councils



Nearest Neighbours



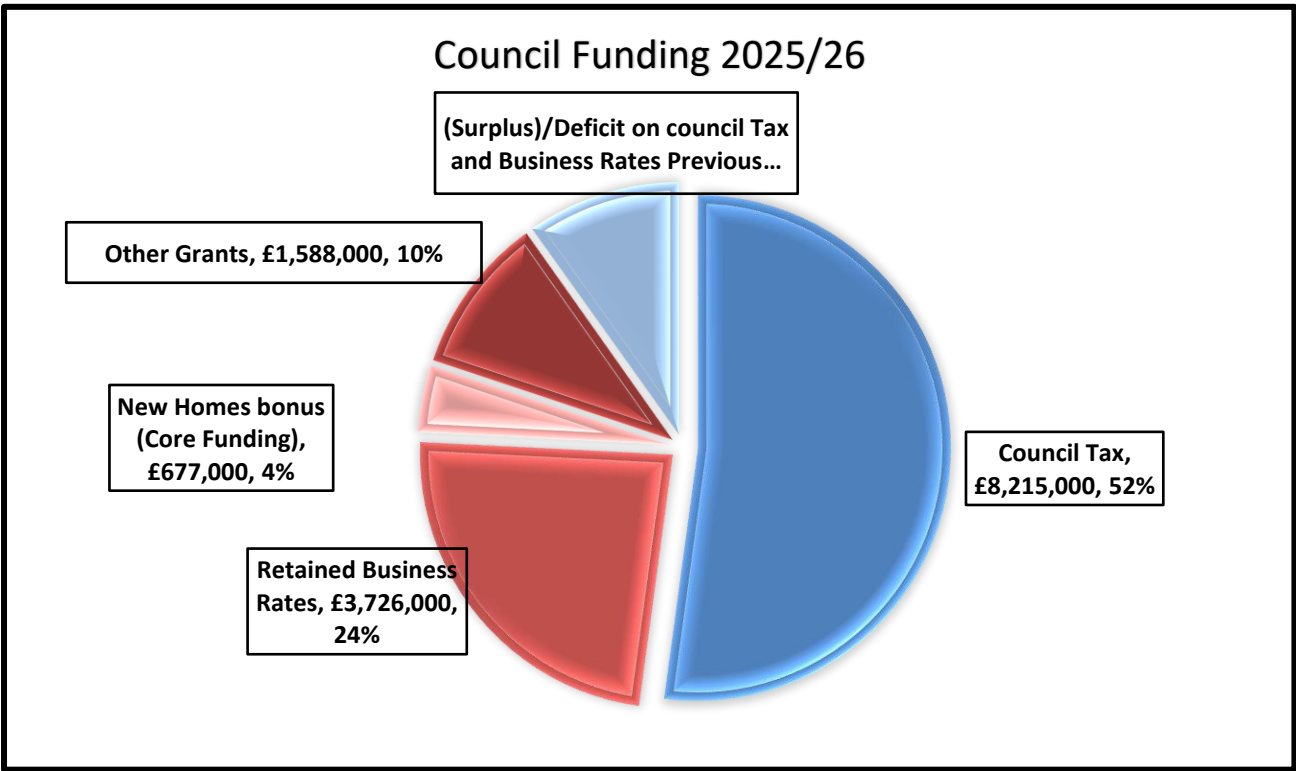
