



LICHFIELD CITY COUNCIL

DRAFT BUDGET 2026/27

The budget report is based on Council Tax level of £81.70 (for an average Band D property), an increase of £4.62p per year.

The report shows:

- Actual net expenditure 2024/25 (last year)
- Original budget for 2025/26 (current year)
- Year-end estimate for 2025/26
- Draft budget estimates 2026/27
- Balances and reserves for 2024/25, 2025/26 and 2026/27
- The Council Tax analysis for the three years

Following the report there is a detailed draft budget analysis to provide further background to members on the headline figures supplied.

Note 1: Increase in base budget following several years of overspend arising from necessary maintenance and desired improvement of open spaces, footpaths, lighting maintenance etc

Note 2: Reflects potential loss of income during disruption caused by roof repairs

Note 3: Includes sum for Freedom of the City and associated event/provisions

Note 4: Includes funding for Lichfield hosting the 2026 Twinning Weekend

Note 5: Includes revenue funded Strategic Planning Support and Measured Survey as adopted by council in December 2025 following JBAC recommendation

Note 6: Forecast lower investment income due to reduced interest from fixed term Treasury Account, reflecting general trend of reducing interest rates

Note 7: Total Cost of **£124,857** To be funded from the **CAPITAL reserve** - the draft Repairs and Renewals programme is detailed at **APPENDIX 7**.

Note 8: Based on known allocation/spend; subject to variation dependent upon CIL requests received, amounts awarded, and timescales for CIL funded projects.

Note 9: Breakdown of 'Total' figure:

Total to/(from) Earmarked Reserves	
Contribution from Repairs and Renewals Capital Earmarked Reserve	£124,857
Contribution from CIL Reserve	£22,635
Contribution from Twinning Reserve	£17,000
Total Contribution from Reserves	£164,492

Increases for Guildhall lettings and Market pitch fees (excluding Service Charge) included as detailed separately on the agenda. General inflationary increase included where applicable.

Budget includes a 3.5% provision for 2026/27 pay award (subject to national agreement) and reflects a 1% reduction in employer pension contributions.

RECOMMENDED: That Council approve the Budget Estimates and Report for the 2026/27 financial year totalling £1,239,505; and that the precept for 2026/27 be set at £1,075,013.

<u>Net Expenditure</u> SERVICE AREAS	ACTUAL 2024/25 £	BUDGET 2025/26 £	ESTIMATE 2025/26 YEAR END £	BUDGET 2026/27 £	Note
<i>Parks and Footpaths</i>	277,100	273,892	302,252	299,698	1
<i>Guildhall</i>	146,525	141,786	141,901	157,215	2
<i>Community Centres</i>	11,311	15,199	15,225	14,878	
<i>Markets</i>	-4,651	3,615	-694	-3,141	
<i>Civic</i>	100,625	108,287	110,472	121,775	3
<i>Grant Aid/Partnerships</i>	60,070	77,474	79,249	79,238	
<i>Arts/Tourism/Twinning</i>	91,167	90,478	93,188	116,723	4
<i>Johnson Birthplace Museum</i>	157,563	176,020	168,578	178,965	5
<i>Democratic Services</i>	141,796	176,067	172,055	187,100	
<i>Investment Interest</i>	-77,262	-61,110	-62,110	-49,350	6
<i>Loan Charges</i>	0	0	0	0	
<i>Agency</i>	-12,228	-3,100	-12,176	-11,088	
Total Service Cost	£892,016	£998,698	£1,008,450	£1,092,013	
<i>Repairs and Renewals</i>	102,071	36,493	45,733	124,857	7
<i>Community Infrastructure Levy (CIL)</i>	-10,377	-9,846	-64,356	22,635	8
SUB TOTALS	£983,710	£1,025,345	£989,827	£1,239,505	
PRECEPT	£939,900	£998,698	£998,698	£1,075,013	
To/(From) Balances	(£43,810)	(£26,647)	£8,871	(£164,492)	9

<u>Balances and Reserves</u>	ACTUAL 2024/25 £	BUDGET 2025/26 £	ESTIMATE 2025/26 YEAR END £	BUDGET 2026/27 £	
<i>Opening Balance (1 April)</i>	1,713,542	1,615,138	1,669,732	1,678,603	
<i>To/(From) balances</i>	(43,810)	(26,647)	8,871	(164,492)	9
<i>Closing Balance</i>	£1,669,732	£1,588,491	£1,678,603	£1,514,111	
<u>Closing balance held as:</u>					
<i>Capital Reserve - Repairs/Renewals</i>	1,017,680	709,146	971,947	847,090	7
<i>Grant Aid Reserve</i>	4,033	4,033	4,033	4,033	
<i>Parish Election Reserve</i>	24,713	24,713	24,713	24,713	
<i>Twinning Reserve</i>	17,000	17,000	17,000	0	4
<i>CIL Reserve</i>	126,027	114,408	190,383	167,748	8
<i>General Revenue Reserves</i>	480,279	719,191	470,527	470,527	
<i>Closing Balance</i>	£1,669,732	£1,588,491	£1,678,603	£1,514,111	

