



## 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:

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

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

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

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

**DRAFT BUDGET 2026/27 ANALYSIS**

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

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

<u>Net Expenditure</u>	ACTUAL 2024/25	BUDGET 2025/26	ESTIMATE 2025/26	BUDGET 2026/27
SERVICE AREAS	£	£	£	£
<b>Democratic Services</b>				
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
<b>Total</b>	<b>141,796</b>	<b>176,067</b>	<b>172,565</b>	<b>187,100</b>
<b>Investment Interest</b>				
Interest	-77,262	-61,110	-62,110	-49,350
<b>Total</b>	<b>-77,262</b>	<b>-61,110</b>	<b>-62,110</b>	<b>-49,350</b>
<b>Agency</b>				
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
<b>Total</b>	<b>-12,228</b>	<b>-3,100</b>	<b>-12,176</b>	<b>-11,088</b>
<b>Total Service Costs</b>	<b>£892,016</b>	<b>£998,698</b>	<b>£1,008,450</b>	<b>£1,092,013</b>
<b>Repairs and Renewals</b>				
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
<b>Total</b>	<b>102,071</b>	<b>36,493</b>	<b>45,733</b>	<b>124,857</b>
<b>community Infrastructure Levy(CIL)</b>				
Expenditure	33,675	41,657	41,657	80,000
Receipts	-44,052	-51,503	-106,013	-57,365
<b>Total</b>	<b>-10,377</b>	<b>-9,846</b>	<b>-64,356</b>	<b>22,635</b>
<b>Johnson Birthplace Charitable Trust</b>				
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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>£983,710</b>	<b>£1,025,345</b>	<b>£989,827</b>	<b>£1,239,505</b>
<b>PRECEPT</b>	<b>£939,900</b>	<b>£998,698</b>	<b>£998,698</b>	<b>£1,075,013</b>
<b>TOTAL To/ (From) balances</b>	<b>(£43,810)</b>	<b>(£26,647)</b>	<b>£8,871</b>	<b>(£164,492)</b>

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