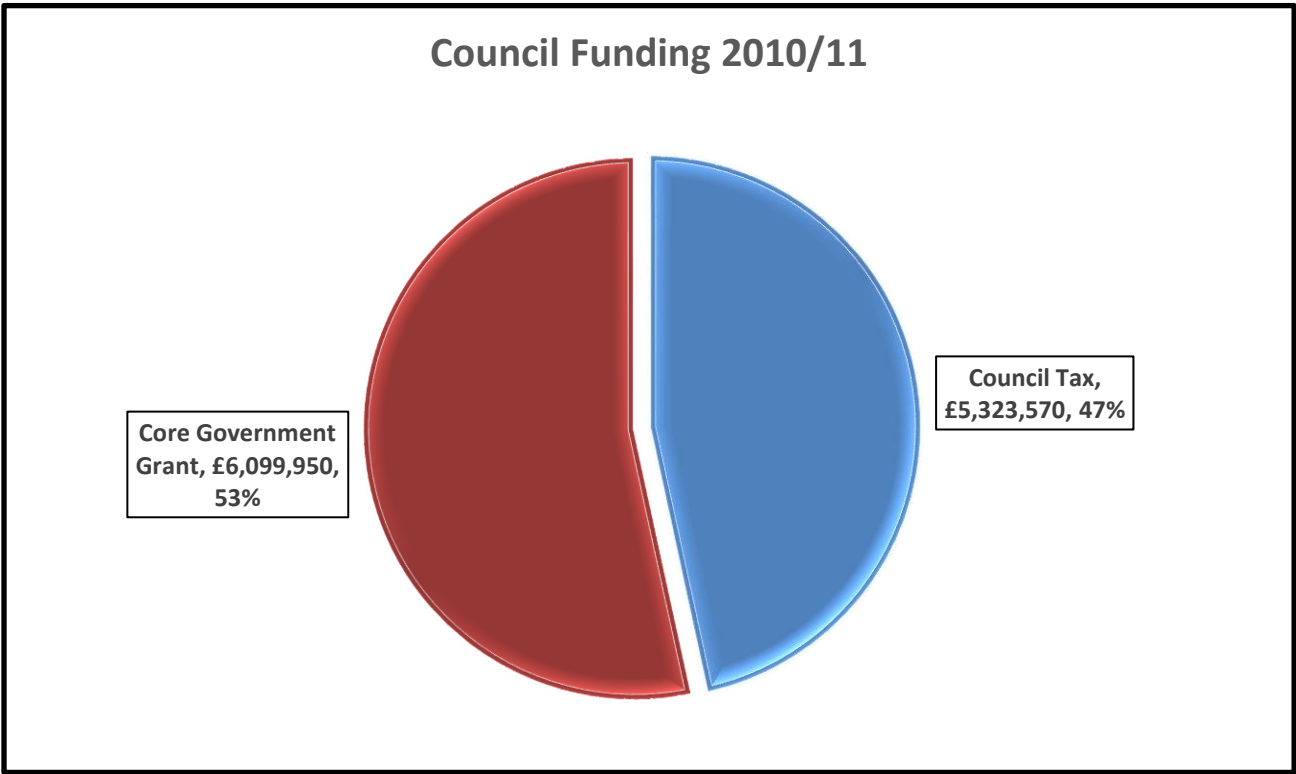
Debt and Reserves Relative to Income