<u>Council Tax Analysis</u>	ACTUAL 2024/25	BUDGET 2025/26	ACTUAL 2025/26	BUDGET 2026/27	
<i>Precept</i>	£939,900	£998,698	£998,698	£1,075,013	
<i>Apportioned Tax Base</i>	£12,742.6	£12,957	£12,957	£13,157.4	
RESULTANT BAND D TAX	£73.76	£77.08	£77.08	£81.70	

DRAFT BUDGET 2026/27 ANALYSIS

<u>Net Expenditure</u>	ACTUAL 2024/25	BUDGET 2025/26	ESTIMATE 2025/26	BUDGET 2026/27
SERVICE AREAS	£	£	£	£
Parks and Footpaths				
Employee costs	39,805	42,939	42,589	45,283
Central administration	30,414	31,349	29,812	34,100
Contract repair/maintenance	145,154	149,510	149,589	155,865
Other repair/maintenance	56,759	42,724	76,177	60,270
Energy	8,171	10,720	7,130	7,440
Miscellaneous income	-1,676	-1,660	-1,660	-1,660
Burial fees income	-427	-500	-285	-500
Allotment rents	-1,100	-1,100	-1,100	-1,100
Total	277,100	273,982	302,252	299,698
Guildhall				
Employee costs	100,763	108,698	107,812	114,631
Central administration	29,365	30,268	28,784	32,924
Repair/maintenance	25,590	16,800	20,800	17,900
Energy	17,759	25,930	19,030	19,790
Rates	7,627	8,650	8,480	10,450
Supplies and Services	32,476	26,510	33,465	32,940
Lettings	-67,055	-75,070	-76,470	-71,420
Total	146,525	141,786	141,901	157,215
Community Centres				
Employee costs	7,376	7,957	7,892	8,391
Central administration	3,146	3,242	3,083	3,527
Boley Hall	-565	1,000	-186	-40
Curborough	564	1,000	1,400	1,000
Cruck House	0	1,000	1,000	1,000
Darwin Hall	790	1,000	2,036	1,000
Total	11,311	15,199	15,225	14,878
Markets				
Employee costs	52,057	56,156	55,699	59,222
Central administration	18,878	19,459	18,505	21,167
Repair/maintenance	1,846	2,310	2,310	2,310
Energy	3,229	5,300	3,100	3,230
Rates and Water	18,070	19,950	19,350	13,260
Supplies & Services	9,588	13,000	12,500	14,300
Misc. lettings	-17,523	-15,020	-15,020	-15,600
Friday market income	-31,971	-34,150	-33,150	-35,340
Saturday market income	-30,260	-33,780	-32,080	-34,960
Farmers/Producers market income	-3,425	-3,630	-3,630	-3,780
Tuesday market income	-25,140	-25,980	-27,380	-26,950
Grants In Kind	0	0	-898	0
Total	-4,651	3,615	-694	-3,141

<u>Net Expenditure</u>	ACTUAL 2024/25	BUDGET 2025/26	ESTIMATE 2025/26	BUDGET 2026/27
SERVICE AREAS	£	£	£	£
Civic				
Employee costs	61,064	65,872	65,335	69,468
Central administration	24,122	24,865	23,646	27,047
Mayor's allowance	1,295	3,650	2,150	3,650
Sheriff's allowance	821	3,150	1,650	3,150
Supplies and services	4,222	3,100	6,907	4,070
Events	7,965	6,210	10,348	12,960
Mayor's Banquet	440	440	432	430
Sheriff's Ride	696	1,000	4	1,000
Total	100,625	108,287	110,472	121,775
Grant Aid/Partnerships				
Employee costs	5,686	6,134	6,084	6,469
Central administration	10,488	10,810	10,280	11,759
Grants to outside bodies	36,756	50,000	50,000	50,000
Grants for open Churchyards	7,140	10,530	10,587	11,010
Grants in Kind	0	0	2,298	0
Total	60,070	77,474	79,249	79,238
Arts/Tourism/Twinning				
Employee costs	30,944	33,381	33,109	35,203
Central administration	13,634	14,052	13,363	15,285
Arts/Culture/Tourism	1983	4,535	7,076	23,535
Christmas Lights	48,306	38,510	39,640	42,700
income	-3700	0	0	0
Total	91,167	90,478	93,188	116,723
Johnson Birthplace Museum				
Employee costs	116,704	125,894	124,868	132,766
Central administration	16,782	17,296	16,448	18,814
Repair/Maintenance	7,745	4,370	4,370	4,410
Energy	5,813	8,270	6,380	6,630
Rates and Water	357	440	500	440
Supplies and Services	30,834	36,620	40,527	40,260
Promotion	640	2,000	2,000	2,000
Restoration	0	750	750	750
Stock for sale	3,990	3,000	6,425	6,425
Sales income	-12,696	-10,980	-19,320	-19,160
Contribution from Birthplace Trust	-12,606	-11,640	-14,370	-14,370
Total	157,563	176,020	168,578	178,965