Authority	Reserves : Income	Debt : Income
Broadland	55%	0%
Bromsgrove	18%	16%
Chorley	16%	138%
Hinckley and Bosworth	20%	156%
Lichfield	40%	2%
Rushcliffe	63%	0%
South Ribble	29%	0%
South Staffordshire	32%	29%
Staffordshire Moorlands	26%	22%
Stroud	42%	162%
Test Valley	64%	8%
West Oxfordshire	54%	0%

Council Tax Requirement

In 2025/26, **Council Tax** is **52%** 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 2025/26 to illustrate the changes:



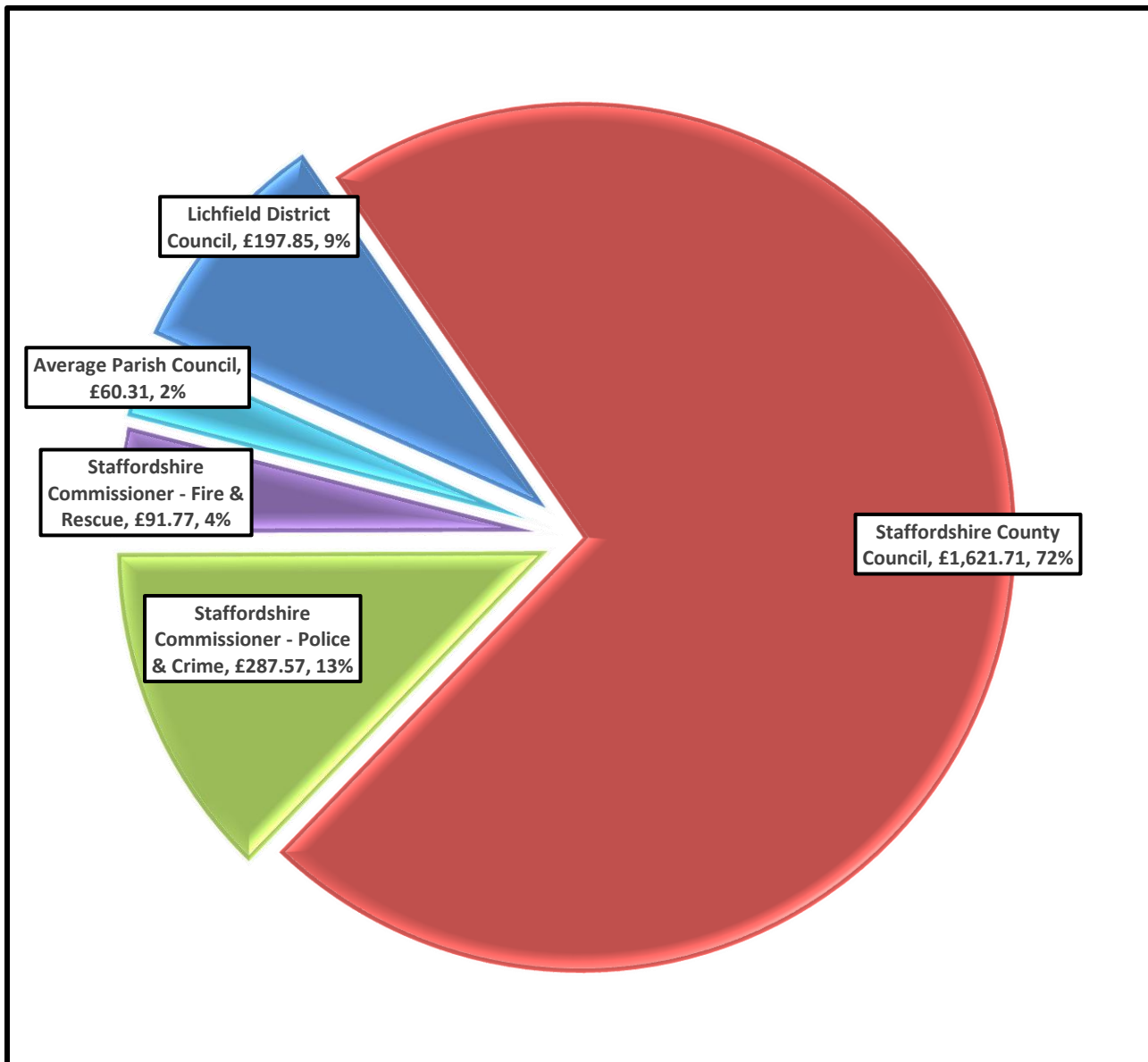
A summary of the Revenue Budget for 2025/26 by Strategic Priority (excluding accounting charges) in the format included in the **Council Tax Leaflet** is shown in the table below:

Direct Net Expenditure and Funding	2024-25 (last Year)	2025-26 (this year)		
	Our net spend was planned to be	Our net spend is set to be	Amount per Person	Amount per Band D Property
	£'000	£'000	£	£
Active Communities	30	0	£0.00	(£0.01)
- Leisure Centres and New leisure Activities				
Green Communities	4,230	4,661	£43.80	£112.25
- Waste Collection, Recycling, Pools, Open Spaces, Street Cleansing				
Prosperous Communities	(811)	(397)	(£3.73)	(£9.56)
- Tourism, Car Parks, Major Projects				
Confident Communities	1,888	2,087	£19.61	£50.26
- Housing Benefits, Environmental Health, Building Control, Planning, Housing, Garrick Theatre				
Internal Services	9,171	9,598	£90.21	£231.16
- Local Tax Collection, Elections, Corporate Costs				
Other				
Windfall Income allocated to Strategic Priorities	1,889	1,037	£9.74	£24.97
Net Cost of Services	16,396	16,986	£159.64	£409.07
Corporate and funding for Capital Expenditure	(1,066)	(1,231)	(£11.57)	(£29.64)
Transfer to General Reserves	0	0	£0.00	£0.00
Net Expenditure	15,330	15,755	£148.07	£379.43
Business Rates	(2,664)	(3,726)	(£35.02)	(£89.73)
New Homes Bonus	(1,189)	(677)	(£6.36)	(£16.30)
Other Grants	(2,319)	(1,588)	(£14.92)	(£38.24)
(Surplus) or Deficit on the collection of Council Tax and Business Rates from the previous year	(1,229)	(1,549)	(£14.56)	(£37.30)
Amount to be raised from Council Tax	£7,929	£8,215	£77.21	£197.85

The Council Tax for 2025/26

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 2025/26 **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 2025/26** is shown below:

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Employees	227	Chief Executive	243
Premises	0		
Transport	2		
Supplies and Services	13		
Transfer to/from Earmarked Reserves	0		
Third Party Payments	0		
Transfer Payments	0		
Total Expenditure	243		
Grants and Contributions	0		
Rent	0		
Fees and Charges	0		
Total Income	0		
Net Direct Expenditure	243	Net Direct Expenditure	243

The **Capital Budget for 2025/26** is shown below:

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Total Project Budgets	0	Total Funding	0

Core

The areas under the Core 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 **Revenue Budget for 2025/26** is shown below:

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Employees	3,211	Governance	1,273
Premises	0	Policy and Strategy	1,228
Transport	26	Communications and Marketing	2
Supplies and Services	3,652	HR	458
Transfer to/from Earmarked Reserves	0	Health and Safety	684
Third Party Payments	171	Major Programmes	249
Transfer Payments	0	Equalities	93
Total Expenditure	7,059	Chief Operating Officer	159
Grants and Contributions	(988)	IT	1,155
Rent	(591)		
Fees and Charges	(177)		
Total Income	(1,757)		
Net Direct Expenditure	5,302	Net Direct Expenditure	5,302

The **Capital Budget for 2025/26** is shown below:

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Replacement Leisure Centre	6,351	Capital Receipts	324
Coach Park	100	Revenue - Corporate	349
IT Infrastructure	210	Grant	2,425
Cinema Development	6,667	Shared Prosperity Fund	271
Adventure Golf at Beacon Park	245	CIL	2,446
Padel Tennis courts	160	Reserves	3,360
New 3G Pitch in Lichfield	800	Internal Borrowing	10,431
Public Realm Works on Birmingham Road	2,000		
Burntwood Masterplan	1,236		
New Primary Healthcare facility in Burntwood	1,158		
Lichfield Canal at Tamworth Road - Phase 2	200		
Alrewas - MUGA Improvement	45		
Elford - Community Park	75		
Drayton Bassett - Speed Awareness	6		
Whittington and Fisherwick - Road lining	7		
Birmingham Road Infrastructure	150		
Refit of Retail Unit - Co-op	121		
Localities Funding	75		
Total Project Budgets	19,606	Total Funding	19,606

Resident & Business Services

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
- Operations
- Development Management
- Housing Options
- Community Safety

The **Revenue Budget for 2025/26** is shown below:

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Employees	9,639	Revenues and Benefits	721
Premises	724	Building Control	(109)
Transport	2,489	Community Safety	92
Supplies and Services	4,694	Operations	2,872
Transfer to/from Earmarked Reserves	0	Housing Options	106
Third Party Payments	149	Customer Services	567
Transfer Payments	11,864	Director Resident & Business Services	135
Total Expenditure	29,559	Digital and Robotics	300
Grants and Contributions	(17,464)		
Rent	(40)		
Fees and Charges	(7,371)		
Total Income	(24,875)		
Net Direct Expenditure	4,684	Net Direct Expenditure	4,684

The **Capital Budget for 2025/26** is shown below:

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Accessible Homes (Disabled Facilities Grants)	1,613	Capital Receipts	409
Delivering Temporary Accommodation	150	Revenue - Corporate	200
Vehicle Replacement Programme - Waste Bin Purchase	6,000	Grant	3,380
Vehicle Replacement Programme - Other	150	Shared Prosperity Fund	623
Pay on Exit System at Lombard Street	345	Reserves	435
Electric Vehicle Charge Points	143	Revenue - Existing Budgets	150
Food Waste Collections	70	Leases	6,000
Changing Room Refurbishment at BLC	1,767	Internal Borrowing	1,741
Social Rented Housing	400		
Parks Improvements	2,000		
Greenway	50		
	250		
Total Project Budgets	12,938	Total Funding	12,938

Finance, Regulation and Enforcement

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 2025/26** is shown below:

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Employees	3,643	Finance	766
Premises	658	Property	959
Transport	136	Regulation and Enforcement	938
Supplies and Services	3,914	Leisure Centre Management	(132)
Transfer to/from Earmarked Reserves	0	Director Finance Regulation and Enforcement	136
Third Party Payments	4,361	Corporate Finance	3,740
Transfer Payments	0	Commission and Procurement	309
Total Expenditure	12,712	Internal Audit	138
Grants and Contributions	(266)	Development Management	(98)
Rent	(819)		
Fees and Charges	(4,871)		
Total Income	(5,956)		
Net Direct Expenditure	6,756	Net Direct Expenditure	6,756