<u>Net Expenditure</u>	ACTUAL 2024/25	BUDGET 2025/26	ESTIMATE 2025/26	BUDGET 2026/27
SERVICE AREAS	£	£	£	£
Democratic Services				
Employee costs	81,589	93,013	92,255	98,090
Central administration	54,536	61,834	58,800	67,260
Supplies and Services	0	15,000	15,000	15,000
Election costs	1,802	2,060	2,060	2,140
Newsletter	3,787	3,860	3,860	4,010
Member allowances/travel etc.	82	300	590	600
Total	141,796	176,067	172,565	187,100
Investment Interest				
Interest	-77,262	-61,110	-62,110	-49,350
Total	-77,262	-61,110	-62,110	-49,350
Agency				
Employee costs	2,934	3,165	3,139	3,337
Central administration	2,097	2,165	2,058	2,355
Contract repair/maintenance	14,480	14,910	15,001	15,600
SCC Verge Income	-31,739	-23,340	-32,374	-32,380
Total	-12,228	-3,100	-12,176	-11,088
Total Service Costs	£892,016	£998,698	£1,008,450	£1,092,013
Repairs and Renewals				
Employee costs	7,820	1,627	1,614	1,716
Central administration	6,291	866	823	941
Guildhall/Donegal House	16,599	7,000	20,294	100,000
Samuel Johnson Birthplace	34,180	6,000	6,033	14,700
Parks and Footpaths	8,506	15,000	10,969	0
Community Centres	28,675	6,000	6,000	7,500
Total	102,071	36,493	45,733	124,857
community Infrastructure Levy(CIL)				
Expenditure	33,675	41,657	41,657	80,000
Receipts	-44,052	-51,503	-106,013	-57,365
Total	-10,377	-9,846	-64,356	22,635
Johnson Birthplace Charitable Trust				
Grant/Donations	-9,372	-8,360	-11,090	-11,090
Admissions income	-3,234	-3,280	-3,280	-3,280
Funding to LCC	12,606	11,640	14,370	14,370
Total	0	0	0	0
TOTAL	£983,710	£1,025,345	£989,827	£1,239,505
PRECEPT	£939,900	£998,698	£998,698	£1,075,013
TOTAL To/(From) balances	(£43,810)	(£26,647)	£8,871	(£164,492)

<u>Net Expenditure</u>	ACTUAL 2024/25	BUDGET 2025/26	ESTIM ATE 2025/26	BUDGET 2026/27
SERVICE AREAS	£	£	£	£
NOTE-Internal Recharges				
Employee Cost				
Employee costs	599,409	646,610	641,340	681,905
Recharge to Services	-599,409	-646,610	-641,340	-681,905
Total	0	0	0	0
Central Administration				
Employee costs	92,669	101,775	100,946	107,332
Central administration	0	0		0
Mileage Allowance	684	500	1,000	1,000
Professional Fees/Audit Fees	15,170	8,900	5,600	9,000
OfficeRates/Water	10,197	10,370	10,370	11,860
Office Energy	9,058	13,080	8,510	8,850
Supplies & Services	41,879	37,230	37,230	45,550
Telephone/Postage	3,881	4,610	4,610	5,500
Subscriptions. Courses/Training	4,914	4,720	4,720	9,720
Insurance	37,272	40,826	38,703	42,456
Office Rent	-5,929	-5,800	-6,077	-6,077
Miscellaneous Receipts	-43	-10	-15	-15
Recharge to Services	-209,752	-216,201	-205,597	-235,176
Total	0	0	0	0
Balances & Reserves				
Opening Balance	1,713,542	1,615,138	1,669,732	1,678,603
to/-from reserve	-43,810	-26,647	8,871	-164,492
Closing Balance	£1,669,732	£1,588,491	£1,678,603	£1,514,111
Breakdown of Reserve				
Repairs/Renewals Reserve-Building	1,017,680	709,146	971,947	847,090
Grant Aid Reserve	4,033	4,033	4,033	4,033
Election Reserve	24,713	24,713	24,713	24,713
Twinning Reserve	17,000	17,000	17,000	0
CIL Reserve	126,027	114,408	190,383	167,748
General Revenue Reserves	480,279	719,191	470,527	470,527
Closing Balance	£1,669,732	£1,588,491	£1,678,603	£1,514,111
Total Expenditure	1,353,712	1,376,643	1,425,521	1,607,607
Total income	-370,002	-351,298	-435,694	-368,102
Net Expenditure	983,710	1,025,345	989,827	1,239,505
Precept	-939,900	-998,698	-998,698	-1,075,013
TOTAL (To) /From balances	£43,810	£26,647	-(£8,871)	£164,492