The **Capital Budget for 2025/26** is shown below:

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Property Planned Maintenance	86	Capital Receipts	70
Streethay Community Centre	665	Revenue - Corporate	16
Climate Change	75	Section 106	65
Access to Public Buildings	50	CIL	600
		Reserves	125
			600
Total Project Budgets	876	Total Funding	876

Strategic Priority – Active Communities

The Revenue and Capital Budgets for 2025/26 are shown below:

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Employees	124	Leisure Centre Contract	36
Premises	223	Leisure - Other	(1)
Transport	1	Leisure CIL Projects	(100)
Supplies & Services	416	Burntwood Leisure Centre (Income & Spend	51
Transfer to/from Earmarked Reserves	0	New Leisure Centre at Stychbrook Park	(84)
Third Party Payments	2,738	Active Lichfield	69
Transfer Payments	0	Get Into It	28
Total Expenditure	3,503		
Grants & Contributions	(25)		
Rent	(5)		
Fees & Charges	(3,473)		
Total Income	(3,503)		
Net Direct Expenditure	0	Net Direct Expenditure	0

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Adventure Golf at Beacon Park	245	Capital Receipts	250
Alrewas - MUGA Improvement	45	Shared Prosperity Fund	400
Changing Room Refurbishment at BLC	400	CIL	1,000
New 3G Pitch in Lichfield	800	Reserves	1,351
Padel Tennis courts	160	Internal Borrowing	5,000
Replacement Leisure Centre	6,351		
Total Project Budgets	8,001	Total Funding	8,001

Strategic Priority – Prosperous Communities

The Revenue and Capital Budgets for 2025/26 are shown below:

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Employees	399	Masterplan - Project Support - Legal	30
Premises	659	Masterplan - Commercial Property Advice	93
Transport	3	Group Travel Partnership	1
Supplies & Services	1,040	District Council House	176
Transfer to/from Earmarked Reserves	0	Non Investment Properties	(112)
Third Party Payments	1,285	Lichfield Car Parks	(1,479)
Transfer Payments	0	District Car Parks	6
		Investment Properties	(321)
		LWMTS	1,071
		Business Support and Investment	11
		Major Projects	126
Total Expenditure	3,387		
Grants & Contributions	0		
Rent	(1,405)		
Fees & Charges	(2,379)		
Total Income	(3,784)		
Net Direct Expenditure	(397)	Net Direct Expenditure	(397)

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Coach Park	100	Capital Receipts	39
Pay on Exit System at Lombard Street	143	Revenue - Corporate	174
Cinema Development	6,667	Grant	2,425
Burntwood Masterplan	1,236	Shared Prosperity Fund	271
Birmingham Road Infrastructure	150	Reserves	2,152
Refit of Retail Unit - Co-op	121	Internal Borrowing	3,431
Localities Funding	75		
Total Project Budgets	8,492	Total Funding	8,492

Strategic Priority – Green Communities

The Revenue and Capital Budgets for 2025/26 are shown below:

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Employees	6,726	Operations Manager	85
Premises	277	Parks Management	82
Transport	2,434	Beacon Park	503
Supplies & Services	3,192	Burntwood Parks	13
Transfer to/from Earmarked Reserves	0	Lichfield Parks	8
Third Party Payments	18	Stowe and Minster Pools	9
Transfer Payments	0	Climate Change Initiatives	20
		Environmental Protection	365
		Joint Waste Service	2,107
		Plant Lane Depot	151
		Domestic Waste Collection	(48)
		Trade Waste Collection - Refuse	(155)
		Trade Waste Collection - Recycling	(19)
		Grounds Maintenance	473
Total Expenditure	12,647	Streetscene Management	151
Grants & Contributions	(4,397)	Street Cleansing	631
Rent	(5)	Conservation and Listed Buildings	55
Fees & Charges	(3,583)	Ecology Offset Grant	(14)
Total Income	(7,986)	Ecology and Bio Diversity	243
Net Direct Expenditure	4,661	Net Direct Expenditure	4,661

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Vehicle Replacement Programme - Waste	6,000	Revenue - Corporate	200
Bin Purchase	150	Grant	1,767
Vehicle Replacement Programme - Other	345	Shared Prosperity Fund	223
Electric Vehicle Charge Points	70	CIL	275
Food Waste Collections	1,767	Reserves	367
Public Realm Works on Birmingham Road	2,000	Revenue - Existing Budgets	150
Lichfield Canal at Tamworth Road - Phase 2	200	Leases	6,000
Elford - Community Park	75	Internal Borrowing	2,000
Parks Improvements	50		
Greenway	250		
Climate Change	75		
Total Project Budgets	10,982	Total Funding	10,982

Strategic Priority – Confident Communities

The Revenue and Capital Budgets for 2025/26 are shown below:

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Employees	3,926	Garrick Theatre SPA	75
Premises	76	Partnerships and Policy	317
Transport	88	Community Safety	92
Supplies & Services	2,563	The Benefits Service	(75)
Transfer to/from Earmarked Reserves	0	Housing Benefits - Payments	242
Third Party Payments	147	Community Lottery	10
Transfer Payments	11,864	Miscellaneous Properties	(5)
		Housing Options and Homelessness	7
		Housing Register	104
		Housing Strategy and the Enabling Role	260
		UK Shared Prosperity Funding	0
		Housing Enforcement and Licensing	90
		Food Safety	265
		Regulation and Enforcement Manager	80
		Planning Enforcement	123
		District Highways	19
		Abandoned Vehicles	1
		Street Lighting	4
		Public Conveniences	82
		Closed Circuit Television	209
		Bus Station	41
		Civil Parking Enforcement	(1)
		Emergency Planning and Business Continuity	35
		Local Land Charges - LDC	(12)
		Building Control Register EIR	(15)
		Licensing	(20)
		Planning Fee Increase	(6)
		Planning Applications	(91)
		Building Regulations-Chargeable Account	51
		Building Control - Administration	267
		Building Control - Management	81
		Building Regs - Non Chargeable Account	(482)
		Spatial Policy and Delivery Service	287
		Local Plan	90
		Street Naming and Numbering	(39)
Total Expenditure	18,665	Net Direct Expenditure	2,087
Grants & Contributions	(13,831)		
Rent	(35)		
Fees & Charges	(2,712)		
Total Income	(16,578)		
Net Direct Expenditure	2,087		

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Accessible Homes (Disabled Facilities Grants)	1,613	Capital Receipts	409
Delivering Temporary Accommodation	150	Grant	1,613
Streethay Community Centre	665	Section 106	65
New Primary Healthcare facility in Burntwood	1,158	CIL	1,771
Drayton Bassett - Speed Awareness	6	Reserves	50
Whittington and Fisherwick - Road lining	7	Internal Borrowing	1,741
Social Rented Housing	2,000		
Access to Public Buildings	50		
Total Project Budgets	5,649	Total Funding	5,649

Strategic Priority – Internal Services

The Revenue and Capital Budgets for 2025/26 are shown below:

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Employees	5,546	Chief Executive and Support	243
Premises	145	Communications & Promotion	2
Transport	126	Financial Services	389
Supplies & Services	5,061	Financial Management Information System	88
Transfer to/from Earmarked Reserves	0	Corporate Management	1,852
Third Party Payments	494	External Audit	167
Transfer Payments	0	Treasury Management	122
		Procurement	234
		Director - Finance Regulation and Enforcement	136
		Corporate Costs-Non Distributable Costs	851
		MTFS Budgets	1,037
		Insurance Administration and Premiums	597
		Internal Audit Services	138
		Revenue Collection	554
		Chief Operating Officer	159
		Central Postage	96
		Governance Team	664
		Members	360
		Civic Services	16
		Election Expenses	49
		Electoral Registration	183
		Corporate Landlord	109
		Customer Services	471
		HR Services	0
		Health and Safety	88
		Apprenticeships	93
		Director - Resident and Business Services	135
		Other HR Services	308
		E-Business and Information Strategy	494
Total Expenditure	11,372	Digital Team	211
Grants & Contributions	(465)	JADU (Website)	88
Rent	0	IDOX System (Land Charges)	101
Fees & Charges	(272)	IT Licenses	600
Total Income	(737)		
Net Direct Expenditure	10,635	Net Direct Expenditure	10,635

Budget Costs	Budget 2025/26 £'000	Budget Costs	Budget 2025/26 £'000
Property Planned Maintenance	86	Capital Receipts	105
IT Infrastructure	210	Revenue - Corporate	191
Total Project Budgets	296	Total Funding	296